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In Magazine section:
European influence in U.S. advertising

Advertising Age®

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Miles shifts stress for vitamin surge

By JENNIFER ALTER

Squeezed by strong activity from advertised brands of vitamins on one side and tremendous growth in natural vitamins on the other, Miles Laboratories is preparing to strike back.

In one fell swoop this winter, the Elkhart, Ind.-based marketer will rise to protect its 40-year-old vitamin franchise by repackaging and repositioning its One A Day line under the umbrella theme, "Putting nutrition to work for your body."

At the same time it will launch Stressgard, its first entry in the fast-growing stress area, strengthen its mineral product to make it viable in the high-potency segment and change the name of its 1-year-old Core C 500 to clarify its vitamin C properties. It also plans to rename its mainstay item, One A Day Multiple Vitamins, as One A Day Essential; that change will be gradual as inventory depletes.

A spokeswoman for Miles said the revamp is an attempt "to strengthen the brand and demonstrate we are at the forefront of nutritional science." She said the packaging is designed "to better differentiate our products" as a group.

With the adoption of the new advertising theme, scheduled to break next March 15 with a budget of $10,000,000 in network tv and con-

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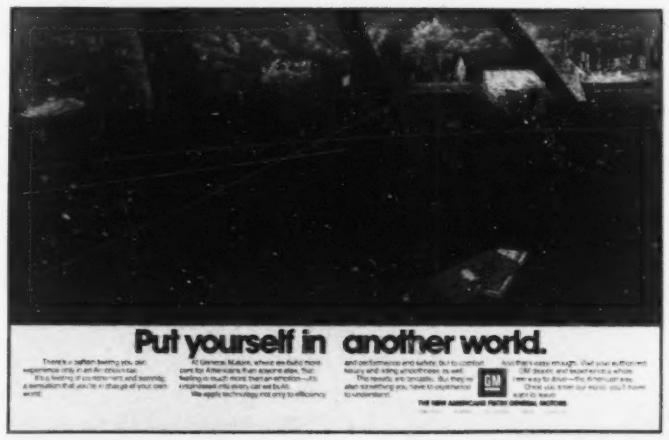
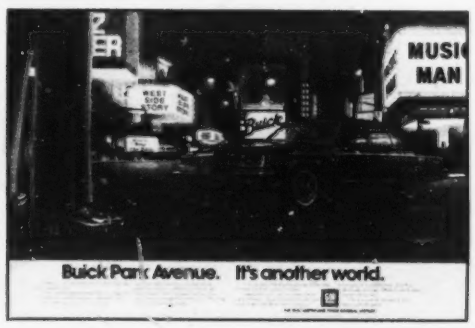


GM's beautiful Americans

"There's a certain feeling you can experience only in an American car," states the theme ad (l.) from General Motors, set to run throughout Europe, Japan, the Middle East and Latin America. Magazines are the major medium in the export push, with ads from McCann-Erickson depicting the "American mystique."



GM selling U.S. in major export push

By RALPH GRAY

DETROIT—Tiny General Motors will toddle into battle against the international auto giants with an export car campaign.

In a reversal of roles, GM will step up efforts to become an import car company to Europe, the Middle East, the Far East, Latin America and Japan, where it is just another import brand. GM ranks eighth in worldwide sales behind Toyota, Nissan, Ford, Fiat, Renault and others. The export move is in addition to GM's indigenous overseas operations.

"We are starting there where they started here—in a fringe market," said Gary Spedoske, associate creative director of McCann-Erickson, Troy. McCann is the agency for GM's recently formed North American Vehicles Overseas division (NAVO).

It's the old idea of foreign mystique turned around, said Dorien Sutherland, account director. Both Mr. Spedoske and Mr. Sutherland are veteran McCann overseas hands. Gerald Atkin, former McCann exec on Opel in Germany and GM in Latin America, is exec vp and general manager on the account.

"A foreign product generates a certain appeal. We're doing the same thing the imports did here. It's a minority appeal at both ends of the Atlantic," Mr. Sutherland said.

"Worldwide, GM has a share of the market similar to what Peugeot has in America. GM is a small company outside North America," Mr. Spedoske noted with some exaggeration. Peugeot has 0.08% of the U.S. market against GM's goal of 1% of Europe for NAVO.

▪ The export of American-built cars is consistent with GM's idea of world cars, said Ronald G. Royer, assistant general sales manager of NAVO.

"We're a world car going the other way, but it's still part of the same world car concept," he added. That idea is to source cars and components at their best geographical sites. GM's bigger cars are made in America.

The fact of U.S. manufacture is at the heart of GM's strategy. "We must convey the idea that the purchase of an American car is the buying of a facet of the American way of life," Mr. Sutherland said.

(Continued on Page 100)

PLAN THREATENS SUPERSTATIONS

Turner, CATA fight bill

By MAURINE CHRISTOPHER

Community Antenna TV Assn., Turner Broadcasting System, independent catv operators and satellite resale carriers are putting together a coalition, hoping to sidetrack proposed legislative copyright revisions advanced by the giants of tv, cable and movies.

TBS chairman Ted Turner and Stephen Effros, executive director of CATA, warned that the move to reestablish syndication exclusivity protection—on a much broader basis than the old top 50 market rule—could dim, if not doom, the future for superstationing.

Gill Cable's Allen Gilliland, chairman of the National Cable TV Assn., disagreed and said the "compromise" plan would allow local systems to import an unlimited number of distant (over-the-air) signals if they wished.

He said the revisions hammered out with the National Assn. of Broadcasters and the Motion Picture Assn. of America staved off "much worse" changes from chairman Robert Kastenmeier (D., Wis.) of the House judiciary subcommittee.

As sketched out in their recommendations, the new bill would give the MPAA its syndie curbs, NAB its cable must-carry rules written into the law and NCTA its current complicated procedure for paying producers for shows picked up from tv stations. Large systems pay less than 1% of their gross revenues into the copyright pot; altogether that figure now runs about $20,000,000 a year.

Both Mr. Effros and Mr. Turner emphasized the public service aspects of this red hot controversy. Some critics of the recommended revisions think they could have the effect of blacking out a good deal of the U.S. from Satcom I-fed movies and syndication series from superstations WTBS, At-

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last minute news

Armour slates review after split with Y&R

PHOENIX—Armour has split with Y&R on processed meats and will conduct a review. Dailey, Chiat/Day and Bozell have been contacted and other agencies will be asked to compete. Ad spending estimated at $5,000,000-plus by Armour, $3,200,000 by Y&R, which had the account for 20 years and declined to compete when parent Greyhound Corp. chief John W. Teets called for the review.

General Foods goes national with Fruit 'n Fibre

WHITE PLAINS, N.Y.—General Foods is rolling national with Fruit 'n Fibre presweetened cereal. Advertising by Grey Advertising breaks in December.

FCB wins $5 million Volume Shoe account

TOPEKA—Volume Shoe has named FCB, Chicago, to handle its estimated $5,000,000 Payless and Volume retail shoe accounts. The company had heard presentations from O&M, JWT, Y&R and Scali, McCabe, Sloves. Previous shop: SCG Advertising.

BK redirecting 'Make it special,' franchisees told

HONOLULU—At its franchise convention here, Burger King introduced a 1982 campaign redirecting "Make it special" toward the chain's products. Jerry Ruenheck, president, said the company plans to open 250 new stores next year and to continue rolling out breakfast to a total of 1,000

(Continued on Page 8)

Dodgers also win in ratings

By JAMES P. FORKAN

NEW YORK—CBS-TV and ABC-TV execs could share the Los Angeles Dodgers' thrill of victory as their own Nielsen World Series went midway through the fourth week of the new tv season.

NBC top brass, on the other hand, could easily empathize with the New York Yankees' agony of defeat.

Week 4 of the fall season saw CBS and ABC split the first two nights last week. Oct. 26 numbers, in fact, showed all three nets in "a real dogfight," as an ABC official put it, with his network tying NBC for second with a 21 homes rating and CBS winning narrowly with a 21.4. CBS owed its Monday edge to the return of "M*A*S*H" and slight gains by "Private Benjamin" and "The Two of Us."

NBC's "Little House on the Prairie" won the opening Monday hour, as ABC's "That's Incredible" lost, but the night evened out as

(Continued on Page 98)

She's been left with a mint . . . soft mint

A first-ever television campaign for Luden's Mellomint, a chocolate covered peppermint patty with a soft center, is airing on prime time and in early and late fringe in selected markets. The 30-second commercials by Geers Gross feature a series of vignettes involving puns about the "mint."

Libby sees break in Tang hold

By JANET NEIMAN

CHICAGO—Libby, McNeill & Libby is projecting that it will expand the $117,000,000 orange breakfast drink market with its new Daybreak drink mix, but industry observers believe the product is more likely to threaten what one called "the vulnerable position" of General Foods' Tang.

Daybreak, unlike the other major products in the category, contains 10% real orange juice—a claim that is certain to be prominent in print and tv advertising that is expected to start later this year. The product, packed in 18 and 27-oz. glass jars, is rolling national, beginning in the Midwest.

Tang for years has been the undisputed category leader, with 85% of the market. Borden's Orange Burst—testing in Cleveland and Kansas City—and Borden Instant Breakfast Drink hold a combined 2.2% share, while private label products, including generics, pull about 11.8%.

A Libby spokeswoman said the company expects Daybreak to enlarge the orange breakfast drink mix category "by attracting consumers who are looking for a more natural alternative."

But, priced competitively against Tang, Daybreak and its 10% real juice content would be more apt to divert market shares from the General Foods product than from real orange juice.

With the exception of Borden's minimal headway into the category, most other companies have been unsuccessful in their challenges to Tang. In the early '70s, for example, Kellogg tested Rise 'n

(Continued on Page 98)

Sudler & Hennessey expands

Arthur Rosen (l.), formerly at Grey Advertising, and Hanno Fuchs (r.) from Young & Rubicam, will be the key execs in Sudler & Hennessey's new consumer group. Welcoming them is Matthew Hennessey, chairman of S&H, the No. 1 healthcare agency.

Ethical leader adds otc unit

By CHRISTY MARSHALL

NEW YORK—When a pharmaceutical company client decides to take its prescription drug over-the-counter, Sudler & Hennessey, the world's largest healthcare agency, no longer will automatically lose the business to a consumer shop. Sudler & Hennessey has opened a consumer group to handle the booming otc category.

Arthur Rosen, a former vp-group management supervisor at Grey Advertising, has been named exec vp-managing director of the new S&H Consumer Group, and Hanno Fuchs has been lured away from parent company Young & Rubicam to be the group's senior vp-group creative director. Although most recently employed at Grey, Mr. Rosen also worked at Y&R with Mr. Fuchs.

The consumer group opens with four assignments from Parke-Davis and a project assignment from Ciba Proprietary, a division of Ciba-Geigy. Mr. Rosen estimated capitalized billings at the outset are in the $15,000,000 range. The new S&H Consumer Group also has landed a new account—a piece of business the execs declined to disclose.

■ With the addition of S&H Consumer Group, Matthew J. Hennessey, chairman-ceo of Sudler & Hennessey, predicts the S&H family will bill $100,000,000 by the end of 1982. The agency consists of three U.S. offices (two in New York, one in Chicago) and six offices overseas.

The decision to add consumer to its capabilities is a direct result of

(Continued on Page 98)

highlights

Monday, Nov. 2, 1981

At this year's annual Direct Mail/Marketing Assn. meeting, delegates were urged to embrace the new technologies. *See Page 6.*

The National Assn. of Manufacturers is getting into the effort to curb Federal Trade Commission powers. *See Page 10.*

Jack in the Box starts a new tv and radio campaign that names the fast-food chain's competitors. *See Page 14.*

J. C. Penney Co. exec sees 1982 and '83 as good years for general merchandise retailers. *See Page 20.*

General Motors is slightly increasing the size of its pickup trucks to gain an advantage over rival Japanese imports. *See Page 24.*

Heineken Holland beer is going strong this year after a stormy 1980. *See Page 36.*

"Has Gillette's move into the lower-price segment of the writing instrument market benefited it?" questioned analysts. *See Page 80.*

Rockbill Inc. scores as a matchmaker by tying Jovan with the Rolling Stones and Sony's tape division with Rod Stewart. *See Page 83.*

Watch companies develop new ads as holiday season nears. *See Page 101.*

CORPORATE CLOSEUP

Converse juggles images to pull off its grand plan and enter the running shoe market. *See Page 4.*

FOLLOWUP

Sperry Corp.'s 2-year-old "Listen" campaign is doing a lot more than originally intended. *See Page 36.*

INTERNATIONAL

The launch of the Renault 9, a new small family compact auto, seems to be bogged down in a debate over a name for the new car with only weeks to go before the launch in Germany, Austria, Belgium and Holland. *See Page 38.*

In Sweden, a special commission is on the verge of releasing a report that calls for a ban on video advertising directed at the home users' market. *See Page 78.*

MAGAZINE

Hooper White looks at the creative influence the British have made on American television commercials—a new trend he calls product graphics. *See Page 55.*

How does the knowledgeable media buyer view networks' mania for seasonal No. 1? R. E. (Buck) Buchanan looks at the ratings race. *See Page 60.*

To some, advertising may be a useless profession. For Gail M. Raphael, the training advertising provided him helped him in many crises. *See Page 63.*

REGULATION

The new Food & Drug Administration chief may be willing to sacrifice "scientific precision" on over-the-counter drug labels to make them more understandable. *See Page 42.*

RESEARCH

Marketing Science Institute is celebrating 20 years of studying industry issues, and salutes its founder. *See Page 28.*

VIDEOTECH

Teleconferencing and interactive video were buzzwords heard plenty at the 12th annual Video Expo in New York. *See Page 72.*

"Raging Bull" scored a retail sales knockout, hitting No. 1 in September vcr retail sales. *See Page 73.*

section 2

RETAIL

The trends that come and go are bound to capture the retailer's fancy. And what's hot today may go bust tomorrow. It simply makes the retail world even more competitive, and advertising can give leaders the edge. Section 2/Retail Advertising updates what is happening in this field among the various media and looks at the activities of the leading retailers, beginning opposite Page 52.

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Unit sale denied by ABC

By STUART EMMRICH

NEW YORK—Official denials aside, the magazine industry is being peppered with rumors that the departure of Seth Baker from ABC Publishing is the first concrete sign that the parent company might be looking to get out of the print business.

Although speculation among analysts is that any number of suitors could approach ABC about a possible $175,000,000 to $200,000,000 sale, one potential buyer often mentioned is International Thomson Business Press, where former Chilton exec Richard Groves is now in charge. Chilton Publishing is a division of ABC.

■ But any talk of discussions between Thomson and ABC is being soundly denied by both sides.

"It is completely untrue," ABC said about the acquisition rumor. "We have just sent a memo to our presidents telling them that whatever they are reading is a lot of bunk. The division is not for sale."

A Thomson official agreed that there had been no contact between the two companies.

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Top 25 general merchandisers

Sales rank	Company	Advertising	Sales
1	Sears, Roebuck & Co.	$707,916,000	$16,990,000,000
2	K mart Corp.	319,300,000	14,204,381,000
3	J. C. Penney Co.	320,150,000	12,806,000,000
4	F. W. Woolworth Co.	169,796,000	7,218,000,000
5	Federated Department Stores	188,813,000	6,300,700,000
6	Montgomery Ward & Co.	182,000,000	5,497,000,000
7	Dayton-Hudson Corp.	84,613,000	4,033,536,000
8	May Department Stores	97,560,000	3,149,807,000
9	Wickes Corp.	44,000,000	2,876,973,000
10	Carter Hawley Hale Stores	68,710,000	2,633,000,000
11	Rapid American Corp.	16,028,000	2,603,900,000
12	R. H. Macy & Co.	113,644,000	2,373,531,000
13	Allied Stores Corp.	106,528,000	2,268,000,000
14	Associated Dry Goods Corp.	129,185,000	1,952,000,000
15	Walgreen Co.	43,000,000	1,850,000,000
16	Zayre Corp.	61,497,000	1,798,200,000
17	Wal-Mart Stores	26,427,000	1,643,199,000
18	Gimbel Brothers	30,000,000	1,320,500,000
19	Mercantile Stores Co.	20,427,000	1,108,000,000
20	Marshall Field & Co.	26,567,000	1,013,000,000
21	SCOA Industries	15,534,000	941,713,000
22	G. C. Murphy Co.	20,932,000	880,000,000
23	Caldor	14,811,000	666,530,000
24	Roses Stores	17,000,000	526,288,000
25	Levitz Furniture Co.	41,274,000	524,600,000

Source: Westport Marketing Group

Top 25 grocery retailers

Sales rank	Company	Advertising	Sales
1	Safeway Stores	$151,026,000	$15,102,673,000
2	Kroger Co.	120,873,000	10,316,741,000
3	Great Atlantic & Pacific Tea Co.	88,000,000	6,989,529,000
4	Lucky Stores	47,827,000	6,468,682,000
5	American Stores Co.	70,162,000	6,260,000,000
6	Winn-Dixie Stores	43,340,000	5,388,978,000
7	Southland Corp.	28,380,000	4,782,605,000
8	Jewel Cos.	47,597,000	4,155,750,000
9	Grand Union Co.	52,834,000	3,526,700,000
10	Albertson's Inc.	17,049,000	3,039,129,000
11	Supermarkets General	33,247,000	2,629,200,000
12	Publix Supermarkets	16,850,000	2,168,000,000
13	Dillon Cos.	17,718,000	2,077,265,000
14	Stop & Shop Cos.	29,595,000	2,032,930,000
15	Vons Grocery Co.	18,700,000	1,650,000,000
16	Giant Food	14,000,000	1,483,476,000
17	Fisher Foods	12,689,000	1,412,682,000
18	Waldbaum Inc.	11,500,000	1,271,624,000
19	First National Supermarkets	17,537,000	1,259,700,000
20	S. M. Flickinger Co.	4,833,000	1,185,000,000
21	Pantry Pride Supermarkets	12,310,000	1,127,067,000
22	Borman's	10,156,000	984,145,000
23	Fred Meyer Inc.	17,791,000	972,818,000
24	Schnucks Markets	6,000,000	600,000,000
25	Allied Supermarkets	2,906,000	534,833,000

Source: Westport Marketing Group

Fifty top retailers spend $3.8 billion in advertising

BY LOUIS J. HAUGH

The nation's 50 leading retailers invested $3.8 billion in advertising and promotion in 1980, an increase of 7.2% over 1979. At the same time, their sales climbed to $185.6 billion, a 9.1% jump over the previous year.

The figures underscore a degree of caution displayed by these 50 companies—25 general merchandisers and 25 supermarket operations. Compared with 1979, when advertising increases outpaced sales increases, the advertising-to-sales ratio dipped for general merchandisers during the year, while the ratio for supermarkets remained constant for the third consecutive year.

Some experts believe that these giant retailers were caught in a profit squeeze because of inflation and chose to increase their ad outlays judiciously.

■ The figures cited here were obtained in a survey of the 50 companies, as well as from various trade and industry sources. Last year's survey, conducted in a similar manner, showed that the top retailers spent $3.5 billion in advertising in 1979, as sales reached the $169 billion level.

In 1980, 11 of the top 50 invested more than $100,000,000 in advertising. In terms of sales, 41 of them recorded more than $1 billion. These companies are giant advertisers. Eleven of the top 50 retailers invest more than $100,000,000 in advertising annually.

Because the bulk of these retailers' advertising is in local media, most of them were not profiled in the 100 Leading National Advertisers issue of Advertising Age (Sept. 10). Sears, Roebuck & Co., K mart Corp. and J.C. Penney Co. are No. 2, No. 5 and No. 45, respectively, among the leading national spenders. Yet 24 of the other retailers invested more in total advertising than Mazda Motors of America, the 100th largest national advertiser.

Among the top 25 general merchandisers, sales last year were up $8.4 billion or 9.5%, over 1979 and advertising outlays were up 6.7% to $178,917,000. Sales totaled $97.2 billion, and the advertising-to-sales ratio was 2.9%, down from 3.02% in 1979. It was still higher than the 2.8% recorded in 1978, but that year's figure was generally regarded as the exception. In 1978, Sears drastically reduced its ad expenditures.

■ The leader among the general merchandise spenders was Sears, which reduced its national and local spending by 1.5% to $707,900,000 last year. Also cutting back last year was troubled Montgomery Ward & Co., a unit of Mobil Corp. Ward's reduced its ad outlays by an estimated 10% to $180,000,000.

K mart, meanwhile, increased its ad spending by 8.2% to $319,300,000. J.C. Penney recorded a 15.2% increase to $320,200,000, and Federated Department Stores came in with an 8.5% increase to $188,800,000.

Among the leading supermarkets during 1980, sales increased by 8.4%, or $7.3 billion, to a total of $87.4 billion, as advertising increased by 8.9%, or $73,287,000, to $892,700,000.

The advertising-to-sales ratio for these supermarkets continued at 1.92%, although their profits were under sustained economic pressure.

■ Each of the top five supermarket chains reported increased advertising outlays. The No. 1 supermarket spender, Safeway Stores, increased its spending to $151,026,000, up 10.6% over the year earlier.

Other leading spenders were Kroger Co., up 11.9% to $120,873,000; Great Atlantic & Pacific Tea Co., $88,000,000, up 14.3%; American Stores Co., $70,000,000, up 4.5%; and Lucky Stores, $47,827,000, up 11.2%.

The top five supermarket operations outpaced the rest of their category by increasing ad spending an average of 10.5% on sales increases that averaged 9.1%. The leading five general merchandisers, however, lagged behind the rest of their category, as their ad outlays increased an average of 4.2% on sales increases averaging 6.1%.#

Pacesetters are up, down and all around

BY LOUIS J. HAUGH

Spotting trends among the top retailers in the U.S. is a difficult, if not dicey, exercise. These giant companies, faced by increased costs and consumer resistance to higher prices, have reacted in widely divergent ways.

What is clear, at least among general merchandisers, is that continued consumer spending and confidence has buoyed sales. Among supermarket operations, the consumer has, in some instances, traded down, reflecting these companies' decisions to offer "no frills" or generic items. But even these general observations are subject to debate.

In the supermarket category, a slow-growth business at best, a new breed of high price stores have reported impressive sales gains in the face of an over-all industry trend in recent years to no-frills.

■ In Chicago, for example, the Dominick's chain has promoted higher price food brands and personal service. The division of Fisher Foods was sold back to its former owner earlier this year after it generally outpaced its parent in sales growth and profit.

Chains in places such as St. Louis, Cedar Rapids, Ia., and New York have also successfully promoted the higher price end of the market.

Their stores carry more items and have fancy and imported gourmet selections.

Other food store operations are reacting with more special departments and more services. For example, Shopwell Inc., New York, and Stop & Shop Cos., Boston, have both added special shops such as bakery, flower, butcher, deli or fancy produce.

■ One key to measuring food store performance is the number of turns the inventory takes during the year.

For a typical store, the inventory is turned over an average of 25 times per year, with average sales of $7 per sq. ft. per week and $12 in sales per customer.

Supermarket operations also have to make certain that they detect all the various shifts in consumer attitudes quickly. Kroger Co., for example, interviewed 250,000 shoppers over the last two years as part of its continuing

(Continued on Page S-6)

Louis J. Haugh is managing partner of the Westport Marketing Group, Westport, Conn. Mr. Haugh has been compiling the sales and advertising expenditures of the leading retailers for Advertising Age for eight years.

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MEDIA OUTLOOK

What's ahead for buyers and sellers in '82

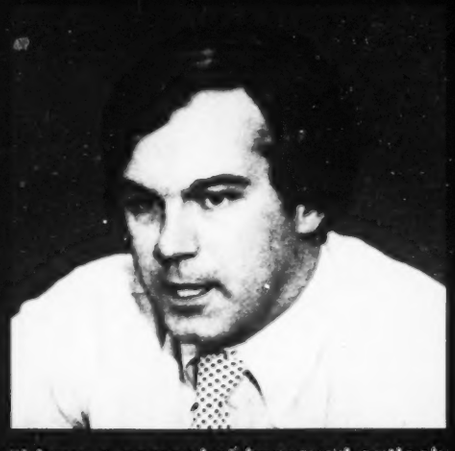
See Section 2

"Unless the economy really falls apart, media activity should be up, in the neighborhood of 13%."—Michael Drexler, Doyle Dane Bernbach

". . . 12% to 13% growth. The whole country is more optimistic. I think 1982 will be a good year."—George S. Karalekas, D'Arcy-MacManus & Masius

"Figures I have seen indicate cable expenditures in '82 of $88,000,000, double the '81 figures."—Kenneth Caffrey, Ogilvy & Mather

"As the cost of network tv [rises], small to medium size advertisers must look to ways to meet objectives."—Arthur E. Wilen, The Marschalk Co.



"I have a somewhat improved outlook about the change of management at NBC."—Alec Gerster, Grey Advertising

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4A's joins quest for demographic audits

By JENNIFER ALTER

CHICAGO—An organized group of agency representatives has added its muscle to the quest by a handful of publishers to convince the Audit Bureau of Circulations to require audits of demographic editions of magazines.

The consumer magazine committee of the American Assn. of Advertising Agencies, comprised of media execs from 15 agencies, has set the audit of demographic editions as its highest priority for the coming year.

Chaired by Campbell-Mithun vp-media director Arthur Edelstein, the committee is asking major publishers of demo editions, such as Time Inc. and Newsweek, to meet with them and explain why they are not conducting audits.

"They charge us a healthy premium to deliver the audience and then they won't spend the money or time to verify the claim," says Mr. Edelstein. He added that his committee, which is unanimous in its feelings on the issue, represents eight of the top 10 agencies and consequently a large portion of magazine billings.

▪ Mr. Edelstein said that if the outcome of the meetings with the publishers is unsatisfactory the committee will go to the Assn. of National Advertisers and possibly the Magazine Publishers Assn. to ask for their support in sending a formal proposal to ABC.

A spokesman for Time Inc. said the company would meet with the committee. However, he said, "We think that the question of auditing demographic issues of magazines is a non-issue. We have indeed audited certain demo issues of *Time*, and we are fully satisfied that the circulation characteristics of the demographics do not differ from the magazine's over-all circulation." In particular, he pointed to number of subscriptions carried in arrears, number of subscriptions bought at the full rate and duration of subscriptions as areas where the results were consistent with *Time's* over-all figures.

The 5-year-old controversy is centered around a number of magazines with demographic editions that use their circulation numbers in selling advertising although those numbers are not audited. ABC currently audits total circula-

(Continued on Page 94)

Kick for Cap

Newspaper ads for Beatrice Foods Co.'s new Cap 10 soft drink line position it as "the perfect adult thirst capper" containing "pure artesian mineral water," natural flavor and "all the kick of club soda without any of its added salts." Fortis Fortis Westerfield, Chicago, handles; tv also is being used. The five-item line is in test in Ohio markets (AA, Sept. 28).

Cable coalition fights on despite NCTA

By MAURINE CHRISTOPHER and RICHARD L. GORDON

"It's going to be one hell of a fight"—Steve Effros, executive director, Community Antenna TV Assn.

"We hope the Congress will conduct a thorough inquiry into the terms of this purported agreement as well as the method by which it was negotiated. We request public hearings so that its impact on the viewing public and competitors such as the superstation can be fully documented"—Ted Turner, chairman, Turner Broadcasting System.

"We want the [House judiciary subcommittee] to slow up and have hearings. Why should they rush so rapidly to change something that we worked on for 10 years at the Federal Communications Commission, which decided that syndication exclusivity is not in the public interest?"—Jeff Krumme, president of Mid-America Cable TV Assn.

▪ Statements like these make it clear that opponents of a legislated return to an expanded syndication exclusivity curb to protect programs aired over conventional tv intend to continue to battle the major cable, movie and tv associations in hopes of staving off their proposed "compromise" rewrite of cable copyright rules.

The coalition strategy calls for an initial appeal to the House judiciary subcommittee headed by Rep. Robert Kastenmeier (D., Wis.), who has been pushing for fast action on this issue.

Despite a personal appeal by the father of superstations, Ted Turner, who has charged that the communications establishment is trying to change the rules to put him out of business, the National Cable TV Assn. board last week voted 15 to 11 to accept syndication restrictions in exchange for retention of the current copyright payment formula.

Later, CATA charged that NCTA will be representing only its predominant members, the big corporations in the big cities, many of whom are also in cable programming. CATA said their views should be heard, but it should be made clear that NCTA does not speak for the thousands of traditional cable tv operators across the country. Mr. Effros, in a statement to subcommittee chairman Kastenmeier, said elimination of the distant independent tv signals could not be in the interest of the cable industry. And he noted that the compromise would require catv duplication of some over-the-air tv signals.

▪ Tom Wheeler, president of NCTA, did not return phone calls to answer critics who accuse him of rushing this compromise through in a panic to placate the giant multiple systems operators. The board vote on the language approved by the NCTA executive committee was secret, and NCTA would not identify the four absent members of the board.

Finally, late Nov. 4, Mr. Wheeler released a three-page, single-spaced defense of the board's plan, likening it to a trip to the dentist to avoid something worse, in this case a Kastenmeier bill to limit the number of distant regular tv stations cable operators may carry. He said 80% of the country's systems will be exempt from syndication exclusivity and that mechanisms for relief will be provided for operators in unusual cases.

NCTA's board did promise Mr. Turner and the other opponents to this still-to-be legislated policy change to work to include an interim period sufficient to allow WTBS, Atlanta, the only aggressive superstation in the country, to reprogram periods hit by the syn-

(Continued on Page 98)

highlights

Monday, Nov. 9, 1981

The network news rating race is bubbling, and so are sales. *See Page 6.*

Chevrolet is taking another stab at postwar baby boomers with its November debut of the 1982 Citation. *See Page 10.*

J. Walter Thompson Co. is trying to reduce a short-term debt caused by clients who didn't pay within 30 days. *See Page 20.*

Marriage mail, a new direct mail concept that can saturate a designated area, may mean less dependence on newspaper advertising supplements for retailers. *See Page 28.*

Four A's says the new tax laws may bring some tax breaks to agencies in the future. *See Page 46.*

The U.S. Postal Service is getting some response from mobile-board advertising brokers interested in buying ad space on postal trucks. *See Page 48.*

The U.S. isn't ready for video deregulation, a staff report told the House commerce subcommittee. *See Page 81.*

A Young & Rubicam exec tells why Merrill Lynch's "Bullish on America" campaign appealed to the wrong target audience. *See Page 82.*

The New York *Post* is going ahead with plans for a Sunday paper. *See Page 99.*

Washington Post Co. sells the *Trenton* (N.J.) *Times* to Joseph Allbritton. *See Page 99.*

CORPORATE CLOSEUP

A series of changes instituted at Rubbermaid over the past decade culminated in a recent program that's turning the home products division into a package goods-style marketer. *See Page 4.*

FOLLOWUP

Wurzburger Hofbrau, Anheuser-Busch's German import, is consolidating its efforts in the Northeast and pulling out of the South and Midwest. *See Page 24.*

INTERNATIONAL

Hideharu Tamaru, president of Dentsu, "paid a visit to the grave of the late Hideo Yoshida, former president of Dentsu, and reported to his soul that they had, at last, carried out his wishes," when the agency's deal with Young & Rubicam was clinched. *See Page 74.*

Soccer, Italy's top national sport, has been responsible for the signing of the first accord between the state's giant RAI and a private tv station. *See Page 78.*

MAGAZINE

Beginning this week, ADVERTISING AGE Magazine introduces its Small Agency Panel, which will look at the problems and challenges facing today's small agencies. Over the next few months members of the panel, all top execs with agencies billing $50,000,000 or less, will write about a certain challenge. *See Page 53.*

Every week marketers spend $6,000,000 in advertising on daytime tv to reach a mythical mass market—the domestically oriented housewife, says Elizabeth Nickles, author of "The Coming Matriarchy—How Women Will Gain the Balance of Power."

RESEARCH

Audit services such as A. C. Nielsen Co. and SAMI won't be hit hard by data generated by food store scanning. *See Page 40.*

VIDEOTECH

Mattel concentrates on fewer, but more promotable portable electronic games and intensifies Intellivision push. *See Page 70.*

Katz Agency's Partners in Programing gets the go-ahead, with a syndicated talk/magazine show in the works. *See Page 12.*

section 2

MEDIA OUTLOOK

Although the economy continues on its downward course, media buyers are cautiously optimistic about the buying and selling opportunities in their field. Section 2/Media Outlook presents the views of several prominent media execs and looks at trends in various media, beginning opposite Page 52.

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SMRB acquires 3 Sigma

NEW YORK—Simmons Market Research Bureau has a Simmons again. SMRB has acquired Three Sigma Research and its chairman, Willard (Bill) Simmons.

Mr. Simmons, who founded what is now SMRB, set up Three Sigma in 1974. He will continue as chairman and a new chief operating officer will be named, according to SMRB chairman Frank Stanton. The deal was for an undisclosed amount of cash.

Three Sigma does surveys on 180 newspapers and its reports are subscribed to by all major dailies. Simmons has done some newspaper research, but not on the scale of Three Sigma, Mr. Stanton said.

The last daily newspaper research study from Three Sigma was issued in September, 1980. Mr. Stanton said he will propose the next study be undertaken in early 1982 and completed the following December.

Five months ago, Three Sigma was on the verge of merging with Telmar Communications but that plan fell through because "Telmar decided it was not appropriate," Mr. Stanton said. "So they recommended Three Sigma to us." Three Sigma currently has 41 agencies subscribing to its data. #

OUT, OUT DAMNED INFLATION

As buyers learn to not want to live with inflationary-based cost increases, resistance will mount.

BY ROBERT J. COEN

In recent years consumers and industry have grudgingly accepted inflation as a fact of life. By the end of the 1970s annual price increases of 8% to 10% a year had become the norm rather than the exception. Now, after 10 years of learning to live with inflation, the pressures to get it out of the system are growing and there is hope that the pendulum will begin to move in the opposite direction.

Significant annual price increases will occur in advertising as well as in all other sectors of the economy but resistance to rises in the cost of media time and space is growing and rate increases in the future should begin to moderate.

A review of the past trends in annual price increases for typical economic and media indicators may shed some light on what we may expect for the future.

Prior to the 1970s inflation in the U.S. was a rare phenomenon. We had inflation when we had wars and in times of depression we experienced deflation, but for most of our history, prices remained the same from one year to the next.

In the first half of the '60s the annual inflation rate was just slightly over 1%. In the middle of the '60s the inflationary pace picked up to a rate of approximately 3.5% per year, driven partly by the Vietnam War and partly by growing worldwide demands for agricultural products and mineral resources which were beginning to affect our domestic prices.

■ These upward pressures persisted and inflation gradually reached an annual rate of about 5% until fall, 1973, when the Arab oil embargo was imposed followed by the doubling and tripling of energy costs. Double-digit inflation hit us for the first time in 1974 and 1975. Since then annual inflation rates have ranged between 5½% in 1976 and 13½% in 1980.

Inflation in consumer prices, the Gross National Product mix (GNP deflator—considered by some to be a more accurate indicator of inflation)—and advertising exposures (media cpms) have varied from year to year but in general they have all shown some correlation.

Broadcast media commercial time is perishable and highly responsive to short-term shifts in supply and demand. In the early part of the '70s, when inflation in the economy was beginning to rise fairly sharply, network and spot television cpms declined 5% to 6% then cigaret advertising was withdrawn from the broadcast media.

In 1976 when the economy turned upward and the election, Olympics and bicentennial year promotions added to demand, television prices soared. In 1977 following the bicentennial year boom there was an immediate slowdown in the relative demand for spot television and a corresponding falloff in prices. In 1977 the realized price increase for spot tv was only 3.4% during a year when consumer prices on average were up 6.5% and the GNP deflator 5.8%

During the last six years the rates of other media have also risen quite rapidly in response to various inflationary pressures. Magazine rate increases in 1976 and 1977 lagged behind general inflation rates but by 1978 magazine prices were rising faster than most prices in our economy. The decline in advertising page volume for many publications in 1981 help explain moderating magazine rates that have appeared in the last 12 months.

Historically, newspaper ad rates have moved at practically the same pace as the general inflation rate. There may be exceptions in specific markets due to strikes or the arrival or departure of a competitive paper in the market, but in most markets the newspaper advertising rates rise almost automatically in relation to increases in operating expenses such as labor, distribution or newsprint costs.

■ In the years before the Vietnam War there was very little change in media rates from one year to the next unless something exceptional occurred. However, in recent years most media have announced annual price increases somewhere between 5% to 10% a year.

For some media these price increases have gradually grown to be a kind of automatic "cost of living" adjustment. Ad rates have been raised either because operating expenses have risen or because it has become a standard practice.

In the future we can expect growing resistance to rate increases. Many media will find it necessary to search for other sources of revenue or for ways to cut costs as buyer resistance hardens. Rates will continue to go up but not as fast as they have in the past.

The cumulative change that has occurred in the price of media units from the base year through each year from 1977 through 1982 are shown in the media unit cost trends table. These prices are continuously tracked and expressed in index form to allow easy comparison with government price indexes which currently are reported on a 1967 base year.

As an example of how to interpret the unit cost indexes, consider network tv with an index which has risen from 100 in 1967 to 330 in 1981. If a 30 second commercial had cost $25,000 in 1967 it would cost $82,500 in 1981—3.3 times the 1967 cost. In 1982 the index is estimated at 366 so we can expect the illustrative cost to rise again to a new level of $91,500.

We also maintain these indexes in terms of the cost of 1,000 exposures delivered by a unit of advertising. Since most mass media audiences have risen since 1967 their cost per thousand indexes are all lower for 1981 and 1982 than their unit cost indexes.

Newspapers and network tv have registered the largest cumulative cost increases and although there are a number of factors that can explain this, the single most important is the supply and demand relationship.

In most markets only one dominant newspaper is available to supply the newspaper display space—traditionally the primary advertising medium of local retailers. There are only three national television networks and a limited number of prime time commercial positions—the primary advertising medium of many large nationwide marketers.

In the case of most of the other media, the vehicle choices are larger and alternatives are wider than they are for the primary media. In the long run, supply and demand determine price trends for

(Continued on Page S-30)

Robert Coen is senior vp-director of media research for McCann-Erickson, New York. Mr. Coen frequently writes about media costs for Advertising Age.

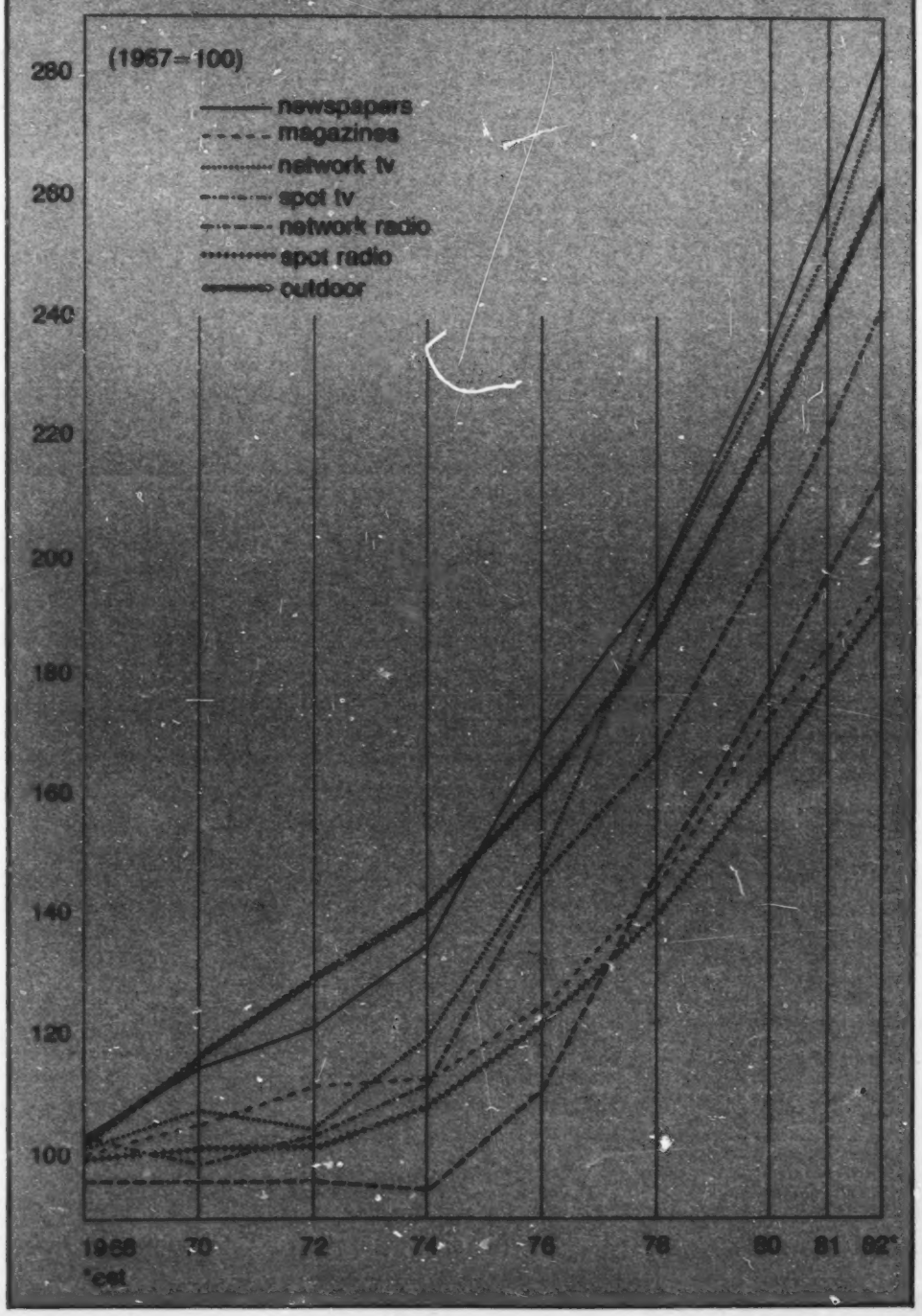
Media CPM Trends

(1967=100)

	1978	1979	1980	1981	1982*
Newspapers	196	213	236	258	284
Magazines	145	158	173	185	196
Network tv	195	215	291	252	277
Spot tv	187	183	201	221	241
Network radio	147	161	178	197	213
Spot radio	140	149	164	179	192
Outdoor	187	202	222	242	261
Composite	179	195	212	234	254
National	173	189	207	226	246
Local	185	202	222	243	268

*Estimated

Media cost per thousand indexes



Experts are optimistic but cautious

(Continued from Page S-1)
happen in the durable-goods sector of the economy when you consider that Detroit is now announcing 9% and 10% increases for 1982. Coupling that with the cost of fuel and cost of money—it may be premature to indicate what's going to happen, but our indications say, '10% to 11%.'"

■ "We are cautiously bullish about 1982," says George Karalekas. "We are talking in the area of between 12% and 15% growth. I think, really, during what's going to determine 1982 is going to be the first quarter, during which we will begin to feel the impact of some of what Congress has recently passed; the interest rates should begin to settle."

"But, even in spite of that, I think the whole country, right now, is really on a more optimistic note than it was. I think 1982 will be a good year."

Turning to the more specific matter of the outlook for billings at their own agencies in the coming year, the media execs are a bit more upbeat.

Against a background of early planning activity for 1982, the six of them see budget growth for their clients in the 13% to 16% range, with some indicating that even this ambitious a level may, in fact, be a minimum.

What are the reasons for this expected upsurge in advertising activity?

Among them are heightened activity on the new products front, increased momentum for rollouts, new line extension plans and—expectedly—the always optimistic presumption that the new business aspirations of an alert, aggressive agency will never fail to bear fruit.

"Stemming from our optimistic view of the economy generally at this juncture, we think that a lot of our categories in the other areas of durables and service businesses should be up as well."

■ But here, too, the media experts caution that the picture for their own agencies is complicated by intense swings in different product categories and by ambiguities that are coloring the general business outlook.

Regarding media volume at his shop, Michael Drexler said, "We have about 35% of our billings in package goods, which always seems to be more stable in the face of economic changes because of the basic, inelastic nature of areas in the category itself."

Says Michael Drexler. "Stemming from our optimistic view of the economy generally at this juncture, we think that a lot of our categories in the other areas of durables and service businesses should be up as well."

"We are projecting a 15% increase in media billings," says Arthur Wilen. "Part of that 15% increase, obviously, comes from cost increases, the inflationary area of 8% to 10%. With two-thirds of our revenue coming from package goods accounts, we have some stability built in."

"We also service a significant amount of regional advertisers, and most of their plans call for roll-outs. We see that action as a way of increasing our media volume in 1982."

■ "Our operation in the last two-and-a-half years has seen consistent and solid growth," added Alec Gerster. "Obviously, a lot of things go into that, much more than just the price of media, itself. Some of our largest accounts are package goods, which offer a solid base as far as increases and as far as billings steadiness go.

"We also have a lot of retail—a lot of very locally-oriented businesses—and you have to look at this category of business as one of the bright spots in the economy so far.

"We're dealing with a very unusual economy. If you look at real GNP projections, which are modest for almost the full first half of next year; if you look at interest rate levels; growth in the money supply; if you look at all the wonderful things outside the media world, they all suggest some pessimism.

But, at the local level, there is a lot of strength, it seems, and this helps condition our view of budgets next year," Mr. Gerster said.

"Our goals for 1982 are optimistically ahead of what we perceived as general growth for the business," says Kenneth Caffrey. "I would pick '15%' as pretty much a minimum, for us. There are two things we have to keep in mind. One is, if we continue to do what our charge is—which is to place advertising that is more effective—we don't always, necessarily, ask for more money as a solution to increasing effectiveness. Second, I don't believe there'll be a major early explosion of new products activity as a result of new tax legislation.

"I think the Reagan Administration's faster depreciation," Mr. Caffrey continued, "may help clients to think in terms of capital expenditures sometime soon, but I think the impact of those new products may be felt beyond 1982, more in 1983 and 1984."

■ "We've had over the last five years a successful track record in terms of growth," says George Karalekas. "We see that continuing into 1982—but, again, being cautiously optimistic we are really looking in the area of around 15% as being quite possibly, a very realistic number. In our view, that gain will come from a combination of things. We anticipate a lot of growth, internally, from our present clients, new business and part of it just normal increases attributable to inflation in media. Also, we see increases in the total budget as a result of competition getting

Coen on costs

(Continued from Page S-2)
all media, but in the short run some media prices react more quickly and to a greater degree than others when demand conditions suddenly change.

■ Comparing advertising exposure costs with cost trends of other goods and services helps explain why advertising budgets have been rising at a faster pace than the economy. Advertising is a relatively efficient marketing tool and in recent years, with many other selling costs rising so rapidly, it has been more logical to raise advertising budget than to increase the sales staff or maintain price reductions for a fixed proportion of the goods being produced year after year.

The trend in media prices turned sharply upward in 1976 and since there has been a gradual acceptance of sizable rate increases for most media each year. But the resistance to automatically higher prices in all sectors of our economy is now building and the media will not be exempt.

In 1981 we have seen the consumer price increase come down from 13.5% to a level which could be below 10% for the full year. The GNP deflator gain should be about 9% and by 1982 both these inflation rates should be close to 8%. Media that raise their prices by more than 8% in 1982 will risk an immediate loss in unit volume or at least an adjustment in the share of advertisers' budgets they receive.

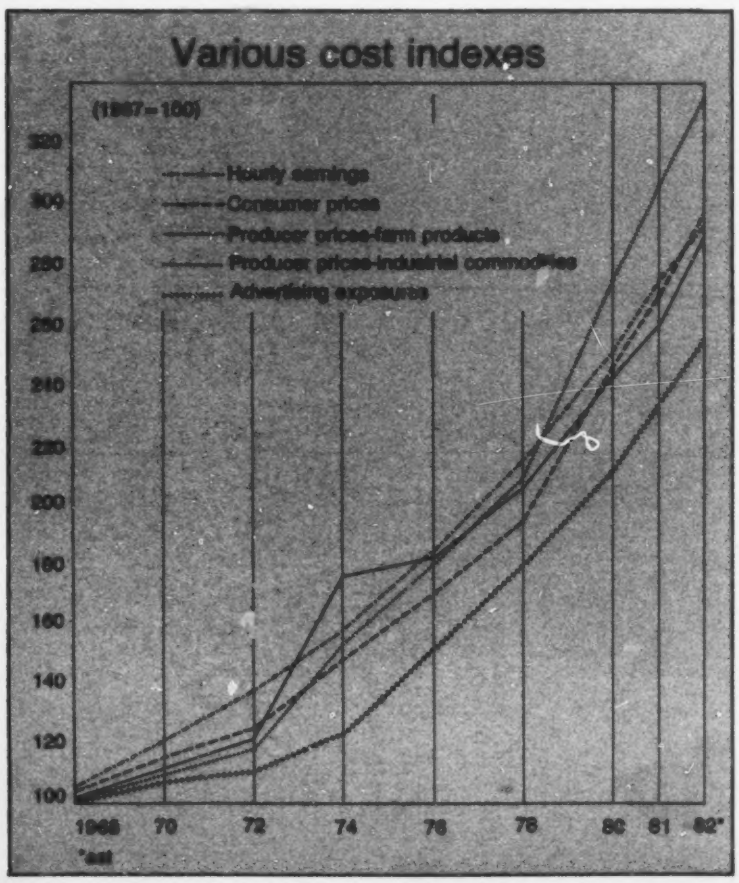
The programs for cutting the U.S. inflation rate may not be totally successful and they may not produce dramatic results immediately, but in the next few years the pace of inflation will definitely ease.

■ Advertising media rates in 1982 will probably rise by a little more than the general inflation rate partly because some key media rates have risen at a relatively modest pace in the last couple of years. Therefore, the upward price pressures that have accumulated are very likely to show up with the economic upturn expected in 1982.

For the years immediately following 1982 the trend in media prices will be up, but the rate of increase should begin to slow as the resistance to automatic annual rate hikes intensify.

It will be a long time, if ever, before we return to the days when media rates went up only when audiences or circulation rose. But, the days of automatic and unchallenged rate hikes will soon become part of history in the advertising business.#

Various cost indexes



Media unit cost trends

(1967=100)

	1978	1979	1980	1981	1982*
Newspapers	207	228	249	274	301
Magazines	152	166	183	198	212
Network tv	252	280	302	330	366
Spot tv	209	220	256	283	308
Network radio	172	191	214	238	262
Spot radio	160	173	192	211	226
Outdoor	226	250	275	303	330
Composite	203	222	244	268	294
National	204	224	246	269	295
Local	201	220	242	267	292

*Estimated

Average annual price increases

	1977	1978	1979	1980	1981
Prices					
Consumer prices	+ 6.5	+ 7.7	+11.3	+13.5	+10.0
GNP deflator	+ 5.8	+ 7.3	+ 8.5	+ 9.0	+ 9.0
Media CPMS					
Network tv	+18.8	+10.2	+10.3	+ 7.4	+ 9.1
Spot tv	+ 3.4	+ 9.9	+ 9.6	+ 9.8	+10.0
Magazines	+ 6.4	+ 9.0	+ 9.0	+ 9.5	+ 6.9
Newspapers	+ 8.3	+ 8.6	+ 9.2	+10.3	+ 9.8

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Videotech: Where it is now, where it's headed—See Section 2

Advertising Age

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New chairman of the Assn. of National Advertisers, Tom Ryan of Gillette (r.), chats with Don Goldstrom of Armstrong, a past chairman, and speaker Suzanne Keller of Princeton University.

ANA gathers in San Francisco

Don Johnston of J. Walter Thompson Co. (r.) brought the ANA a warning about the future of national brands. Discussing his speech are Bob Blake of General Mills (l.) and Tom Myers of American Express. ANA's annual meeting was at the Fairmont Hotel in San Francisco. (*Stories on Pages 1, 3, 10, 106 and 107.*)

ANA PARTLY MOLLIFIED

FTC's Miller: Ad proof still concerns me

By LARRY EDWARDS and TODD FANDELL

SAN FRANCISCO—The debate sparked by new Federal Trade Commission chairman James Miller III over the FTC's ad substantiation policy is clearly shaping up as the litmus test of just where the agency will be headed under his leadership.

Chairman Miller came before a wary and concerned Assn. of National Advertisers here last week with the avowed purpose of clearing up the "considerable confusion" over his "preliminary views" of the FTC's role in advertising. He earlier had created the confusion himself (AA, Nov. 2) when, during a press conference, he questioned the agency's ad substantiation policy, considered by many the teeth of the industry's own self-regulation procedures.

His effort did succeed in assuaging somewhat the ANA membership, whose leaders felt he had clarified where his thought process now stands and expressed a willingness to listen before making up his mind. But his remarks left little doubt that he intends to push for a rethinking of the government's role in ad substantiation, aimed at reducing it, and that his push easily will be strong enough to guarantee the issues will be swirling in advertising circles for a long time to come.

▪ In particular, Mr. Miller noted he continues to believe there should be a reevaluation of the need for any requirement for strong substantiation prior to the making of claims.

Mr. Miller and the ANA are philosophically agreed that the FTC's role in ad substantiation has been burdensome for advertisers, and room for lessened requirements exists. But in the aftermath of his Tuesday speech, it was ironically apparent that the industry's major concern is that his push would go too far in that direction.

In his address, Mr. Miller quickly stated: "Let me be very

(Continued on Page 107)

last minute news

K&E to open 4 new offices in major western move

LOS ANGELES—K&E will open new offices in Houston, Phoenix, Seattle and Portland and move a chunk of Chrysler's national account here in January, to create K&E Western division. Existing offices in San Francisco, Denver and Dallas will be expanded (L.A. will go from seven to 50 staffers). Chrysler's Mitsubishi business will be handled by a special L.A. account group, and a new movie business group will be established under Steve Frankfurt, who handles K&E movie creative in New York.

Fredericks resigns as WRG vice-chairman

NEW YORK—Charles Fredericks has resigned as vice-chairman of Wells, Rich, Greene. An internal memo from WRG chairman Mary Wells Lawrence noted that Mr. Fredericks, primarily in financial management, wants to return to "day-to-day operation." Mr. Fredericks, with WRG since '76 after 20 years at O&M, could not be reached for comment.

U.S. study hints early drinking, alcohol ad link

WASHINGTON—A major government-financed study reaches "suggestive and tentative" conclusions about the impact of alcoholic beverage ads after surveying 1,200 people, most of them aged 12 to 22. Exposure to beer, wine and liquor ads "appears to be associated with drinking behav-

(Continued on Page 8)

Lorillard sets flight plan

By JOHN J. O'CONNOR

NEW YORK—Battling to achieve greater impact with its ad dollars in the face of continued massive spending by competitors, Lorillard next year will compress its magazine schedule and resort to flighting for periods ranging from one to three months in all media.

J. Robert Ave, Lorillard exec vp, said the move will result in "our being heavily involved in some magazines, lightly involved in others and not involved" in the rest. Mr. Ave said it would be fair to say that the company's ad budget in 1982 "will be on a par with this year." The Loews Corp. subsidiary's spending in '81 is estimated to be more than $140,000,000.

Responding to a question, Mr. Ave admitted that the company's first share decline in the last five years also had a bearing on the strategy shift. The company's '81 market share dropped 0.05% to 9.2%, according to analyst John C. Maxwell Jr. of Lehman Brothers Kuhn Loeb Research. (A 1% share of market translates to more than $130,000,000 at the factory level.)

The Lorillard exec pegged the company's decline to massive ad

(Continued on Page 102)

Goes after specialty coffees

Kraft tests coffee flavoring

By JANET NEIMAN

CHICAGO—Inspired by General Foods' and Hills Bros.' success in the flavored coffee business, Kraft Inc. is testing a flavored coffee additive, aimed at a broader consumer segment, under the Coffee Velvet name.

Now entering tests in Tucson, Washington state and other undisclosed markets, Coffee Velvet, unlike its competitors, contains no instant coffee. Using the same ingredients as powdered nondairy creamers, along with mocha, mocha cinnamon or mocha mint flavoring, the product is added to a cup of coffee.

Kraft sees the line as an addition to the $56,000,000 flavored coffee category, now led by General Foods International Coffees and Hills Bros.' Flavored Instant coffees.

But Coffee Velvet also may eat up some of the shares of entries in the nondairy creamer category, such as Carnation's Coffee-mate and Borden's Cremora.

In fact, some years ago, Borden experimented with a three-item line of flavored nondairy creamers (believed to have been named Gourmet Cremora) but pulled it out of test after about six months. Competitors said weak creative and poor packaging contributed to the line's problems.

General Foods' International coffees, marketed nationally, hold

(Continued on Page 107)

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Nabisco eyes Life Savers

By NANCY GIGES

NEW YORK—Nabisco Brands' agreement to buy Life Savers confectionery products from Squibb Corp. is viewed as a positive move for both companies.

In fact, observers say the companies that may be adversely affected by the proposed sale are Warner-Lambert's American Chicle division and Wm. Wrigley Jr., the two primary competitors of Life Savers.

Nabisco has agreed in principle to pay about $250,000,000 in cash and notes to Squibb for the marketer of hard-roll candies and gums sold under the Life Savers, Breath Savers, Care-Free, Bubble Yum and Replay names. Life Savers had sales last year of $342,000,000 and operating income of $42,000,000.

Squibb has hopes of attaining a 16% to 19% growth rate in the next several years with the successful launch of promising new drugs. Its chances of achieving those objectives are increased with the sale of its confectionery business, which would have reduced that growth.

For Nabisco, the business expands its confectionery operation, which is led by Baby Ruth and Butterfinger candy bars. Hard-roll candies are less sensitive to commodity swings because they do not contain chocolate. Since Nabisco is already in the corn syrup business through its earlier merger with Standard Brands, that ingredient is readily available as a sugar alternative should sugar prices soar.

Life Savers is the country's largest producer of bubble gum, with a 33% market share. It trails Wrigley and Chicle in chewing gum with an 11% share. #

Gallery scene of transponder lease auction

John Marion, president of Sotheby Parke Bernet, auctions off seven RCA Americom transponder leases. Final bids from various cable tv operators ran from $10,700,000 to $14,400,000, for the seven leases, for a total of $90,100,000. *(Story on Page 101.)*

Why CBS revamped its team

By COLBY COATES

NEW YORK—The sweeping reorganization of the CBS Broadcast Group, of which the news presidency was only one key element, was a plan that had been mapped out weeks ago but was shared by only a few key executives.

Moreover, CBS sources insist that it wasn't pressure from the top or panic over news ratings that forced the decision, nor was it a premature one. Instead, it occurred as it was supposed to, before CBS execs flew off to Hawaii for a series of meetings with the network's affiliates board. And it was designed to reduce the back-breaking load on Gene Jankowski, president, CBS Broadcast Group.

▪ Given the value CBS or any network places on its relationship with affiliates, it would have made little sense for CBS to discuss some very serious issues with the affiliates board and then return to New York and completely change the face of the Broadcast Group. Besides being impolitic, it would have denied one of the big winners in the reorganization, former CBS-TV Network president James Rosenfield, from sharing his moment in the sun with the body that helped him get where he is today.

And that is on a level with Thomas Leahy, until last week senior broadcast vp of the CBS Broadcast Group. Now both have the title of exec vp, CBS Broadcast Group, reporting directly to Gene Jankowski, architect of the reorganization. Reporting to Mr. Leahy are the CBS TV Stations division; CBS Radio; CBS Cable, and CBS International plus new ventures.

▪ Mr. Rosenfield, meanwhile, is now cast in the role of what some say is reminiscent of what a tv network president used to be. Now, in addition to being responsible for the tv network, Mr. Rosenfield also has CBS Entertainment head Bud Grant and CBS Sports chief Neal Pilson reporting to him.

When the day comes that CBS

(Continued on Page 102)

highlights

Monday, Nov. 16, 1981

The Washington Post Co. is selling *Inside Sports* because strategists were wrong when they said it could survive on newsstand sales. *See Page 6.*

International attacks on advertising are increasing. *See Page 10.*

FTC member Michael Pertschuk told a University of California audience how he rescued the commission from extinction. *See Page 12.*

The National Advertising Division has asked Procter & Gamble to consider the effects its ads for its shatterproof Scope bottle might have on children. *See Page 14.*

The pen is indeed mightier than the sword, as Gillette slashes away at Bic Pen Corp.'s profits. *See Page 47.*

Welch Foods has discontinued 50% of the items in its product line. *See Page 103.*

Playboy is reinvesting in traditional businesses as it becomes cash rich from the sale of U.K. gaming properties. *See Page 104.*

Panasonic's new hand-held computer will force the advanced calculator into the computer category. *See Page 104.*

Westinghouse Broadcasting Co. has planned a joint cable venture with Walt Disney Productions. *See Page 105.*

Assn. of National Advertisers elects Gillette's Tom Ryan as new chairman. *See Page 106.*

CORPORATE CLOSEUP

Hazel Bishop starts a new chapter with a new face, but it has a familiar look. *See Page 4.*

FOLLOWUP

SFM Entertainment is putting the finishing touches on its documentary and classic movie syndication packages. *See Page 76.*

INTERNATIONAL

The trend toward splitting the agency and media function in Europe, with Ogilvy & Mather and Young & Rubicam in the lead, has found another convert at Havas, the leading French agency, partly owned by the French government. *See Page 80.*

At the recently held Corporate Advertising Symposium in Toronto, organized by the International Center for Societal Advertising, the corporate trouble-shooting ad campaigns of the oil and chemical industries came in for some criticism. *See Page 82.*

For the first time in 21 years, Britain will get a new middle-market Sunday newspaper, *Mail on Sunday*, and London admen are voting it a winner even before it hits the streets. *See Page 84.*

MAGAZINE

Rick Douglas presents five client marketing/advertising people who discuss current problems they face and how those problems are being met. *See Page 55.*

According to Geoffrey E. Meredith, agencies that grow their own professionals will be the ones that survive in the 1980s. He presents guidelines on how to cultivate pros. *See Page 62.*

Morton B. Elliot looks at airline giveaways—the ones that show the logic of giving away what you really can't sell or can't sell often enough to make a difference. *See Page 65.*

REGULATION

The FTC's top man on ad regulation policy isn't ready to throw out the commission's advertising substantiation policy. *See Page 66.*

VIDEOTECH

ESPN head Chester Simmons is starting over in cable after guiding network tv sports through its early years. *See Page 68.*

Zenith Radio Corp. still believes in the future of videodiscs despite lackluster dealer interest and disappointing sales. *See Page 70.*

section 2

VIDEOTECH

What problems and opportunities are offered to marketers by cable television? Section 2/Videotech examines this growing facet of media—where it has been, where it is now and where it is headed, beginning opposite Page 54.

REGULAR FEATURES

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WOR-TV may lose Satcom I

By MAURINE CHRISTOPHER

NEW YORK—By mid-year there apparently will be one less superstation on the main cable bird. Eastern Microwave, which sells WOR-TV here, is losing its transponder on Satcom I to Cable Health Network, a new 24-hour advertiser-supported service to be announced today by Viacom International.

Ralph Baruch, chairman of Viacom International, for some time has shown an interest in basic national cable programing. This gives him his entree.

Viacom, as the primary lease holder, is due to exercise its right to reclaim the transponder for its own use. CHN will be headed by Jeffrey Reiss, former president of Showtime, of which Viacom is 50% owner. He has been working on a catv health channel for several months.

Eastern Microwave sells the WOR-TV signal to more than 950 systems reaching 4,000,000 homes. They are fed microwave and the RCA bird for a cable operator fee of 10 cents per home per month. The resale carrier was among those on hand at the RCA auction

(Continued on Page 102)

Advertising Age/Section 2

NOVEMBER 16, 1981

VIDEOTECH

CABLE TV: IT'S STILL IN A SWIRL

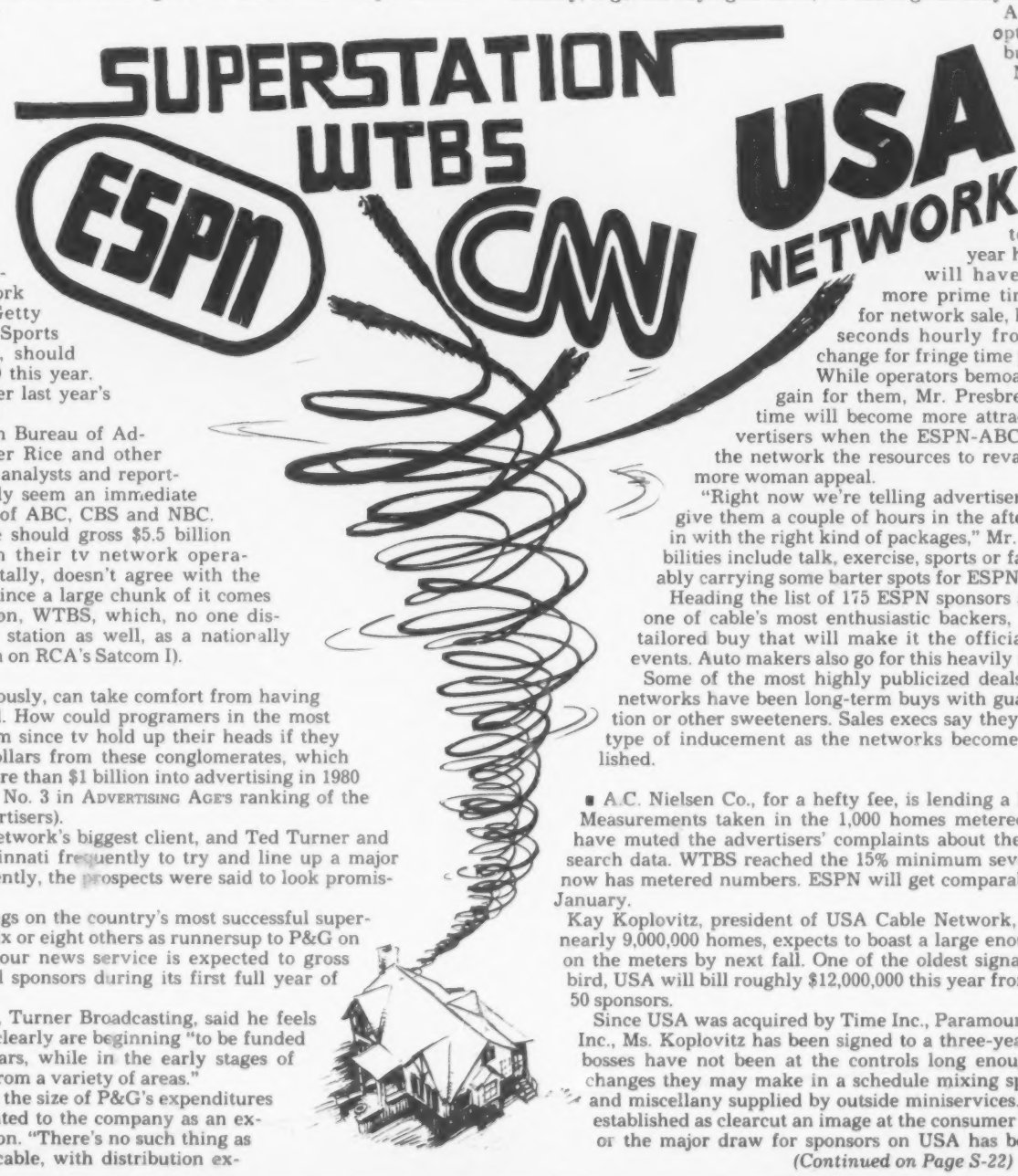
Despite an upsurge in billings, advertisers continue to experiment with the medium.

BY MAURINE CHRISTOPHER

As Procter & Gamble and General Foods go, so goes the world of advertising.

If these two influential marketers, perennially the most liberal spenders on the Big Three television networks, are the cable tv role models for other sponsors, the upstart cable networks should feel anything but sanguine, despite this year's surge in national billings.

The figures tell the story: Although P&G and GF will spend about $655,000,000 between them in regular network tv this year, they have diverted only an estimated $8,000,000 to $10,000,000 to the cable networks. (GF is among the Ted Bates & Co. clients who have agreed to follow that shop's formula of devoting 5% of the conventional network tv budget to Turner Broadcasting's WTBS, as a means of compensating for the Big Three's prime time audience losses in pay cable homes.)



■ Over-all national network cable billings, paced by Turner Broadcasting's two vehicles—Cable News Network is the other—and by Getty Oil's Entertainment & Sports Programming Network, should total at least $100,000,000 this year. That's a healthy gain over last year's $35,000,000 to $45,000,000.

However, as Television Bureau of Advertising president Roger Rice and other skeptics keep reminding analysts and reporters, cable's inroads hardly seem an immediate threat to the well being of ABC, CBS and NBC. Those giants of the tube should gross $5.5 billion altogether in 1981 from their tv network operations. (Mr. Rice, incidentally, doesn't agree with the $100,000,000-plus figure since a large chunk of it comes from Atlanta superstation, WTBS, which, no one disputes, is an over-the-air station as well, as a nationally distributed catv attraction on RCA's Satcom I).

■ Cable salespeople, obviously, can take comfort from having P&G and GF in the fold. How could programers in the most talked about new medium since tv hold up their heads if they weren't getting a few dollars from these conglomerates, which between them poured more than $1 billion into advertising in 1980 (making them No. 1 and No. 3 in ADVERTISING AGE's ranking of the 100 leading national advertisers).

P&G is Cable News Network's biggest client, and Ted Turner and his sales aides visit Cincinnati frequently to try and line up a major schedule for WTBS. Recently, the prospects were said to look promising.

GF ranks first in billings on the country's most successful superstation and falls in with six or eight others as runnersup to P&G on CNN. The original 24-hour news service is expected to gross $15,000,000 from national sponsors during its first full year of business.

Gerry Hogan, vp-sales, Turner Broadcasting, said he feels that cable's billings now clearly are beginning "to be funded out of network tv's dollars, while in the early stages of cable selling, they came from a variety of areas."

And far from belittling the size of P&G's expenditures on CNN, Mr. Hogan pointed to the company as an example worthy of emulation. "There's no such thing as traditional day parts in cable, with distribution extending all the way to Hawaii," said the TBS exec. So the P&G schedule for all products runs throughout the 24 hours and with "enough frequency to maximize the reach." Mr. Hogan, who lists 155 advertisers on CNN and close to 200 on WTBS, said that nearly all of the top 25 tv advertisers are using some cable. For WTBS, the list adds up to billings of $55,000,000 this year. Subtracting $10,000,000 for local billings, that still leaves enough to comprise national cable's largest single portion of $45,000,000.

■ The atmosphere throughout the cable advertising industry is upbeat. Mr. Hogan said a changing attitude on the part of many agencies is one sign of further growth. "We are now working more closely with agencies," he said. "Initially, to get the buying decision, we had to go directly to clients."

Also brimming with optimism about future business prospects is Mike Presbrey, vp-advertising sales with ESPN. This year the 24-hour sports network tripled its billings to a total of $22,000,000 to $24,000,000. Next year he and his sales force will have the advantage of more prime time national minutes for network sale, having recaptured 90 seconds hourly from operators in exchange for fringe time periods.

While operators bemoan this as a poor bargain for them, Mr. Presbrey predicts that daytime will become more attractive to national advertisers when the ESPN-ABC joint venture gives the network the resources to revamp the schedule for more woman appeal.

"Right now we're telling advertisers and agencies we'll give them a couple of hours in the afternoons if they come in with the right kind of packages," Mr. Presbrey said. Possibilities include talk, exercise, sports or fashion formats, probably carrying some barter spots for ESPN to sell.

Heading the list of 175 ESPN sponsors are Anheuser-Busch, one of cable's most enthusiastic backers, and Timex, in for a tailored buy that will make it the official clock at cablecast events. Auto makers also go for this heavily male reach.

Some of the most highly publicized deals in cable on all the networks have been long-term buys with guaranteed rate protection or other sweeteners. Sales execs say they are phasing out this type of inducement as the networks become more firmly established.

■ A.C. Nielsen Co., for a hefty fee, is lending a hand in this respect. Measurements taken in the 1,000 homes metered for tv's Big Three have muted the advertisers' complaints about the lack of reliable research data. WTBS reached the 15% minimum several months ago and now has metered numbers. ESPN will get comparable measurements in January.

Kay Koplovitz, president of USA Cable Network, which is now up to nearly 9,000,000 homes, expects to boast a large enough circulation to go on the meters by next fall. One of the oldest signals of the main cable bird, USA will bill roughly $12,000,000 this year from schedules for 40 to 50 sponsors.

Since USA was acquired by Time Inc., Paramount Pictures and MCA Inc., Ms. Koplovitz has been signed to a three-year contract. Her new bosses have not been at the controls long enough to indicate what changes they may make in a schedule mixing sports, children's fare and miscellany supplied by outside miniservices. So far USA has not established as clearcut an image at the consumer level as ESPN, CNN or the major draw for sponsors on USA has been Madison Square

(Continued on Page S-22)

National sponsor rates

for major satellite-fed cable services

Network/location	Program type	Cost per 30-second spot	Homes reached
ARTS New York	Prime time visual & performing arts	$1,500 avg.	5,000,000
Black Entertainment Television (BET) Washington	Friday 11 p.m. to 2 a.m. EST movies, sports	$ 375 avg.	7,800,000
Black Music Cable* Network New York	Noon-1 a.m. EST music	N/A	2,000,000 (projected as of 7/82 launch)
Cable News Network I (CNN I) Atlanta, Ga.	24-hour in-depth news & info	$300-$2,500 range	9,000,000
Cable News Network II (CNN II) Atlanta, Ga.	24-hour news headlines	N/A	2,000,000 (projected as of 1/82 launch)
Cable News Corp.* (CNC) Epping, N.H.	15 hours daily news and info programing	N/A	2,000,000 (projected as of 4/82 launch)
CBS Cable New York	12 hours nightly cultural	N/A	3,000,000 (projected)
Christian Broadcasting Network (CBN) Virginia Beach, Va.	24 hours all family entertainment	$ 650 avg.	13,300,000
Daytime* New York	1 p.m. to 5 p.m. weekdays women's informational	$1,250 avg.	5,000,000 (projected as of 3/82 launch)
ESPN Bristol, Conn.	24-hour sports	$200 to $1,100 range	12,300,000
Health Channel*	24-hour health, diet, nutrition & medical	$150 to $600 range	5,000,000 (projected as of 5/82 launch)
Heartbeat Media* Network New York	Six-hour daily multimusic styles	N/A	N/A (projected 2/82 start)
KidVid Network* New York	Three hours daily of children's fare	N/A	N/A (projected 8/82 start)
Modern Satellite Network (MSN) New York	Daytime informational/-educational for women	$ 300 avg.	4,100,000
Music Television (MTV) New York	24-hour young adult music format	$1,000 avg.	2,500,000
Nashville Network* Nashville	12 hours daily country music/variety	N/A	2,000,000 (projected as of 10/82 launch)
Satellite NewsChannels - First* (SNC 1st) New York	24-hour short form news	N/A	N/A (projected spring '82 start)
Satellite NewsChannels - Second* (SNC 2nd) New York	24-hour long form news	N/A	N/A (projected fall '82 start)
Satellite Program Network (SPN) Tulsa, Okla.	24-hour family/life style entertainment	$ 75 to $200 range	3,146,177
Spanish International Network (SIN) New York	24-hour Spanish variety	$ 500 to $5,000 range	2,673,000
USA Cable Network Glen Rock, N.J.	24-hour general fare	$ 300 to $1,500 range	9,000,000
UTV* Fairlawn, N.J.	12 hours daily Involvision viewer participation	N/A	3,000,000 (projected as of 4/82 launch)
WTBS superstation Atlanta, Ga.	24-hour sports, movies, variety	$ 780 to $6,500 range	17,930,000
Weather Channel* Atlanta, Ga.	24-hour live weather	N/A	N/A (projected 4/82 start)

*Announced, not yet operational
Source: Compiled by Katherine Connolly, TAG Cable Information Exchange, New York.

Cable television is still in a swirl

(Continued from Page S-1)

Garden and other sports events. Its ranking clients are Ford Motor Co., Toyota Motor Sales and Miller Brewing Co.

A significant step forward came last fall when Bristol-Myers joined the lineup with "Alive & Well," its own 60-minute daily magazine show, which is targeted at women. It was earlier, Bristol-Myers scored a publicity coup by signing a 10-year agreement as one of Cable News Network's charter advertisers. USA, WTBS, CNN and ESPN are singled out by the Broadcast Advertisers Reports as the leading networks in wired television. They will join the measured media elite circle in January, 1982 when Broadcast Advertisers Reports starts estimating who is spending how much for which brands on each of the four.

■ Coincidentally, the incumbents on all the cable satellites will be facing an augmented array of scrappy challengers. The most formidable could be Satellite NewsChannels, a joint venture combining the muscle, pocketbook and know-how of Westinghouse and ABC.

In Atlanta, the Turner forces will be fighting themselves as well as SNC. CNN I will be pitted against an inhouse rival, CNN II, a headline service rushed in to the market to counter Group W and ABC.

Also pushing aggressively for their share of advertising dollars are CBS Cable, offering a well promoted cultural lineup, and Christian Broadcasting Network Cable, positioned as an all-family alternative to the current sex and violence on regular television, and Warner Amex's MTV: Music Television, which is the first channel to program music full time for rock lovers.

■ Sophisticated industry observers do not expect all the choices on the bird to survive.

Ahead could be a year of fallout as the less well financed companies are vanquished.

There certainly aren't enough ad dollars to support all the programmers. With the exception of the superstations, none of the advertiser-supported services, wafting through space into the cable lines, are making much money yet. (WGN-TV, Chicago, and WOR-TV, New York, do not sell themselves nationally as cable networks.)

The cable networks' financial problems may worsen, temporarily at least, as operators of local systems refuse to pay for software when there is so much of it available without cost.

Furthermore, ESPN and SIN National Spanish Television Network have opened the door to affiliate compensation and everyone would, of course rather be paid than pay.

The future could bring more experimentation in the use of cable—in terms of commercial lengths, patterns and approaches and in tests combining entertainment with sellin .

■ And cable television, at this early stage at least, offers advertisers an affordable opportunity to take a more active role in programing.

Sponsors such as Kraft Inc., Bristol-Myers and Mobil Corp. already have seized this opportunity. This trend could produce a return to the good old days of early television, when sponsors enriched American culture with original drama.

Or it might be thrown back to the bad old days of early tv, when some of those same sponsors were accused of trying to control the content on the home video screen.#

Maxine Christopher, deputy executive editor of Advertising Age, writes a weekly column on Videotech and has followed the development of the new video technology since its inception. Art Page S-1 by Milt Priggee

The cable (inter) connections

Where to buy spot cable

By Cable Market of Opportunity

CMO	Systems	Subscribers	Pricing—30-second spot	Rep
NEW YORK METRO**	13 systems	836,000	$175-$225 scattered $700-$850 Knicks/Rangers	Cable Networks Inc.
Manhattan	Manhattan Cable TV	130,000	$60-$100 scattered $350 Knicks/Rangers	CNI avails on ESPN, CNN, USA, and locally originated channels.
	Teleprompter	70,000		
	Total	200,000		
Long Island	Cablevision	135,000	$80-$125 scattered $315 Knicks/Rangers	
	Viacom	80,000		
	Teleprompter/Islip	10,000		
	UA-Columbia	40,000		
	Total	265,000		
Westchester	UA-Columbia	35,000	$25-$45 scattered $35 Knicks/Rangers	
	Cablevision	20,000		
	Total	55,000		
New Jersey	UA-Columbia	100,000	$30-$160 scattered $225 Knicks/Rangers	
	Suburban Cable	130,000		
	Vision Cable	25,000		
	Sammons Cable	35,000		
	Cablevision	26,000		
	Total	316,000		
BOSTON**	6 systems	206,000	$2,400 for a package of 30 scattered 30-second spots	Eastman CableRep
	Colony Communications	60,000		
	Warner Amex	60,000		(Same satellite network services not always on all systems.)
	Teleprompter	20,000		
	Continental Cablevision	41,000		
	Cape Cod Cablevision	25,000		
HARTFORD/NEW HAVEN*	7 systems total	232,000	$150-ESPN $125-CNN	Eastman CableRep
	Hartford CATV	40,000	prime time	
	Rollins CableVision	35,000	$2,000 for a package of 40	(Cablenet,
	Storer Cable	40,000	scattered 30-second spots	locally)
	Telesystems	22,000		
	United Cable TV	36,000	$1,500 for a package of 20	
	Valley CableVision	24,000	prime time 30-second spots	
	Waterbury Community Antenna	35,000		
SYRACUSE**	4 systems total	115,000	$75 scattered	Eastman CableRep
	Upstate Cablevision	20,000	$1,500 for a package of 30	(Tele-Cable
	Syracuse Cablesystems	35,000	scattered 30-second spots	Sales,
	Syracuse NewChannels	35,000		locally)
	Teleprompter/Elmira	25,000		
WESTERN NEW YORK*	4 systems total	183,000	$525 scattered	Eastman CableRep
	International Cable	93,000	$1,300 for a package of 3	
	Courier Cable	60,000	scattered 30-second spots	Cable Time,
	Niagara Frontier Cable	20,000		locally)
	Global Cable	10,000		
SAN DIEGO*	3 systems total	313,747	$150 scattered on CNN	Eastman Cable Rep
	Mission Cable (Cox)	210,655	$1,800 for a package of 30	
	Southwestern Cable	60,700	scattered 30-second spots	(KCOX,
	Times-Mirror Communications	42,392	$3,000 for a package of 30 prime time 30-second spots	locally)
SAN FRANCISCO BAY AREA*	28 systems with Gill as head-end	425,000	$150 prime time on CNN $225 prime time on ESPN	Eastman Cable-Rep
			$3,000 for a package of 30 scattered 30-second spots	(Gill, locally
SEATTLE/TACOMA**	4 systems total	174,050	$150 prime time	Eastman CableRep
	Viacom Cablevision	84,600	$2,400 for a package of 30	
	Cox Cable	38,000	scattered 30-second spots	
	Cable TV/Puget Sound	35,700		
	NationWide Cablevision	15,750		

*Electronic (microwave) interconnect
**Simulated (bicycled) interconnect
Note: Cost is segmented by satellite network, where or when applicable. Subscriber figures are current for October, 1981.

BY R.C. MORSE

While franchise battles rage fiercely in and around the unwired major metropolitan areas, who would believe that, after the wire has passed, a conciliatory and even cooperative mood could develop between former rivals?

In those areas where the dust has settled, tentative friendly overtures between system operators have spawned a whole new entity in the cable industry—the interconnect.

The only generalization one can make about interconnects is that no two evolve the same way or for the same reasons. Technically, interconnects are either electronic or simulated: The former a microwave (or hardwire or AML) connection; the latter, systems in which videotapes are bicycled between participants.

Electronic interconnects currently include the Hartford/New Haven, Western New York, San Diego and San Francisco Bay Area systems. Simulated interconnects include the New York Metro, Boston, Syracuse and Seattle/Tacoma systems.

While these eight represent the major functioning interconnects, there are hybrids—single systems that are being sold like interconnects because of the unique opportunities they offer. These include Palmer Cablevision in Naples, Fla., and Palm Springs, Cal., serving 60,000 households in two of the country's most affluent communities; Tulsa Cable, the 10th largest system in the country, serving 95,000 subscribers with 11 ad-supported channels, and the Portland, Ore., system.

■ And more are in the works. Harron Cable plans to launch one Philadelphia interconnect by February that would serve 350,000 households through 26 systems in southeastern Pennsylvania, southern New Jersey and Delaware, while Suburban cable system may launch a second Philadelphia system. Other interconnects are now being negotiated or started in Pittsburgh, Atlanta, Cleveland, Iowa and Wichita/Hutchinson, Kan. Many of these should be operational next year, and you can be sure it won't be long before other major market operators will catch on and cash in on the benefits of interconnection.

Profits to system operators—by way of local and regional advertising—are the binding force in tying anywhere from a few to more than two dozen individual systems together.

In many cases these interconnects represent, by replication, what in advertising jargon is an Area of Dominant Influence (or Designated Market Area or Standard Metropolitan Statistical Area).

Agencies are buying spot cable time on the basis of the area the interconnects cover. "But what interconnects are actually creating," says Eastman CableRep president Carl Weinstein, "is a CMO—a cable market of opportunity, which in several instances is going beyond the ADI or DMA concept."

For example, in Santa Clara County, Gillcable serves 85,000 households in its own franchise area, with an additional 350,000 households from other systems in the San Francisco area. The Gill cable interconnect stretches from Napa in the north to Salinas in the south, with plans for major additions in the future in the San Fran

R.C. Morse is a New York-based free lance writer.

cisco area. Gillcable formed the San Francisco area interconnect to aid in selling advertising, but that is not always the case.

■ In San Diego, for instance, Cox's Mission Cable initially fed the signals of Los Angeles network owned & operated stations via microwave to the Southwestern Cable system because geography prevented Southwestern from picking up the Los Angeles signals directly.

By itself, Cox's system reached only 37% of the ADI. But since its link with Southwestern and the inclusion of the Times Mirror system, the interconnect now reaches 50% of the ADI, increasing all three systems' opportunities for pulling in advertising dollars.

■ Other interconnects are formed for other purposes. The Western New York interconnect was initially formed to telecast Buffalo Sabres hockey games to fans in the upstate region, but there are now plans to expand into other programing areas.

The Iowa interconnect, already in formation, reaches seven ADIs in Iowa and Nebraska with Iowa football.

When interconnects are formed, one system is generally acknowledged as the head-end. In some cases, the head-end makes the investment necessary to form the actual interconnection (as Cox and Gillcable have).

■ In other cases, the head-end offers some form of unique, locally originated programing.

In San Diego, Cox Mission Cable markets the equivalent of a local station, KCOX, by using one channel for a mix of entertainment, news and sports.

In the San Francisco area, Gillcable originates its Classic Movie Channel, news (Cable News Network) and Sportschannel, which feeds the Entertainment & Sports Programming Network with locally originating sporting events.

■ But local programing isn't the sole source of advertising revenue for interconnect operators. Along with it, the head-ends generally feed satellite-distributed, basic service networks to their sister systems. Chief among these are CNN and ESPN, with USA Cable Network and MTV: Music Television catching up. Currently, these four are available only on the Syracuse interconnect.

Varying combinations of three networks are available on the Boston, New York, San Francisco area and Seattle/Tacoma interconnects. Cox offers only CNN and ESPN, and the Western New York interconnect has tied into CNN.

■ One prime reason for this limited-access capability is that 70% of all systems in the country are 12-channel systems. Bound by law to carry broadcast and public access channels, they often have limited room for providing ad-supported networks (with a choice to pick from) and increasing pay—tier services, such as Home Box Office and Showtime. For some, plans for increased channel capability are in the works.

Not all interconnects are individually operated, even though the head-end is physically situated at one system so that commercials can be physically inserted for play via the microwave connection (if there is one).

■ While a system like Gillcable absorbs all costs for the interconnections, some interconnects are operated on a co-op basis. Hartford/New Haven is a prime example.

It is expected to hook into every cable system in the state within two years and is operated as a co-op. All participating operators collect a share of ad revenues based on the amount of money they have put up.

New York Metro is another example. This bicycle system plans to build a microwave link among the Manhattan, Long Island, Westchester and New Jersey systems (and other systems as they come on-line) through a nonprofit, mutually owned co-op.

The plan is that of Cable Networks Inc., a year-old subsidiary of 3M Co. that grew out of the company's Media Networks Inc. concept. Media Networks bills $49,000,000 per year in spot magazine ad sales, delivering presold, preprinted local advertising pages from 100-plus markets to a wide variety of national magazines such as *Time*, *Sports Illustrated* and *Playboy*.

"It took a year of figuring out how to translate this concept to cable," says Thomas P. Sassos, Cable Networks vp-general manager. To help facilitate the Metro interconnect, Mr. Sassos says, CNI has signed five-year contracts for CNN to be accessed into systems, with CNI paying half the subscriber fee as incentive to get the participation of the various systems.

"The problem we're trying to solve is simple. Individual systems in the metro area offer advertisers highly fractured segments of the market. By providing a super head-end, we'll be able to offer the entire market, or portions thereof, to advertisers."

In some cases, CNI will even pay for the hardware, too. The master plan calls for pumping ad revenues into the establishment of a super head-end, to be known as the Metropolitan Transmission Center, costing between $7,000,000 and $10,000,000 and scheduled to begin operations in 1983.

■ Says John P. Kramer, vp-director of sales, "The problem we're trying to solve is simple. Individual systems in the metro area offer advertisers highly fractured segments of the market.

"By providing a super head-end, we'll be able to offer the entire market, or portions thereof, to the advertisers."

Horizontally (by interconnect system), MTC would be able to drop in commercials for designated geographic areas. Vertically (by channel and network availability),

(Continued on Page S-16)

It's 8 pm. Do you know where your audience is?

Once upon a time the television advertiser could tell his story to 70% of America at almost the same instant. You controlled the Who, When and Where of advertising exposure with remarkable precision.

Fragmentation. It has changed this neat little situation forever. 22 million households are on cable, choosing up to 120 channels. Almost 3 million households with VCRs celebrate viewer lib by watching what they want to watch, and when they darn well please. (They'll have a chuckle seeing your new fall models in the middle of next July.) Another half million can watch video disc playbacks. About 6 million households are using your precious TV time to blast space invaders and other assorted aliens out of the sky. And over a million with personal computers can preempt the family television to balance their checkbook or keep track of small business inventories.

Every day you lose a little more control. It's like spilling a bucket of marbles on the kitchen floor. There's no telling which way they'll go. Only that they're likely to stay somewhere in the room.

How can you regain control? By taking action before the marbles spill. By letting Twentieth Century-Fox Television show you how advertising and syndication can work together from day one—before your media plans are drawn. Then you'll no longer be at the mercy of "avails." Because you'll create your own.

As our "partner," consider the possibilities:

1. Television programs whose demos match the demos of your target audience.
2. A huge choice from existing Fox properties. Or, a new show that we'll create and produce especially for you.
3. An ad hoc network that will be measured by Nielsen.
4. A full range of ADI's. (Current Fox advertiser-supported programs reach at least 85% of all U.S. TV households.)
5. A full variety of station outlets, including network O&O's and affiliates, independents and the pinpoint audiences of the cable systems.
6. Distribution both in the U.S. and internationally.
7. A guarantee that your spots will run—because they'll be part of the show when we ship it.
8. A pricing that's reasonable enough to make "sponsorship" once again practical.

If you've got the product, we've got the show. We've produced over 100 television properties, from *MASH* to *Dance Fever* to *Batman*. From *Trapper John, M.D.*, to the new *Jessica Novak* and *The Fall Guy*. And over 2,000 movie titles from *Shirley Temple* to *Patton*, from *9 to 5* to *Alien*.

Or we'll develop something new, made to order for your audience.

Join forces with Fox and you'll be in good company. Blue chippers like Chesebrough-Pond's, General Electric, Pepsi, Gillette, Bristol-Myers and S.C. Johnson.

When you work with Fox, you're working with the leading full-service telecommunications software company. Together, we can control the target audience and deliver efficiencies unheard of since Tuesday night belonged to Milton Berle.

To get things rolling: phone Steve Orr, V.P. Domestic Syndication, (213) 203-1898.

20th Century Fox Television

Hardware for cable ahead of demand

BY MARK TROST

In the not too distant past, little more than a franchise agreement and a few miles of cable were all that were needed to start a cable system.

Today, three satellites carry cable programing regularly. But with operators planning to expand their revenue base through multiple pay tiers, city councils demanding two-way interactive capability and advertisers finally getting interested in buying cable time, hardware manufacturers are preparing multiple satellite earth station receivers, interactive-addressable 54-channel converters and commercial insertion equipment to meet the anticipated demand. Unfortunately, most systems have yet to place the new products on their shopping lists.

■ While the need to expand is there, much of the money isn't. Most systems were built before two-way technology was devised or the need to access 50 or more channels was a franchise prerequisite.

Consequently, it often takes more than a new converter or satellite dish to expand an existing system properly or turn an operator's dream of selling local ad breaks on the cable networks into a reality.

As a result, most hardware buying is dominated by stopgap purchases. Operators add what they say they can afford until they have a subscriber base large enough to warrant a substantial equipment outlay.

Those interested in buying state of the art equipment are the operators of systems that were orignally built with 50-plus channel (and/or two-way) capability in mind or new builds.

To appeal to this market, hardware manufacturers usually use one or all of the major cable trade books, such as *Cablevision*, *Multichannel News*, *TVC* and the newest entry, *Cable Age*, to get their equipment messages across.

Trade shows are even more important to moving the product, with most equipment makers citing the annual National Cable Television Assn. convention and major regional conferences that are held in Atlanta and Anaheim as must-attends.

■ For those operators contemplating major expansion or engaging in a new build, a second satellite dish is quickly becoming a necessity. To date, about 3,500 systems maintain one dish to capture programing off the major cable bird, Satcom I. But Westar III and Comstar D-2 are offering additional programing services and up to 12 new birds are preparing to go on line by 1984.

Therefore, the need for additional dishes and new multiple satellite receivers are quickly becoming clear, although only 500 systems currently have more than one earth station.

Scientific Atlanta, one of the leading dish manufacturers, sold almost 1,000 dishes to cable operators in 1980 and expects to top that number this year.

■ According to the company, dish orders are coming in at 350 a month, with cable customers accounting for a hearty chunk of the total. Prices vary from $10,000 to $15,000 (depending on the size), with 4.6 and 5-meter dishes the choice of most operators.

The company believes two-or-more-dish systems will become the industry standard in three years, with feedback from monthly ads in *Cablevision* and *TVC* and regular trade show attendance stimulating interest.

"New systems are buying two and three earth stations right off the bat," says Doug Rasmussen, marketing manager with Hughes Microwave. In 1977, the company began marketing its cable earth stations, with the 5-meter ($10,000) model the favorite.

"Many systems are currently expanding their channel capacity," adds Mr. Rasmussen, "and that immediately requires an extra dish."

The company also offers users an expansion ring that enlarges the five meter unit to six meters as insurance against transponder degradation or satellite changes.

Marketing plans for Hughes products are similar to Scientific Atlanta's, with major ads in cable trades and attendance at expositions important factors. Other dish manufacturers serving the cable field include Comtech, Gardiner, M/A-Com, National Microtech, Prodelin, Harris and Microdync.

Mark Trost is a free lance writer in New York.

Remember the name: **Simulsat.**® The one antenna that pulls in up to 14 different satellites simultaneously.

So you can tune in to virtually any programming that anyone beams down, with only a minimal investment when you want to see something on a different satellite. You won't have to worry about additional space for your next antenna, either. Simulsat on one foundation does it all.

Simulsat has the performance characteristics of a conventional 4.6 meter antenna; but it was designed to tune in any satellite within a 52-degree field of view. That means you can set it up anywhere in the United States and see up to 14 satellites at once, based on four-degree orbital satellite spacing.

Take a look at the future–today. Call (201) 658-3838 for more information on Simulsat® or the other uplink and downlink services of Satellite Communications Network.

Satellite Communications Network

Ads for a dish usually makes a claim about how many satellites it can receive simultaneously.

The cable television (inter) connection

(Continued from Page S-15)

the MTC would be able to drop in spots across a spectrum of locally originated programing or the satellite-distributed networks (CNN, ESPN, USA, MTV). Advertisers will thus have their choice of horizontal demographic groups and vertical psychographic program types. This segmenting could be so precise that advertisers will have in cable the equivalent of magazine Zip code insertion.

Advertisers are catching on, albeit slowly. CNI says its revenues are expected to exceed $1,000,000 for calendar 1981. Eastman says its figures will reach about $2,000,000. Both companies are under two years old.

William Gruber, chief of Cox Cable in San Diego, also says his company will reach the $1,000,000 sales mark by the end of this year. Cox's local ad sales have increased at a rate of 35% to 40% per year since 1978. But Mr. Gruber cautions that it's not as easy as it looks: "It took us 11 years to become profitable and only after a great deal of missionary investment." He says at least $2,000,000 has gone into capital investment since he came on board in 1978.

Major agencies, often at the prodding of clients, are finding the resources for spot cable placements in spot tv dollars, which they are using to replace or augment existing weights. However, Robert Hance III, vp-director of sales with Eastman, notes: "Some new, experimental or discretionary dollars are being added to existing media budgets."

Mr. Gruber said 30-second spots aren't the sole order either. "We get a lot of 60s and 90s," he says.

Many of the buys for spot cable are coming from the West Coast offices of ad agencies, where personnel have cable in their homes and are familiar with it. In other regions of the country, like New York and Chicago, where personnel don't always have cable at home, they're stepping a little more into narrowcast waters, many industry observers believe.

While it's still uncertain exactly what media spot cable will be competing against for budget dollars, many seem to believe that spot tv will feel the crunch for now. Eastman's Mr. Weinstein believes that in the long-range, magazine budgets may be threatened most.

As far as the industry's trade associations are concerned, spot cable is the wave of the future. Says Robert H. Alter, president of the Cable Television Advertising Bureau, "Spot cable will be an attractive, competitive package for advertisers to look at. It will evolve and have significant impact on media mixes in the future." He says the CTAB is planning a series of reports on the subject to help acquaint advertisers and agencies with the concepts and procedures already established. He points out that a technical understanding of interconnects is a first step in realization of how to use them.

As far as the future of interconnects is concerned, the day of the mega-interconnect may not be far off. In California there is talk of linking the entire coast; but it depends on advertisers' needs to reach such a huge area.

Cognars Char Beales, National Cable TV Assn. vp-media services and research, "Interconnects are an important and natural trend. With increasing cable penetration, these systems will offer advertisers greater coverage of an area than they could get in broadcast alone."

While Mr. Hance says that MSOs (multiple system operators) seem to be allowing their systems autonomy in forming interconnects, Mr. Gruber suggests that systems that don't want to participate are their own worst enemies.

As to the future of interconnects, the day of the mega-interconnect may not be far off. In California, there is talk of linking the entire coast. But it will depend largely on advertisers' needs in reaching huge geographical areas, although the need for regional sales is certainly one topic that has received much attention of late from national advertisers.#

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Advertising Age

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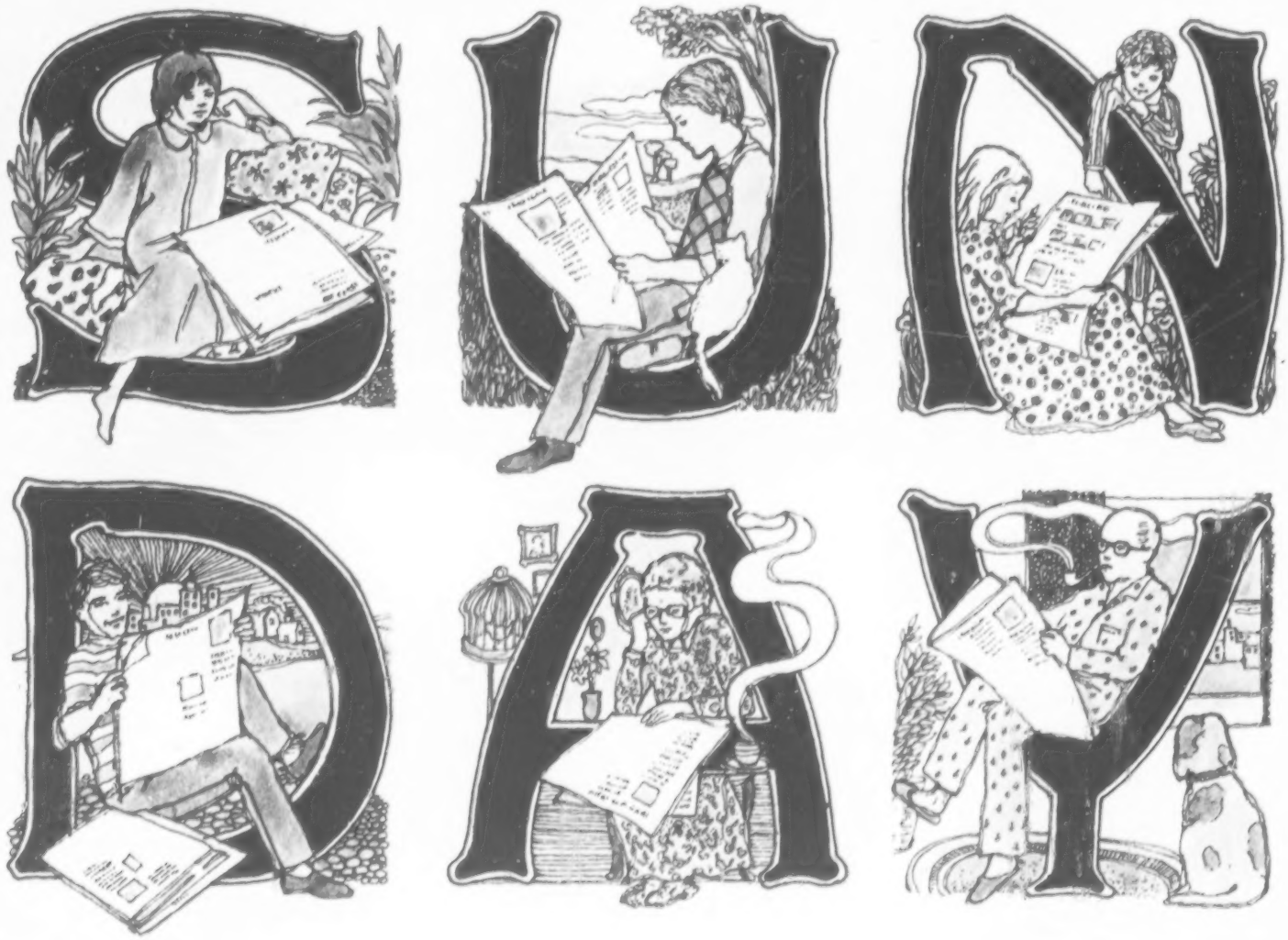

NEWSPAPERS

See Section 2

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SRI ACQUISITIONS
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WASHINGTON DC 20014

NEWSPAPER

J. Friedman.

McCANN VS. McCAFFREY

Exxon shops in runoff

By CHRISTY MARSHALL and TOM BAYER

After a 70-year relationship, Exxon Corp. has put McCann-Erickson into a runoff with its corporate advertising agency, McCaffrey & McCall, for its consumer products account, Exxon U.S.A.

"We thought it would be beneficial to obtain another agency's point of view on our business," an Exxon spokesman said.

"We presented a new [consumer] product campaign," said Robert James, vice-chairman, McCann-Erickson Worldwide.

"McCaffrey did, too. But it is not an agency search in the sense that Backer & Spielvogel and the rest of the world is in on it." Mr. James mentioned the Backer agency only because he was asked about a report that had that agency connected to the Exxon runoff. Exxon subsequently confirmed Mr. James' view of the procedure. McCann presented on Nov. 11; McCaffrey presented Nov. 12. A decision is imminent.

Industry sources said that although there had been some minor and even major differences between Exxon and McCann, the view is more of a return to earlier times when archrivals McCann and McCaffrey were requested periodically to make presentations to retain the accounts.

In another segment of Exxon's business, Exxon Office Products, McCaffrey & McCall won the account in October, 1980, only to lose it to Marsteller in July (after the Exxon corporate group was reorganized).

Both McCaffrey and McCann were in the runoff for that $20,000,000 chunk of business.

As noted, this is not the first time the corporation has pitted the two agencies against each other. In 1975, Exxon asked both McCann and McCaffrey to "consider [and present] alternative strategies" on the institutional advertising then being handled by McCaffrey. McCaffrey kept the account then, as it did later that year after Exxon as-

(Continued on Page 84)

Listing to Clairol

To stimulate critical fourth-quarter Christmas sales, Clairol is making a big push for several of its new products introduced earlier this year. The company also is running print ads for its entire appliance line. Agency is Foote, Cone & Belding/New York. *(Story on Page 84.)*

world news roundup

LONDON—The 30,000 members of Britain's National Viewers and Listeners Assn., the equivalent of the Moral Majority in the U.S., are asking major advertisers like Cadbury Schweppes, Vauxhall/Opel, Barclays Bank, Shell Oil and Imperial Chemical Industries to pressure authorities into censoring programs like Paramount's "The Gambler" and "The Benny Hill Show," now syndicated in the U.S.

NUREMBERG—Quelle, Europe's largest mail order house and No. 2 worldwide, with annual sales topping $4 billion, will acquire 51% of Aldens, Chicago, the fifth-largest U.S. catalog house ($300,000,000 in sales) in January. The move closely follows the buy last month by Otto Versand, Hamburg, of 100% of Spiegel, Chicago.

PORTO ALEGRE, BRAZIL—PepsiCo will launch Mountain Dew in southern Brazil next month to try to hold its lead over Coca-Cola.

LONDON—Miller Brewing Co. is having "exploratory discussions" with several breweries here concerning distribution of Miller brands in the U.K.

OSLO—Young & Rubicam merged with Norway's Scaneco agency, putting the new Scaneco-Y&R in the country's top five, with projected billings for 1982 of more than $8,000,000.

LONDON—After Wasey Campbell-Ewald resigned the $8,000,000 N.V. Philips account last September (AA, Sept. 28), local Leagas Delaney last week won Philips' videocassette recorder and tv business, boosting the shop's billings 50% to $24,000,000.

New bar goes after Hershey

Cadbury into Thick of it

By GAY JERVEY

Next year will see a new contender in the chocolate wars. On Jan. 4, Peter Paul Cadbury will introduce Thick, a new milk chocolate candy bar that will weigh in at 1.85 ozs., cost 50 cents and is designed to eat into the market pioneered by Hershey's Big Block.

The introduction of Cadbury's Thick will be accompanied by a $5,000,000 campaign by Young & Rubicam, the single most ambitious launch in Cadbury's history. To insure Thick's availability to more than 90% of the U.S. population by the end of February, 1982, Naugatuck, Conn.-based Cadbury has added to its Hazleton, Pa., plant a $5,000,000 production line devoted exclusively to the new product.

"We decided to move the new product directly into national distribution, based on the very favorable results of intensive research conducted earlier this year," said Walter E. Cohan, vp-marketing, sales and distribution. "We are going all out on this one, with prime time network and spot tv, print advertising, strong distributor and retailer incentives, point-of-purchase displays and merchandising support and, most important, a product that's positioned to move off the shelves."

To make certain of that, the company will push a special prepack for retailers that will include a counter display, an extra distributor allowance and a $50,000 instant winner sweepstakes during the six-week introductory period.

Although positioned head-to-head with Hershey's Big Block, which rolled national in July, 1980, Thick's creative emphasizes not only the bar's chunkier size—Hershey's main tack—but also its creamy, smooth texture, Cadbury's traditional selling message.

Over the past year, the chocolate wars have been punctuated by products of all sizes, shapes and prices. Last September, Mars raised its prices from 25 cents to 30 cents, but without the advertising hoopla that had attended the company's increase of bar weight without a price hike in November, 1980. At that time, Mars gave consumers 10% more candy bar for their money, a move that increased its market share to 46% from 37%. #

highlights

Monday, Nov. 23, 1981

The third quarter is turning out a lot better for agencies than the second one. *See Page 10.*

Gross Telecasting could lose its main money-maker if a Federal Communications Commission judge's decision is upheld. *See Page 10.*

Although regional boating and yachting books have lost some ad pages, national books have been picking up some speed. *See Page 16.*

The Wall Street Journal is suffering from an unusual problem—it has more advertisers than it can handle. *See Page 16.*

Hit by rumors that it is owned by the Moonies, Entenmann's fights back with promotional efforts. *See Page 33.*

Subaru is sticking with its marketing niche—the economical, front-wheel-drive subcompact segment. *See Page 48.*

A diamond bargain offered in the *New York Daily News* was too good to be believed, but many did. *See Page 78.*

"Time Bandits" steals some theater interest after two weeks in release. *See Page 86.*

Cover illustration by Judith Friedman.

CONSUMER WATCH

While most economists seem convinced the economy is failing, consumers are far from feeling gloomy. *See Page 6.*

CORPORATE CLOSEUP

Andrew Jergens Co. puts hopes in new products as it gears up to become more aggressive in the skincare business. *See Page 4.*

INTERNATIONAL

Weight watching has replaced girl watching as Italy's national pastime. Stepping in to take advantage of this new trend, U.S.-based Weight Watchers International is offering Italians a fresh, sensible approach to the problem of overeating. *See Page 66.*

In order to revitalize sagging sales in Europe, particularly in Germany, the Glueckskiee subsidiary of Carnation Co., Los Angeles, has bought a half interest in Luenebest Dairy. *See Page 68.*

MAGAZINE

What are the traits of the bad agency? Merle Kingman, in a sequel to his "Profile of a bad client" (AA, May 11, P. 49), interviews 20 advertising/marketing execs to find out what makes up the bad agency. *See Page 53.*

Elizabeth Nickles presents a solution to a "burn your candle at both ends" creative challenge: Writing and producing weekly, humorous radio spots in 48 hours for 26 weeks straight. *See Page 54.*

Bob Stone answers some frequently asked questions about direct marketing, and Barbara Mahany challenges the advertising community to produce commercials that portray homemakers as serious, responsible adults. *See Page 56.*

What did the battle between Superman and the Greatest American Hero tell us about copyrights? *See Page 58.*

VIDEOTECH

Wold Entertainment will syndicate a live Dec. 19 Rod Stewart concert on barter basis. *See Page 62.*

Telefrance, a U.S. cable distributor of French-language programs, will stay in business despite lack of support from the French government. *See Page 62.*

section 2

NEWSPAPERS

Sunday: The day of rest—and the newspaper. For years, reading the Sunday newspaper has been a tradition in American households, and you can believe most publishers are happy about that. Section 2/Newspapers looks at Sunday editions and how they have added to the newspaper industry as a whole in recent years—beginning opposite Page 50.

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Union to boycott P&G line

By ROBERT RAISSMAN

NEW YORK—The AFL-CIO's endorsement last week of the United Steelworkers of America boycott of Procter & Gamble Co.'s soap products will give the union a vehicle with which to carry its campaign across the country. The action came at the federation's centennial convention here.

"This boycott will be a frontal assault on a particular set of products," said Earl McDavid, secretary-treasurer of the AFL-CIO union label and service trades department, the division of the organization responsible for boycott activity.

Due to a labor dispute affecting P&G's Kansas City, Kan., plant, the union is calling for a boycott of Ivory, Joy and Dawn liquid detergents; Zest, Camay and Ivory bars, and Tide, Cheer, Oxydol and Bold laundry detergents.

Marjorie Bradford, a P&G spokeswoman, said the company would not comment on the AFL-CIO endorsement. "We have been dealing with the Steelworkers," she said. "We don't think a boycott will settle the matter."

Although strategy to implement

(Continued on Page 88)

Shops' 3rd quarter unusually good

By CHRISTY MARSHALL

NEW YORK—Herb Eames, exec vp-finance and chief financial officer of JWT Group, recently commented that advertising is changing from a second and fourth-quarter business to a third and fourth.

Certainly, all publicly held agencies are hoping that the fourth quarter will bring forth the motherlode, but in keeping with Mr. Eames' observation, the third quarter turned out better than the second for a majority of the publicly held shops.

In terms of net income for the third quarter, JWT Group made the most impressive gain—a jump of 50% to $3,032,000 from $2,018,000 rung up in the same period in 1980. Ogilvy & Mather's net income gain of 37.1% was the second best performance, climbing from $2,071,000 in the third quarter last year to $2,840,000 in 1981. Grey Advertising's net income was up 25% to $1,382,000 and Doyle Dane Bernbach's net income was up 16% to $764,000, while Foote, Cone & Belding and the Interpublic Group of Cos. reported virtually flat quarters, with an increase of 1.7% and a decrease of 1.6%, respectively. The greatest drop in third-quarter net income was sustained by BBDO (down 30% to $1,924,000).

The greatest gain in revenues for the third quarter was enjoyed by Grey, up 20% to $28,000,000 from $23,166,000 in the same period a year ago. Other revenue gains in descending order were JWT, up 9.9%; Ogilvy, up 8.7%; DDB, up 7%, and Interpublic, up 2.8%. FCB was virtually flat, with its revenues off 0.1%.

In analyzing its third-quarter performance, BBDO cited weak client spending in both the U.S. and Europe. FCB (and several other agencies) listed the problems of inflation, recession and foreign currency translation losses.

On the other hand, DDB reported a gain of $126,000 from foreign currency exchange. The third quarter was a record quarter for DDB, but unlike many of the other shops, it is in keeping with the second/fourth-quarter business tradition of advertising. In the second quarter, DDB reported a net income of $4,428,000 and revenues of $43,231,000, significantly more than the net income of $764,000 and revenues of $33,654,000 tallied in the third quarter of 1981.

For the nine months of 1981, the figures are far more sobering. In terms of net income, only Grey and Ogilvy reported gains—Grey, up

(Continued on Page 78)

COMING MARCH 19
Conference Centers
SECTION OF OUR BUYERS GUIDE
ASSOCIATION TRENDS
THE NATIONAL WEEKLY NEWS MAGAZINE FOR AMERICA'S TOP 75,000 ASSOCIATION EXECUTIVES
Rates & Data 301 662 8666 or SRDS Sec. 130 B

FCC judge rules against WJIM

LANSING, MICH.—Gross Telecasting could lose its main money machine if a Federal Communications Commission decision is upheld.

An FCC administrative law judge revoked the licenses of WJIM (tv, am, fm), citing "misrepresentation and fraud."

Gross denied wrongdoing and said it will appeal.

The company earned 24 cents on each sales dollar in the first nine months of this year or $2,233,498 on revenues of $9,131,213.

The WJIM properties account for about 75% of Gross' business. Gross also owns WKBT-TV, La-Crosse, Wis.

FCC judge Byron E. Harrison denied license renewals after finding that Gross:

- "Repeatedly and intentionally cut out network programing [it is a CBS affiliate] to present local news or advertising [clipping] and misrepresented the fact to both CBS and the FCC.
- "Repeatedly and intentionally used deceptive maps to support its effort to obtain advertising clients." The am radio station was involved in those charges.
- "Broadcast tape weather reports without notice to the public as required by the FCC.
- "Ceased coverage of a local tennis club . . . to aid in the collection of overdue advertising bills."

Judge Harrison said Gross had a "clear intent to engage in misrepresentation and outright fraud." He said Gross' violations were "of an absolutely disqualifying nature" and the company "is beyond rehabilitation."

The Lansing branch of the American Civil Liberties Union, represented by the Media Access Project, a Washington public interest law firm, filed the original complaint in 1973. Gross has 30 days to file an appeal with the FCC. #

BPAA to award 4 student scholarships

NEW YORK—Four $1,000 student scholarships will be awarded in 1982 by the Business/Professional Advertising Assn. in its effort to upgrade the educational strengths of college juniors studying business communications.

Steve Dawe, BPAA functional vp-education/student development and marketing communications manager, Eastman Kodak, said the BPAA hopes to grant one of the scholarships to a qualified applicant from the immediate family of an association member. Information on the program is available from the BPAA.

NAME THE ONLY MAGAZINE WITH A BETTER WINE LIST THAN BON APPETIT.

Gourmet?
Sunset?
Travel & Leisure?
Architectural Digest?

No! The New Yorker was the only general-audience magazine to carry more ads for fine wines than any magazine you can name.

SOURCE: PIB/LNA 1981 WINE

Yes, The New Yorker.

KEEP AD MATERIAL
UP FRONT
WHERE IT COUNTS!
ANY SIZE HOLDER
ANY TYPE DISPLAY
BEEMAK PLASTICS
7424 Santa Monica Blvd. Los Angeles, CA 90046
213/876-1770
Outside Calif. Call Toll Free
1-800-421-4393

Agencies have good quarter

(Continued from Page 10)

14% to $4,460,000, while O&M was up a slight 2.8% to $9,170,000. All the other publicly held agencies had declines, with JWT Group—down 46% to $4,864,000—topping the list.

In terms of revenues for the three quarters, all the agencies, with the exception of BBDO, posted gains. (BBDO was down 1%.) The greatest gain in revenue was reported by JWT, up 18%, while Grey was up 16%, O&M, up 12.1%, DDB, up 7%.

JWT's revenue gain and net income loss can be attributed in part to high interest costs—$7,442,000 for the nine months of 1981, compared with $3,092,000 in the respective 1980 period. The agency's foreign exchange losses for the three quarters were $4,421,000. For the same period a year ago, the losses sustained totaled $850,000. #

Sassoon to debut line

NEW YORK—Vidal Sassoon Inc. will introduce in January a line of activewear called EVERYWEAR. It will retail from $6 to $40. Advertising will be handled by Peter Rogers Associates, agency for Sassoon hair and skincare products.

Agency financial reports

Third quarter

Net income	1981	1980	%
BBDO	$1,924,000	$2,741,000	-30
Doyle Dane Bernbach	764,000	656,000	16
Foote, Cone & Belding	1,674,000	1,646,000	1.7
Grey	1,382,000	1,101,000	25
Interpublic	2,195,000	2,230,000	- 1.6
JWT	3,032,000	2,018,000	50
Ogilvy & Mather	2,840,000	2,071,000	37.1

Revenues	1981	1980	%
BBDO	$38,800,000	$43,000,000	-10
Doyle Dane Bernbach	33,654,000	31,366,000	7
Foote, Cone & Belding	39,390,000	39,459,000	- 0.1
Grey	28,000,000	23,166,000	20
Interpublic	104,534,000	101,731,000	2.8
JWT	90,103,000	81,946,000	9.9
Ogilvy & Mather	69,099,000	63,566,000	8.7

Nine months

Net income	1981	1980	%
BBDO	$7,782,000	$8,562,000	- 9
Doyle Dane Bernbach	5,474,000	6,500,000	-16
Foote, Cone & Belding	5,673,000	7,110,000	-20
Grey	4,460,000	3,899,000	14
Interpublic	8,849,000	12,603,000	-29.8
JWT	4,864,000	9,176,000	-46
Ogilvy & Mather	9,170,000	8,919,000	2.8

Revenues	1981	1980	%
BBDO	$125,600,000	$126,400,000	- 1
Doyle Dane Bernbach	110,105,000	102,961,000	7
Foote, Cone & Belding	122,149,000	117,580,000	4
Grey	80,797,000	69,670,000	16
Interpublic	312,705,000	304,480,000	2.7
JWT	273,639,000	231,989,000	18
Ogilvy & Mather	210,782,000	188,087,000	12.1

This diamond was really in the rough

By GAY JERVEY

NEW YORK—It seemed too good to be true—and it was.

Bargain hunters perusing the *New York Daily News* on Sunday, Nov. 15, were in for a tease. A full-page Macy's ad listed as part of a jewelry sale "a large diamond knot. 15 pt. t.w. reg. $300. Sale $25."

Unfortunately for the many sharp-eyed readers who showed up at Macy's door on Sunday—not to mention those who called the store to request more information—the ad promised a lot more than it could deliver. The actual sale price was $225, not $25.

Macy's accepted full blame for the mistake, chalking it up to human—in this case, production—error. While the ad arrived at the *Daily News* with the typo, a similar version in the Sunday *New York Times* had the correct price. The department store quickly ran an apology in Monday's *Daily News*. "We are very, very sorry for the error and any inconvenience we may have caused our customers," a company spokesperson stated.

In such cases as these, "sorry" is all the store has to be, as there are no legal ties to bind the advertiser to the erroneous offer. "An advertisement is not a binding contract under the law, but merely an invitation to an offer," explained one Manhattan lawyer. This instance, he agreed, represents just a simple mistake—and one that was remedied quickly—and because the ad creates no expectations as to product performance, it cannot be regarded as misleading or deceptive.

As for the *Daily News*, it claimed that, much as it would like to, proofing every ad is impossible. #

the advertising market place

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ULTRA Magazine, an upscale lifestyle publication, has an immediate opening in Dallas and Houston for an experienced, aggressive advertising sales representative to call on advertisers. Guaranteed base salary plus commission. Full company benefits. Call collect:

Karl Sternbaum, 713/961-4132

Equal Opportunity Employer M/F

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Experience developing programs for fashion products sold in department stores is a must for this corporate level position. Working with branded, well-known, high-quality products, you will administer a multi-million dollar budget. Good communication skills, 10-15 years experience in active co-op program development, and solid department store experience is essential.
Superb career growth potential and excellent salary and benefits is offered. For immediate consideration, please send your confidential resume including current salary to:
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740 Rush St., Chicago, Ill. 60611
An Equal Opporunity Employer M/F/H

SALES PROMOTION DIRECTOR

Leading midwest consumer goods manufacturer is searching for a SALES PROMOTION DIRECTOR. Your taste level for high quality fashion products is essential. With corporate responsibilities covering many divisions of well-known branded products you will administer a multi-million dollar budget for catalogues, ad books, promotions, brochures, points of sale, and sales meeting presentations Ten years plus fashion goods sales promotion experience is a must.
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We need you as a Tab Supervisor to manage projects for our Fortune 500 caliber clients. We offer you a fun, challenging environment with young, enthusiastic people. CRI is an innovative, rapidly growing full service marketing research firm. And we will challenge your initiative with total decision making responsibility, growth potential, an attractive salary and benefits.

You will have control of all tabulation steps on projects including estimating, client communications, formatting data and time tables. You must have 1-2 years of data processing experience in marketing research. Knowledge of Mentor Language would be a plus. Send your resume and salary history, in confidence, to Eileen Taylor.

CUSTOM RESEARCH, INC.
10301 Wayzata Boulevard
Minneapolis, Minnesota 55426
CRI
Equal Opportunity Employer

Graphic Arts Manager

Excellent opportunity for a fast track individual to join an industry leader. Responsibilities include the design and production of 16 catalogs per year plus various direct mail packages.

The successful candidate will be production oriented with a good eye for creative design. Excellent supervisory and employee relations skills a must. Degree preferred.

Wheeler Group is a Pitney Bowes company offering an excellent salary and a full range of benefits. Please send your resume or a brief letter outlining your experience in confidence to Ms. Chris Cuttler, Employment Manager.

Wheeler Group
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PUBLIC RELATIONS ACCOUNT MANAGER
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$30-45,000
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Major packaged goods company. Mkt. An., industrial, $60MM company, north cent $28-32,000.

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PRODUCT MANAGER

Ideal candidate will possess one — three years experience in the automotive accessories field. This position is newly created and has high growth potential at the Divisional level coupled with hi-visibility at the Corporate level.

Position is located in the Kansas City Metropolitan area. Salary range from mid $20's to mid $30's.

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845 South Ninth Street
Edwardsville, Kansas
66113-0285
Att: Personnel

EOE m/f

SUN SHINES ON SUNDAYS

That big, fat edition gives the newspaper's week a strong start.

BY LORI KESLER

The ritual is repeated millions of times every Sunday morning in homes and apartments from Boston to Baja. Legions of sleepy people clad in bathrobes stumble to their front doors and gingerly step outside honing to encounter just one thing: Their Sunday newspaper.

In small towns, families stop at the grocery store to pick up the Sunday paper after they've gone to church.

And in cities where jobs are scarce, newsstand dealers stock lots of out-of-town papers for folks seeking employment in more prosperous locales.

At a time when fewer and fewer people regard the daily newspaper as a necessity of life, the Sunday paper is healthier than ever.

▪ Statistics from the *1981 Editor & Publisher Yearbook* show that in 1980 there were 736 Sunday papers, and their total circulation was 54,676,173. Those figures represented an increase from the 720 papers and 54,379,923 circulation in 1979.

On the other hand, the number of dailies dropped from 1,763 in 1979 to 1,745 in 1980, and their circulation decreased—largely because of the problems evening papers are having—from 62,223,040 to 62,201,840.

Ten years ago, there were only about 530 Sunday papers, while the number of dailies has remained about the same.

"On the whole," said J. Kendrick Noble, newspaper analyst at Paine Webber Mitchell Hutchins, New York, "the trend in the industry is to build more Sunday papers."

▪ What makes the Sunday paper attractive is that it serves up a smorgasbord of advertising and editorial offerings along with generous helpings of life style and entertainment features usually not found in the diet of the dailies. The result is a quasi-magazine product that seems to appeal especially to young adults.

Research suggests that this generation, which is content to get much of its news in capsule form from television and radio, may look to the Sunday paper as much for information about movies, tv and other entertainment as they do for the more traditional kinds of news.

Studies by the Newspaper Advertising Bureau and the Simmons Market Research Bureau show that adults under 45 are more apt to read the Sunday paper than the weekday editions, though for older folks the pattern is just the opposite.

According to the Newspaper Ad Bureau, the Sunday audience in the top 100 markets surpasses the weekday audience in all but two demographic categories—adults over 65 and those with less than a high school education.

Sunday circulation is heavily concentrated in the larger metropolitan newspapers. Newspapers with circulations of more than 100,000 represent 71% of all Sunday editions but only 48% of all weekday circulation.

▪ In those cities where both weekday and Sunday papers are readily available, more people seem to read the Sunday edition. In fact, the Sunday circulation of many major metropolitan papers runs one-third ahead of their daily figures.

It's understandable, then, that with such good demographics and numbers, the Sunday paper can become a compelling advertising vehicle.

In a typical large newspaper operation, the Sunday paper carries as much linage as three weekday editions, and it is likely to account for 40% of total ad revenues, according to Mr. Noble, the Paine Webber analyst.

The Sunday paper tends to be "overweighted" in classified advertising, he said, which can make it more profitable than the daily. But that also can make it more volatile because the three main components of classified advertising—employment, autos and real estate—are highly sensitive to shifts in the economy.

In general terms, however, classified advertising has been surprisingly strong, and it was up sharply in August, the most recent month for which figures are available, Mr. Noble said.

Auto classifieds have held up well because used cars are still selling briskly. Help wanted ads have remained reasonably strong because it's closely associated with employment, and the work force has been growing, despite the high unemployment rate.

Real estate advertising, Mr. Noble said, has shown some weakness but could turn quickly with increased availability of funds.

"On the whole, Sunday papers are economically attractive and the trend in the industry is to build more of them," said Mr. Noble

▪ Although a few metro dailies such as the *Cleveland Press* have started Sunday editions to run head-to-head against a competitor, most of the new entries are springing up in small and medium-sized markets that don't already have Sunday papers of their own.

"Smaller papers that start Sunday editions can often give the dominant metro in their area a run for its money because they can get the local ads, and that's one thing people buy a paper for," said Charles Lehman, manager of survey research with the Newspaper Ad Bureau.

Newsday, the Times Mirror newspaper in Long Island, N.Y., which considers itself a local paper (though not a small one), did just that when it started its Sunday edition in April, 1972.

"Before we put out our Sunday paper, the stores here had to advertise in the New York papers just to reach the Long Island market," said David Targe, senior marketing vp with Newsday.

But no more. *Newsday* has aggressively solicited local advertisers and catered to small retailers by offering zoning options that allow them to target areas of 50,000 to 70,000 people.

▪ In the nine years since the paper started its Sunday edition, total linage has increased 36%. In 1980, a total of 35.8% of the entire paper's advertising was in its Sunday edition.

Newsday's weekday circulation is 514,000, and Sunday circulation now stands at more than 570,000, having increased 17,000 in the last year alone.

A *Newsday* official says the New York metro hurt most by all this was the Daily News. "The bulk of our circulation came from them," said Mr. Targe. "Their figures show the erosion that's taken place."

In response to declining circulation in the mid-1970s, daily newspapers across the country began adding more sections, more "soft" news and more features—more of the stuff Sunday papers traditionally are made of. That pattern continues, but it is still the Sunday paper

(Continued on Page S-56)

Lori Kesler, a frequent contributor to Section 2, is an Advertising Age correspondent in Manchester, Mo., outside St. Louis.

Top 25 Sunday newspapers, by circulation, 1981

	Daily Sept. 1980	Daily Sept. 1981	Sunday Sept. 1980	Sunday Sept. 1981
1 New York Daily News	1,524,641	1,483,333	2,125,156	1,888,324
2 New York Times	873,255	887,211	1,430,358	1,461,673
3 Los Angeles Times	1,000,942	1,011,798	1,234,114	1,250,620
4 Chicago Tribune	784,388	754,043	1,144,058	1,076,071
5 Washington Post	584,500	635,439*	820,452	866,056*
6 Philadelphia Inquirer	425,746	423,746	824,066	852,126
7 Detroit News	629,598	625,730	829,240	823,499
8 Detroit Free Press	604,062	622,129	720,987	757,216
9 Boston Globe	501,520	504,492	714,528	740,717
10 Chicago Sun-Times	655,332	649,040	680,940	681,904
11 San Francisco Examiner & Chronicle	†	†	657,756	656,087
12 Pittsburgh Press	266,177	262,760	645,208	618,380
13 Newark Star-Ledger	406,728	409,210	566,152	584,907
14 Minneapolis Tribune	227,392	234,730	593,527	573,795
15 Newsday	489,888	507,350	553,924	570,724
16 Milwaukee Journal	318,723	308,426	514,863	513,254
17 Miami Herald	398,415	399,690	509,097	478,108
18 Atlanta Journal & Constitution	†	†	496,006	476,300
19 Houston Chronicle	356,288	384,305	443,763	459,542
20 Cleveland Plain-Dealer	395,452	401,210	457,111	458,066
21 Philadelphia Bulletin	434,105	397,397	505,101	443,625
22 St. Louis Post-Dispatch	236,879	236,888	429,297	430,029
23 Houston Post	353,047	348,571	399,137	412,441
24 Portland Oregonian	249,720	238,303	414,667	408,995
25 Des Moines Register	207,998	204,196	387,913	382,191

*Six-month average includes period from Aug. 8 to Sept. 30, after the *Washington Star* folded. †Separate dailies combine for Sunday edition.
Source: Based on Audit Bureau of Circulations FAS-FAX report for six months ended Sept. 30, 1981.

Sun shines bright on Sunday papers

(Continued from Page S-2)
that delivers the grab bag of goodies for the whole family.

Theoretically, people have more time to read on Sundays. And researchers say that while people read the dailies for the news, they read the Sunday paper for relaxation and enjoyment.

Sunday papers with circulations of more than 100,000 usually have at least 10 sections, and a Newspaper Ad Bureau report listed 50 different kinds of features and columns that various newspapers offer—from comics and consumer action reports to book reviews and astrology charts.

■ Some Sunday papers have grown immense. The *New York Times* and the *Los Angeles Times* editions can weigh more than several pounds, and several others are nearly as big. Sometimes, their size alone can create problems.

Just producing, printing and distributing such a package can be a formidable task, though publishers seldom complain since that package is likely to carry about 75% advertising and 25% editorial—a far higher ratio than most dailies.

As for the reader, how can anyone—especially an advertiser—expect him to wade through all the information in the Sunday paper? The truth is, nobody does.

Readership studies indicate that while nearly everyone glances at the first section, other parts of the paper attract limited audiences. One Newspaper Ad Bureau readership study indicated that nearly everyone glances at the first section, 87% of all adults read the Sunday magazine and 80% read the local and regional news section.

Entertainment sections and tv logs are read by about 75% of the adults, and the life style section is close with 73% readership.

Classified sections are most likely to be thrown aside. Other sections that attracted less than 60% readership were the business, home/garden, travel and sports sections. About 77% of the men but only 38% of the women read the sports section.

The survey indicated that readers with less than a high school education tended to be less selective in their reading patterns. On the other hand, the college educated reader—often a prime target of marketers—was more likely to select only certain sections to read.

"But that's not bad," said Mr. Noble. "It's just part of the trend we're seeing in all the media. Everything is becoming more specialized so that people can focus on information that serves their particular interests."

The growth of cable tv and special interest magazines are part of the same trend, he said, adding that the Sunday paper is in reality a family of diverse publications delivered in one package.

"We can no longer produce a general audience publication and expect to reach people," said Mike Fancher, managing editor of the *Seattle Times*. "We have to speak to readers on their own specific interests." Once they're inside the paper, he said, "we can expose them to the broader range of news that has been our traditional mainstay."

In keeping with that theory, the *Seattle Times* is experimenting with a new Sunday section, Taste, for gourmet cooks.

■ Publishers and editors are also well aware that they face tremendous competition on several fronts. "It's not just radio and tv and other print media," said the promotion manager of a Midwestern metro. "It's anything that uses up time that people might otherwise spend with the paper."

The special interest sections are designed to meet that challenge. In addition, newspapers are making better use of what marketing people would call package design.

"The Sunday paper today is much more graphically appealing than it was 10 years ago," said Heath Meriwether, managing editor of Knight-Ridder's Miami Herald. "In the old days, Sunday papers were big, but they weren't very exciting.

"Now we're putting lots more effort into establishing a visual identity for each of the Sunday sections. We want them to really pop out at the reader."

■ Starting a few years ago, the whole newspaper industry began to take the matter of graphics very seriously. Graphics designers became the whiz kids of the newsrooms and since then, nearly every paper in the country has been affected, either directly or indirectly, by the changes they've wrought.

Some editors obviously think the pendulum has swung too far. "The industry has been in an agony of self-reappraisal for a long time," said Ralph Looney, editor of the *Rocky Mountain News*. "The first thing they always seem to look at is graphics. Myself, I think the most important thing is what you put into the newspaper."

But others, who seem to represent the prevailing opinion, insist that good graphics enhance good content and is absolutely necessary to attract the modern reader.

■ One editor, self-conscious about applying the language of merchandising to the presentation of news, asserted, "We must—if I may use this term—'sell' the product."

"The Sunday paper has to be packaged and organized and presented in such a way that the reader can come to grips with it," said Mr. Fancher of the *Seattle Times*. "If it's a massive jumble, he just won't bother."

Mr. Meriwether noted that research has shown Miami readers spend an average of 38 minutes with the Sunday paper. "We want to get them the most information possible," he said. "We'd like to get them into the newspaper and into every section."

In discussing other trends, Mr. Meriwether added that Sunday papers are discovering the importance of covering the "little news" of local communities.

"Of course the *Miami Herald* would never abandon its effort to report national and international news. This is a big-league, sophisticated paper," he said. "But we try to remember that no other medium serves the needs of the local community as the newspaper does. That's our challenge—to make sure we do those things for which we are uniquely suited."

■ It was with that goal in mind that the *Miami Herald* four years ago created zoned local tabloids for its Thursday and Sunday editions.

Called Neighbors, each local tabloid covers a piece of Dade County, and it specializes in the type of news many major metros have simply written off, said Mr. Meriwether.

■ In Dallas, where the Times Mirror's Times Herald and the *Morning News* are waging competitive war, the *Morning News* is making changes in classic Texas style. Big.

"We've tried to take every piece of the Sunday paper, pick it up, shake it out and see how we could make it better," said executive editor Burl Osborne.

The Sunday magazine, for example, has been revamped to feature more and better graphics, more attractive covers and shorter people-oriented articles.

The sports section has been expanded by 40% to accommodate a commentary page, a radio-tv sports columnist, a fan page, more complete coverage of high school and college sports, more news of participatory sports and a locally drawn sports cartoon.

A special business section that premiered as a Tuesday attraction also was added as a Sunday supplement. "We figure its readership among the movers and shakers of this town is well above 95%," said Mr. Osborne.

Regional news, which had been getting scant attention, now has its own Sunday section, with a color front.

■ And in January the *Morning News*, which just contracted with Cunningham & Walsh in Dallas to handle promotions, will pick up *Parade*, which the *Times Herald* had dropped to start its own magazine, *Westward*. (see story on Page S-48) "Our research tells us there's still a strong demand for *Parade* in this market," said Mr. Osborne.

"We don't assume that because we're healthy we can quit," he added. "Our guiding premise is that there's no free lunch. There's a cost attached to quality—in a market as vibrant as this, we think it's justifiable."#

Top 25 Sunday newspapers, by ad linage, 1980

	Full run	Part run	Total
1 Los Angeles Times	39,302,000	17,814,000	57,116,000
2 New York Times	34,763,000	12,597,000	47,360,000
3 Chicago Tribune	26,939,000	10,616,000	37,555,000
4 Houston Chronicle	31,937,000	4,662,000	36,599,000
5 Miami Herald	26,652,000	8,898,000	35,550,000
6 Boston Globe	29,943,000	3,536,000	33,468,000
7 Washington Post	25,560,000	7,250,000	32,810,000
8 Fort Lauderdale News & Sun Sentinel	24,230,000	5,677,000	29,907,000
9 Dallas Morning News	25,191,000	4,171,000	29,362,000
10 Newark Star Ledger	26,522,000	2,235,000	28,757,000
11 San Jose Mercury News	27,823,000	209,000	28,032,000
12 Philadelphia Inquirer	24,110,000	3,876,000	27,986,000
13 Denver Post	27,782,000	—	27,782,000
14 Dallas Times-Herald	25,036,000	1,524,000	26,560,000
15 Baltimore Sun	24,359,000	1,800,000	26,159,000
16 Minneapolis Tribune	21,487,000	4,042,000	25,529,000
17 Atlanta Journal & Constitution	20,477,000	3,922,000	24,399,000
18 Orange County Register	24,051,000	93,000	24,144,000
19 Cincinnati Enquirer	22,647,000	687,000	23,334,000
20 Detroit News	18,580,000	4,210,000	22,790,000
21 Cleveland Plain-Dealer	20,963,000	1,669,000	22,632,000
22 Bergen County (N.J.) Record	18,998,000	3,596,000	22,594,000
23 St. Petersburg Times	17,559,000	5,026,000	22,585,000
24 West Palm Beach Post	20,878,000	1,456,000	22,334,000
25 Pittsburgh Press	21,730,000	290,000	22,020,000

Source: *Editor & Publisher*, May 30, 1981, based on Media Records figures.

Policy stretches Sunday to 3 days

If one weekend paper is good, three weekend papers are just that much better. Or so the *Miami Herald* tells its readers.

Under a plan started Jan. 4, Herald subscribers now must purchase a weekend package of Saturday, Sunday and Monday papers instead of the standard Sunday-only subscription.

Ben Cole, administrative assistant to the circulation manager, said the reason for the change was to improve service.

"Sunday service at most newspapers is poor because the carrier tends to forget from Sunday to Sunday precisely where the customers are," he said. "As a result, service can be dismal and customers often stop the paper out of exasperation."

■ Mr. Cole said the new system has helped the *Herald* provide consistent service, "and we found we can convert weekend customers to daily customers much more easily than we could before."

Then, too, he added, the *Fort Lauderdale News & Sun-Sentinel*, which competes with the *Herald* in some areas, had switched to a Saturday-Sunday package "and it was doing a good job for them."

■ To anyone who reads circulation figures, another advantage also seems clearly evident. Saturday and Monday are traditionally newspaper's weakest days, and now at the *Herald*, their numbers are tied to the Sunday paper, always the bestseller.

"Yes, it's done wonders for Saturday and Monday," said Mr. Cole. But he admitted that the plan initially hurt circulation of the Sunday paper and that it's still running 4½% below where projections say it would be if it were standing alone.

"However, sales have picked up substantially and our conversion rate of customers from the weekend package to daily and Sunday has picked up brilliantly," he said.

The city of Miami is in a state of flux, and the weekend package was just one of several moves designed to improve distribution throughout South Florida, Mr. Cole said.

All carriers, formerly independent distributors, have been made employes of the *Miami Herald*, and a warehousing distribution system has replaced street drops.

Audit Bureau of Circulations figures show that the average Sunday circulation for the six months ended Sept. 30 stood at 478,108. The comparable figure for the same period last year was 509,097.#

—*L.K.*

Free-standers prove their redeeming value

BY JANE GOLTERMANN

Jim Hayden came across an old study recently that would probably bemuse most people in the advertising industry. Mr. Hayden, national advertising manager at the *Philadelphia Inquirer*, says the study showed that 10 years ago free-standing advertising inserts in his paper accounted for the same linage in one year as is recorded in one week now.

There's money tucked between the pages of newspapers—especially the Sunday papers—and consumers evidently believe that the quarters they plunk down to buy an edition can save them valuable dollars at the store.

In fact, advertising inserts rank among the highest read sections in the newspaper. And advertisers claim they are one of the most cost effective advertising vehicles available.

■ The Newspaper Advertising Bureau estimates that 27,840,000,000 preprints were inserted in daily and Sunday newspapers in 1980, up 2.3% from 1979.

The use of inserts in the Sunday paper, in particular, has boomed over the past few years. It has boomed so much that marketers are seeking other outlets to get out of what many see as Sunday "clutter."

Jane Goltermann is a business writer in Chicago.

Nevertheless, the Sunday papers have many advantages that appeal to the consumer products company.

High circulation figures is one. This year, the three major coupon preprinters—John Blair Marketing; George F. Valassis & Co., Livonia, Mich., and Marketing Showcase, New York—each boasted a circulation of 34,000,000 in Sunday newspapers. Next year, all three expect circulation figures to jump to between 36,000,000 and 38,000,000.

■ Circulation is not the only part of the business on an upward spiral. The number of markets each of the companies reach, the average number of pages per issue and the yearly number of issues is on the rise. Valassis & Co., for instance, began a business shift in 1972 from commercial coupon printing for a direct mail program to coupon printing for free-standing inserts in Sunday newspapers.

■ At that time, a two-page insert reached 15,000,000 people and annual sales were $3,000,000. According to Dave Brandon, Valassis' national sales manager, the average insert this year was 22 pages, and 1981 sales are expected to be between $80,000,000 and $90,000,000.

"We find free-standing inserts a very valuable and efficient vehicle for coupon delivery," says Peter Consolazio, group manager-promotions, Quaker Oats Co., Chicago. "We've dramatically increased our use of them, and from all indications, that increase will continue. We get good advertising awareness, and they're very flexible from a geographic point of view and the number of issues you want published."

Most of the coupon promotions aim to sell grocery products, and health and beauty aids. But the preprint companies report an increase of new types of business, including wine, toy and magazine subscription accounts.

"The original concept of couponing was for the trial of a new product," says Mr. Hemm of John Blair Marketing.

"Or for a mature product, coupons were used as a defensive measure against new products.

■ "But today, the high cost of money makes couponing attractive. Manufacturers and retailers want to move products through the store rapidly. Promotions, especially couponing, tend to have the turns shortened."

High readership scores make free-standing inserts attractive as an advertising vehicle even without the respectable coupon redemption rates. Mr. Brandon reports readership on Valassis' "Impacts" insert covers are in the 85 to 90 percentile.

"It's one of the most highly visible parts of the Sunday paper," says Larry Johnson, Valassis' president.

■ An eight-page John Blair Marketing insert ranked second in a Starch survey of women readers of the April 26, 1981 *New York Daily News* Sunday edition. Only the general news section scored more —98% noted—although the *News'* Sunday magazine tied with the insert at 90% noted.

Another advantage to advertisers is that every insert is category exclusive.

"In a display ad on Best Food Day, you have heavy competition," notes Diane Love, vp-media director of Marketing Showcase, publisher of "Product Movers" inserts. "A 30-cent-off coupon for Sanka could be right next to a 50-cent-off coupon for Brim. That never happens in free-standing inserts."

The inserts are sold on a cost per thousand basis and, unlike run-of-press advertising, preprints can provide glossy color possibilities.

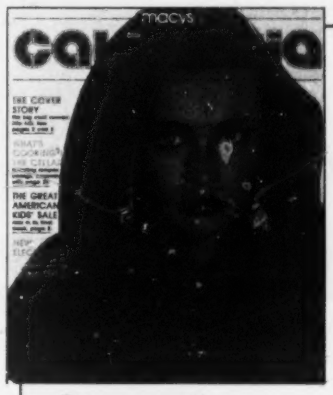
Meanwhile, an additional source of Sunday newspaper coupons—and a competitor of the free-standing inserts— are the Sunday comics coupons.

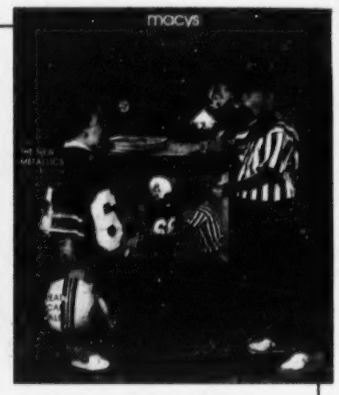
The four-year-old Sunday Comics Couponing Corp., Westport, Conn., offers a larger circulation— 40,000,000 people—than does any of the preprint companies.

In 1981, the company ran 17 programs, and in 1982, it plans to run from 18 to 24, according to exec vp Joseph Strickland.

"We buy the page, and divide it into 16 units," Mr. Strickland says. "People looking for a big promotional event buy us. We wouldn't expect somebody like a Pillsbury, with a cake that needs beautiful photography for appetite appeal, to go with us. But we give products a good identification."

The company, like the preprinters, has shown a tremendous increase in business. Mr. Strickland asserts that this year's sales figure of more than $10,000,000 is





Supplement to sales

R.H. Macy & Co. has taken a different approach to advertising in Sunday newspaper free-standing inserts.

"Macy's California," an advertising supplement with a magazine format, runs weekly in newspapers in the store's northern California and Nevada market.

"Inserts per se were very successful for us," says Michael Adams, advertising manager with Macy's California, San Francisco. "Our desire was to be able to present the total spectrum of the store in a vehicle that would allow us to promote all of our stores equally. You can't do that with run-of-press advertising. The cost is restrictive. So we opted to go to a consistent insert program."

Before the new magazine was launched in August, Macy's inserts featured specific departments. But it wanted a more programed approach.

"Our basic objective is to package the store and have the ability to present the entire spectrum of what we have to offer the customer in one package at one time on one day, and reach as many Macy's customers as we can," says Mr. Adams.

"Macy's California" runs between 24 and 48 pages, depending on the time of year. It reaches 5,000,000 people in 2,300,000 households.#

—J.G.

Grocery products average coupon redemption rate, 1980

Daily newspaper	
Co-op advertising	3.1%
R.o.p. solo	3.4
Sunday newspaper	
Free-standing inserts	5.1
Magazine	2.1
Comics	1.5
Magazine	
On-page	2.6
Pop-up	5.6
Direct mail	11.6
In or on-pack	
Regular in-pack	18.4
Regular on-pack	13.3
Cross product in-pack	6.8
Cross product on-pack	4.4

Source: A. C. Nielsen Co.

Per cent of coupons distributed

(By media)

	1978	1979	1980
Sunday free-standing inserts	13.4	14.9	18.4
Direct mail	3.0	3.2	3.4
In- or on-pack	8.9	7.9	7.7
Magazine	11.4	12.2	13.3
Sunday newspaper, r.o.p.	7.7	9.5	9.0
Daily newspaper, co-op	15.4	16.1	17.1
Daily newspaper, r.o.p. solo	40.2	36.2	31.1

Source: A. C. Nielsen Co.

expected to double in 1982.

"What we like about the comics is that it's the largest single print medium in the world," Mr. Strickland says. "It reaches moms and kids at the same time."

■ When the success of free-standing inserts and couponing in the Sunday newspaper became evident, newspaper advertising execs began prodding the Newspaper Advertisng Bureau to get somebody to publish a midweek insert. The bureau last year approached McGill/Jensen & Co., a St. Paul, Minn., printing company, with the idea of printing a free-standing insert for newspapers' Best Food Days. McGill/Jensen Marketing, Greenwich, Conn., was formed in February by a handful of former John Blair Marketing execs.

"The Sunday papers are getting cluttered with inserts," says Scott Murray, a sales manager with McGill/Jensen who has been in the insert business since 1968. He helped get Product Movers off the ground in 1968, and left in 1975 to help start John Blair Marketing.

The company's first eight-page insert was delivered last week, and the second one is due out the week of Jan. 20. Twelve issues of "Adserts" are planned to be delivered to 32,000,000 readers on Best Food Day in 186 newspapers during 1982.

"This is a particular thing whose time has come," says Carl Turnblom, president of McGill/Jensen. "The newspapers only recently got the production capability of handling a lot of inserts. The huge influx of Sears, J.C. Penney, Ward's, etc. forced them to do it."

■ In fact, the idea of a midweek free-standing insert for couponers is not new. According to Mr. Brandon of Valassis, a company with its eye on the midweek market, there are "some real problems with a midweek insert.

"A lot of newspapers can't offer a Best Food Day insert," he says. "And there are problems with the method of delivery in terms of mechanically inserting the preprint at the newspaper in controlled distribution under a highly security oriented environment."

But already 50% of all inserts appear in the daily newspaper, according to Newspaper Ad Bureau statistics. And Mr. Turnblom claims that the 186 newspapers running McGill/Jensen Adserts have submitted a verified affidavit outlining how the inserts will be handled.

"We're dropping the coupon just as supermarkets are gearing up to do most of their business," Mr. Murray says.

■ But Mr. Consolazio of Quaker Oats is cautious about the prospect of a midweek insert.

"McGill/Jensen is stepping in the right direction," he says. "Their viability as a long-term company is a question. They must have lower margins. But it's a good idea, and we would probably participate down the road."

Mr. Murray says he expects the competition to wait and see if McGill/Jensen Marketing has any problems before they gear up to sell midweek inserts.

■ The three established free-standing insert coupon publishers are also looking into other possibilities even beyond daily and Sunday newspapers. Direct mail couponing offers the highest media-delivered coupon redemption rate, which makes it an attractive possibility for coupon publishers.

Marketing Showcase launched its first direct mail program—Showcase Direct—Oct. 5, reaching 25,000,000 homes with incomes of more than $16,000 and a high incidence of children. The company is planning two mailings in 1982—the weeks of April 13 and Oct. 7.

John Blair Marketing's new direct mail program—Prime Families Direct—is scheduled to be mailed April 12. A late September mailing is planned, as well, and Mr. Hemm says four drops are scheduled for 1983.

"We did this with Young-Rubicam as a joint venture in 1972," Mr. Hemm says. "It was called the Golden Envelope, and it went to 6,000,000 to 8,000,000 people. The ability to do it then was limited because the computer couldn't handle the enormous number of lists needed to be unduplicated and to reach a large national audience.

■ "However, with the advanced technology of the computer, you can now deliver to 18,000,000 to 20,000,000 people unduplicated. A lot has happened since 1972."

Valassis is taking a wait-and-see attitude about direct mail couponing possibilities.

"There are a lot of new formats and new delivery systems, but we feel they haven't been tested or proven," says Mr. Johnson.

Ms. Love of Marketing Showcase says she believes the newspapers are "getting kind of nervous, since we have alternate delivery vehicles."

But Mr. Hemm says he doesn't believe direct mail couponing would take business away from newspapers.

"It's a growing business," he says. "There are many different objectives advertisers have at different times of the year. I look at these [direct mail] as incremental opportunities, not in place of [Sunday inserts]. There will probably be some minor shifting. We're just trying to meet the needs the advertisers have, and this is one way of doing it."#

No direct threat, yet

While the number of free-standing inserts in newspapers is on the rise, retailers are keeping their eyes open for alternative methods of delivery.

Earlier this year, Sears, Roebuck & Co., Chicago, began testing the possibilities of hand-delivered promotions in an effort to get a precise reach at a lower cost per thousand. Company officials refused to comment on the success or failure of the three-city test.

Ed Kreitz, director of advertising and marketing with K mart Corp., Troy, Mich., says, "The situation is pretty volatile now because of the postal rate changes. Preprints have been a good vehicle for us, and we've increased our business every year. I don't think hand-delivered promotions are viable unless it's a densely populated area, and even in that case, its success is questionable."

J.C. Penney Co., New York, is experimenting with hand-delivered inserts, but company representatives would not comment on the success or failure of the program. Penney's has increased the number of its free-standing inserts in newspapers nationally from 23 in 1981 to 26 in 1982. And for the first time, the company is supporting the ad vehicles with tv spots that tell viewers to refer to the inserts for more information.#

—J.G.

Gold in California

and a bonanza in Sacramento

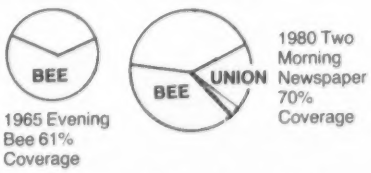
High Newspaper Readership
The two-newspaper town is alive and well in Sacramento. As the affluent capital of the nation's largest state, Sacramento has a high percentage of well-educated, informed adults.

Those adults read newspapers. Combined market penetration of The Sacramento Union and Sacramento Bee is 69%. (Compare that with 27% in San Francisco or 55% in Seattle.)

Only The Union Kept Pace
Sacramento is a high growth market. Since 1965, households have increased 166,024, a 76% increase. The entrenched Sacramento Bee could not keep pace, showing only a 27% increase. The revitalized Sacramento Union outpaced the market, with a 77% increase.

A Gold Mine For Advertisers
As the nation's 10th most affluent large metropolitan area ($27,229 average income), Sacramento delivers a high percentage of big-spending adults to advertisers. Low duplication (3.9%) creates a very efficient 2-newspaper buy.

Sacramento's Basic Buy
This efficiency is well recognized by retail advertisers who have for the last two years placed 40% of their advertising in The Union.



1965 Evening Bee 61% Coverage

1980 Two Morning Newspaper 70% Coverage

Today The Union is a Basic Buy to reach a majority of your potential customers.

Sacramento's Basic Buy
The Sacramento Union

301 Capitol Mall, Sacramento, CA 95814

Advertising pages in November consumer publications

Current and November '80 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	Nov. 1981	Nov. 1980	Jan.-Nov. 1981	Jan.-Nov. 1980
Women's				
†§Bride's Magazine	211.3	181.8	1,592.5	1,534.2
▲Co-ed	49.2	47.5	344.9	288.7
§Cosmopolitan	225.6	230.7	2,176.7	2,225.7
Essence	89.0	94.0	894.1	895.2
§Family Circle	215.9	237.6	1,531.4	1,461.7
§Good Housekeeping	232.2	214.5	1,894.4	1,809.7
▲Health	35.6	36.5	305.5	270.5
Ladies' Home Journal	116.5	117.8	955.0	1,136.0
Lady's Circle	8.7	9.3	105.9	105.3
McCall's	136.9	124.7	1,076.1	1,129.2
F. McCall's Working Mother	85.5	111.5	638.0	467.2
†Modern Bride	143.5	140.5	1,301.7	1,227.3
Ms.	55.2	59.2	482.3	505.7
○New Woman	—	—	228.9	183.5
§Parents Magazine	103.0	86.7	765.8	699.1
Playgirl	42.5	44.3	483.9	473.1
Redbook	113.8	150.0	1,059.2	1,266.6
Self	72.6	50.2	738.6	655.2
Seventeen	113.4	100.8	1,252.8	1,248.8
Teen Magazine	55.5	52.2	519.1	500.5
§True Story	72.0	75.5	623.1	572.9
§Woman's Day	217.6	246.8	1,288.7	1,513.4
▲The Workbasket	47.9	42.5	381.5	327.4
Working Woman	96.5	79.5	697.5	502.3
Total Group	2,539.9	2,534.1	21,337.3	20,999.2
***% Change '81 vs. '80	+0.2%		+1.6%	
General				
▲A.D. Magazine	13.1	20.0	139.2	156.6
Air Progress	15.6	18.2	164.1	225.0
▲American Film	35.7	27.0	234.5	196.2
American Forests	18.9	23.1	157.1	178.0
American Legion	33.0	32.6	292.9	302.9
American Photographer	51.5	38.6	467.0	381.2
○Americana	32.0	36.0	195.7	167.3
§Architectural Digest	192.5	166.5	1,438.5	1,234.0
§The Atlantic	25.1	34.4	283.5	332.2
○Audubon Magazine	31.2	30.1	189.8	185.8
§Bon Appetit	145.7	138.4	1,003.4	812.8
Book Digest	29.2	44.9	276.0	323.6
Changing Times	41.8	34.0	330.7	257.3
Christian Herald	48.5	72.3	432.5	461.6
Christian Life	30.1	35.1	294.6	314.1
☆Christianity Today	103.0	87.0	705.0	689.0
Circus	34.5	11.8	247.5	163.3
Complete Men's Group	23.0	22.0	243.9	262.8
Country Journal	55.9	59.0	504.6	552.4
Creative Computing	161.8	108.0	1,386.6	956.7
Dance Magazine	63.2	59.7	655.0	640.7
Ebony	119.0	117.8	1,011.1	1,011.6
▲Elks Magazine	30.7	31.2	214.0	247.9
§Esquire	69.2	46.0	432.0	409.0
Fifty Plus	40.5	32.3	332.5	342.0
Flying	62.3	37.0	544.3	576.3
○Games	39.6	34.7	144.3	146.4
§Gentlemen's Quarterly	151.3	122.4	1,180.1	1,037.5
Golf Digest	54.7	62.5	775.0	749.5
Gourmet	104.5	82.6	720.0	613.5
§Harper's Magazine	25.2	29.2	263.5	325.9
High Fidelity	61.5	61.8	534.7	613.8
○High Technology	—	—	95.8	—
Income Opportunities	46.4	48.1	450.5	499.9
#Inside	—	—	206.8	181.6
Kiwanis Magazine	26.7	20.5	163.9	188.8
Let's Live	89.8	88.7	937.0	986.9
Life	82.3	72.1	616.7	570.8
Lion	6.3	6.3	57.9	52.6
§Money	133.6	125.1	1,063.0	877.9
Moneysworth	14.5	15.3	169.3	197.8
Moody Monthly	56.5	52.5	560.1	529.0
Moose Magazine	28.0	28.0	209.0	232.0
○Mother Earth News	63.3	62.3	390.6	373.2
§○Museum	46.7	36.3	130.0	119.3
National Geographic	48.1	39.9	348.9	358.0
National Jewish Monthly	28.2	27.1	219.5	263.2
Natural History	50.2	50.2	407.3	428.1
§Omni	67.4	54.9	615.2	546.1
§Penthouse	85.4	73.2	697.1	743.7
Petersen's Photographic	56.8	51.8	506.6	499.9
Playbill	81.5	74.0	609.0	518.8
§Playboy	121.7	136.1	1,197.0	1,234.3
Popular Photography	159.0	151.5	1,544.9	1,552.6
Prevention	75.8	91.3	933.2	982.5
Prime Time	22.5	32.8	154.0	226.0
Psychology Today	51.8	68.2	503.1	617.1
§Reader's Digest	132.1	98.0	1,019.9	1,032.7
Rotarian	20.4	23.3	169.4	249.7
††Saturday Evening Post	44.4	46.7	364.4	421.2
Saturday Review	47.9	30.5	365.3	429.2
Science 81	50.9	38.3	196.8	351.3
Scientific American	101.7	112.7	1,031.7	1,040.8
Signature	69.1	58.0	580.4	478.3
Smithsonian	132.0	117.0	942.4	907.3
Stereo Review	71.2	70.9	650.3	718.3
○Technology Illustrated	—	—	74.3	—
Tennis	48.1	47.2	708.8	727.6
Town & Country	273.4	237.9	1,558.6	1,271.1
Travel/Holiday	48.1	38.6	512.5	506.0
E. Travel & Leisure	130.0	106.7	1,061.3	943.6
V.F.W.	28.2	30.3	261.7	283.0
Venture	51.8	45.1	405.3	309.5
Video	59.2	51.0	552.1	363.6
Video Review	75.8	40.9	587.6	255.3
Weight Watchers	23.2	28.9	262.3	244.8
World Tennis	28.6	39.3	489.9	535.4
Writers Digest	18.4	23.7	234.1	226.9
Yankee	149.9	143.0	1,003.2	1,078.7
Total Group	4,990.7	4,550.4	41,405.5	39,839.7
***% Change '81 vs. '80	+9.7%		+3.9%	
Fashion & service				
Glamour	198.9	196.4	1,943.9	1,803.8
Harper's Bazaar	178.4	149.2	1,207.5	992.7
Mademoiselle	163.9	153.6	1,422.3	1,413.3
Vogue	351.6	259.5	2,517.5	2,147.1
Total Group	892.8	758.7	7,091.2	6,356.9
***% Change '81 vs. '80	+17.7%		+11.6%	
Arts & antiques				
American Artist	65.8	63.0	596.4	560.5
Antiques	194.6	175.6	1,752.4	1,614.6
○Art & Antiques	73.0	65.2	361.0	329.0
▲Art in America	133.0	121.8	1,054.4	898.6
▲Artnews	127.0	125.1	1,124.0	1,069.2
○Portfolio	54.0	58.0	269.0	229.0
Southwest Art	157.3	113.0	1,338.0	909.0
Total Group	804.7	721.7	6,495.2	5,600.9
***% Change '81 vs. '80	+11.5%		+16.0%	
Home				
§Better Homes & Gardens	176.9	160.5	1,346.5	1,425.2
○Colonial Homes	78.5	55.4	394.8	328.9
§▲Family Handyman	68.4	60.0	559.2	565.0
○Flower & Garden	—	—	216.6	149.6
Home	37.5	50.0	383.8	446.8
†Homeowner's How-To	21.1	27.3	177.4	161.6
The Hometown Magazines:				
Dallas-Fort Worth Home/Garden	63.0	47.9	496.9	526.5
Houston Home/Garden	152.8	112.9	1,135.2	1,172.8
Horticulture	26.8	19.7	261.9	291.9
House Beautiful	125.5	117.7	1,024.4	1,069.7
House & Garden	145.9	144.2	1,172.0	1,324.8
Living:				
○Dallas	78.9	109.4	719.6	705.1
○Houston	87.3	93.8	594.7	587.8
○Denver	85.3	79.1	570.0	535.3
○Austin	—	—	253.6	150.8
○San Antonio	—	—	289.1	102.4
○Phoenix	—	—	192.2	172.4
○Florida Gulf Coast	—	—	111.0	131.7
○South Florida	25.2	—	80.7	—
Metropolitan Home	92.9	76.6	580.6	593.5
††New Shelter	45.2	49.4	387.6	319.0
H. 1001 Home Ideas	28.4	36.5	286.3	306.9
Orange County Home/Garden	60.0	36.0	221.0	178.0
Organic Gardening	62.0	74.3	791.6	872.5
D. Phoenix Home/Garden	43.4	22.6	408.4	22.6
San Diego Home/Garden	48.3	42.0	481.0	594.2
#Southern Accents	94.2	90.6	340.0	329.4
Southern Living	174.4	177.0	1,361.1	1,357.7
§Sunset Magazine	191.2	171.3	1,551.0	1,469.2
▲Texas Homes	86.7	83.0	799.3	717.6
○Workbench	69.8	65.1	376.1	371.2
Total Group	2,169.6	2,008.3	15,663.6	16,980.1
***% Change '81 vs. '80	+6.8%		−8.2%	
In-flight & other passenger				
#Aboard Group (7)	—	—	2,506.0	2,004.0
Air California	56.3	60.3	643.7	639.5
○Atlas Group (9)	450.0	420.0	2,214.0	2,097.0
Alaskafest	35.3	37.5	435.9	410.4
American Way	75.0	71.1	707.7	735.9
East/West Network:				
Amtrak Express	36.3	—	389.1	—
Continental Express	50.5	60.0	565.0	712.7
Eastern Review	90.5	75.5	851.2	803.3
Ozark Flightime	42.2	41.5	493.2	555.5
PSA Magazine	96.8	—	973.8	1,034.5
Republic Scene East	52.8	39.0	612.0	366.0
Republic Scene West	57.5	60.3	569.4	784.0
Texas International/-The Texas Flyer	67.3	56.7	647.3	639.0
United Mainliner	80.3	84.2	830.9	992.7
Halsey Publications:				
Braniff's Flying Colors	38.5	54.0	346.0	397.0
Delta Sky	54.0	43.0	505.0	467.0
○Skylite	14.0	—	56.0	—
Hawaii	21.9	—	291.8	—
○Pace	31.2	41.8	230.8	183.0
Pan Am Clipper	55.3	65.1	635.7	566.4
Southwest Airlines	93.5	71.8	870.2	722.4
Spirit of Aloha	22.8	26.9	293.6	291.9
USAir	60.4	59.5	537.5	501.8
Webb Publications:				
Frontier	42.8	50.6	396.3	268.5
Passages	37.5	25.7	349.5	313.3
TWA Ambassador	60.6	55.7	558.9	586.1
Total Group	1,723.3	1,500.2	17,510.5	16,134.9
***% Change '81 vs. '80	+3.6%		+6.4%	
Metropolitan				
○Aloha	33.8	20.0	163.8	118.1
Atlanta	100.6	108.8	903.4	927.6
Baltimore	101.6	81.5	773.8	795.3
◇Bay Views	39.5	37.6	358.8	363.5
Birmingham	37.5	28.0	297.1	467.3
Boston	162.8	159.1	1,404.3	1,261.9
Brown's Guide to Georgia	63.9	57.0	717.1	546.1
California	92.2	122.1	709.7	1,148.7
Chicago	203.8	191.6	1,579.8	1,560.7
Chicago's North Shore	73.6	79.6	682.4	558.7
Cincinnati	85.5	78.7	618.6	688.6
Cleveland	77.6	74.8	798.7	774.1
Coast	31.0	30.3	2,848.6	2,529.8
Columbus Monthly	112.0	108.8	1,038.5	973.6
D/Magazine, Dallas/Fort Worth	160.2	142.0	1,327.2	1,227.6
Denver	86.4	60.5	513.9	425.1
Monthly Detroit	72.7	60.3	532.7	562.2
Exclusively Yours Wisconsin	79.0	81.0	965.8	866.3
Grand Rapids	44.3	37.9	486.7	393.0
††Gulfshore Life	64.5	54.3	543.5	401.5
Honolulu	128.5	118.7	854.0	844.4
Houston City	106.8	50.8	828.7	455.1
Indianapolis	40.8	29.5	538.9	427.2
Lansing	20.8	29.5	252.6	322.4
Los Angeles	255.0	231.0	2,208.0	2,089.8
Louisiana Life	65.1	—	186.8	—
Miami	106.1	85.6	906.1	686.6
Milwaukee	27.4	36.7	293.0	360.9
Mpls./St. Paul	128.2	93.8	888.8	787.8
Monterey Life	60.0	44.3	551.1	403.6
Nashville!	47.3	42.7	432.5	374.3
New Jersey Monthly	73.8	87.0	704.1	791.6
New Mexico	30.4	32.3	287.9	334.7
New Orleans	62.1	57.4	520.0	472.7
Ohio	32.0	27.8	396.1	335.1
Omaha	31.7	18.7	221.6	221.1
Oregon	27.0	34.4	266.5	227.1
Orlando	68.0	67.2	813.8	738.9
Palm Beach Life	103.5	84.5	812.5	573.8
Palm Springs Life	140.0	155.0	1,529.1	1,428.0
Philadelphia	157.1	171.4	1,534.4	1,526.4
Phoenix	102.0	125.0	968.0	1,117.6
Pittsburgh	60.9	52.6	475.2	464.5
G. Roanoker	39.5	37.0	408.8	—
Sacramento	40.0	46.7	326.2	362.3
St. Louis	87.0	91.5	895.8	900.2
San Diego	151.9	164.0	1,588.9	1,569.1
San Francisco	62.8	75.4	699.5	704.4
San Francisco Focus	58.4	47.8	417.0	401.6
†Shenandoah Valley	35.5	33.6	180.2	137.8
Spokane	32.0	41.8	390.5	392.1
Tampa	35.2	26.9	359.7	—
Texas Monthly	224.7	218.8	1,598.2	1,417.5
Tucson	35.4	34.1	367.5	607.3
Twin Cities	72.9	71.0	570.0	490.2
Washington Dossier	56.3	51.6	507.0	449.3
The Washingtonian	170.5	147.0	1,469.3	1,262.0
Westchester	48.0	43.6	406.1	466.5
Westchester Illustrated	42.0	46.0	401.3	464.4
Wichitan	47.0	62.0	545.1	513.6
Total Group	4,918.6	4,620.3	44,973.2	42,588.5
***%1Change '81 vs. '80	+5.0%		+3.4%	
Movie-romance-radio-tv				
○Complete Women's Group	—	—	112.9	121.9
Ideal Women's Group:				
Daytime Stars	2.25	28.1	235.0	285.7
Intimate Story	21.7	30.1	214.9	314.0
Personal Romances	21.7	30.1	214.9	314.0
Soap Opera	22.5	28.1	235.0	285.7
Macfadden's Women's Group:				
Modern Romances	25.2	34.0	302.2	320.3
Secrets	25.2	34.0	302.2	320.3
True Confessions	27.4	34.3	319.1	328.9
True Experience	25.2	34.0	302.2	320.3
True Love	25.2	34.0	302.2	320.3
True Romance	25.2	34.0	302.2	320.3
Sterling Women's Group:				
Daytime TV	31.3	31.2	346.9	346.5
Modern Screen	—	32.8	229.5	356.1
○Movie Mirror	32.3	32.8	226.9	193.5
Photo Screen	—	—	158.4	130.0
Soap Opera Stars	25.3	32.2	307.0	83.2
TV Movie Screen	33.3	32.8	194.9	193.5
TV Picture Life	—	—	163.5	162.6
○Teen Bag	7.8	10.3	50.0	51.5
Total Group	371.8	492.8	4,519.9	4,768.6
***% Change '81 vs.'80	−19.2%		−5.2%	
Youth				
Boys' Life	22.4	25.2	240.4	236.9
Campus Life	49.4	37.1	414.7	444.0
Total Group	71.8	62.3	655.1	680.9
***% Change '81 vs.'80	+15.2%		−3.8%	
Mechanics & science				
§Mechanix Illustrated	71.3	88.1	753.5	863.8
Popular Electronics	60.8	72.4	644.9	675.1
Popular Mechanics	118.9	126.5	1,166.8	1,262.9
§Popular Science	89.2	98.3	844.2	978.7
Total Group	340.2	385.3	3,409.4	3,780.5
***% Change '81 vs.'80	−11.7%		−9.8%	
Boating & yachting				
Boating	94.1	85.9	1,206.4	1,173.6
Chesapeake Bay	17.8	21.2	262.5	288.0
Cruising World	101.7	87.3	1,424.0	1,295.4
Lakeland Boating	33.6	52.2	511.1	355.1
Motor Boating & Sailing	99.1	100.0	1,398.1	1,340.4
G. Rudder	19.1	32.8	260.2	—
Sail	96.5	96.8	1,539.7	1,417.8
G. Sea & Pacific Skipper	64.1	87.4	867.9	—
Yachting	161.7	153.7	2,057.2	1,884.1
Total Group	687.7	717.3	9,527.1	7,754.4
***% Change '81 vs.'80	−4.1%		+8.3%	
Automotive & recreational vehicles				
Car & Driver	79.5	99.0	883.2	851.3
Car Collector & Car Classics	20.4	17.8	257.3	237.6

***% Change figured ONLY from magazines with comparable issues 1981 AND 1980. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. A. Combined unduplicated regional ads. B. Preprinted inserts included. C. 43 issues year to date 1981 versus 24 issues year to date 1980. +Affiliated with Sunday Mag/Net. D. First issue Nov., 1980. E. Adjusted 1981 figures. F. Monthly as of Sept., 1981. G. Comparable year to date not available. H. Combined Nov./Dec., 1980, issue.

(Continued on Page 74)

Advertising pages in November consumer publications

(Continued from Page 73)

	Pages			
	Nov. 1981	Nov. 1980	Jan.-Nov. 1981	Jan.-Nov. 1980
Car Craft	49.8	52.2	673.7	583.4
Cycle	65.0	46.5	886.1	907.6
Cycle Guide	40.1	32.5	607.6	466.9
Cycle World	45.1	44.2	721.8	782.1
Dirt Bike	24.9	14.3	286.8	252.1
Dune Buggies & Hot VWs	42.5	43.9	462.8	412.3
Family Motor Coaching	79.9	52.9	693.7	624.0
4 Wheel & Offroad	37.9	27.5	425.2	312.2
Four Wheeler	27.0	—	293.1	272.3
Hot Rod	39.4	42.9	561.8	567.2
Motorcross Action	52.9	24.5	461.8	329.1
Motorcyclist	30.7	26.0	542.5	416.1
Motor Trend	54.4	67.3	563.3	494.5
††Motorhome Life	54.2	39.0	483.3	363.9
Pickup, Van & 4 WD	27.8	31.8	326.5	434.9
Road & Track	98.7	109.7	1,003.7	1,092.3
Trailer Life	83.0	71.0	1,031.1	880.5
Total Group	953.2	843.0	11,165.3	10,280.3
***% Change '81 vs.'80	+9.9%		+8.6%	
Outdoor & sport				
Alaska	44.3	45.1	439.8	470.7
○The American Handgunner	41.8	41.0	244.1	234.5
American Hunter	15.4	15.4	159.1	189.7
American Rifleman	26.8	35.8	338.9	340.8
○Backpacker	—	—	212.3	234.1
††Bicycling	64.8	64.2	644.5	515.1
Field & Stream	74.3	88.5	854.9	924.0
Fins and Feathers	21.4	8.9	314.6	244.7
○Fishing World	21.0	14.5	183.2	176.1
Florida Sportsman	50.7	50.9	683.1	648.6
‡‡Fly Fisherman	—	—	281.8	367.3
Guns	44.9	37.4	412.6	403.7
Guns & Ammo	53.0	66.8	549.8	549.2
Horseman	36.7	33.3	366.4	382.5
Inside Sports	31.8	31.5	320.0	232.0
Outdoor Life	69.9	76.4	761.2	814.9
Petersen's Hunting	45.3	42.8	383.6	309.3
The Runner	33.7	35.2	286.8	325.8
Runner's World	51.0	38.3	505.4	460.1
Salt Water Sportsman	36.1	40.5	616.6	568.3
Shooting Times	35.1	44.4	399.7	424.5
‡‡§Ski	139.4	152.7	531.3	559.1
‡‡Skiing	154.0	150.2	574.5	589.9
Skin Diver	52.7	46.8	651.3	571.9
‡‡Southern Outdoors	—	—	313.1	292.4
Sports Afield	67.8	78.2	930.5	952.1
▲Spray	—	—	354.6	383.0
#Swim Swim	27.1	20.0	89.4	56.6
▲Western Outdoors	17.6	21.7	315.1	302.0
Total Group	1,276.6	1,280.5	12,418.2	12,522.9
***% Change '81 vs.'80	−0.3%		+0.8%	
Comics				
○Archie Comic Group	—	—	50.0	50.0
DC Comics	7.0	9.0	—	90.0
Harvey Comic Group	8.0	8.0	88.0	88.0
Marvel Comics Group	12.0	11.0	114.5	135.5
Total Group	27.0	28.0	328.0	363.5
***% Change '81 vs.'80	−3.6%		−9.8%	
Newspaper Sunday magazines/national				
§Family Weekly	95.0	99.4	951.9	917.0
§Parade	78.6	90.4	795.3	769.1
Total Group	173.6	189.8	1,747.2	1,686.1
***% Change '81 vs.'80	−8.5%		+3.6%	
Canadian national weekend magazines				
B. Perspectives	67.7	50.5	462.1	451.4
§Today	52.7	79.0	565.6	546.2
Total Group	120.4	139.5	1,027.7	997.6
***% Change '81 vs.'80	−13.7%		+3.0%	
Canadian				
L'Actualite	113.6	90.3	651.4	521.5
Chatelaine:				
§English Edition	152.5	147.3	1,030.4	935.4
French Edition	129.5	138.2	895.4	824.0
§Financial Post Magazine	101.7	112.8	527.1	481.9
§Flare	80.2	77.1	585.4	605.9
▲§Homemaker's Magazine:				
English Edition	146.6	152.2	833.5	889.4
French Edition	124.0	131.0	679.0	616.0
§Macleans	198.6	158.5	1,163.7	980.8
▼§Quest Magazine	77.3	55.8	418.6	319.7
§Reader's Digest:				
Canada-English	138.5	186.3	998.2	1,008.8
Canada-French	140.0	167.2	921.6	895.9
Saturday Night	46.5	39.3	316.1	232.1
▲Toronto Life	153.0	176.0	1,119.0	1,124.0
Total Group	1,602.0	1,632.0	10,139.4	9,435.4
***% Change '81 vs.'80	−1.8%		+7.5%	

October

Business

	Pages			
	Oct. 1981	Oct. 1980	Jan.-Oct. 1981	Jan.-Oct. 1980
Atlanta Business Chronicle	32.4	36.5	292.0	249.5
Barron's	203.3	210.5	1,824.9	1,910.9
Black Enterprise	58.3	46.7	476.8	482.6
§Business Week	541.7	508.9	3,929.0	4,065.0
California Business	86.3	59.3	740.4	556.4
Corporate Report/Kansas City	51.4	39.9	486.1	376.9
Corporate Report/Minnesota	81.2	83.0	822.0	761.9
Crain's Chicago Business	115.4	89.3	894.0	672.4
Dallas/Fort Worth Business	52.3	39.9	447.7	293.7
Dun's Business Month	91.5	103.9	740.9	835.6
☆Financial World	119.9	122.4	810.7	802.6
Florida Trend	110.7	72.5	694.5	587.7
▶Forbes	325.0	290.6	2,255.4	2,198.3
▶§Fortune	340.5	187.2	2,139.7	1,933.4
Hawaii Business	42.7	44.3	515.2	568.3
Houston Business Journal	183.2	127.2	1,516.6	1,278.6
§Inc. Magazine	83.1	84.5	813.9	639.9
C.Indianapolis Business Journal	69.8	38.2	561.9	187.0
▶§Industry Week	150.1	170.4	1,377.0	1,357.3
§Nation's Business	55.7	57.6	418.0	394.2
*New England Business	55.5	69.9	480.7	486.5
D. St. Louis Business Journal	84.5	58.0	754.6	58.0
Texas Business	73.1	58.0	484.8	400.8
Total Group	2,997.6	2,598.5	23,476.8	21,097.5
***% Change '81 vs. '80	+15.4%		+11.3%	
Newspaper Sunday magazines/local				
+Arizona Republic	99.7	133.5	1,088.6	1,341.4
+Boston Globe	205.5	182.7	1,670.8	1,413.8
+Chicago Tribune	129.7	154.4	1,110.6	1,162.1
+Cincinnati Enquirer	105.5	107.3	956.8	1,015.4
+Columbus Dispatch	95.5	97.6	844.9	922.7
+Dallas Morning News Scene	97.5	82.5	924.7	948.8
+Dallas Times Herald	124.8	210.4	902.8	677.7
Los Angeles Times Home Magazine	137.6	162.5	1,081.9	1,232.0
+Louisville Courier-Journal	92.9	107.6	941.8	997.3
+Miami Herald	85.1	69.4	823.6	796.1
+New York News	129.5	128.2	961.4	1,098.7
New York Times Magazine	441.5	440.5	3,564.0	3,440.2
+Philadelphia Inquirer	79.5	76.4	740.3	771.7
+Toledo Blade Magazine	54.7	63.6	586.6	665.9
+Washington Post	170.1	159.6	1,327.2	1,286.5
Total Group	2,049.1	2,176.2	17,515.0	17,806.3
***% Change '81 vs. '80	−5.8%		−1.6%	
Weeklies, bi-weeklies, semi-monthlies				
§Army Times Military Group:				
Air Force Times	142.3	139.4	1,431.4	1,479.6
Army Times	141.0	140.1	1,410.1	1,475.4
Navy Times	167.3	154.1	1,648.3	1,620.5
The Times Magazine	14.6	22.9	176.8	208.2
AutoWeek	129.4	103.7	1,269.1	1,048.6
The Blood Horse	792.8	726.2	4,548.2	4,197.8
Capper's Weekly	18.5	25.4	214.1	239.6
Commonweal	6.6	4.9	76.1	67.8
Golf World	37.7	67.5	691.5	672.1
§Grit	28.1	33.9	266.6	318.0
National Review	45.0	37.0	275.4	284.2
New York Magazine	228.5	227.3	1,752.6	1,705.4
New Yorker	505.8	500.8	3,229.3	3,209.7
§Newsweek	295.1	332.5	2,462.8	2,515.8
People	331.9	299.0	2,778.0	2,707.9
Rolling Stone	145.4	129.7	850.9	784.3
Sporting News	55.1	61.9	472.0	509.9
§Sports Illustrated	297.3	277.1	2,283.5	2,135.9
§Time	298.6	295.2	2,241.8	2,260.8
A.Travelhost	2,056.0	1,326.2	18,870.1	13,112.1
§TV Guide	432.5	340.8	2,961.3	3,009.4
▶Us Magazine	47.3	42.3	353.8	454.9
§U.S. News & World Report	185.8	185.4	1,419.7	1,562.5
Total Group	6,402.6	5,473.6	51,683.4	45,580.4
***% Change '81 vs. '80	+17.0%		+13.4%	
Foreign				
Buenhogar:				
Ecuador	13.0	20.2	95.7	106.2
Chile	5.0	7.0	25.0	31.5
Mexico	109.3	83.3	736.8	617.0
Puerto Rico	24.0	27.7	209.8	225.8
Venezuela	75.0	71.5	432.5	424.5
Colombia	87.2	91.3	536.8	557.3
Peru	56.5	34.2	373.5	203.3
Central America	6.5	17.0	69.3	91.7
U.S.	9.5	7.8	81.0	75.8
Dominican Republic	9.8	23.2	112.7	148.7
Coqueta:				
Mexico	12.5	10.0	93.0	82.5
Puerto Rico	1.0	1.0	16.5	31.5
Venezuela	9.0	9.0	77.5	68.5
Colombia	0.5	2.0	21.5	40.5
Peru	—	2.0	—	21.0
Central America	—	—	1.0	0.5
Fascinacion:				
Mexico	12.0	13.7	78.8	88.3
Puerto Rico	2.0	3.0	14.0	24.3
Venezuela	13.0	12.3	91.7	69.5
Colombia	21.5	9.7	99.2	74.5
Geomundo:				
Chile	13.0	8.0	64.8	54.0
Mexico	24.5	19.0	167.0	143.3
Ecuador	10.0	8.0	44.5	48.0
Venezuela	23.0	25.3	132.3	129.3
Colombia	23.0	17.5	130.0	113.0
Peru	16.0	14.0	105.5	87.0
Puerto Rico	11.0	9.0	53.3	57.5
Central America	10.0	9.0	52.3	58.0
Hombre De Mundo:				
Mexico	50.2	31.2	263.0	203.5
Chile	10.7	9.0	67.2	55.7
Puerto Rico	15.7	17.0	119.3	116.3
Ecuador	10.7	10.0	65.7	53.3
Venezuela	34.7	25.3	182.7	167.7
Colombia	30.8	23.0	158.8	138.3
Peru	14.7	10.0	107.7	57.0
Central America	10.7	13.0	75.2	70.8
Ideas Para Su Hogar:				
Dominican Republic	1.0	2.0	16.0	16.8
Mexico	43.5	21.8	228.0	134.3
Chile	1.0	2.0	12.5	11.0
Puerto Rico	7.5	3.5	33.8	25.7
Ecuador	8.0	0.5	24.7	2.3
Venezuela	39.2	33.8	191.2	172.7
Colombia	69.5	43.0	298.3	225.5
Peru	31.0	9.5	145.0	78.8
Central America	2.0	1.5	8.7	5.7
Intimidades:				
Mexico	7.0	11.3	57.0	54.7
Puerto Rico	3.0	4.0	31.5	42.0
Venezuela	15.0	23.0	108.5	118.5
Colombia	1.0	3.0	17.5	37.0
Central America	2.0	1.0	18.0	14.0
Mecanica Popular:				
Mexico	33.5	33.2	287.0	283.3
Puerto Rico	24.5	22.0	206.0	201.3
Venezuela	38.8	34.0	288.0	279.2
Colombia	35.8	27.7	270.0	256.0
Peru	39.3	31.0	287.7	277.5
Central America	27.8	22.0	212.3	203.0
Chile	11.0	9.5	63.5	62.0
Argentina	18.2	13.3	139.2	134.3
The Ring en Espanol:				
Mexico	3.0	2.0	19.0	24.8
Puerto Rico	4.5	3.0	24.0	26.0
Venezuela	4.0	1.0	28.0	13.0
Colombia	1.0	—	1.0	1.5
Central America	1.0	—	1.0	—
U.S.	3.0	3.0	22.0	29.0
Vanidades Continental:				
Dominican Republic	17.0	27.0	232.7	231.3
Mexico	210.7	173.2	1,367.0	1,155.5
Chile	23.0	12.3	172.8	119.3
Puerto Rico	59.5	72.5	530.5	496.3
Venezuela	114.7	102.7	744.5	724.5
Colombia	140.5	124.2	877.8	805.3
Peru	58.5	34.2	450.0	285.0
Central America	34.3	30.8	242.7	273.2
Ecuador	23.7	23.8	230.2	174.2
U.S.	48.8	34.8	399.2	326.0
Cosmopolitan Foreign Editions:				
Australia	97.5	99.4	583.0	649.1
Brazil	62.0	59.0	385.1	382.1
France	144.0	144.3	899.0	813.4
Germany	19.0	13.0	131.0	13.0
Great Britain	176.0	196.0	1,191.0	1,351.0
Greece	52.0	36.0	417.0	226.0
Italy	113.3	105.7	666.4	509.7
Japan	49.0	80.9	306.3	182.3
Cosmopolitan en Espanol:				
Central America	6.5	6.3	52.7	69.8
Colombia	23.2	28.8	186.7	223.7
Ecuador	4.2	2.3	23.2	26.3
Mexico	111.8	94.3	703.2	596.3
Peru	15.5	15.0	145.5	71.7
Puerto Rico	31.3	38.7	339.7	318.0
U.S. (Spanish language)	19.3	14.7	148.3	133.2
Venezuela	43.3	49.3	262.8	294.5
International Management:				
Africa	17.2	25.2	133.7	185.2
Europe	84.5	65.2	428.5	393.0
Latin America	12.3	25.8	132.3	192.8
Middle East	21.8	48.3	194.2	290.3
Pacific	21.2	24.2	174.7	170.2
Johnston International:				
Alam Attijarat	98.9	109.0	726.4	775.7
Modern Africa	52.8	41.8	191.8	200.3
Modern Asia	72.8	62.5	481.4	504.2
§Newsweek International:				
Atlantic	151.2	146.9	889.5	839.1
Latin America	50.2	59.2	328.6	357.0
Pacific	93.0	109.5	756.5	754.8
††Progreso	27.8	27.8	143.3	177.8
Reader's Digest'				
Arabic	13.5	27.5	193.0	118.0
*Asian	262.5	238.0	1,824.2	2,321.5
Australian	108.8	122.5	786.4	778.0
Belgian-Flemish	120.0	99.5	819.0	759.5
Belgian-French	100.0	77.0	675.0	685.5
British	75.5	102.0	802.2	699.3
*Chinese	131.5	122.5	1,044.3	1,212.5
Danish	26.0	33.8	511.4	395.4
Dutch	105.5	115.8	479.8	597.0
Finnish	45.5	65.5	497.1	504.3
French	105.6	118.5	669.5	700.5
German	105.2	115.4	706.6	741.6
Iberian	63.5	57.5	408.3	377.9
Indian	91.0	110.0	862.5	949.2
Italian	75.0	92.5	532.5	618.5
Japanese	11.0	49.0	505.8	502.8
Korean	15.5	21.0	175.0	186.5
Latin America:				
Argentina	30.0	30.5	282.0	321.5
Brazil	16.0	10.5	73.8	122.1
Central America	29.0	19.0	190.0	181.5
Chile	35.5	18.5	308.0	264.5
Colombia	78.5	67.5	493.0	436.5
Ecuador	20.0	9.5	115.5	111.0
Mexico	81.7	71.8	569.5	465.3
Peru	22.0	9.5	148.5	75.5
Puerto Rico	16.0	10.5	102.0	102.3
U.P.B.	32.0	16.0	230.0	202.0
U.S. Spanish	14.0	14.0	171.5	151.0
Venezuela	35.5	28.0	216.5	228.5
Portugal	46.0	34.8	412.8	392.0
New Zealand	97.0	94.5	591.8	695.2
Norwegian	67.3	68.8	393.2	415.9
South African	134.0	105.0	902.5	757.5
Swedish	17.0	30.5	256.1	227.5
Swiss-French	53.0	59.6	359.0	311.6
Swiss-German	61.5	65.0	411.2	408.0
Canada-English	110.0	95.9	859.9	821.4
Canada-French	102.0	99.3	767.9	724.8
Total	2,593.6	2,526.7	19,213.3	19,563.6
Time International:				
Time-Asia	131.1	146.1	944.9	940.4
Time-Atlantic	151.1	187.4	1,062.7	1,087.3
Time-Canada	252.0	231.0	1,410.0	1,194.3
Time-Latin America	115.6	106.8	748.5	713.2
Time-South Pacific	204.6	211.8	1,518.8	1,435.5
**Visao	139.5	176.3	1,275.3	1,299.5
▶§Vision/Latin America	62.2	52.0	438.2	458.7
Total Group	7,291.1	7,058.3	50,875.9	49,260.2
***% Change '81 vs. '80	+3.3%		+3.3%	

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Marketing the next World's Fair. Where? See Page 3

Advertising Age

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4A's eyes tape case; Senate hearings set

By RICHARD L. GORDON

WASHINGTON—With 16 major ad agencies dragged into the Betamax copyright case, there are signs that the issue could become part of the Washington agenda for the American Assn. of Advertising Agencies.

The agencies have been invited to send representatives to a meeting at Four A's headquarters in New York this week, and the Four A's Washington office has been alerted to begin tracking developments in Congress where hearings on the home video recording dispute open Nov. 30.

Four A's has already sent "observers" to meetings of an ad hoc "Right to Tape" coalition being organized by the Electronic Industries Assn. and Sony Corp. of America, but is playing no active role as yet. Separately, Sony ran page ads in 23 major newspapers last week defending "the consumer's right" to use home video recorders and telling readers "it's time to voice your opinion."

It's unclear how far the agency association will go in fighting the motion picture industry's claim that home recording of tv programs is illegal without special compensation for copyright holders.

There are concerns within Four A's that the Right To Tape coalition will advocate that any new copyright royalties to cover home

(Continued on Page 79)

Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health
One Beautiful Menthol
Salem
Slim lights
NEW
Salem Slim Lights

Another light

R. J. Reynolds Tobacco introduces Salem Slim Lights, "one beautiful menthol" targeted to women smokers (AA, Nov. 23). Color pages in January magazines by William Esty Co., New York, launch the 9mg tar line extension.

Too soon, some agency execs say

Nets let new series axes fall

By JAMES P. FORKAN

NEW YORK—Seven weeks into the new prime time season, CBS-TV has made several schedule changes, moving "Nurse" and "Shannon" to new times barely four weeks after their premieres, while bouncing "Jessica Novak" and adding an interim movie night—all to mixed reviews in agency circles.

All three tv nets now have begun survival-of-the-fittest moves, zeroing in on their weakest links; earlier changes included ABC's shelving of "Maggie" and NBC's axing of "Nashville Palace."

ABC and CBS continued in a neck-and-neck Nielsen race through Nov. 22; CBS held a slight edge in the ratings for the first seven weeks a year ago.

"Nurse," which went from a General Foods-sponsored movie to a short-run series last year, has averaged a mere 20 share through Nov. 22 and so will get another chance on Thursdays at 10 p.m. (ET) as of Dec. 17, against NBC's "Hill Street Blues" and ABC's "20/-20."

"Shannon," trounced to a dismal 17 share through Nov. 22 by ABC's "Dynasty" and NBC's "Quincy," will go on hiatus after Dec. 2, with rescheduling to be decided "early next year," according to CBS Entertainment vp-programs Harvey Shephard. Also to be decided is a slot for "Cagney & Lacey," a limited-run series about lady cops, which has only one of its two stars signed.

"Jessica Novak" has been axed as of Dec. 3, having managed only a 24 share in its brief run. Some admen expressed disappointment over the "quick kill" of this show, while one agency vp blasted the

(Continued on Page 80)

last minute news

Cooper taps Della Femina on $4 million account

PALO ALTO, CAL.—Cooper Laboratories has named Della Femina to handle the estimated $4,000,000 Cooper Vision Optica division, contact lens marketer, previously handled in-house. A main part of the assignment will be new marketing and ad approaches for Permalene extended-wear contact lenses. Y&R and DDB were finalists (AA, Nov. 2).

GF testing Post Wishing Stars cereal

WHITE PLAINS, N.Y.—General Foods is testing Post Wishing Stars presweetened children's cereal in St. Louis and Milwaukee. Tv for the star-shaped cereal features Jiminy Cricket as spokesman. O&M handles.

Mustang-Capri ragtop to debut in October of '82

DEARBORN, MICH.—Ford will market a Mustang-Capri convertible next fall as part of its effort to revive the cars' sporty image. It will likely be teamed with the GT performance V-8 package. Introduction will be in October as a 1983 model. Meanwhile, Ford is a year and a half away from deciding whether or not to import two European luxury models.

Western pushes legroom in new ad drive

LOS ANGELES—Western Airlines is pulling seats out of most of its fleet to make more legroom for passengers and will start a new drive this

(Continued on Page 8)

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NEW TACTIC FOR ADULT DIAPERS

P&G, K-C going direct

By JENNIFER ALTER

The two marketers of briefs for incontinent adults are exploring direct marketing as a way to sell their respective products at the consumer level.

Apparently giving up on mass retail distribution, Procter & Gamble Co. last week began advertising an 800 number through which consumers can order Attends disposable briefs for home delivery anywhere in the country. The ad, which ran in central region editions of *TV Guide*, also listed a post office box number under a Home Service Group heading and offered a booklet, "Living Normally with Incontinence," to explain how to order Attends.

A P&G spokeswoman said the Home Service Group has been established specifically to market Attends and a special Pampers for premature (less than six pounds) babies. She would not comment on plans for a similar approach to marketing other products. Never before has the company attempted direct marketing of any kind.

The move comes on the heels of a similar effort by Kimberly-Clark Corp., which in October issues of several maturity magazines began to advertise the availability of its Depend absorbent shields.

Both companies have been experimenting with various marketing approaches which are designed to deal with the sensitive nature of the incontinence problem.

K-C, which had been testing Depend in drug and surgical supply stores in Kansas City and Green Bay, recently added the rest of the state of Wisconsin and launched its first tv campaign. It also markets the product under the Comform name in Lima, O. Depend is available through medical institutions in Wisconsin.

P&G, after first testing Attends in hospitals and nursing homes in southern Idaho, gradually rolled out nationally at the institutional level in early 1980. It conducted a controlled store consumer test of Attends in the Boise area until early this fall, when the product was pulled. Since November of 1980, Attends has been available nationally in the Sears, Roebuck & Co. catalog and through some 50 surgical supply stores and convalescent pharmacies.

P&G apparently has turned to direct marketing upon finding that retail demand simply was not great enough to justify the distribution. Sources close to the Boise test note that at retail the product "fell flat on its face."

In commenting on its direct marketing test, the P&G spokeswoman said, "Broad retail distribution probably is not justified given the relatively small percentage of the population needing this kind of product."

One explanation of why P&G would pull back at retail at the same time K-C is expanding lies in the differences in the pricing and product construction. According to Francis Bouda, a self-described consultant/engineer/lawyer, who has been following both products closely, Depend is close to one-half the price of Attends. Furthermore, he says, it is much less bulky, which makes little difference for bed-ridden individuals but is a factor for ambulatory persons.

The move to direct marketing is an indication of the intense interest both companies have in their

(Continued on Page 79)

Using Strawberryland characters

Gen. Mills sets promo foods

By JANET NEIMAN

General Mills will market a series of Betty Crocker baking mixes using licensed Strawberry Shortcake characters on the packages, as a promotion.

A source said the General Mills division holds a license with American Greetings' Those Characters from Cleveland unit to use the popular Strawberryland characters on its products, and that the unit "will shortly be coming out with cake mixes using the Strawberry Shortcake characters" on existing Betty Crocker products.

The first in the expected series is showing up on retail shelves now in the form of Betty Crocker Blueberry Muffin wild blueberry muffin mix. The package features a cut-out figure of the Strawberryland character Blueberry Muffin.

The new packages are being sold on a single sell-in basis in most markets nationally, as an addition to, not as a substitute for, the regular Betty Crocker wild blueberry muffin mix.

Last July, General Mills' Big G division introduced a new cereal, Strawberry Shortcake, on the same one-order-only basis and without advertising, and offered it to retailers in most markets (AA, July 13). The cereal package fea-

(Continued on Page 82)

For skeptics Firestone Tire & Rubber is telling Phoenix motorists they "have a right to expect more" in car care, and can get it from MasterCare (AA, Nov. 23). BBDO handles.

Colgate loses suit on snacks marketing

By NANCY GIGES and BOB COOK

Although Colgate-Palmolive carried its four-year battle all the way to the U.S. Supreme Court, it must pay United Roasters $950,000 for breach of contract in a dispute related to the marketing of Bambeanos, a soybean snack it purchased from that North Carolina-based company.

Colgate's final appeal failed when the highest court refused in mid-November to hear the case. That left standing an earlier federal district court judge's order that New York-based Colgate pay the fine. That order had been upheld in 1979 by the court of appeals in Richmond.

In the mid-1970s, Colgate bought the assets of United Roasters, marketer of Bambeanos, Jimmy Crack Corn and Happy Nuts snacks, and agreed to pay royalties based on Bambeanos and other snack sales for 25 years. According to George W. House, attorney for United Roasters, at the time of the purchase Bambeanos was available in 17 states and had strong sales in Southern California, New York and North Carolina.

Next week: Top media

In Section 2—An exclusive ADVERTISING AGE report on the country's 100 top media companies, ranked by revenues from U.S. media operations. A detailed look at who they are, what they do, their strategies for the explosive 1980s and the varied personalities who forge them.

In 1974, Colgate assigned the snack to North Castle Partners, Greenwich, Conn., and began testing advertising in New England. That support made the snack even more successful. According to Mr. House, the brand's share rose as high as 9% in the areas where it was marketed and leveled off at about 3%. This compares to less than a 0.1% market share for all other soy snacks combined. At the time, the snack nut market totaled about $500,000,000 nationally, he said.

Mr. House said Bambeanos was successful because it was the only large soy nut snack—about the size of a peanut—and because United Roasters had come up with a method of coating the nut with flavors to mask the unpleasant soy taste. The item was available in onion, cheese, salted and bacon flavors. Two years later, just when the company had said it was planning to roll national, it stopped advertising and promotion and invoked its right to cancel the contract.

However, according to Mr. House, Colgate refused to return the business to United Roasters free and clear as the contract stipulated. Colgate wanted United Roasters to purchase the business because it had invested in expanding distribution and advertising the products, Mr. House said.

Mr. House contended that Colgate's interest waned for several reasons. He said the product was much more successful than Colgate originally thought, and the royalty payments turned out to be higher than expected. Secondly, Colgate had finally achieved a long-time goal of getting in the food business in a big way by purchasing Riviana Foods. Bambeanos and other snacks then appeared to be peanuts, he suggested.

When the two companies failed to reach an agreement, United Roasters, a company that had been founded specifically to market those snacks by a dozen North Carolina businessmen and politicians, filed suit.

The suit charged breach of contract and asked for $3,000,000. Mr. House said midway through the jury trial Colgate offered to settle for about $200,000, but United Roasters refused. The jury awarded United Roasters about $600,000 for wrongful termination,

(Continued on Page 82)

highlights

Monday, Nov. 30, 1981

Burger King has come up with a new campaign and new operational program to get its sales back on track. *See Page 6.*

Lever Bros. is hoping to improve its position in the premium-price dishwashing liquid category with new Sunlight. *See Page 10.*

The Saturday morning children's ratings battle finds the three networks very close indeed. *See Page 16.*

Individual Retirement Account ad blitz is seen as federal government drops interest rate ceiling. *See Page 20.*

The copy chief at Diener/-Hauser/Bates, New York, offers a guide to relaxation in his new book. *See Page 30.*

After 10 years, Time Inc.'s faith in *Money* has paid off. *See Page 32.*

Ditto jeans are making a comeback less than a year after they dropped out of the market because of bankruptcy. *See Page 34.*

Culligan International is hoping that boosting its ad identity will help sagging market share. *See Page 37.*

American Express and its Michael Beazley publishing unit are getting into video programing. *See Page 56.*

Revlon has developed the first microprocessor that programs the processing of both hair conditioning and perming. *See Page 58.*

Space planning is one way for agencies to expand without taking up more space. *See Page 76.*

Sunshine Biscuits elects to remain with Marsteller Inc. after a lengthy review. *See Page 81.*

CORPORATE CLOSEUP

Canada's Imasco is making forays into the U.S., but they have not been signaled successes. *See Page 4.*

FOLLOWUP

Coy International Private Reserve has been tapping success since its introduction eight months ago. *See Page 40.*

INTERNATIONAL

American and British business execs, in Cairo for separate conferences, have concluded that Egypt, despite recent troubles, still has a stable government. *See Page 14.*

Shortly after the Greek electorate voted for the Socialist party, the new minister of commerce announced that "all advertising in the mass media will be subject to control, with the first target being tv." *See Page 14.*

Self-regulation of advertising in Europe is alive, well and not about to knuckle under. *See Page 70.*

The new Norwegian Conservative government has made it clear that in principle it is willing to open the airwaves to stations other than NRK, the Norwegian broadcasting system, which has had a virtual monopoly in that country since the 1920s. *See Page 70.*

MAGAZINE

Behind New York state's renowned "I Love New York" campaign is one woman's love for the state. J. Herbert Silverman interviews Natel Matschulat, one of the lesser known personalities behind the campaign. Her role illustrates the elements on the "advertiser" side that is considered necessary to produce a winning tourism marketing program. *See Page 45.*

Howard Kamin looks at an emerging trend by advertisers that will have more impact on network television than the new electronic media—a growing awareness by advertisers to localize their use of television. *See Page 48.*

Rick Douglas gets a taste of the life and work of the country marketer and finds it is just as hectic (if not more so) as the life and work of the city marketer. *See Page 50.*

section 2

FLORIDA

Florida has one of the strongest economies in the U.S., but there are trouble spots. This week, Section 2/Florida looks at the problems facing this growth state, beginning opposite Page 44.

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BP goes to Geers agency

LONDON—British Petroleum's selection of Geers Gross Advertising to handle its $5,000,000 account gives the agency its first worldwide client.

"It's a prestigious company with a great many tentacles," said Robert Gross, agency chairman. "It is significant for us because it will open the automotive world and other allied areas to our agency."

Mr. Gross said his agency was among three finalists, the others being Abbott, Mead, Vickers and N W Ayer Barker.

The account includes three areas for BP: British Petroleum Oil International Ltd., British Petroleum Oil Ltd. retail division and British Petroleum Industrial Products.

The previous agencies for the division were Interlink, J. Walter Thompson Co. and Brunnings.

British Petroleum is the seventh largest global oil company, with operations worldwide including the U.S.

Meanwhile, Geers Gross in New York also was selected to handle the $1,500,000 Lucille Roberts health spa and diet centers account. Roberts' previous agency was Calet, Hirsch, Kurnit & Spector. #

MEDIA COMMENTARY

Tv's localization

BY HOWARD KAMIN

While most pundits concentrated on the effect new electronic media will have on network television, there is an emerging trend that will have more immediate consequence.

This trend is the growing awareness by advertisers to localize their use of television. Spot tv as a medium is an increasingly major element in the tv mix.

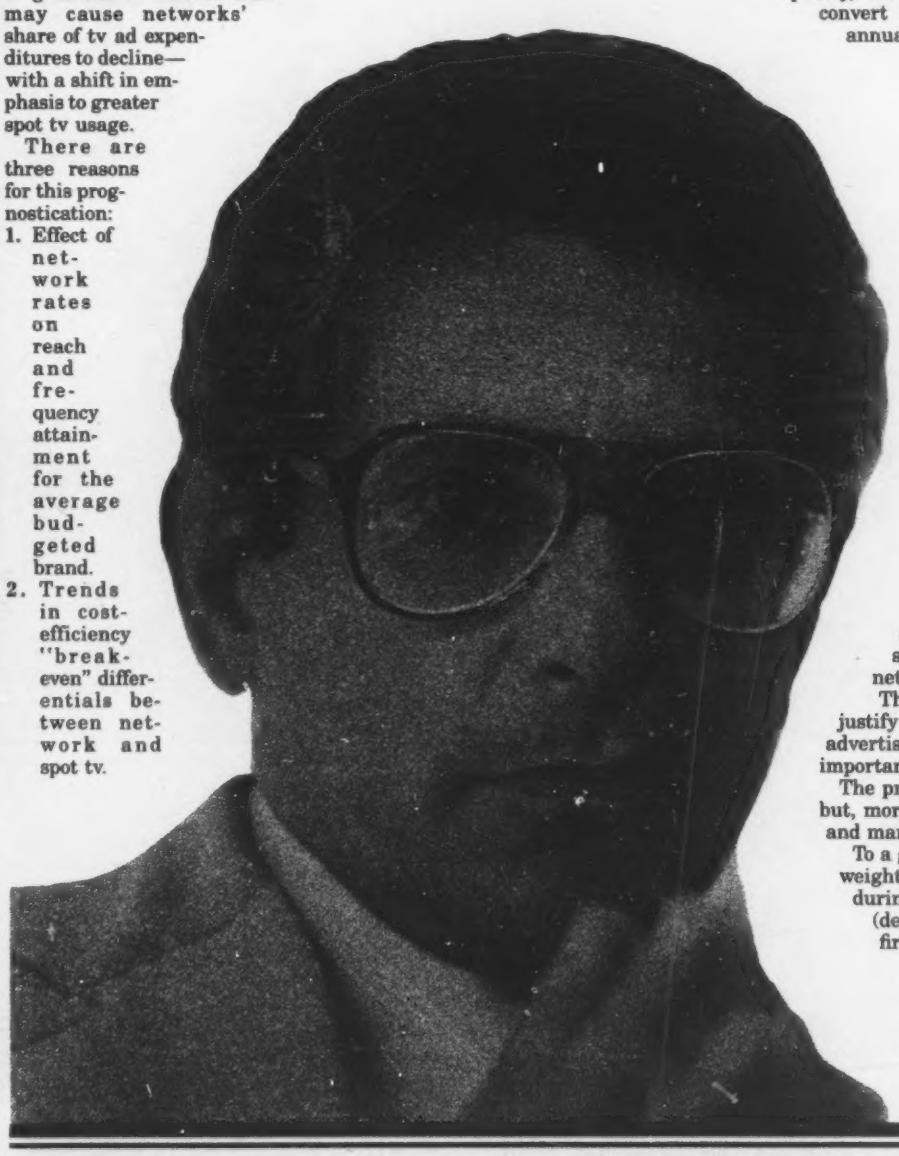
There is no question that network tv is the preferred medium. In 1979 the FCC reported 63% of all national advertisers' television dollar usage was allocated to network tv. National spot tv received only 37%. This was the highest vote of confidence advertisers placed in network tv in the last 13 years.

Advertisers' preference for network over spot tv is primarily based on its mass national coverage, the generally greater cost-efficiency of network vs. spot tv, and the qualitative advantages of commercial in-program placement and environment.

Yet, there are subtle trends occurring in the tv market that may cause networks' share of tv ad expenditures to decline—with a shift in emphasis to greater spot tv usage.

There are three reasons for this prognostication:

1. Effect of network rates on reach and frequency attainment for the average budgeted brand.
2. Trends in cost-efficiency "break-even" differentials between network and spot tv.
3. Advertising productivity measurements and marketing considerations.



High out-of-pocket network tv unit costs make it difficult for the average national advertiser to achieve meaningful levels of reach and frequency or continuity.

For example, the top three television spending categories—food and food products, automotive and automotive accessories and toiletries—account for 36% of all tv expenditures.

These categories include such major advertisers as P&G, GF and GM, which in total invested more than a billion dollars in tv in 1979.

Yet, the average brand in these categories (based on 29,500 brands analyzed by LNA/BAR) budgets less than $1,000,000 dollars for all media.

Even if the average brand in 1981 invested all dollars in network tv it would only be able to purchase a modest annual schedule of less than 500 target rating points in daytime network tv, or less than 200 in prime network tv.

In terms of reach and frequency, these rating points convert to the following annual delivery:

What $1,000,000 buys in reach and frequency for the average advertiser, 1981 yearly average

Medium	Women 25-54 R (%)	F	GRP
Daytime network tv	61	8.1	493
Prime network tv	70	2.5	175

Source: Media Market Guide; Agency estimates

Confronted with moderate levels of reach and what most media practitioners now regard as insufficient frequency, the majority of advertisers are forced to consider other tv alternatives. The most prevalent route is for advertisers to concentrate activity within a segmentation philosophy.

Some of the strategies are to telescope network fourth quarter of 1976, the cost-efficiency differential expensive network dayparts, *i.e.*, early morning, late fringe; consider selective national programing in network syndication or cable tv; concentrate on regional or local market developments.

All these approaches are utilized, and some advertisers even abandon tv in favor of opportunities in radio, newspapers or magazines.

But the most prevalent tendency for advertisers, particularly in the package goods field, is to retain the use of tv by concentration on regional and local market development via spot tv.

As a result, national spot television reported a 23% larger increase in ad volume than network tv for 1980.

Our prediction of spot tv becoming an increasingly important medium is also predicated on an analysis of the break-even differential between spot tv and network tv.

Break-even is defined as the required per cent of U.S. tv homes covered by a spot advertiser before it becomes more efficient to schedule network.

For most dayparts, network tv is generally more efficient than spot tv, but over the past five years the cost of network has escalated at a faster rate. In the fourth quarter of 1976, the cost-efficiency differential between spot and network was dramatically in favor of network.

For example, a daytime spot tv advertiser, utilizing a list of 40 markets covering 64% of the U.S., might be converted to network tv and secure national coverage at no increase in budget.

A prime time spot user in 30 markets and 54% of the U.S. could be converted to network and secure national coverage for the same budget as spot television.

In 1981, it is estimated that a daytime spot tv advertiser would have to advertise in markets covering almost 84% of the U.S. tv homes and a prime spot user, in 70% of the U.S., before it became economical to convert to network usage.

The result is that it is exceedingly more difficult (compared to five years ago) to justify network tv to replace spot tv on a break-even efficiency basis. For most tv advertisers with regional or major market skew, the use of spot tv becomes a more important media consideration as the efficiency advantage of network is being eroded.

The predicted localization of the tv mix is not only derived from media analyses, but, more importantly, the effect of these media trends on advertising productivity and marketing considerations.

To a great extent advertising productivity is related to the level of frequency and weight affordable. Foote, Cone & Belding analyzed 14 new product introductions during the '70s. FCB estimated likelihood of achieving high brand awareness (defined as above 60%) based on the cumulative weight of advertising during the first three to six months a brand is in the market.

FCB's analysis indicates that placing 2,500 target rating points provides a 70% chance of achieving high brand awareness. Between 1,000 and 2,499 grps, the probability is 33%. Below 1,000 it is extremely unlikely that an advertiser will achieve high awareness based on tv tonnage.

The modestly budgeted advertiser cannot hope to purchase the required 2,500 grps in network tv to achieve high brand awareness.

(Continued on Page 50)

"There is no question that network tv is the preferred medium, yet, there are subtle trends that indicate a shift in emphasis to greater spot tv usage."

Tv's localization

(Continued from Page 48)

And even if an advertiser is willing to settle for 2 to 1 odds against achieving high levels of awareness by running 1,000 grps, the advertiser has to spend in 1981 between $5,700,000 for prime network or $2,000,000 for daytime network tv.

As illustrated earlier, these budget levels are beyond the resources of most brands.

There is one way for the limited budget advertiser to increase advertising productivity. They can concentrate their efforts geographically. Sales of even the most universally sold product will usually indicate grouping of markets where current volume outperforms national per-capita performance. Concentrating on major markets via a local spot tv effort could achieve minimum reach and frequency and grp levels to increase ad productivity.

For example, assuming a 1,000 target grp goal (with a 33% chance to achieve high awareness) an advertiser with a modest budget could achieve meaningful weight levels in a concentrated geographic universe.

This illustrates that it is better to communicate effectively to 33% or 50% of the universe than to marginally expose a message to 100%.

The 1981 cost and reach and frequency delivery of selected spot tv

	% U.S. TV COV.	EST'D BUDGET ($M)	W 25-54 R (%)	W 25-54 F
Daytime Spot				
Top 10 Markets	33	793		
Top 25 Markets	50	1,287	62	16.1
Early, Late Fringe				
Top 10 Markets	33	1,151		
Top 25 Markets	50	2,028	80	12.5

This philosophy may be gaining support. As ADVERTISING AGE reported in its coverage of the 1980 ANA meeting, more and more advertisers are reacting to competitive media and marketing pressures. Advertisers reporting on the major trends developing stated, "that both localization of marketing programs and the new video media are playing a big role in future plans."

The perceived advantages of spot tv vs. network are growing as the dynamics of the broadcast market change. Advertisers are placing a greater emphasis on local market-by-market planning to achieve meaningful levels of competitive weight in key markets—even at the expense of national advertising.

We don't believe the dire prediction by John Naisbett of Yankelovich, Skelly and White that network tv "is in danger of becoming the *Life, Look* and *Saturday Evening Post* of the 1980s."

The position of most agencies is that while networks' share of viewing will decrease as new electronic media increase penetration and usage, the networks will remain dominant in rating strength throughout the 1980s. Networks will retain their position as the primary mass medium to deliver national coverage. But with inflation, there may be fewer brands capable of maintaining the budget to utilize network in a productive, sustaining manner.

For this reason, spot television will become an increasingly major element in the tv mix as advertisers place a growing emphasis on local concentration of marketing efforts to achieve more advertising productivity. #

Howard Kamin is vice-president, marketing, Assn. of Independent Television Stations (INTV).

NOTES FROM THE CLIENT SIDE

The country marketer

BY RICK DOUGLAS

Like most ad people, I work deep in the canyons of a large city. In my case it's New York; for others it's the same place or another fairly large metropolitan area with certain big-city problems like commuting, congestion and competition to go with such nice features as all-night restaurants, all-night type shops and all-night offices, should we care to use them.

But all of us who work in a large city or even a small city think, at least once in a while, about those who are client or agency types who don't work in or near any kind of city at all.

Are there clients who wear jeans to the office like the agency creatives—only out of practicality and not as a badge of rank? Are there clients out there? Or agencies?

If so, you may wonder what life might be like in rural Montana, New Mexico or Vermont. Into the office (do they have offices?) at 8:30 a.m. maybe, lunch at the local saloon (do they have saloons?), a bit of fly fishing after lunch (they must have fishing), then a few more hours of contemplative work, a five-minute drive home to a wood stove and quiet dinner.

Slow, thoughtful, relaxed, noncompetitive—that's what advertising and marketing life in rural America must be like if it exists at all.

Certainly these marketers can't be as sharp or as good as us. Of course they can't work as hard as we do. I wanted to see for myself. Maybe you have, too.

The opportunity presented itself during the past summer when I was invited by Garden Way in Charlotte, Vt., to come and visit for a few days on my vacation. Its publishing division bought a manuscript I wrote (on gardening, naturally), and since there were quite a few gardening questions still unanswered for the book, why not go to Vermont and talk to the gardeners.

Garden Way is the manufacturer and marketer of a number of gardening products. It produces and sells the Troy-bilt Rototiller—a garden cart with big bicycle-tire wheels—and a solar greenhouse, among other things. It has a few client marketing types, an in-house ad agency and some manufacturing capability. Charlotte, Vt., 20 miles south of Burlington, has a population of about 500. There, I thought, I could talk to these country marketers, get some sleep, swim, sail and see the operation and try not to act too big-cityish.

It was not easy, but I eventually found Charlotte (it was actually a sign) and the house where I was to stay, which was perched on a cliff above Lake Champlain. I unpacked and admired the view of the lake. What a life. I don't have a meeting until 8:30 a.m. I could get up at 7 a.m.

Rick Douglas is U.S. ad manager, British Airways, New York.

There's little time to really relax. Even in seemingly quiet moments like this, business continues.

I was up early the next day, admiring the lake and checking my schedule for the three days of my visit. Every lunch and dinner was planned as well as the time between. That was a bit alarming, but I relaxed when I was taken to Garden Way's conference center—a cabin-like building known as "Meeting House."

It was tucked away in the woods with a gigantic vegetable garden in front. As I made my way to the meeting, I met the casually dressed Garden Way people munching on homemade doughnut holes and drinking fresh brewed coffee.

The meeting started at 8:30 a.m. At 11:30 a.m., we took a break. The meeting was pretty much like what you hear in any long monthly meeting, but why were we taking a break at 11:30? I learned that lunch would be at 1 p.m. Where would they all go for lunch, I wondered? There wasn't a restaurant within 20 miles. How would they do it? Truck in escargot and duck a l'orange from Montreal? Throw us a side of beef? Did people have white wine and Perrier with lunch up here? There wasn't too much time for hungry musings of this nature because the people were expecting me to make some kind of contribution to the meeting. The group I was with was mostly from Gardens for All, a national nonprofit association to promote gardening to, well, when they say "all" they're not kidding. The marketing people were from the in-house agency, one was sitting next to me and I asked him if he worked on one part of the national program to get more people involved in gardening. He said, "No time for that, I'm working 14 hours a day as it is." Well, he had to be kidding.

Finally it was lunch. Instead of going out to lunch, it came to us—fresh vegetables of every imaginable variety in every imaginable form, crab meat on home-baked rye, steak tartare, Scotch broth and a variety of desserts. Beverages were apple juice, grape juice and some other healthy sounding juices. When I asked for a beer I got a slight frown but a fine Canadian ale made me forget it. The only problem with lunch was there was scarcely time to taste it—business talk continued.

I was soon shuttled to my next meeting, which ended at 5:30 p.m. After that, I had a whole half hour before the dinner meeting at 6 p.m. After a couple of days of this, I began to believe in the 14-hour day.

The people I met were every bit as professional and competent as anybody in the cities, and they sure worked hard. I couldn't tell the creatives from account services because casual dress is all anybody wore. I wondered what they did in their spare time. Also, in a company of gardeners, did anybody have time to garden?

One evening I asked, "Well, it is possible to garden while working here, but it's not easy." That was interesting, it was "possible." Then I asked an editor when he gardened. Instead of telling me, he showed me. "We have employe gardens here," he said pointing out his own carefully tended plot practically in front of his office. "I come out here with a cup of coffee and take a gardening break." I noticed an unsightly weed patch next to his garden and pointed it out to the editor. "Oh, that's poor Charlie's," he said. "He's been busy." He didn't need to say anything more about poor Charlie who was, I knew, locked into 14-hour workdays or constantly traveling or consumed by some other project.

Perhaps Charlie was consumed by the weeds in his garden. No one could tell.

Time passes quickly when you are constantly shown something new, be it direct response ad copy or a dozen easy ways to garden.

Near the end of my visit, I snapped a few pictures of Lake Champlain, which I didn't get much chance to see, and scurried to my last dinner meeting. Slouching in a chair and holding up my head with one hand, I tried to summon up enough energy to finalize discussion on the book projects and other things I had learned.

Everyone was dressed in jeans and casual clothes, but that wasn't fooling me. Then I heard a woman say, "I froze three and a half quarts of beans today." I lept up, in a fashion. Ah, a gardener, a leisure time enthusiast, a kindred spirit, perhaps (after all this was supposed to be my vacation).

I found her dressed casually (but I knew that trick now), and relaxed (well, maybe) and said, "I heard that; you have time for gardening, you put up your food, what else, what else?"

She gave me an amused look. "Of course I freeze food, I'm the food preservation expert here."

The next day I left Charlotte, Vt. (or actually the sign that had the name on it), and headed back to the big city. It was time to think that on Monday I would wear a white shirt and gray pin-striped suit and get out of these "work" clothes. #

Advertising Age®

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100 Leading Media Companies

A first-ever Advertising Age report ranking leading media companies by advertising, circulation revenue. Profiles, key holdings, trends, data and personalities.

AA
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CONGRESSIONAL INFO SERVICE
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◆ASHINGTON DC 20014◆

NEWSPAPER

SEE SECTION 2

New tv series faltering

By JAMES P. FORKAN

NEW YORK—Execs in agency circles again had their erasers at the ready amid talk that some additional prime time tv schedule changes were under discussion at ABC, CBS and NBC.

Given the number of yuletide specials ahead this month, it was likely that virtually all those proposed fixes would begin in January. The bulk of those possible changes would not upset most agency buyers in a fall season that after 8½ weeks has yielded few new hit series and has seen several slumps among veteran shows.

ABC programers were said to be itchy to scrap the "Open All Night" and "Making a Living" comedy combo on Saturdays, perhaps in favor of the currently shelved "King's Crossing" hour drama. Among those doubting that "Crossing" would enter that slot was William Lynn, senior vp-director of media and network programing, KM&G International. If that serial does wind up as the Saturday lead, it will amount to a "purely interim" maneuver, he said, since ABC execs "have no real belief in that show" as a potential winner.

CBS was said to be mulling "Baker's Dozen" for early Monday evening, with some agencies figuring it may bump "The Two of Us" and others hoping "Dozen" and another backup sitcom would knock out both "Two" and "Private Benjamin." Paul Schulman, who heads the Paul Schulman Co. network buying division of Gardner Advertising and who is among the admen hoping to see improvements in such weak links as CBS' opening Monday hour and ABC's leadoff Saturday hour, is high on "Baker's Dozen," calling it "a super show."

Phil Burrell, vp-network programing, Dancer Fitzgerald Sample, on the other hand, wondered if "Dozen" might now be seen as too similar to NBC's newly popular "Hill Street Blues."

The latest word among admen on CBS' Wednesday night tv movie package (AA, Nov. 30) was that it would be succeeded come March 3 by two one-hour series, probably "Cagney & Lacey" at 9 p.m. (ET) and a revamped "Shannon" at 10 p.m. One CBS pilot, the Disney-produced "Cherokee Trail," seemed unlikely to go to series after having posted a borderline 27 share the week ended Nov. 29.

As for NBC, Angie Dickinson's new action series "Cassie & Co." has been announced for Saturday duty at 10 p.m. as of early January, but last week some agency execs were getting inklings that NBC programers might put her back into her old "Police Woman" slot, 10 p.m. Fridays, in mid-January, replacing the delayed Rock Hudson entry.

Mr. Lynn, who counts himself among those who feel that NBC's moves "are not going to help; NBC's just not fixable for this season," doubted that "Cassie & Co." or any potentially popular series entry would be slotted on Friday nights. Such series are "unlikely to get sampling" opposite blockbuster "Dallas" and "Falcon Crest," he reasoned, so slating any series there would be "writing it off." Far more likely, in his opinion, would be a package of "highly exploitable" Friday tv movies. NBC pro-

(Continued on Page 81)

Real rich

Ads for the new product from the Mrs. Smith's Frozen Foods Co. say, "Mrs. Smith's Whipped Topping is so rich and creamy, it'll remind you of real whipped cream." The topping is being tested in Texas and possibly other markets with newspaper coupon ads from Leo Burnett Co., Chicago.

French soft drink leader hitting East Coast

Cola wars, economy worrying bottlers

By JOHN REVETT

LOS ANGELES—The economy and what one competitor called "the holy war" between Coca-Cola and Pepsi-Cola weren't easily brushed aside by speeches, wining and dining and back-slapping confabs at the National Soft Drink Assn.'s annual convention here last week.

"It's simple. It can't go on much longer because it's costing too much money," said one competitor of the promotional discounting and price battles going on between rival colas. He added that bottlers are spending more and more time on Coke and Pepsi, "and paying less attention to other brands. At the same time, you've got bottlers taking their profits from other brands because they're not making it on those two."

Neither PepsiCo chairman Donald Kendall nor other Pepsi or Coke execs said so, but some bottlers reported they were given indicators that price wars would subside. Others said the competition would increase.

The feeling among some execs at Dr Pepper was that the Coke-Pepsi battle is diverting both companies from competition in noncola areas; "So there is some good in this for some of us," one stated.

Canada Dry, being acquired by Dr Pepper, was reported to have a new cola developed but holding back on entry because of the heated cola competition.

Neither Seven-Up Co. nor Crush International execs would comment on possible cola entries from them, though there was much talk about Crush as the sleeping giant of the industry, now that it's part of Procter & Gamble and receiving a transfusion of P&G personnel.

Would P&G settle for the small flavor categories or make a Folger-like move after the two leading cola brands?

"That's a question a lot of people are asking without getting any answers," said a soft drink company officer. "We can assume they'll stir things up."

The exhibit areas here were virtually devoid of new products, which several in attendance took as another sign of hard economic times holding back soft drink business expansion. The one significant new item was Orelia, the U.S. version of French market leader Orangina. It drew a steady stream of supplier salespeople, competitors and the curious. The orange/citrus pulp drink, with just a trace of carbonation, reportedly is headed for eastern markets via a new import arrangement following introduction on the West Coast (AA, Nov.16).#

highlights

Monday, Dec. 7, 1981

Elizabeth Arden is introducing two specialized treatment lines that will bolster the company's competitiveness against Clinique. *See Page 6.*

The sides clashed at the first congressional hearing on the Betamax copyright case. *See Page 10.*

Cable tv is eyeing pay cable subscribers over advertisers. *See Page 14.*

Talon is returning to a trade emphasis after nearly a decade of focusing on consumer advertising. *See Page 34.*

Polaroid is hoping Santa will be good this year—and give lots of its cameras to boost plummeting earnings. *See Page 37.*

PepsiCo execs say the company is aggressively seeking new distribution channels for its soft drinks to fuel growth in the '80s. *See Page 45.*

House & Garden's new editor and publisher, after a remodeling of their book, face a tough market. *See Page 64.*

Three-wheel vehicles are helping the limping motorcycle industry. *See Page 70.*

Coca-Cola probably will remain off shelves in India, where the government chased it away four years ago. *See Page 72.*

Paramount TV buys major sponsorship in the just-begun *Video Newscasting Network* magazine in video form. *See Page 77.*

Radio spots they say are "nonpartisan" are raising a furor among Democrats. *See Page 78.*

American Baby magazine and Don Kirshner Cable, join for a 26-program series on baby care beamed to new mothers. *See Page 83.*

CORPORATE CLOSE-UP

Southland Corp. is looking for an even greater leadership in the convenience store category for its 7-Eleven chain. *See Page 4.*

INTERNATIONAL

Only five years ago a French government ad campaign exhorted women to procreate. Today, the new Socialist government is calling a new tune, and it's not a lullaby. *See Page 30.*

Disappointing multinational advertisers and agencies as a medium, Michael Townsin of Young & Rubicam, London, told a European conference that it is "highly unlikely" that that will happen "in any useful way" until 1988. *See Page 60.*

MAGAZINE

In the first of a two-part firsthand account of the battle to save the Federal Trade Commission, Michael Pertschuk describes how consumerists were able to get consumer legislation passed in the 1960s and '70s and how Congress sought to cripple the commission. *See Page 47.*

Andy Wasowski takes a candid look at the want ads and suggests what they might really mean if written honestly. *See Page 52.*

VIDEOTECH

General Foods and Campbell Soup explore cable tv programing co-productions. *See Page 58.*

section 2

MEDIA LEADERS

Conglomeration, a word frequently heard in the world of big business, also is becoming a byword of the media business. It's increasingly a world of who owns what, or 'I didn't know they published that magazine!" To help sort out the puzzle of who owns what, ADVERTISING AGE has compiled its first-ever, first annual "100 Leading Media Companies" issue profiling top companies, their media holdings and personnel changes, with features about some of the people behind the companies, in this week's Section 2, beginning opposite Page 44.

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CIGARETTE OUTPUT BY COMPANY, UNIT VOLUME COMPARISONS AND MARKET SHARES 77

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FTC in Crest ad checkup

WASHINGTON—Procter & Gamble's big introductory campaign for new Crest toothpaste this year stirred up ad investigators at the Federal Trade Commission. But a probe of "therapeutic benefit" claims was closed after P&G switched to new ad copy in October.

The Crest investigation was revealed in a terse two-page letter telling P&G the inquiry was being discontinued. The letter surfaced recently in the commission's public files.

A P&G spokesman confirmed that FTC had made inquiries in September about Crest ad copy.

(Continued on Page 81)

Section 2 errata

The percentage increases for the fastest-growing newspapers in daily circulation shown in a Section 2 chart (Page S-20) in this issue were calculated incorrectly. A corrected version of the chart is reproduced on Page 84.#

Advertising Age / Section 2
DECEMBER 7, 1981

100 Leading Media Companies

A first-ever Advertising Age report ranking leading media companies by advertising, circulation revenue. Profiles, key holdings, trends, data and personalities.

Newspap
Radio
Magazines
Television

Media movers: Powers that are

JOSEPH M. WINSKI

Its daily newspaper, the *Christian Science Monitor*, being a prominent publication, one might suspect that the Christian Science Publishing Co. would show up on a list of the country's top media companies. It does, ranking No. 89 on Advertising Age's first listing of the 100 largest media companies in the U.S.

On the other hand, the Mormon Church—the Church of Jesus Christ of Latter-day Saints—might seem a far less likely candidate. But the rather extensive broadcast and cable tv holdings of its Bonneville International Corp. (controlled by, and therefore listed as, the church's Deseret Management Corp.) actually places the Mormons three notches above the Christian Scientists as a media enterprise.

Westinghouse Broadcasting is well enough known to expect that its parent company, Westinghouse Electric Corp. would be there somewhere, and it is (No. 27). But General Electric Co., too? Yes. GE owns three tv stations, eight radio stations and a cable tv company with 220,000 subscribers. Though the estimated $150,000,000 in revenues produced by GE's media properties are all but lost in the company's $24.96 billion in revenues last year, they were enough to rank GE 47th among the nation's media companies.

The familiar and the surprising make up AA's top media company list, which we believe to be the first effort to rank companies solely by their revenues from media operations. It ranges from the predictable tv networks and major newspaper and magazine publishers to unlikely entities like the Mormon Church, General Tire & Rubber Co. (which owns the broadcasting company RKO General and ranks No. 51) and Pittway Corp. (No. 65), which may be better known to the general public for smoke alarms than its many trade publications.

■ There are also unfamiliar names with familiar holdings, such as No. 46, A.H. Belo Corp. (the *Dallas Morning News*); No. 60, A.S. Abell Co. (*Baltimore Sun*), and No. 34, Affiliated Publications (*Boston Globe*).

The cast of characters who have built or are running the media companies is equally broad and striking. There is Roy Park, a former food manufacturer who didn't get into the business until he was 52 but became the first broadcaster to own the maximum number of stations (seven each of tv, fm and am stations) allowed by the Federal Communications Commission and is still going strong at 72. His Park Broadcasting ranks No. 81.

The controversial Rupert Murdoch, publisher of the *New York Post*, is here (News American Publishing, No. 32), but so is another aggressive foreigner, Kenneth Thomson; Lord Thomson of Fleet has been rapidly accumulating smaller U.S. newspapers, pushing his company up to No. 33.

American Broadcasting Cos., according to our figures, is the country's largest media company, thus seeming to earn the bragging rights it already has claimed as "the largest single advertising medium in the world." CBS and NBC (listed as RCA Corp., its parent) are Nos. 2 and 3, followed by Time Inc.

Time may be considered the largest magazine publisher on the list, although it now appears to be deriving more revenues from its video holdings than magazines. The top 10 is rounded out by the big newspaper enterprises (all with substantial non-newspaper holdings): Newhouse Newspapers, Gannett Co., Hearst Corp., Knight-Ridder Newspapers, Times Mirror Co. and Tribune Co.

In the individual company profiles that are the heart of this special section, one detects, again and again, the same refrain—a common sense of explosive change that Ad Age believes makes a listing of this kind especially timely.

For it is clear that many media company leaders believe the 1980s are ushering in an era of unparalleled growth for their industry, marked by accelerated movement from one type of media business to another. They cite two principal reasons: The rapid advance in communications technology and the election of Ronald Reagan to the White House.

Technology, for example, is making it possible for newspapers to deliver on tv screens the information and advertising they traditionally delivered as newsprint. At the same time, technology is affording television the opportunity to provide the in-depth news coverage (witness Cable News Network) traditionally the province of the print media. The technical boundaries that separate the media are being erased.

At the same time, the "free enterprise" philosophy of the Reagan administration is reducing the old political and legal barriers to growth through cross ownership of media. In August, CBS received a waiver from the years-long prohibition of network owership of cable tv systems and is bidding for a cable franchise in Alameda, Cal. Early last month, the FCC authorized issuing for public comment a staff report recommending that rules barring network ownership of cable systems be abolished generally; this was widely seen as the important first step toward giving the networks the green light.

■ In one of his numerous pronouncements on the subject, Mark Fowler, new FCC chairman, said recently, "Deregulation will be an important theme of my chairmanship. The technology bids us to pursue it, and the cost of continued regulation impels us as well."

The essence of what is happening was described succinctly at October's annual convention of the Magazine Publishers Assn. by Ira Tumpowsky, a vp of Young & Rubicam.

"The era of the single-medium company seems to be gone forever," Mr. Tumpowsky told the gathering of print execs. He said large media companies increasingly will "seek different points of entry and cross media ownership in the new communications industry."

That behavior will hardly be limited to the largest companies, however. Says Bahnson Stanley, new ventures analyst with Landmark Communications, a Norfolk, Va., newspaper, broadcasting and cable tv company that ranks 39th on the media company list: "We don't care how we deliver the information; we just want to deliver it."

Rare indeed is the newspaper company that is not prospecting for cable or other forms of electronic communications. "The thrust of our efforts is to get into any type of electronic media we can," says Gary Brubacker of the Toledo Blade Co. (No. 62). "That is where the future is. Cable is the spearhead of that effort."

It was only three years ago, in late 1978, that the Federal Trade Commission broke from its traditional reluctance to tackle the sensitive issue of media ownerhsip and staged a two-day seminar on media concentration. Said an FTC staffer at the time: "We're somewhat more concerned about concentration in the media because these are not just economic concerns, but First Amendment concerns as well."

Those concerns are likely to intensify again in some quarters (though not in the Reagan FTC or other administration body) as media companies continue to grow.

Just how big are the media companies? Based on media revenues alone, the largest media company, ABC, would rank no. 172 on the Fortune 500 list. And only the top 17 companies on our list would be large enough, by virtue of their media revenues, to make the Fortune 500 list. More pertinent to the concentration issue, however, may be the largest companies' share of the media pot. According to our figures, the 100 top media companies had total revenues from media operations of $29.53 billion last year; of this total, $13.9 billion, or 47%, came from just the top 10 companies.

Furthermore, a look at individual com-

Joseph M. Winski is editor-at-large of Advertising Age.

ers

Video

able

panies on the list discloses some local situations that may be more disturbing to opponents of media concentration than the alleged influence of, say, ABC or CBS on the ideas of the national community. For example, in South Bend, Ind., Schurz Communications (No. 96) owns the only daily newspaper, a vhf tv station and am and fm radio stations. "If you want to talk about local monopolies, they've got one," says a former Schurz advertising salesman.

A large number of the other companies on our list have substantial holdings in print, broadcasting and cable tv, though not usually in the same community, because of FCC restrictions on new media buyers. (Some media watchers believe the Fowler commission will relax these.)

Some observers, such as media critic Ben H. Bagdikian, express concern over "conglomerates" in media, or companies that have large positions in other industries. The highest ranking "conglomerate" on our media list, if we define that as a company deriving more than half its revenues from nonmedia properties, is RCA (No. 3), which gets only 19% of its total revenues from media operations, including NBC. Oil company Charter Co. (No. 23) derives only 6.5% of its total revenues from media, Westinghouse Electric only 3% (excluding recently acquired Teleprompter Corp.), GE only 0.6% and American Express Co. (No. 80) only 1.3%.

Both GE and American Express have indicated an intention to get much bigger in media, GE through its unsuccessful bid for Cox Broadcasting Corp. (No. 24) and American Express through its thwarted takeover bid for McGraw-Hill (No. 13).

It should also be noted that there are some substantial privately owned companies on the list. In fact, more than half—54—of the 100 companies are privately owned, including three of the top 10—Newhouse, Hearst and Tribune Co. Most of the private media companies indicate no less optimism and ambition for their role in the "new communications industry" than the most aggressive publicly owned ones.

The media game is indeed heating up. As in any fast-moving game, it's difficult to tell the players without a scorecard. Here's ours.#

100 TOP MEDIA COMPANIES

RANK	COMPANY	MEDIA SALES (000)	TOTAL SALES	MEDIA %
1.	American Broadcasting Cos.	2,204.5	2,280.0	97
2.	CBS Inc.	2,001.0	4,062.0	55.2
3.	RCA Corp.	1,521.8	8,011.0	19
4.	Time Inc.	1,348.5	2,882.0	47
5.	S. I. Newhouse & Sons	1,250.0	1,400.0	89
6.	Gannett Co.	1,195.0	1,215.0	98.8
7.	Times Mirror Co.	1,128.4	1,857.0	60.8
8.	Hearst Corp.	1,100.0	NA	NA
9.	Knight-Ridder Newspapers	1,099.0	1,099.0	100
10.	Tribune Co.	1,048.7	1,230.0	84.6
11.	New York Times Co.	679.0	733.2	93
12.	Washington Post Co.	646.7	658.5	98
13.	McGraw-Hill	644.8	1,000.0	64.5
14.	Triangle Publications	560.0	560.0	100
15.	E. W. Scripps Co.	515.3	515.3	100
16.	Dow Jones & Co.	493.3	530.7	93
17.	Capital Cities Communications	472.1	472.1	100
18.	Cox Enterprises	367.6	367.6	100
19.	Dun & Bradstreet	365.0	1,176.0	31
20.	Metromedia Inc.	333.7	453.9	73.5
21.	Meredith Corp.	330.5	403.4	81.9
22.	Field Enterprises	329.9	380.0	86.8
23.	Charter Co.	296.0	4,563.0	6.5
24.	Cox Broadcasting Corp.	281.0	309.2	91.7
25.	Reader's Digest Assn.	270.0	1,100.0	23.8
26.	Harte-Hanks Communications	269.0	304.0	88.7
27.	Westinghouse Electric Co.	266.5	8,514.0	3.0
28.	Evening News Assn.	235.7	235.7	100
29.	Minneapolis Star & Tribune Co.	213.7	213.7	100
30.	Central Newspapers	211.1	211.1	100
31.	Chronicle Publishing Co.	210.5	210.5	100
32.	News America Publishing	210.0	210.0	100
33.	Thomson Newspapers Ltd.*	208.1	438.7	47.4
34.	Affiliated Publications	206.5	206.5	100
35.	Ziff Corp.	200.0	225.0	89
36.	Storer Broadcasting Co.	197.1	197.1	100
37.	Copley Newspapers	191.5	NA	NA
38.	Pulitzer Publishing Co.	190.5	190.5	100
39.	Landmark Communications	182.0	182.0	100
40.	Playboy Enterprises	170.0	363.2	46.8
41.	Oklahoma Publishing Co.	170.0	170.0	100
42.	Media General	167.4	332.0	50.4
43.	Houston Post Co.	165.0	165.0	100
44.	Multimedia Inc.	163.6	163.6	100
45.	Freedom Newspapers	153.5	153.5	100
46.	A. H. Belo Corp.	150.6	157.6	95.5
47.	General Electric Co.	150.0	24,960.0	0.6
48.	Journal Co.	148.6	283.5	52.4
49.	Penthouse International Ltd.	145.7	155.0	94
50.	National Geographic Society	143.3	217.2	66
51.	General Tire & Rubber	142.1	2,200.0	6.5
52.	McClatchy Newspapers	136.8	136.8	100
53.	Courier Journal & Louisville Times Co.	136.2	136.2	100
54.	Lee Enterprises	135.1	137.0	98.6
55.	Houston Chronicle Publishing Co.	133.7	133.7	100
56.	McCall Publishing Co.	133.0	133.0	100
57.	National Enquirer	129.0	129.0	100
58.	U.S. News & World Report	125.0	125.0	100
59.	Viacom International Inc.	122.3	160.2	76.3
60.	A. S. Abell Co.	120.4	120.4	100
61.	Donrey Media Group	120.0	120.0	100
62.	Toledo Blade Co.	118.7	118.7	100
63.	Providence Journal Co.	117.0	162.8	71
64.	Taft Broadcasting Co.	112.2	239.9	47
65.	Pittway Corp.	112.0	311.7	35
66.	Tele-Communications Inc.	111.9	124.4	90
67.	Harcourt Brace Jovanovich	100.0	504.0	19.8
68.	Cahners Publishing Co.	100.0	150.0	66.7
69.	Wometco Enterprises	95.4	357.2	26.7
70.	Seattle Times Co.	93.5	93.5	100
71.	Morris Communications Corp.	89.0	91.0	97.8
72.	Des Moines Register & Tribune Co.	86.1	86.1	100
73.	Times Publishing Co.	82.0	82.0	100
74.	Jefferson-Pilot Corp.	81.5	885.0	9.2
75.	Petersen Publishing Co.	79.3	88.0	90.5
76.	Scripps-Howard Broadcasting Co.	77.0	77.0	100
77.	Warner Communications	76.5	2,000.0	3.8
78.	Oak Industries	76.0	386.0	19.7
79.	Bergen Evening Record Corp.	73.1	74.2	98.5
80.	American Express Co.	72.4	5,504.0	1.3
81.	Park Broadcasting	65.0	80.0	81
82.	Outlet Co.	64.2	132.3	48.7
83.	Post Corp.	63.1	81.1	77.8
84.	United Cable Television Corp.	62.8	62.8	100
85.	LIN Broadcasting Corp.	61.3	64.5	95
86.	Deseret Management Corp.	61.3	100.0	61.3
87.	Southern Progress Corp.	61.0	NA	NA
88.	Worrell Newspapers	60.0	60.0	100
89.	Christian Science Publishing Society	58.4	58.4	100
90.	Stauffer Communications	55.6	60.4	92
91.	UA-Columbia Cablevision	55.0	55.0	100
92.	Rodale Press	55.0	85.0	64.7
93.	Army Times Publishing	55.0	82.5	66.7
94.	Rollins Inc.	54.7	460.1	11.9
95.	Macfadden Women's Group	54.5	54.5	100
96.	Schurz Communications	52.0	52.0	100
97.	LFP Inc.	52.0	350.0	14.9
98.	The New Yorker Magazine	50.1	57.8	88
99.	Knape Communications Corp.	50.0	54.0	92.6
100.	Blue Chip Stamps	49.9	219.3	22.8

*In successive columns: Thomson's U.S. media revenues only; Thomson's U.S./Canadian media combined which is total revenues; and U.S. media percentage of total.

A look at the top 100 U.S. media companies

ADVERTISING AGE'S first annual media roundup, including holdings, revenues, personnel shifts and feature profiles.

A.S. Abell Co.

A.S. Abell Co., Baltimore, is the country's 60th largest media company, with total revenues of about $120,400,000 solely from media operations in 1980. Newspapers accounted for about $102,000,000 and radio and tv stations together about $17,000,000.

The privately owned company's principal property is the *Baltimore Sun*.

A key management change occured last summer when Reg Murphy, former publisher of the *San Francisco Examiner*, became publisher and chief executive. He succeeded publisher Donald S. Patterson, who remains as president of the company.

Importing top management from outside its own ranks is an unusual move for Abell, but Mr. Murphy was brought in to effect the major changes the company has planned.

The demise of the *Washington Star* in August has resulted in growth for the Sunpapers, as the morning, evening and Sunday papers are known collectively.

The *Sun* "picked up a lot of *Star* features, including some of the best reporters," says Mr. Murphy. Circulation is up 3,000 at the *Evening Sun* and 2,500 on Sundays. Total circulation is up 9,000 over 1980, and Mr. Murphy projects a circulation increase of 12,000 before the end of the year.

The papers have a combined daily circulation of about 350,000; Sunday circulation is about 375,000.

■ "We're in the process of revamping the entire Sunday paper, instituting new sections such as People and Maryland Kitchen. We plan to use lots more color," Mr. Murphy says.

The company has invested in 36 Goss-Metroliner offset press units, all scheduled to be operating this month.

It also plans to strengthen circulation within the five-county region around Baltimore, particularly among minority readers. It hopes to boost circulation at an annual rate exceeding the growth of new households in the Baltimore metropolitan area. In addition, it hopes to increase advertising linage at a pace greater than the annual cost-of-living increase, expand the *Sun* network of foreign bureaus and focus more attention on working women, two-income families and homebound commuters.

Reorganization of the Sunday *Sun* began this fall with a "We make SUNdays brighter with the Sunday SUN" promotional campaign highlighting the addition of former *Star* features.

■ Abell also is exploring regional magazine and weekly or daily newspaper acquisitions.

Abell's broadcasting subsidiary, Abell Communications, owns WMAR-TV and WMAR (fm), Baltimore, and WBOC-TV and WBOC (am, fm), Salisbury, Md.

Abell Communications is awaiting FCC approval of its third radic acquisition within recent months, a Daytona, Fla., fm station. It expects to have seven new fm stations on noard by the end of 1983.

The communications division, responsible for all Abell ventures in electronics and entertainment, is also developing two software packages, one in sports and another in news-information programing, for over-the-air and cable tv.

MEDIA PROPERTIES:
Newspapers: *Baltimore Sun; Evening Sun.*
Broadcasting: Abell Communications—WMAR-TV, WMAR (fm), Baltimore; WBOC-TV, WBOC (am, fm), Salisbury, Md. Abell Communications Productions—cable tv.

Affiliated Publications

Affiliated Publications, Boston, owner of the *Boston Globe*, is the 34th largest media company in the U.S., with $206,464,000 in revenues in 1980, all from media operations. Of that total, $194,379,000, or 94%, was derived from the *Globe* and $11,985,000, or 6%, from radio broadcasting.

According to Standard & Poor's Corp., newspapers accounted for 90% of the company's profits of $12,852,000 last year and broadcasting 10%.Affiliated Publications was formed in 1973 in a reorganization that made Globe Newspaper Co., publisher of the *Globe* since 1876, a wholly owned Affiliated subsidiary.

Last month, Affiliated elected chief executive officer William O. Taylor, 49, to the additional post of chairman, effective Jan. 1. He succeeds his father, William Davis Taylor, who is retiring. John P. Giuggio, 51, an Affiliated executive vp, will succeed the younger Mr. Taylor as president and chief operating officer.

William O. Taylor represents the fourth generation of Taylors to head the company.

Since February, 1979, the *Globe* has been published as an all-day paper, with seven editions each weekday, one on Saturday and one on Sunday. The paper's daily circulation of 504,492 puts it 13th among the nation's dailies.

It has a Sunday circulation of 740,717, ranking it ninth among Sunday papers.

The *Globe* is distributed throughout New England, with concentration in a five-county area in Massachussetts (Middlesex, Essex, Norfolk, Plymouth and Suffolk), as well as in a four-county area in southern New Hampshire and in Barnstable County on Cape Cod.

In 1975, Affiliated began diversification efforts that have resulted in the purchase of 12 radio stations and, more recently, an active interest in cable communications. A subsidiary, Affiliated Broadcasting, controls the radio stations, and the parent company controls all cable operations.

The company earlier this year acquired 45% of McCaw Communications, Bellevue, Wash., for $12,000,000, giving Affiliated a substantial interest in eight cable tv companies in Alaska and Washington. It and McCaw have entered into a joint venture to buy Southern Oregon Broadcasting Co. and Pacific Teletronics, which operate cable tv systems in southern Oregon and northern California. This marks Affiliated's first investment in cable tv.

The company reportedly is investigating further purchases in the medium.

In March, the company acquired WAIV-AM and WAIV-FM in Jacksonville, Fla., for $3,000,000, giving it a total of 12 radio stations.

■ The company has announced a joint venture with Knight-Ridder Newspapers that would give Affiliated access to data from Knight-Ridder/American Telephone & Telegraph Co.'s market test of Viewtron Home Information Service in southern Florida.

Viewtron service includes news, information, advertising, games, quizzes, educational programs and at-home shopping and banking. Affiliated reportedly will use the information in a future program designed for the Boston area.

In the planning stages is an off-site, 170,000-sq.-ft. printing plant to be built in Billerica, Mass. Construction is expected to begin in the spring and the facility is scheduled to open in 1984.

Affiliated is projecting a 12% to 19% increase in revenues this year and expects the newspaper to contribute 94% of total revenues once again.

MEDIA PROPERTIES:
Newspapers: *Boston Globe.*
Broadcasting: WFAS (am), WWYD (fm), White Plains, N.Y.; WSAI-AM, WSAI-FM, Cincinnati; KRAK (am), KEWT (fm), Sacramento, Cal.; KMPS-AM, KMPS-FM, Seattle; WHYN-AM, WHYN-FM, Springfield, Mass.; WAIV-AM, WAIV-FM, Jacksonville, Fla.
Cable/video: 45% ownership in McGaw Communication with cable locations as follows: ALASKA—Frontier Colorcable, Fairbanks; Ketchikan Alaska Television, Ketchikan; Sitka Alaska Television. WASHINGTON—Cle Elum Cablevision, Cle Elum;Okanogan Valley Television Cable, Omak; Twin City Cablevision, Centralia; Whatcom County Cablevision, Ferndale; Whidbey Island Cablevision, Langley; Yakima Valley Cablevision, Yakima. OREGON—Scappoose Cablevision, Scappoose.

American Broadcasting Cos.

American Broadcasting Cos., New York, is the country's largest media company with media revenues of $2.2 billion in 1980. The company has media interests in tv, radio stations and networks, and ties to publishing and cable tv.

The company's broadcasting op-

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erations alone accounted for nearly $1.97 billion out of ABC Inc.'s $2.28 billion revenue total in 1980. In 1979, broadcasting revenues represented almost $1.8 billion of about $2.05 billion. During each of the three years through 1980, broadcasting accounted for at least 85% of all revenues, ABC said.

Publishing, meanwhile, represented nearly $231,600,000 in revenues, up from $192,400,000 in '79.

ABC-TV Network contributed the bulk of the broadcast dollars once more, thanks to its strong ratings performance in all dayparts. However, programing costs grew at a much faster clip, thereby reducing its profit margins for 1980 (when broadcast earnings fell 6%) and 1979 (when earnings rose only 4%, compared with a 12% jump during '78).

News coverage of the presidential campaign and also the Iranian hostage situation contributed a good deal to those rising costs.

In reporting the 1981 third quarter results, ABC chairman Leonard Goldenson and president Elton Rule said ABC Inc. attributed its "excellent" showing to the "improving advertiser demand for tv time, as well as the delayed premiere of the new fall season."

The quarter saw ABC Inc. climb by $62,400,000 over the same period in 1979 to approach $553,600,000 revenues as net earnings rose by $4,400,000 to $34,100,000. For the nine-month span, ABC revenues hit $1.7 billion, up from $1.6 billion, as earnings fell to $102,500,000 from $107,800,000.

■ The tv network improved in both sales and earnings during the third quarter, as did the owned tv stations division and ABC Radio. Publishing posted a sales gain, but an operating loss.

Over-all ABC Inc. earnings were "moderated," the execs said, by the development costs of ABC Video Enterprises and ABC Motion Pictures.

Although ABC lost the prime time Nielsen race to CBS last season (after a virtual dead heat the season before), ABC boasted that "from sign-on to sign-off, more people watched the ABC-TV Network in 1980 than any other network" and that it remained "the largest single advertising medium in the world," an honor held for decades by CBS. The bulk of ABC's audience was young adults and young women, the segments that put ABC out front for several seasons, drawn by Olympics coverage and comedies like "Three's Company," "Happy Days" and "Laverne & Shirley"—comedy being "the cornerstone" of prime time success.

ABC, which went into the current fall season with 206 affiliates (five signed during 1980), was in a virtual tie with CBS after the Nielsens were tallied for the first four autumn weeks.

The fifth week ended Nov. 8 was won by ABC by a considerable margin, enough to put the network out front in the early season averages, its 20.1 rating and 32 share a hair ahead of CBS' 20.0 and 32.

In daytime, ABC-TV held the top rank, a position it first wrest from CBS in January '78. "General Hospital," "One Life to Live" and "All My Children" contributed heavily to that clout in a daypart where ABC accounted for $463,000,000 of the total $1.17 billion advertisers poured into network daytime fare in 1980.

In the evening news wars, ABC has been benefiting from the audience sampling that followed Walter Cronkite's retirement as CBS anchorman.

The company also claimed that its owned tv stations in 1980 were "again the most watched and most successful group of stations" in the U.S., especially among viewers aged 18 to 49. Division revenues rose in each of the last three years, through 1980, but earnings slipped in 1980, owing to rising costs for expanding early fringe time newscasts and higher costs for such shows as "Teletone News." The "sluggish" economy kept revenues from climbing at comparable rates.

■ ABC Radio division also saw earnings fall since 1979, due to greater competition from new networks, new stations, tougher am-fm rivalries and higher programing costs. The unit, which shook things up in the 1960s by forming four demographically tailored networks—contemporary, entertainment, fm and information—has several more networks in the works for 1982 and beyond. The Direction and Rock nets are slated for Jan. 1 starts, followed in early 1982 by Talkradio and in mid-1982 by Superradio. The two latter services are to go via satellite, which ABC radio Enterprises execs see as the distribution method for all the ABC nets, probably by 1984.

Chilton is the largest single entity within ABC Publishing, with 21 speciality magazines. It also owns Chilton Research Services. ABC Video Enterprises has been mulling ways of using the various ABC-owned magazines in home video programing ventures. Amid rumors that ABC Publishing is up for sale and that the division has "minimal" impact on ABC's bottom line, the parent company maintains the publications are not on the block.

Falling into the "other" category at ABC is ABC Video Enterprises, marketing videocassettes for retail sale and also involved in the ARTS and Daytime cable tv programing co-ventures. ARTS, which includes such as AT&T and Mobil, ran for months after its April premiere without any ad support. Daytime is due in mid-March. Both services have rates well under commercial tv levels, as befits a narrow casting operation. That, combined with the high start-up expenses, explain why ABC Inc. does not expect profits for some time from this division.

This fall, ABC Video added two co-ventures—cable news services with Westinghouse Broadcasting and a pay cable sports network with Getty Oil's Entertainment & Sport Programing Network.

MEDIA PROPERTIES
Broadcasting: TELEVISION: ABC-TV Network: ABC-owned tv stations in New York, Los Angeles, Chicago, Detroit and San Francisco. WABC-TV, New York; WLS-TV, Chicago, KABC-TV, Los Angeles; KGO-TV, San Francisco, WXYZ-TV, Detroit. RADIO—ABC Radio Networks: ABC-owned radio and outlets in New York, Los Angeles, Chicago, Detroit, San Francisco, Washington, Houston. WABC (am) and WPLJ (fm), New York; KABC (am) and KLOS (fm), Los Angeles; WXYZ (am) and WRIF (fm), Detroit; KGO (am) and KSFX (fm), San Francisco; WLS (am) and WRCK (fm), Chicago; WMAL (am) and WROX (fm), Washington; KSRR (fm), Houston.
Cable/video: ABC Video Enterprises.
Magazines: ABC Publishing: (*Los Angeles Magazine*); ABC Leisure Magazines: (*Modern Photography, High Fidelity, McCall's Needlework & Crafts*); ABC Farm Progress Publications: (*Prairie Farmer, Indiana Prairie Farmer, Wisconsin Agriculturist, Wallaces Farmer*); Miller Publishing: (*Farm Store Merchandising, Garden Supply Retailer, Feedstuffs, Hog Farm Management, Tack 'n' Togs*); Ames Publishing: (*Industrial Maintenance & Plant Operations, Industrial Distributor News, Industrial Safety Product News*); Hitchcock Publishing: (*Infosystems, Assembly Engineering, Industrial Finishing, Woodworking & Furniture Digest, Office Products Dealer, Machine & Tool Blue Book*); R.L. White Co.: (*Homes*); Chilton: (*Automotive Industries, Automotive Marketing, Distribution, Instruments & Controls Systems, Accent, Chilton's Control Equipment Master, Commercial Car Journal, Iron Age, Hardware Age, Jewelers' Circular-Keystone, Food Engineering Master, Instrument & Apparatus News, Motor Age, Product Design & Development, Review of Optometry, The Specialist, Truck & Equipment Salesman.*)

How AA compiled its data

Companies were ranked by net operating revenues from media properties. Included were print media supported by advertising or circulation revenues or both. Examples of media operations not supported by advertising but included in the calculations are newsletters and electronic information services paid for by subcribers. Book publishing was excluded.

Similarly, revenues generated from the operation of radio or tv stations, including over-the-air and cable stations, were included. Revenues generated by the production of tv films or other programing for use by broadcast or cable stations were excluded.

Many of the top 100 companies are privately owned and thus not required to disclose financial figures. In addition, many of the publicly owned companies do not report their figures in the detail required for our analysis. In both cases, officials of the companies involved were contacted for estimates. Generally, we found companies to be helpful in guiding editors to a close approximation of media-property revenues. As the individual company profiles demonstrate, we were also able to interview many company executives expressly for this special report. In those cases where companies were not helpful, editors used secondary sources believed reliable, as well as equations developed by leading media analysts to estimate revenues of individual newspapers or radio and or tv stations.

As far as Advertising Age can determine, no one has ever attempted a ranking of this sort. Like other such rankings, particularly first-time efforts, it is likely to be flawed by omission and commission. We welcome your comments and suggestions for improving the accuracy of the listing, which we plan to publish annually.#

American Express Co.

American Express Co., New York, is the 80th largest U.S. media company, with total estimated media revenues of $72,400,000 in 1980. It projects 1981 media revenues of 95,000,000, from cable subscribers, fees, cable programing services and publishing. Media revenues accounted for only 1.3% of the giant financial services company's total revenues of $5.5 billion last year. Total net income was $376,000,000.

The company's media operations are growing rapidly, largely because of its 50-50 partnership with Warner Communications in Warner Amex Cable communications. Warner Amex is expected to have revenues of close to $175,000,000 this year and well over $200,000,000 if subscriber connection fees are included. An estimated $120,000,000 will come from monthly subscriber fees and nearly $37,000,000 from fees for The Movie Channel and Nickelodeon, offered for Warner Amex cable systems and others. The count is moving up steadily as Warner Amex adds subscribers via franchises awarded in Pittsburgh, Dallas, Cincinnati, Boston and Houston.

The company's American Express Publishing unit accounted for about $20,000,000 of revenues in 1980. Nearly all was from *Travel & Leisure* which had a 14% increase in advertising volume. This year the monthly projects 1,060 ad pages, up 8% to 9%.

Late in 1980, 945,000-circulation *Travel & Leisure* was joined by *Food & Wine*, a gourmet monthly acquired from founders Ariane and Michael Batterberry. *Food & Wine* is projecting 330 ad pages this year and has increased its circulation rate base to 300,000 from 200,000.

Also added was Mitchell Beazly Ltd., London, a publisher of family reference books which is moving into video programing and is expected to produce video travel guides and other fare with material from the magazines.

Warner Amex hasn't moved rapidly with its Qube interactive cable tv service, which reportedly lost money in Columbus, O., during a long test. Warner Amex execs say they have corrected some of the problems and are expanding Qube to Cincinnati, Pittsburgh, Houston, St. Louis and Dallas.

Warner Amex credits the Qube capabilities with helping it win franchises in these major markets despite intense competition. The joint venture says it is preparing the way for future two-way services such as shopping and banking at home. During 1980, Warner Amex introduced the BT-1300 Qube III home computer console, half the size of its predecessor but able to accommodate more than 100 channels of programing.

Nickelodeon, Warner Amex's young people's channel, and The Movie Channel, offering round-the-clock feature films, are being joined this year by Alpha Repertory Television Service, devoted to the performing and visual arts, and The Music Channel, presenting continuous popular music.

MEDIA PROPERTIES:
Cable/video: Cable tv systems with more than 825,000 subscribers in 27 states (via Warner Amex Cable Communications, a partnership with Warner Communications—see Warner Communications profile), Warner Amex Satellite Entertainment Co.
Magazines: *Travel & Leisure*; *Food & Wine.*

Army Times Publishing Co.

Army Times Publishing Co., Washington, ranks as the 93rd largest media company, with media holding revenues of an estimated $55,000,000 in 1980, or two-thirds of total revenues of about $82,500,000.

The privately held company publishes three weekly military newspapers, *Army Times, Navy Times* and *Air Force Times* (with a combined circulation of 330,000), as well as a weekly for civilian government employes, *Federal Times* (circulation 44,000), all distributed within and outside the country.

The company also publishes two military-related magazines, *Times* magazine, a monthly supplement to the three military papers, and *Military Market*, a trade publication for military commissary and exchange personnel.

Journal Newspapers, a separate division headquartered in Springfield, Va., publishes five daily suburban newspapers in the Washington area.

■ Besides printing all of its own papers, the company operates a commercial printing division under the name of Journal Newspapers Printing. It is also involved in the telephone sales business through its Army Times Telephone Marketing Unit, which solicits subscriptions for other periodical publishers.

Last September, *Army Times'* five suburban semiweeklies became daily publications following the demise last August of the *Washington Star.*

The papers' 135,000 subscribers are, and will remain, suburban residents, because the company has no plans to distribute within the city of Washington. Forty new staff members were added to the payroll, doubling the size of the Journal's reporting and advertising departments.

Henry Belber, exec vp of Army Times Publishing, said 1981 is "the best year we've ever had." The company's plans include possible acquisitions or startups of new print properties. *Army Times* also says it is willing to look seriously at opportunities in broadcasting.

■ The company instituted various belt-tightening measures in the past year, including a program designed to better management of printing and production facilities to reduce waste.

This year the company purchased a $1,500,000 video display terminal system, enlarging the system it already had.

MEDIA PROPERTIES:
Newspapers (dailies): MARYLAND—*Prince George's Journal, Montgomery Journal.* VIRGINIA—*Alexandria Journal, Arlington Journal, Fairfax Journal.*
Newspapers (others): *Air Force Times, Army Times, Federal Times, Navy Times.*
Magazines: *Times* (supplement to the military papers), *Military Market* (trade magazine).

OTHER OPERATIONS:
Army Times Telephone Marketing; Journal Newspapers printing division.

A.H. Belo Corp.

A.H. Belo Corp., Dallas, publisher of the *Dallas Morning News*, is the nation's 46th largest media company, with media property revenues of $150,592,000 in 1980, or 96% of total revenues of $157,619,000. Of the total revenues, $102,654,000, or 65%, came from newspaper publishing, and $47,938,000, or more than 30%, from tv and radio broadcasting.

Newspapers counted for 38% of operating earnings of $34,394,000 and broadcasting 59%. The remainder of revenues and operating

earnings came from specialty printing and the biannual "Texas Almanac," published since 1857. The company's net profits last year were $19,228,000.

In the first three quarters this year, Belo's newspaper revenues rose 19% to $87,475,000 and tv and radio broadcasting revenues rose 25% to $41,392,000. Net earnings rose 15% to $14,700,000 from $12,800,000.

The company is currently going public with an initial offering of 2,000,000 shares of common stock at an estimated $21 to $23 per share.

About $19,000,000 of the proceeds will be used to construct and equip a six-story addition to the *Dallas Morning News* building. Belo plans to use the balance for working capital, expansion of plant and facilities and the possible acquisition of addional cable tv, broadcast and publishing properties. No acquisition negotiations are in progress, the company says.

Much of the stock will remain in firm control of the Dealey family. Family shareholders are selling 1,000,000 of their shares and the company 1,000,000 newly created shares.

Belo will have a total number of 9,212,000 shares after the stock issue, about 42% of which will be owned by the Dealey family.

In 1980, the company purchased WTVC-TV in Chattanooga, Tenn., for $19,389,000 cash, and in 1981, it acquired a cable tv system in Clarksville, Tenn., for $5,750,000 in cash and notes. This year, the company sold Atlas Match Corp., a wholly owned subsidiary, for $3,250,000.

Belo Information Systems division, formed in 1980, has begun development of an interactive system of electronic distribution of information to home computers through cable tv and telephone lines. The division participated with another company in an experimental offering of news and other information, and then introduced Belo Information Systems On-Line Network to offer a commercial application of the home service.

The *Dallas Morning News* is also exploring opportunities in electronic information systems, using the newspaper's existing computerized systems in conjunction with new technologies that can bring news and information into the home.

Competition between the *Dallas Morning News* and archrival *Dallas Times Herald* (owned by Times Mirror Co.) reached a feverish pitch in 1980 and 1981, with the *News* adding a new executive editor and a new managing editor, who promptly set out to improve and expand general news, business, sports, entertainment and social coverage.

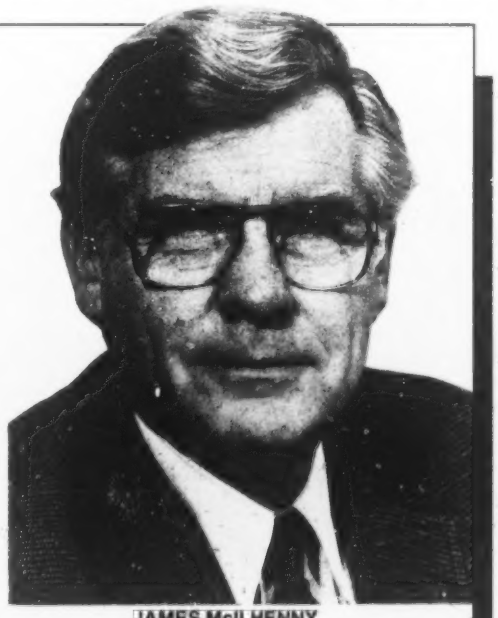
In 1981, the *News* launched a Saturday bulldog edition of its Sunday newspaper and added popular columnist Ann Landers to its columns, ending her 23-year stint with the *Dallas Times Herald*. *Late in 1981, the News* announced it will add nationally distributed Parade in January, following the Times Herald's cancellation of the supplement more than a year ago (the *Times Herald* subsequently introduced its own Sunday supplement).

Total advertising lineage of the *News* in 1980 reached 91,709,337 lines which produced advertising revenues of $86,556,627. Through the third quarter of 1981, linage and revenues were reported well ahead of the comparable figures in 1980.

Circulation figures for the paper averaged 284,673 daily and 357,861 Sundays over the six-month period ended Sept. 30 (both numbers represented slight gains over the same period in 1980). That compares with *Times Herald* figures of 242,821 and 335,089, respectively.

MEDIA PROPERTIES:
Newspapers: *Dallas Morning News* and six community dailies in the suburban Dallas/Fort Worth area: *Arlington Daily News, Grand Prairie Daily News, Garland Daily News, Irving Daily News, Mid-Cities Daily News, Richardson Daily News.*
Broadcasting: TELEVISION—WFAA—TV, Dallas; KFDM-TV, Beaumont, Tex.; WTVC-TV, Chattanooga, Tenn. RADIO—WFAA (am), KZEW (fm), Dallas.

U.S. News: Maintaining balance on a 3-leg stool


JAMES McILHENNY

The man selected to guide *U.S.News & World Report* through the 1980s is James H. McIlhenny, a new face in magazine publishing, recruited from Macmillan Inc.in mid-1980.

The scenario casts him as successor to John Sweet, who as president and chairman, has been the guiding force at *USNWR* for more than 35 years. In May, 1981 the transition began, with Mr. McIlhenny assuming the presidency and Mr. Sweet retaining the chairmanship.

"This is an incredibly wealthy company, with a large stream of usable assets, and a board of directors that is progressive and expansion minded," he says of *USNWR*, a nonpublic organization entirely owned by employes individually and through the profit sharing trust. But he sees the need for a lot of management homework before anything very spectacular takes place.

While the basic structure for future development in related journalistic and publishing enterprises is already falling into place, his top short-range goal is to build management strength. "We are going to spend a lot of time training people," he says. "Many will be from inside our organization, but where we don't have the right people in our organization, we will bring them in."

▪ He finds strength in *USNWR* circulation gains and readership scores, but sees no need to challenge front-running *Time* and *Newsweek* for leadership in the newsweekly field. "Its emphasis on what the news means makes *USNWR* a distinctive product, important to people who depend on it for that service," he says. "It is important in Washington out of proportion to its total circulation."

"It bodes well", he continues, that the magazine's greatest strength is in the Sunbelt states, which are experiencing greatest growth in both population and industry. "We are disproportionately more effective in Texas, for example, than in the country generally," he points out.

The USNWR report strategy for the 1980s rests on a "three legged stool"—the magazine, the related revenue-producing real estate ventures now getting underway, and a new business development program "which seeks out opportunities related to the magazine publishing skills, but not competitive."

Last summer, the real estate operations got under way with announcement of a joint venture with Boston Properties for a $200,000,000 development on three acres in the west end of Washington, near Georgetown, for a USNWR headquarters building, plus a 450-room luxury hotel, investment office building and townhouse-high rise condominum sector.

As a start in the new ventures area, the company recently made its first move into electronic journalism with the acquisition of Parkway Communications Corp, a major producer and distributor of fine arts radio programing.

Early in November, a new subsidiary, Publishers Services International, was created as a holding company to provide capital for the company's major "manufacturing" project—the creation of facilities establishing it as a provider of worldwide electronic publishing services.

▪ With sales commitments of more than $10,000,000 annually, PSI already has contracts for computer typesetting and transmission services with more than 50 publishers, including McGraw-Hill, Hearst, Conde-Nast and CBS Publications.

Beyond the continent, there is still the world."Nobody has ever provided international linkage between publishers and printers except on a private basis," he points out.

His connection with publishing exists only in the fact that at Macmillan, Mr. McIlhenny had a stint in charge of Alco Gravure, the company's printing arm. In all, he was with Macmillan 12 years, the most recent five as exec vp.

Earlier he had been with Genesco for 15, in shoe manufacturing. Later he was in retail management, as president of I. Miller & Sons, the women' fashion footware manufacturer and retailer.

Bergen Evening Record Corp.

The Bergen Evening Record Corp., a family-owned company headquartered in Hackensack, N.J., and the 79th largest media company recorded $73,100,000 in media revenues and $74,244,000 in 1980 total revenues primarily from the company's newspaper operation.

Circulation and advertising revenues mainly in the *Record*, the company's flagship paper and the largest evening daily in the state, and in the Toms River, N.J.-based *Ocean County Reporter*, accounted for $56,589,000 of the total.

The company's broadcasting arm, TV Gateway Communications, Cherry Hill, which operates stations in three other states, recorded $16,546,000 in revenues, while revenues from "other interests" totaled $1,109,000.

Corporate officials project that 1981 revenues will hit the $80,000,000 mark.

Circulation for the *Record*—145,022 daily and 207,357 Sundays—was down just slightly from the previous year in what chairman Malcolm A. Borg termed a "typical phenomenon in this market."

Nevertheless, the *Record* logged higher circulation in Bergen County—which attracts many high-earning metropolitan area professionals—than all the New York City and suburban papers combined.

Situated in an area with an exceedingly heavy concentration of retail shops, the *Record* was able in 1980 to increase its over-all ad linage to a record 44,780,429 lines despite a drop in classified advertising.

To place advertising from the paper and its other subsidiaries in varied media, the company set up its own in-house agency, Magna Media Inc., resulting in a saving of $23,000 during the year.

In addition, the paper endorsed the Standardized Advertising Unit (SAU), thus backing the efforts of its marketing vp Frank J. Savino, who pushed for the voluntary move by publishers during his 1980 term as president of International News & Marketing Executives (INAME).

The corporation earlier this year sold off Freehold, N.J., semi-weekly, the *Monmouth News*, to the Greater Monmouth Publishing Co. of East Brunswick, N.J.

The Record is pumping $65,000,000 into modernizing its operations. Completion is set for 1983 and includes the purchase of two $23,000,000 high-speed offset presses from Tokyo Kikai Seisa Kusho Ltd.

The presses, to be housed in a new four-story structure, are scheduled for use by next June. The presses will facilitate the use of extensive color, says *Record* president Michael H. Heath.

In 1980, the company completed a mailroom addition, converted to electronic editing and installed prepress systems. Still to come will be redesigned corporate offices and efforts to stimulate circulation.

The company, nonunion in a highly unionized area, maintains that status because of its "enlightened paternalistic attitude toward employes," according to Mr. Borg, pointing to retraining programs established for those whose jobs have been lost to automation, and to an active profit sharing plan.

Circulation at this point is primarily in Bergen County, although the paper is distributed in some Passaic County communities. "We will have the capability of going beyond Bergen County (with the new circulation moves)," says Mr. Borg.

Gateway Communications is "doing nicely and improving its profit picture," says George A. Koehler, president, noting no major changes. He salutes the subsidiary's ability to retain its managerial staff at its CBS and ABC affiliates, and maintains the stations "have the best corner on syndication" in the market.

Bergen Evening Record has been owned by the Borg family since 1895.

MEDIA PROPERTIES
Newspapers: *Bergen County* (N.J.) *Record, Ocean County* (N.J.) *Reporter.*
Broadcasting: WOWK-TV, Huntington/Charleston, W.Va.; WLYH-TV, Lancaster/Lebanon, Pa.; WTAJ-TV, Altoona, Pa.; WBNG-TV, Binghamtom, N.Y.

Blue Chip Stamps

Blue Chip Stamps, Los Angeles, is the nation's 100th largest media company. Its sole media property, the *Buffalo Evening News*, was the company's second largest operation, with $49,867,000 in revenues, or 23% of total revenues of $219,300,000.

Candy accounts for the bulk (nearly 50%) of revenues of the publicy owned Blue Chip's business. Despite its name, trading stamps represented only 9% of the company's consolidated revenues in 1980, down from 12% over the previous year.

The *Evening News* lost $1,500,000 last year, making it the only Blue Chip holding to record a loss. Company officials are quick to add that the loss was $1,800,000 less than the year before.

For the company as a whole, net income in 1980 totaled $20,389,000.

The *Evening News* claims to be the most widely read daily newspaper in upstate New York, with a

daily circulation of 270,000. It was acquired in 1977 for $34,000,000.

Last year's losses occurred despite an increase in circulation and advertising revenues. Some of it was attributable to litigation expenses incurred fighting an antitrust suit filed by its chief competitor, the *Buffalo Courier Express*. The *New's* inauguration of a Sunday edition in 1977 triggered the suit.

Blue Chip hopes that the *Courier's* recent shift in ownership to the Minneapolis Star and Tribune Co. will slow pursuit of the case. *News* owners believe that the new rivals favor good business and journalistic practices over court clashes.

But increased dedication to professionalism by a competitor could prove to be a double-edged sword, as the *Courier-Express* may step up its competition against the already vulnerable *News*.

The adverse publicity stemming from the proceedings has hurt advertising and circulation sales, the *News* says. This, coupled with a two-day strike last December during the lucrative holiday season, augmented the paper's losses. In addition, company officials say, Buffalo is a city suffering more than its share of the country's recession.

■ Despite such adversity, the *News* did increase its share of total advertising linage to 59.6%. Both companies have held their own in circulation, but that's not likely to continue in the face of a floundering economy in that city. The *News'* circulation stands at 263,235 daily and 808,044 Sunday, while the *Courier Express* has 120,750 daily and 267,975 Sunday.

Blue Chip officials remain committed to keeping the *News* despite the prospect of continued hard times. They say the *News* will ultimately earn its keep. But company execs are quick to reassure shareholders that the *News* "remains a salable property."

The company is also not averse to exploring other media property acquisitions. "We would buy more media properties if they came along at prices we thought were attractive," says Charles T. Munger, Blue Chip's chief executive officer.

Blue Chip operates a chain of 191 retail candy shops throughout the western and midwestern states and Hawaii. The chain's earnings were up nearly 20% last year.

The trading stamp part of the business has declined dramatically since 1970, from revenues of more than $124,000,000 to $17,000,000 in 1980.

MEDIA PROPERTIES:
Newspapers: *Buffalo* (N.Y.) *Evening News*.

OTHER OPERATIONS:
See's Candy Shops; Mutual Savings & Loan Assn. (80% owned); Precision Steel Warehouse (80% owned); Blue Chip Trading Stamps; Pinkerton's Inc. (35% owned).

CBS Inc.

CBS Inc., New York, is the country's second largest media company with revenues of $2.001 billion from media operations in 1980, out of a total of $4.062 billion. Broadcasting, the foundation of this multifaceted conglomerate, contributed $1.701 billion or over a third of total revenues, while the rest of the media billings came from publishing magazines and a Sunday newspaper supplement.

Profits last year totaled $193,000,000 with the largest chunk coming from the CBS/Broadcast Group, composed of CBS Radio Network, the CBS Television Network and company-owned radio and tv stations.

A cloud of uncertainty has hung over this highly profitable company, put there by chairman William S. Paley's fickleness over whom he would like to succeed him as boss at Black Rock. His latest choice for chief executive officer, former Pillsbury vice-chairman Thomas Wyman, has been CBS president for over a year.

Mr. Wyman's first full year of bottom-line responsibility has not produced particularly happy results despite anticipated record revenues and profits for the broadcast group this year. Mr. Wyman has warned stockholders to expect a modest drop in earnings because of a "massive number, a helpless number, almost a totally unreal number" of foreign currency exchange losses, stemming from the renewed strength of the American dollar abroad.

But Messrs. Paley and Wyman and Gene Jankowski, president of the CBS/Broadcast Group still have cause for feeling upbeat. If current trends continue this will be the third year of prime time leadership in the Nielsens for CBS-TV.

However, CBS has not yet regained the lost title of "world's largest advertising medium," ABC-TV continues to set the pace in sponsor billings at the convention of tv networks.

"Broadcast Advertisers Reports" estimate ABC's take at $1.367 billion for the first nine months of 1981, against $1.286 for CBS and $1.166 for NBC.

The more tantalizing challenge to CBS and the other two members of tv's Big 3 comes from the newer forms of video. Circling around and threatening to nip away at their viewers and advertisers are advertiser-supported basic cable, premium cable, superstations, two-way wired services, teletext and videotex.

CBS Inc. seems likely to stake a claim in almost any one of these fields, from satellite to home programing. So far, CBS has moved into basic catv with a pop arts network on Westar III. On the drawing board for cable are news and sports entries. ABC has an edge with joint ventures set with Westinghouse-Teleprompter for news and with ESPN's parent Getty Oil for sports.

The $30,000,000 CBS Cable operation falls under the umbrella of the broadcast group. Mr. Jankowski is keeping a close eye on it as well as experiments with teletext and videotex, two techniques for providing reading matter on the home screen.

In the case of teletext, CBS is pioneering with a product that could mean extra revenue for most of its conventional tv affiliates if the public will buy. Videotex uses wires to bring computer-based information into the home; here CBS is experimenting with AT&T. Harry Smith, vp-technology, heads this test. These two potential newcomers will have to fight it out for serious backing from CBS brass.

The CBS/Publishing Group has a familiar face as its new president. Peter Derow returned to CBS after a stint as chairman-president, Newsweek Inc., the Washington Post Co. unit. He replaced John Suhler, who went into the magazine consultancy business.

■ CBS owns 10 publications, including two acquired in 1980—*Family Weekly* and *American Photographer*. *American Photographer* is having its best year ever in advertising sales. Also up are *Field & Stream*, *Road & Track* and *Family Weekly*. The group's largest ad revenue producer, *Woman's Day*, is currently about even with 1980 ad returns. Nine of the ten are ahead when advertiser and subscriber billings are combined. The exception: *Pickup Van & 4WD*.The publishing group also sold *Sea* to Petersen Publishing earlier this year.

CBS also has nonmedia book publishers within its publishing unit, including Holt, Rhinehart & Winston and Fawcett Books, which comprised an estimated 45% of the company's publishing division revenues of $541,900,000 in 1980. Book publishing totals are not in AA's media estimates for CBS.

MEDIA PROPERTIES:
Networks: CBS Television, CBS Radio
Magazines: *World Tennis, Pickup Van & 4WD, Cycle World, Audio, American Photographer, Mechanix Illustrated, Road & Track, Field & Stream, Family Weekly, Woman's Day.*
Broadcast: TELEVISION—WCBS-TV, New York; WBBM-TV, Chicago; WCAU-TV, Philadelphia; KMOX-TV, St. Louis; KNXT-TV, Los Angeles. RADIO—WCBS (am,fm), New York; WEEI (am,fm), Boston; WBBM (am,fm), Chicago; WCAU (am,fm), Philadelphia; KMOX (am,fm), St. Louis; KCBS (am,fm), San Francisco; KNS (am,fm), Los Angeles.
Cable/video: CBS Cable: 20% interest of Netcome Inc., which owns systems in Quebec; 18.44% interest of Premier Communications, Ltd., B.C.

OTHER OPERATIONS:
CBS Theatrical Film division, CBS Records group, CBS Video Enterprises, CBS/Columbia group, CBS Technology Center.

Not just for the fun of it . . .

Highest paid execs of publicly owned media companies (1980 cash and cash-equivalent pay—received and accrued)

Broadcasting:

1.	Thomas H. Wyman, president, CBS Inc.	$1,656,772
2.	Leonard H. Goldenson, chairman, ABC Inc.	$1,229,230
3.	Fred Silverman, president, ceo, NBC*	$1,000,000
4.	Eldon H. Rule, president, ABC Inc.	$ 983,230
5.	William S. Paley, chairman CBS Inc.	$ 928,877
6.	Frederick S. Pierce, exec vp, ABC Inc. president, ABC Television	$ 861,567
7.	Edgar H. Griffiths, chairman and ceo, RCA Corp.**	$ 823,362
8.	Ralph M. Baruch, chairman, Viacom International	$ 815,320
9.	John W. Kluge, chairman and president, Metromedia	$ 736,469
10.	Terrence A. Elkes, president, Viacom International	$ 659,855

Print:

1.	Robert G. Marbut, president and ceo, Harte-Hanks Communications	$1,075,222
2.	Larry D. Franklin, executive vp, Harte-Hanks Communications president, newspaper operations	$ 729,712
3.	Arthur Ochs Sulzberger, chairman, New York Times Co.	$ 666,408
4.	Allen H. Neuharth, chairman, president and ceo, Gannett Co.	$ 644,734
5.	Warren H. Phillips, chairman and ceo, Dow Jones & Co.	$ 638,247
6.	Harrington Drake, chairman, president & ceo, Dun & Bradstreet	$ 614,276
7.	Otis Chandler, vice-chairman, editor-in-chief, Times Mirror Co.	$ 561,946
8.	Franklin D. Murphy, chairman, Times Mirror Co.	$ 525,471
9.	Harold W. McGraw Jr., chairman, president and ceo, McGraw-Hill	$ 512,493
10.	Derick J. Daniels, president and chief operating officer, Playboy Enterprises	$ 506,124

Source:
Company proxy statements, except for Mr. Silverman, whose compensation was estimated by industry sources.
*Resigned, July 1981. **Resigned, January 1981.

Radio's still around, don't forget to listen

"The fact that radio has been around so long means people [advertisers] tend to forget about it, but you can't forget radio," says NBC Radio president Richard Verne. NBC Radio has hardly been forgotten, however; its 1981 revenues have "approximately doubled" last year's figures, Mr. Verne notes.

He says radio people have had to be "better marketers, programers and businessmen" to grow despite the continuous fight with other media for audience attention.

Radio stations have doubled since the 1950s to total approximately 8,000 stations today. And growing over-all network revenues could gross $200,000,000 in '81, the NBC radio chief asserts, up about a third from last year.

Mr. Verne, 42, became NBC Radio's president in February, 1981, after two years as exec vp. He has powered his company to marked gains.

The Source, his 1979 programing brainchild for the young adult market and "the first brand-new network in a long, long time" is "the No. 1 deliverer of the audience aged 18 to 34." NBC-owned WNBC (am) in New York this year became the most-heard station in the U.S. NBC Radio expects to own the maximum allowable number of fm and am stations —14— in the next five years. It now owns four am and four fm outlets, including WNBC-AM and WYNY-FM, New York and WMAQ-AM and WKQX-FM, Chicago. NBC Radio is also among the leaders in adapting satellite communications to radio.

DICK VERNE

Mr. Verne came to broadcasting the roundabout way. He started as a certified public accountant with Haskins & Sells, and spent some time as a vp with Diamond International Corp., a maker of farming machinery, before joining NBC in 1973.

Cahners Publishing Co.

Cahners Publishing Co., Boston, is the country's 68th largest media company, with revenues of about $100,000,000 from media operations for fiscal 1981 ending March 31.

Media revenues represent 67% of the company's total revenues of about $150,000,000. Revenues for 1981 were up 22% from the previous year. Cahners is the U.S. operation of Reed Holdings Inc., a United Kingdom-based company. Media revenues of Cahners come from 29 trade magazines. Most have controlled circulation, so its media revenues are primarily from advertising.

■ The trade magazines from Cahners cover several major industries, including electronics, building and construction, transportation and food service.

According to Saul Goldweitz, company president, the electronics magazines have "had a big leap" in revenues. Last year, Cahners acquired the electronics magazines published by Milton S. Kiver Publications, Chicago, including *Electronic Packaging and Production*,

Electro-Optical Systems Design and *Semiconductor International*.

Mr. Goldweitz said that publications covering the building industry suffered in the past year, reflecting problems in the industry. "We have the leader," Mr. Goldweitz said, but the category in general was down.

The company continues to look at business publications as possible acquisitions, although Mr. Goldweitz said no acquisitions are imminent.

An adjunct to the company's trade magazines is the Cahners Exposition Group, which produces newsletters for various industry trade shows. In addition, Cahners creates audiovisual presentations for trade groups.

MEDIA PROPERTIES:
Magazines: *African Construction; Appliance Manufacturer; Brick and Clay Record; Building Design & Construction; Building Supply News; Ceramic Industry; Construction Equipment; Design News; EDN; Electronic Business; Electronic Packaging and Production; Electro-Optical Systems Design; Foodservice Equipment Specialist; Mini-Micro Systems; Modern Material Handling; Modern Railroads/Rail Transit; Package Engineering including Modern Packaging; Plastics World; Professional Builder & Apartment Business; Purchasing; Restaurants and Institutions; Security Distributing & Marketing; Security World; Semiconductor International; Specifiers Guide to Mechanical & Eletrical Products; Specifying Engineer; Traffic Management; Transportation/Distribution Equipment Directory; U.S. Industrial Directory.*

Capital Cities Communications

Capital Cities Communications, New York, is the country's 17th largest media company with 1980 revenues of $472,108,000, all from media operations. Net income was $73,213,000 through the first nine months of 1981. Capital Cities had net income of $58,119,000 on $410,632,000 in revenues.

About 60% of the company's revenues were generated by magazine and newspaper publishing, and the remainder by broadcasting, including the company's fledgling cable tv businesses.

By all accounts 1980 was a landmark year for Capital Cities, marked by the company's decision to enter the cable tv market. Until 1968, Capital Cities operated exclusively as a broadcast company, but that year it moved into publishing. Finding it increasingly difficult to invest prudently in broadcasting or publishing acquisitions ,the company moved into cable because it believed it to be not labor intensive and that cable increasingly affects traditional broadcasting and publishing.

The company's plunge into cable came in early 1980 when it acquired 80% in Omnicom of Michigan, then followed by the purchase of Clear Cablevision (Michigan), Satellite Cablevision (Indiana), Marks Cablevision (Ohio), Omnicom Cablevision of Illinois, Sandoval County Cable Television (New Mexico), and Coastal Bend Cablevision (Texas).

The company's biggest step into cable came midway through 1980, when it announced an agreement to purchase Cablecom-General, the 14th largest cable operator with more than 250,000 subscribers on 43 systems in 12 states. About $90,000,000 of the $139,000,000 purchase price was obtained via bank loans.

The deal was completed in mid 1981. Capital Cities, though long a darling of security analysts, has always functioned quietly and may be the only company of its size that does not employ a sizable public relations staff.

Chairman-chief exec Thomas Murphy characterized its low profile as "a matter of style," and said the company prefers to let its "performance" speak for it.

Acquisitions during the year included Shore Line Newspapers, a group of nine weekly and semi-weekly publications along the Conneticut coastline. In 1980, the company also entered another new area—free circulation publications — with the purchase of Pennypower Shopping News, Wichita, and later launched Texas Pennypower.

Package Engineering
INCLUDING MODERN PACKAGING
DEVELOPMENTS IN OVENABLE BOARD AID ITS RESPONSE TO USERS' NEEDS
Team up cartoner, manual 'assists'
Volume runs for large glass jars at 600 a minute

One of Cahners Publishing Co.'s trade publications.

The chief exec suggested that despite its pell-mell rush into cable, "We're still the new guys on the block." Though he indicated that Capital Cities will not be in the "forefront" of supplying software to cable systems, Mr. Murphy nevertheless allowed that "we're fooling around with it a bit," especially drawing on the products of its Fairchild Publications unit, in particular *Women's Wear Daily* and *W*.

Elsewhere, Capital Cities is exploring the mutual advantages of putting some of the product generated by its newspapers on cable, particularly the *Fort Worth Star-Telegram* and the *Oakland* (Pontiac, Mich.,) *Press*, two areas where Capital Cities owns cable systems.

Meanwhile, Mr. Murphy said the company is "always looking to fill its complement" of over-the-air tv station properties," and said commercial broadcasting is "very healthy" and will stay that way at least until the end of this decade. According to the chief exec it will take at least another five to ten years before the cable tv business reaches the point where it will heavily affect broadcast tv.

Among company-owned tv stations, the ABC affiliate in Philadelphia and Buffalo continue to lead in the marketplace while its CBS affiliated stations in Raleigh and Fresno top the ratings in those cities.

But the company's Houston station is currently running third among the three network affiliates.

With the exception of the *Oakland Press* and *Wilkes-Barre Times Leader*, most Capital Cities newspapers chalked up solid performances in 1980.

MEDIA PROPERTIES:
Newspapers (dailies): ILLINOIS—*Belleville News-Democrat*. MICHIGAN—*Oakland Press*, Pontiac. MISSOURI—*Kansas City Star, Kansas City Times*. OREGON—*Albany Democrat Herald, Ashland Daily Tidings*. PENNSYLVANIA—*Wilkes-Barre Times Leader*. TEXAS—*Fort Worth Star-Telegram*. Also, three Fairchild Publications business dailies: *American Metal Market, Daily News Record, Women's Wear Daily*.
Newspapers (nondailies): CONNECTICUT—Shoreline Publications in Connecticut (*Advertiser*, Branford, East Haven, North Branford; *Branford Review, Clinton Recorder, Hamden Chronicle, Niantic News*, East Lyme, Waterford; *North Haven Post, Pictorial*, Chester, Deep River, Essex, Lyme, Old Lyme, Saybrook, Westbrook; *Shoreline Times*, Guilford, Madison, *Wallingford Post*). OREGON—*Albany Stamp Collector, Albany Stamp Wholesaler, Cottage Grove Sentinel, Gresham Outlook, Lebanon Express, Newport New-Times, Sandy Post, Springfield News*. TEXAS—Texas Pennypower, Dallas. Also, *Pennypower Shopping News*, Topeka and Wichita, Kan.; Springfield, Mo.; Tulsa, Okla. In addition, nondailies of the Fairchild Publications: *Energy User News, Entree, HFD-Retail Home Furnishings, Home Fashion Textiles, Metal Working News, Sportstyle, Supermarket News, Men's Wear, Multichannel News*, International Medical News Group, Professional Press Group.
Magazines: *W*.
Broadcasting: TELEVISION—WPVI-TV, Philadelphia; KTRK-TV, Houston; WKBW-TV, Buffalo, N.Y.; WTNH-TV, New Haven; WTVD-TV, Durham-Raleigh, N.C.; KFSN-TV, Fresno. RADIO—WPAT (am,fm), Paterson, N.J.; WZLA (am,fm), Los Angeles; WJR (am,fm) Detroit; WBAP (am) and KSCS (fm), Dallas; WKBW (am), Buffalo, N.Y.; WPRO (am,fm), Providence; WROW (am,fm), Albany, N.Y.
Cable/video: ARIZONA—Cablecom-General (Clifton/Morenci, Cobre Valley-Globe/Miami, Cottonwood, Gila Valley-Safford, Holbrook, Page, White Mountains-Show Low, Winslow); CALIFORNIA—Capital Cities Pacific Cable-Burlingame, Cablecom (Modesto/Oakdale), Total Television of Santa Rosa; ILLINOIS—Omnicom Cablevision (Highland Park, Deerfield, Highwood); INDIANA—Satellite Cablevision (Witeland, North Witeland, Greenwood); IOWA—Cablecom (Sooland-Sioux City); KANSAS—Cablecom (Abilene, Beloit, Clay Center, Concordia); MICHIGAN—Clear Cablevision (Chelsea, Dexter, Dundee, Manchester, Milan, Saline), Omnicom (Belleville, Canton, Hamtramck, Northville, Plymouth); MISSISSIPPI—Cablecom(Clarksdale/Lyon, Gulfport); MISSOURI—Cablecom-General (Brookfield, Joplin/Webb City, Kirksville), Trenton Cable TV Co. (Trenton);NEBRASKA—Cablecom-General (Norfolk); NEW MEXICO—Cablecom-General (Roswell), Sandoval County Cable TV (Rio Rancho); NORTH DAKOTA—Cablecom-General (Fargo); OHIO—Marks Cablevision (Green Township, Franklin Township and Coventry Township); OKLAHOMA—Cablecom-General (Altus, Ardmore, Hobart, Idabel, Mangum, Miami, Ponca City); TENNESSEE—Cablecom-General (Dyersburg); TEXAS—Cablecom-General (Childress, Bonhum, Dennison, Lanpassas, Memphis, Port Lavaca/Point Comfort, Ruskin, Sherman, Wellington), Community Cablevision of Odessa, Coastal Bend Cablevision (Taft, Aransas Pass, Gregory, Ingleside).

Central Newspapers

Central Newspapers, Indianapolis, Ind., is the country's 30th largest media company, with estimated 1980 revenues of $211,000,000, all from newspapers, including papers in Indianapolis and Phoenix. The privately owned company publishes nine daily newspapers with a combined circulation of 750,000.

During the past year there have been no changes in either holdings, acquisitions or personnel, and none is planned for the immediate future. The primary concern of this company's newspaper business, says exec vp Eugene S. Pulliam, is to "improve our newspaper product and to strive to be good citizens in the process."

In recent years, Central Newspapers has expanded buildings and facilities in its three major markets —Indianapolis, Muncie, Ind. and Phoenix. Other capital improvements have included computerization of its newspaper operations.

Although the company voiced no planned acquisitions or expansions, it is looking into cable involvement on a minor scale. Specifically, Central is considering leasing cable channels for news and advertising. Production of programs is also under consideration, according to a company exec.

MEDIA PROPERTIES
Newspapers: ARIZONA— *Arizona Republic, Phoenix Gazette; INDIANA—Indianapolis Star* and *Indianapolis News; Muncie Press* and *Muncie Star; Vincennes Sun Commercial.*

Charter Co.

Charter Co., based in Jacksonville, Fla., is the country's 23rd largest media company, with estimated revenues from media operations of $296,000,000 in 1980, or 6.5% of total revenues of $4.56 billion.

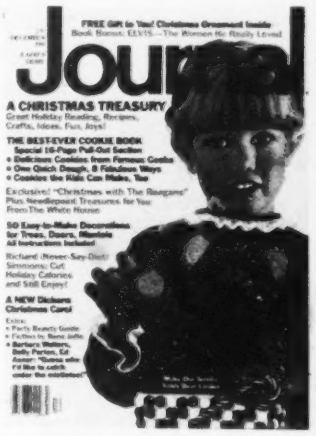
Charter's principal business is oil, but its media properties include *Ladies Home Journal, Redbook* and the *Philadelphia Bulletin*. Including *Sport* magazine, sold earlier this year, magazines accounted for 50% of media revenues last year.

Charter's communications group has been a disappointment to the company, which has actively acquired and divested media properties in recent years attempting to make the group profitable. At the end of October, Charter president John P. Donnell announced that the communications group broke even for the third quarter of 1981, excluding operations of the *Bulletin*, which continued to be a substantial money loser.

The group's problems were complicated by a brief 50-50 joint venture with media entrepreneur Karl Eller, known as Charter Media Co. In late April, 1980, Charter's communications businesses became part of Charter Media, which also purchased the ailing *Bulletin*, for $31,000,000; radio station K101-FM, San Francisco, and New York Subways Advertising.

■ The liaison ended early last January after only nine months, and Charter Co. bought back Mr. Eller's 50% share in the company, including the *Bulletin* and K101. Mr. Eller retained New York Subways Advertising.

Hoping to stem the decline of the *Bulletin*, which lost an estimated $1,000,000 a month in 1980, Charter in May, 1980, installed former Gannett Co. publisher N. S. (Buddy) Hayden as the *Bulletin's* publisher. Numerous management and policy changes followed, as Craig Ammerman, former managing editor at the *New York Post*, was named editor; John J. McCabe,



Regional editorial is planned for Charter's *Ladies Home Journal*.

previously a senior vp at the *New York Times*, was made general manager; William Powell, once circulation director at the *Dallas Times Herald*, took over the same post at the *Bulletin*, and new faces appeared in the advertising department under Robert Keim, who remained ad director. By the end of 1980, more than 150 staffers were eliminated from the payroll.

But with a turnaround still not imminent, Charter last summer announced it would fold the *Bulletin* in August if it couldn't reach new labor agreements with the paper's eight unions. In last minute negotiations, Charter obtained $5,000,000 in wage concessions, giving the *Bulletin* a reprieve for

A sharp reflection of the 'Journal'

WARREN PHILLIPS

At a time when many newspaper executives are hired for their management and financial expertise and feel more at home in the boardroom than in the newsroom, Warren Phillips is a bit of an anomaly.

The 55-year-old chairman and chief executive of Dow Jones & Co. started as a copy reader on the company's *Wall Street Journal* and worked his way through a variety of editorial jobs, ranging from the Journal's "What's News" column to covering the lifting of the Berlin Blockade, to the top of the $530,000,000 company.

Even after he became president of Dow Jones and its No. 2 exec in 1971, he continued to write. While on a trip to China in 1972 he filed several stories for the *Journal*, his byline identifying him only as a "Staff Reporter of the *Wall Street Journal*."

The well spoken, self-assured Mr. Phillips—an editor of another publication calls him "slick but not gushy"—in some ways epitomizes the *Journal* itself: He has become a respected and influential figure in journalism, but has eschewed a flashy high profile of fiery speeches and controversial statements. He leaves the impression that he prefers to let the daily work of the paper do most of the speaking for himself and the company.

What it speaks of is great success: A daily circulation of 1,900,000, the largest of any daily paper, and such heavy demand for ad space that the paper last month had to put advertisers on a waiting list.

Under the Queens College graduate's leadership, Dow Jones has continued to expand and innovate. The *Journal's* rapid circulation growth stems in no small part from the company's pioneering use of regional printing plants linked by satellite. It has launched an Asian edition of the *Journal* and reportedly plans a European edition as well. Earlier this year, the company bought a 25% share of Continental Cablevision.

But Mr. Phillips hasn't hesitated to drop plans for which the company originally held high hopes. After returning from a long return visit to China recently, he scrapped the proposed *Wall Street Journal Magazine*, which had been under serious study for a year.

There is little doubt within Dow Jones that Mr. Phillips calls the shots on such matters, although some staffers suggest that he occasionally ignores the market research and acts with the gut instincts of a reporter. "Whether we go with the magazine or not will depend on how Warren feels when he wakes up the day we make the decision," one *Journal* editor said shortly before the magazine idea was killed.#

the time being.

Charter Co. did manage to sell *Sport* magazine, a perennial money-loser, to Southwest Media Corp., Dallas, last April. In addition, after an unsuccessful attempt to sell its Ohio-based Dayton Press unit, which prints Charter and other publications to employes, Charter decided to phase out the operation over the next year.

Dayton Press which has operated at a loss since 1978, printed Charter's magazines and had contacts with *Reader's Digest, McCall's* and *Scholastic* magazines, that weren't renewed.

Charter has pledged to sink funds from the sale of *Sport* into the *Ladies Home Journal* and *Redbook*. The company is "going full tilt to really spruce up" the two women's magazines, said Tom Kenney, president of subsidiary Charter Publications.

Ladies' Home Journal with 1980 revenues of $108,299,000, according to *Folio*, experienced a 1.2% decrease in circulation last year, giving it a 12.4% market share among women's mass market magazines. *Redbook*, with 9.7% of that market, took in total revenues of $96,860, on a 1.9% decrease in circulation. The magazines both suffered a decline in ad pages.

Part of the primping in women's books was apparent in July, when Charter announced that *LHJ* would become the first national magazine to offer regionalized editorial coverage, through a special southern edition set to debut next spring and appear five or six times a year. In another move, the publishing group last February formed Charter Publishing Development Co. to package *LHJ* and *Redbook* into tv, cable and videodisc programing and software. James P. Smith, president of Charter's communications group, referred to the project as "taking our print and offering a new vehicle for it."

Lenore Hershey, who had been editor-in-chief of *LHJ*, was named president-editorial director of the new unit, and Myrna Blyth, formerly executive editor-vp at *Family Circle*, was hired to take over at *LHJ* as editor-in-chief and vp.

In broadcasting, Charter has embarked on a program to develop am and fm combinations "in markets offering a significant profit potential," and has made marketing and format changes in its existing properties. Charter also intends to purchase KITT (fm) in San Diego if it receives FCC approval.

MEDIA PROPERTIES:
Newspapers: *Philadelphia Bulletin.*
Magazines: *Discount Merchandiser, Ladies Home Journal, Redbook.*
Broadcasting: WOKY (am), Milwaukee; WMIL (fm), Waukesha, Wis.; KSLQ (fm), St. Louis; WDRQ (fm), Detroit; KCBQ (am), KITT(fm), San Diego; K101 (am), San Francisco.

OTHER PROPERTIES: Charter Oil Group; Charter Insurance Group; Subscription services for publishing, direct mail and fundraising industries; direct marketing of gift items#

Christian Science Publishing Society

The Christian Science Publishing Society is the country's 89th largest media company, with revenues totaling $58,400,000 from media operations in 1980. It is a private nonprofit operation, with publication of the four national editions and one international edition of the daily *Christian Science Monitor* accounting for most of the revenues.

The Publishing Society isn't interested in acquisitions, but it has gradually expanded the *Monitor's* news service.

A few years ago it began producing weekly radio stories and this year has increased the number of radio stations using the service to more than 100. The *Monitor*, which has a news syndication arm, switched its distribution outlet from the *Des Moines Register* to the *Los Angeles Times*.

There were no changes in the *Monitor's* production system, although in recent years the paper began remote printing in three locations—Chicago, Los Angeles and in New Jersey.

■ The paper originates in the Publishing Society's headquarters city, Boston. It has also made the complete switch to electronic editorial operation and cold type printing.

On the editorial side, the *Monitor* instituted its special take-out sections on countries during 1981. The business coverage was also expanded during the past year.

Circulation, which stands at about 165,000, has dropped slightly from 1980 levels. The decline has happened, said Mr. Periton, despite an intense direct mail effort and promotion during the past few years.

The paper is making an effort to motivate and "energize" the circulation representatives, said Mr. Periton, and the additional international focus is counted on to attract more readers. But an independent report in early 1981 indicated that the *Monitor* has a high pass-along rate, with the circulation of 165,000 yielding a readership of about 1,000,000.

Like other newspapers, the *Monitor's* ad revenues have suffered because of the soft economy. But Mr. Periton said retail advertising was surprisingly strong in 1981. The *Monitor* takes no liquor, cigaret, medicine or coffee advertising.

The *Monitor* has been working to get more corporate advertising, keying it to the business and special international sections in particular. The paper is also revising its commission structure for its ad representatives, many of whom are from local churches around the country.

The commission rates will be increased to create more motivation to boost newspaper ad sales.

Although there are no definite plans at the moment, *Monitor* officials are examining the possibilities of some kind of connection with cable tv as a supplier of news and features.

There was little change in the other activities of the company,which produces a variety of Christian Science church publications. The only major personnel change in 1981 was that DeWitt John, formerly editor of the *Monitor*, was named editor of the *Christian Science Journal, Herald* and *Sentinel*—the three major church-related publications.

MEDIA PROPERTIES
Newspapers: *Christian Science Monitor. Christian Science Journal, Christian Science Sentinel.*

Chronicle Publishing Co.

Chronicle Publishing Co., San Francisco, is the country's 31st largest media company, with estimated 1980 revenues of $210,500,000, all from media operations.

The company is owned by the family trust of the M.H. de Young estate. Michael de Young began publishing the *San Francisco Chronicle*, the city's major morning newspaper, in 1865.

Chronicle Publishing faces two major challenges: The *Chronicle's* dominance of the morning newspaper market is being threatened by *East Bay Today*, a 2-year-old Gannett Co. paper, and ratings of KRON-TV, San Francisco, NBC affiliate owned by the company, continue to sag.

East Bay Today, published across the bay in Oakland, had a circulation of 81,772 for the six months ended Sept. 30, according to Audit Bureau of Circulations, up 37% from 59,518 during the same period in 1980. The *Chronicle's* daily circulation for the six months ended Sept. 30 was 510,955, up a bit from the 509,354 recorded in the year-earlier period.Circulation has been inching upward unspectacularly for years at an average rate of 5,000 copies a year.

■ Gannett has positioned *East Bay Today* as a 10-cent paper, while the *Chronicle* sells for 20 cents. Phil Geyer, *Chronicle* ad director, said his paper had countered with "aggressive marketing tied to sales promotion, and a close monitoring of the marketplace." A circulation drive, using heavy tv and radio advertising, was completed in October; it offered two months of the *Chronicle* for the price of one.

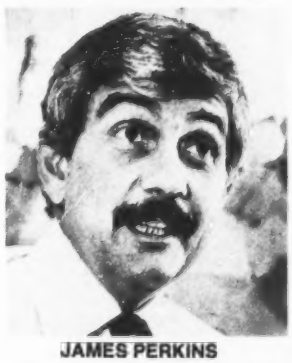
Advertising for the *Chronicle* is handled by the San Francisco Newspaper Agency, owned jointly by Hearst Corp., publisher of the afternoon Examiner, and Chronicle Publishing. Under a 1965 joint operating agreement, the agency performs all noneditorial functions for both papers. Editorial staffs are separate, collaborating only to put out a Sunday paper, the *Examiner & Chronicle*, which has a circulation of 656,087.

This operating arrangement was challenged in court earlier this year by the publisher of the *Pacific Sun*, a Marin County weekly. The *Sun* contended that the agreement to pool noneditorial labor violated antitrust laws. In June, a jury found in favor of Chronicle Publishing and Hearst. In an important personnel move, the agency last month named Joseph F. Barletta, former exec vp and general manager of the *New York Daily News*, agency president.

KRON-TV is currently third in the San Francisco market, behind top-ranked KPIX, a CBS affiliate, and No. 2 KGO-TV, an ABC affiliate. KRON ad director Dennis Fitch said the station is relying on "a whole lot of polling and research" in its attempt to boost ratings. "Our strategy is being developed by the readers," he said. "Positioning is being worked on as the product takes shape." Radio spots for the station tout its sports coverage with the tag line, "We've been listening to you; you've been watching us."

The station's problems were aggravated earlier this year by a 12-week strike beginning Feb. 1. Three unions, representing reporters, anchors and directors; electrical workers, and office personnel walked out over grievance procedures, hiring practices and wages. The dispute accelerated staff turn

Providing encouragement in the daytime


JAMES PERKINS

First came women's suffrage, then Virginia Slims cigarets. Now comes "Daytime."

"Women have new options, new choices—but where are their role models?" cries James N. Perkins, president of Hearst/ABC Video Services. To hear Mr. Perkins tell it, "Daytime," the joint venture's planned cable program, is the best thing to happen to women in years. Set to bow next March on the Modern Satellite Network, "Daytime" will show women "how to do what they want" and much, much more, Mr. Perkins says.

It will be shown from 1 p.m. to 5 p.m. ("Is there life after lunch?" a "Daytime" brochure asks.) Monday through Friday, with each four-hour show forming a "complete magazine," with segments on "self," "home," "career," and so on.

Mr. Perkins, 48, is building a career out of creating new programing for the video revolution. As president of Washburn Associates, a Chicago marketing and advertising company, he developed the "Home Shopping Show," a 30-minute talk show for advertisers. That program is now owned by Modern Satellite Network and carried to nearly 4,000,000 homes, says Mr. Perkins, who joined Hearst/ABC Video in June.

But the "Home Shopping Show" is as nothing compared with "Daytime," at least as Hearst/ABC and Mr. Perkins see it. "Daytime," they say, "is expected to become part of the daily household...a friend to turn to, an authority to rely upon...that continually provides her [modern woman] with encouragement, with hope, with a better feeling about herself...and her ability to cope with the world."#

over while interrupting KRON's push for news supremacy.

That push began in earnest in April, when KRON introduced its "Live on (Channel 4) at 4" news format, aimed at capturing the early news viewer.

The company named Francis A. Martin, former KRON vp and station manager, to the post of president and ceo of Chronicle Broadcasting last January. He was succeeded at KRON by James H. Smith, former president and general manager of the company's Omaha tv station, WOWT.

Chronicle Publishing's cable tv arm, Western Communications, Walnut Creek, Cal., operates five cable tv systems serving 150,000 subscribers. The cable subsidiary ranks 27th in the country in number of subscribers. Its largest market is Monterey, Cal, with 55,000 subscribers.

Wescom, Western Communications' pay tv unit, is involved in preproduction financing of feature films and distribution of films to the pay tv market.

MEDIA PROPERTIES

Newspapers: *Bloomington* (Ill.) *Daily Pantagraph, San Francisco Chronicle, San Francisco Sunday Examiner & Chronicle* (jointly owned with Hearst Corp.).

Broadcast: TELEVISION—KRON-TV, San Francisco; WOWT-TV, Omaha; KAKE-TV, Wichita; KUPK-TV, Garden City, Kan.

Cable/video: Western Communications, serving subscribers in Asilomar Beach, Butte County, Carmel-by-the Sea, Carmel Valley, Clayton (80%),Concord, Contra Costa County (80%), Corning, Del Monte Forest, Del Rey Oaks, Glen County, Marina, Monterey, Monterey County, Orland, Pacific Grove, Salinas, San Mateo County, Seaside, South San Francisco and Chico, Willows, all in California, and in Dona Ana County, Los Cruces and Mesilla, N.M.

OTHER PROPERTIES:
Wescom (preproduction film financing and distribution of films to pay tv stations); Chronicle Productions (tv production).

Copley Newspapers

Copley Newspapers, La Jolla, Cal., is the country's 37th largest media company, with estimated media property revenues of $191,500,000 in 1980, almost all from the company's newspaper holdings.

The family-owned Copley operates nine daily, one twice-weekly and 20 weekly newspapers. The papers are located mostly in California and Illinois, the birthplace of Copley Newspapers. The 170-year-old *Aurora* (Ill.) *Beacon-News* was the first Copley paper.

Ever since company founder Col. Ira Copley, a prominent legislator, sold his Aurora gas company and moved the newspaper operation to near San Diego, the headquarters have remained there.

■ Copley Newspapers moves cautiously in its business dealings. Its most recent acquisition dates back almost a decade, when it bought the *Wheaton* (Ill.) *Daily Journal*. And the company was in broadcasting at one time, but has divested itself of the broadcasting properties.

However, says a company spokesman, the company is not averse to looking at other media fields. Copley is one of seven bidders on a cable franchise in Torrance, Cal., for example. The bid, submitted jointly with Colony Communications, is expected to have its fate determined after the first of the year.

The company may also join Time Inc. and Cox Cable in separate but simultaneous videotex experiments in San Diego. The city, which is one of the largest cable markets in the country, is a fertile field for computerized cable experiments. Copley's role, though not yet clearly defined, will most likely be to provide the bulk of local news information that would be broadcast to cable audiences. Cox will launch its trial run on or around Jan. 1.

Copley has implemented computer systems in all its newspaper production facilities. The most recent improvement was installing a computerized system at the *Torrance Daily Breeze* that ties editorial and classified advertising into a single system.

The *Springfield* (Ill.) *State Journal-Register* completed production facilities last year. A new business building housing all nonproduction departments is slated for completion in mid-1982, bringing the Springfield facelift to an end.

Some significant changes took place at the *San Diego Tribune* in the past year. First, Neil Morgan, a columnist for 30 years with the paper, became its editor in March. Next, at a time when the death knell is being sounded for a number of afternoon newspapers, the *Tribune* increased its circulation by 2,000 from March to September (it now stands at about 126,000, while the morning *Union* has a circulation of about 206,000).

Under Mr. Morgan, the paper dropped the "Evening" tag and was redesigned.

In addition, the financial section was expanded, a new section was added and top talent was recruited from such publications as the *Los Angeles Times*, the *International Herald Tribune* and the Associated Press. The paper also opened a Mexico bureau in Tijuana, which is just across the border from the San Diego area.

Fulfilling a dream of her late husband's, publisher Helen K. Copley broke ground in La Jolla for the James S. Copley Library to house his extensive collection of American Revolutionary War material and other American items of historical significance.

MEDIA PROPERTIES

Newspapers (dailies): ILLINOIS—*Aurora Beacon-News, Elgin Courier-News, Joliet Herald News, Springfield State Journal-Register, Wheaton Daily Journal*. CALIFORNIA—*San Diego Tribune, San Diego Union, San Pedro News-Pilot, Torrance Daily Breeze*.

Newspapers (nondailies)—*Borrego* (Cal.) *Sun*. Also, 20 nonpaid circulation weeklies and shoppers associated with the dailies.

OTHER OPERATIONS:
Copley Press, Casa del Zoro (resort hotel).

Courier-Journal & Louisville Times Co.

Courier-Journal & Louisville Times Co. is the country's 53rd largest media company, with estimated revenues of $136,200,000 from media operations in 1980. The Bingham family-owned company publishes the Louisville Courier-Journal and the *Louisville Times*. It also owns WHAS (am) and WHAS-TV in Louisville.

Media figures do not include revenues from Standard Gravure Corp, a subsidiary of the Bingham family enterprise.

The Bingham operations underwent several personnel and format changes this past year. George Gill, president, announced a major realignment of duties for various key officers of the companies last March.

Mr. Gill heads a new corporate executive committee consisting of Barry Bingham Jr., editor and publisher of the papers and vice-chairman of WHAS Inc; Bernard F. Block, senior vp-operating financial analyst; Earl Bullard, senior vp in charge of personnel, labor and safety; Cyrus L. MacKinnon, exec vp, formerly chief exec, who has announced his retirement at the end of 1981, and John L. Richards and Leon Tallichet, senior vps.

The executive committee will oversee the operations of all the companies and will aid operating company heads by providing staff services.

In setting forth major goals for the Bingham operations, Mr. Gill said this corporate structure would allow the companies to maintain operations and seek new areas to develop.

At the end of March, the afternoon *Times* completed its second major editorial redesign in six years. The *Times* adopted a three-section paper, plus a food section on Wednesdays and a Weekend section on Friday. Section A consists of news (wire, local and business) plus editorial and oped pages. Section B (called Times 2) contains features on spending, health, entertainment, personal growth and development, the arts, and relations between the sexes and the generations. Section C is sports and classified.

The paper also changed its appearance, adopting a new headline face and a new Page 1 nameplate. "We wanted to look bolder and cleaner and to be more legible," said *Times* managing editor Leonard Pardue.

The pages have entered into a joint effort with Antiope Videotex Systems to develop a prototype cable and broadcast teletex system for and distribution of news information and advertising.

News, sports and weather, along with classified advertising will be offered once the project is in place, which is scheduled for next February.

"It is our hope," said Morris Goldstein, vp of information products for the papers, "that, using Antiope technology, we can develop a model system which can be offered to small and medium-size newspapers throughout the country. We intend to develop a commercially viable product, which at the same time will offer an important public service to our subscribers."

■ *TV Week*, a 24-page tabloid section was introduced in the Sunday *Courier-Journal* in September. The locally-produced section contains tv listings, cable listings and highlights for stations throughout Kentucky and southern Indiana.

"This is one of the most important developments for the *Courier-Journal* in many years," said David Hawpe, managing editor. "This will help us bolster the important Sunday product here and in the region. And it will bring us into the cable era with a fundamental service."

MEDIA PROPERTIES:
Newspapers: *Louisville Courier-Journal, Louisville Times*.
Broadcasting: TELEVISION—WHAS-TV, Louisville. RADIO—WHAS (fm), Louisville.

Cox Broadcasting Corp.

Cox Broadcasting Corp., Atlanta, is the country's 24th largest media company, with media revenues of $281,020,000 in 1980. Revenues from broadcasting totaled $155,140,000, or 91% of the company's total revenues of $309,232,000. Cable operations provided $125,888,000 in revenues, or 41% of total revenues. Operating profit in 1980 was $89,379,000.

The publicly held company has 17 broadcasting properties, including five vhf television stations, five am and seven fm radio stations. They are located in nine markets throughout the country.

The television markets consist of Atlanta, Dayton, Charlotte, Pittsburgh and San Francisco-Oakland. Acquisition of a vhf station in St. Louis is pending. Cox radio is heard in these areas and in Baltimore, Miami, Philadelphia and Los Angeles.

Over the next five years Cox expects to add 150,000,000 homes to its broadcast audience.

Cox this year has begun what it calls, "an extensive marketing effort" in its cable division, which is the fourth largest U.S. cable operation. It owns or is developing channels in 222 franchised communities and consists of 61 systems in 23 states.

Its San Diego system is the largest in the U.S. Cox Cable passed the 1,000,000 subscriber mark in August.

Cox Cable has developed INDAX service, a two-way interactive communications operation. INDAX, used in the San Diego area by 206,000 subscribers, allows its users to shop and bank from their homes. Similar systems are being developed in Omaha and New Orleans.

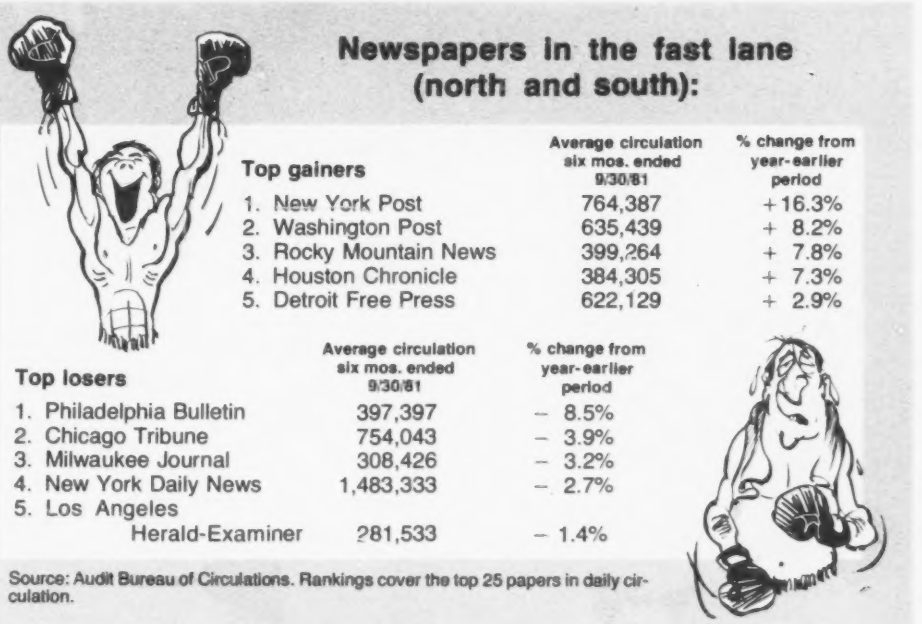
The company made two significant personnel changes recently when it named former president Clifford Kirtland Jr. as chairman and former exec vp William Schwartz as president.

Cox entered 1980 expecting to merge with the General Electric Co., but halfway through the year that deal fell through. The company reassessed its business prospects and decided to gear itself toward the growth of its broadcast and cable operations. Cox officials emphasize that they are not considering any other merger possibilities and have told stockholders they plan to keep the company independent.

An automobile auction services contributed $25,800,000 to revenues in 1980. The company sponsors 12 auctions a year.

MEDIA PROPERTIES:
Cable/video: 62 cable locations (all Cox Cable except as noted)—ARIZONA: Tucson; CALIFORNIA: San Diego, Bakersfield, Porterville, Eureka, Santa Barbara; CONNECTICUT: Greater Hartford; FLORIDA: Ocalla, Sebring, Pensacola, Gainesville, Jacksonville Beaches; GEORGIA: Macon Warner Robins; ILLINOIS: Lake County, Park Forest, Maywood, Orland Park, Quint Cities, Robinson; IOWA: Cedar Rapids Cable Communications; INDIANA: Peru, Wabash, Columbus, Michigan City, Ft. Wayne Cablevision; LOUISIANA: New Orleans and Jefferson Parish; MASSACHUSETTS: Berkshire; MICHIGAN: Iron Range, Munising, Saginaw, Owosso, St. Clair Shores, NEBRASKA: Omaha; NEW YORK: New York and Cox Cable Resort; OHIO: Cleveland Area TV; OKLAHOMA: Oklahoma City and Pan-Oklamoma Communication; OREGON: Astoria, Seaside, The Dalles; PENNSYLVANIA: Lewistown, Lock Haven, Tyrone; Rhode Island: Cranston/Johnston; South Carolina; TEXAS: Lubbock and Golden Triangle Communications; VERMONT: Green Mountain, Montpelier, Rutland; VIRGINIA: Norfolk, Portsmouth, Virginia Beach, Roanoke; WASHINGTON: Yakima, Long Beach, Aberdeen, Spokane, Vancouver.

Broadcasting: TELEVISION: WSB-TV, Atlanta; WSOC-TV, Charlotte; WHIO-TV, Dayton; WIIC-TV, Pittsburgh; KTVU-TV, San Francisco-Oakland. RADIO: WSB (am, fm), Atlanta; WHIO (am, fm), Day


Newspapers in the fast lane (north and south):
Top gainers
Average circulation six mos. ended 9/30/81
% change from year-earlier period
1. New York Post 764,387 +16.3%
2. Washington Post 635,439 + 8.2%
3. Rocky Mountain News 399,264 + 7.8%
4. Houston Chronicle 384,305 + 7.3%
5. Detroit Free Press 622,129 + 2.9%
Top losers
Average circulation six mos. ended 9/30/81
% change from year-earlier period
1. Philadelphia Bulletin 397,397 – 8.5%
2. Chicago Tribune 754,043 – 3.9%
3. Milwaukee Journal 308,426 – 3.2%
4. New York Daily News 1,483,333 – 2.7%
5. Los Angeles Herald-Examiner 281,533 – 1.4%
Source: Audit Bureau of Circulations. Rankings cover the top 25 papers in daily circulation.

ton, O.; WIOD (am) and WAIA (fm), Miami, O.; KFI (am) and KOST (fm) Los Angeles; WLIF (fm), Baltimore; WWSH (fm) Philadelphia; WSOC (am, fm) Charlotte, N.C.

OTHER OPERATIONS: Automobile Auction Services, Bing Crosby Productions, CoxData Service.

Cox Enterprises

Cox Enterprises is the country's 18th largest media company with media revenues of $367,600,000 for 1980, all coming from its newspaper division. The privately held company has 15 daily newspapers and three nondailies. The chain's circulation has dipped in recent months. Combined circulation for the six months ended Sept. 30 averaged 1,103,366, down 2.3% from 1,129,470 in the year-earlier period.

Cox Enterprises has holdings in Georgia, Texas, Ohio, Arizonia and Florida.

The *Atlanta Constitution* and *Journal* act as flagship for the Atlanta-based chain but these papers have also lost circulation, posting a combined average of 386,716 for the six months ended Sept. 30 vs. 413,317 for the same period last year. The second largest members of the chain are the *Dayton* (O.) *Daily News* and *Dayton Journal Herald*, which have also had a slight circulation dip with totals of 235,759 for 1981 and 239,553 for 1980.

During the late 1970s Cox Enterprises acquired some of its current smaller dailies and weeklies but has maintained a lower profile during the 1980s. The company is still interested in adding newspapers to its stable but considers today's strained economic environment an obstacle to that effort. "We are always looking for good acquisitions but have not seen anything that would make it worth taking the chance" said one company official.

■ Chairman of the family-owned Cox organization is Garner Anthony, 52, who is married to Barbara Cox, a major shareholder. Mr. Anthony, a lawyer, is also the chairman of Cox Broadcasting Co., a publicly held television and radio concern that is treated as a separate entity in Advertising Age's media company listing.

For the past year the corporate organization has remained stable with the only new top-level addition being David Easterly as vp-operations for the newspaper group.

MEDIA PROPERTIES
Newspapers: ARIZONA—*Mesa Tribune, Tempe Daily News.* COLORADO—*Grand Junction Daily Sentinel.* FLORIDA—*Miami News, Daytona Beach Journal (47% interest), Daytona Beach News (47% interest), Palm Beach Post, Palm Beach Times.* GEORGIA—*Atlanta Constitution, Atlanta Journal.* OHIO—*Dayton Daily News, Dayton Journal Herald, Springfield News, Springfield Sun.* TEXAS—*Austin American Statesman, Longview News, Austin Morning Journal, Lufkin News, Port Arthur News, Waco Tribune-Herald.* Also, weeklies based in Gretna, La.

Des Moines Register & Tribune Co.

The Des Moines Register & Tribune Co. is the nation's 72nd largest media company with 1980 operating revenues of $86,100,000, and net earnings of $6,800,000. The privately held company is expected early next year to merge with its sister company, the Minneapolis Star and Tribune Co. The two companies already share board seats and own stock in one another.

Although the Des Moines company's revenues last year were only 40% of those of the Minneapolis concern, its net earnings were almost equal to those of the Minneapolis company.

The Des Moines company has proceeded more slowly in exploring alternate communication systems than its sister company. For example, it wasn't until this fall that Register and Tribune Co. ventured into cable programing. In conjunction with Heritage Communications, it is producing local and state news programing for the Des Moines area cable tv system.

A formal merger with the Star and Tribune Co. would allow the Des Moines company to share the expertise the former concern has gained through its operation of a cable system in Buffalo, N.Y., and its participation in Compuserve Inc., of Columbus, O.

■ The Des Moines company's mainstay continues to be its newspaper operations. The flagship daily newspapers, the morning *Register* and afternoon Tribune, have had a lot of advertising and editorial overlap in recent years. To differentiate the two newspapers, the *Tribune* this fall was repositioned as a metropolitan evening newspaper, circulating in Des Moines, its suburbs and parts of eight surrounding counties.

Repositioning of the Tribune required a cutback in circulation in 22 counties with 8,000 subscribers, reducing total circulation to about 75,000. Circulation of the daily *Register* is about 210,000 and the Sunday *Register* about 400,000.

MEDIA PROPERTIES:
Newspapers: *Jackson* (Tenn.) *Sun; Des Moines Register; Des Moines Tribune; Waukesha* (Wis.) *Freeman.* Also, two weekly newspapers in Independence, Ia.—the *Conservative* and the *Independent.*
Broadcasting: KHON-TV, Honolulu; KAII-TV, Wailuku, Hawaii; KYXI and KGON-(fm), in Portland, Ore.; KLAK and KPPL-(fm), Denver; WIBA and WIBA-(fm), Madison, Wis.

OTHER OPERATIONS:
Thirteen per cent of the stock of the Minneapolis Star & Tribune Co.

Deserert Management Corp.

Deseret Management Corp., Salt Lake City, through its Bonneville International Corp., is the country's 86th largest media company, with media revenues of $61,260,000 in 1980.

Bonneville, also based in Salt Lake City, is the broadcasting arm of the Church of Jesus Christ of the Latter-Day Saints, with four am and seven fm stations and two tv stations, along with a 50% ownership of an 8,100 subscriber cable system in Logan, Utah.

Bonneville won't disclose a total revenue figure, but president Arch L. Madsen said it was "well above the $100,000,000 mark" last year. Bonneville "strives for a 15% increase in growth yearly," he said.

The company's main thrust next year will be advancing the teletext system pioneered by Bonneville in cooperation with Zenith Radio Corp. Teletext is based on the British Ceefax system, which permits transmission of up to 50,000 words per minute.

Bonneville, granted the first experimental license for the system in the U.S. in June, 1978, recently petitioned the FCC for approval to grant licenses to stations nationwide. Mr. Madsen said that Bonneville "is anxious to see this system go national" and indicates that the company's heavy promotion of teletext is part of Bonneville's "continuing efforts to stay on top of this technological explosion.

"Broadcasting has been the No. 1 source of news and information for the American public, and we're doubling our efforts to earn this very responsible opportunity [providing teletext nationally]," Mr. Madsen added.

Mr. Madsen was tapped by the National Assn. of Broadcasters as the recipient of its 1981 Distinguished Service Award. Bonneville has just signed a contract leasing four more satellites for the company starting in 1984. Bonneville currently operates the Bonneville Satellite Corp. out of Salt Lake City and owns a channel on West Star One.

MEDIA PROPERTIES:
Broadcasting: TELEVISION: KSL, Salt Lake City; KIRO, Seattle. RADIO:CALIFORNIA-KBIG (fm) Los Angeles; KOIT (fm), San Francisco; ILLINOIS-WCLR (fm), Skokie; MISSOURI-KMBZ (am), KMBR (fm), Kansas City; NEW YORK-WRFM (fm), New York; TEXAS-KAAM (am), KAFM (fm), Dallas; UTAH-KSL (am), Salt Lake City; WASHINGTON-KIRO (am), KSEA (fm), Seattle.
Cable/video: Bonneville Satellite Corp.

OTHER OPERATIONS
Bonneville Broadcast Consultants; Torbet Radio Representatives, New York; Radio Data Services, Salt Lake City; Bonneville Productions, Salt Lake City.

THE WALL STREET JOURNAL.

What's News—

Advertising linage at both of Dow Jones & Co.'s major business publications—the *Wall Street Journal* and *Barron's*—was up in 1980.

BARRON'S

"Huff and Puff"

UP & DOWN WALL STREET

Peso Diplomacy?

No Idle Money

One Tax Bracket?

Donrey Media Group

Donrey Media Group, Fort Smith, Ark.,is the nation's 61st largest media company with estimated total revenues of $120,000,000 for 1980.

A privately held company, Donrey owns 41 dailies and 39 nondaily newspapers, one television station, seven radio stations, 11 outdoor advertising plants, a microwave transmitter network and three cable television companies.

■ Donrey serves nearly 8,000,000 people every day with news, entertainment and information. The group operates companies in the District of Columbia and 17 states: Arkansas, California, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Mississippi, Missouri, Nevada, New Mexico, Ohio, Oklahoma, Oregon, Texas and Washington.

The company's most recent acquisition was the *Durant Daily Democrat*, a daily newspaper in Durant, Okla., purchased in November, 1981.

Also added in 1981 are the *Redlands Daily Facts*, a California newspaper; KOCM-(fm), Newport Beach, Cal.; and KEXO, Grand Junction, Colo.

Founder and president of the company, Donald W. Reynolds, said, "The opportunities of the Donrey Media Group are limited only by our imagination."

Mr. Reynolds worked for newspapers from Texas to Massachusetts before buying his own newspaper, the *Quincy Evening News*, Quincy, Mass. He later sold the *News* and in 1940 bought the *Okmulgee Daily Times* in Oklahoma and the *Fort Smith Southwest American* and the Times Record in Fort Smith, Ark. and began the Donrey Media Group.

Donrey is committed to continued growth, and to pioneering technology, according to its founder. The Donrey Group has contributed to research on a revolutionary laser platemaker. That platemaker was the first of its kind to be used successfully and is in operation at Donrey's largest newspaper, the *Las Vegas Review Journal*, in Las Vegas, Nev.

MEDIA PROPERTIES:
Newspapers (dailies): ARKANSAS—*Southwest Times Record*, Fort Smith; *Northwest Arkansas Morning News*, Rogers; *Springdale News.* CALIFORNIA—*Lompoc Record, Ontario Daily Report, Pomona Progress Bulletin, Red Bluff Daily News, Redlands Daily Facts, Vallejo Times-Herald.* HAWAII—*Hawaii Tribune-Herald*, Hilo. INDIANA—*Washington Times-Herald.* IOWA—*Oskaloosa Herald.* KENTUCKY—*Glasgow Daily Times.* MISSISSIPPI—*Picayune Item.* MISSOURI—*Macon Chronicle, Moberly Monitor-Index.* NEVADA—*Carson City Nevada Appeal, Ely Daily Times, Las Vegas Review-Journal.* OKLAHOMA—*Bartlesville Examiner-Enterprise; Blackwell Journal-Tribune, Chickasha Daily Express, Durant Daily Democrat,Frederick Daily Leader, Guthrie Daily Leader, Guymon Daily Herald, Henryetta Daily Free-Lance, Holdenville Daily News, Okmulgee Daily Times, Paul's Valley Daily Democrat, Pawhauska Daily Journal-Capital, Wewoka Daily Times.* TEXAS—*Borger News-Herald, Clebourne Times Review, Gainesville Daily Register, Jacksonville Daily Progress, Kilgore News Herald, Sherman Democrat, Sweetwater Reporter, Weatherford Democrat.* WASHINGTON—*Aberdeen Daily World.*
Newspapers (nondailies)—39 nondailies in nine states, including *Booneville* (Ark.) *Democrat; West Hawaii Today*, Kailua-Kona, Hawaii; *Oskaloosa* (Ia.) *Shopper; Poplarville* (Miss.) *Democrat; Randolph County Times;* Huntsville, Mo.
Broadcasting: TELEVISION—KOLO-TV, Reno, Nev. RADIO—KFSA(am) Fort Smith, Ark.; KBRS (am), Springdale, Ark.; KOCM (fm), Newport Beach, Cal.; KEXO (am), Grand Junction, Colo.; KOLO (am) Reno, Nev.; KORK (am,fm), Las Vegas.
Cable/video: North Bay Cable TV Co., serving Vallejo, Cal.; Bartlesville Video, serving Bartlesville and Dewey, (20% ownership) Okla.; Kilgore Cable TV Co., serving Kilgore, Tex. (50% ownership).

Dow Jones & Co.

Dow Jones & Co., New York, is the country's 16th largest media company, with media operation revenues of $493,300,000 in 1980, or 93% of total revenues of $530,700,000.

National publications and news services accounted for nearly three-quarters of total revenues, while community newspapers and book publishing, not included in AA's media revenues figures, accounted for one-quarter of the revenue. Net income last year was $58,883,000.

The company's net income for the first nine months of 1981 was $48,000,000, up from $39,500,000 for the same period last year.

Two attempts at expansion undertaken by Dow Jones in 1981 never got off the ground. In March, the company entered into a joint venture with Knight-Ridder Newspapers to acquire UA-Columbia Cablevision Inc. The two newspaper companies wanted to use the cable system to send information into homes. In June, Dow Jones and Knight-Ridder were outbid by the duo of Rogers Cablesystems of Toronto and United Artists Theatre Circuit.

In May, *The Wall Street Journal* issued a prototype of *The Wall Street Journal Magazine*, a proposed monthly offshoot of the nation's largest weekday newspaper. The magazine addressed the nonbusiness concerns of the *Journal's* readers. In late October, the company abandoned plans for the magazine.

"Although they were generally pleased with the quality of the prototype, the readers wanted more coverage of such areas as personal finance," said associate publisher Peter Kann. "*The Wall Street Journal* has been moving in that direction for some time. We are doing more of it than we were a few years ago and we felt we could continue meeting the needs for those stories with both the *Journal* and *Barron's*."

Dow Jones made another bid for a cable tv stake in October by agreeing in principle to purchase nearly 25% of Continental Cablevision, Boston, for up to $80,000,000. Warren H. Phillips, chairman of

What was once *Dun's Review* has been transformed into *Dun's Business Month.*

Dow Jones, said the stock was purchased "for investment purposes and, although Dow Jones will be represented on Continental's board, Continental will maintain its independent course." Continental is the 13th largest cable television system with 410,000 subscribers in 10 states, according to the company's prospectus.

Aided by Dow Jones' pioneering use of satellite technology and regional printing plants, *The Wall Street Journal* has continued to grow. The paper added a second "front" page and was divided into two sections last year, partly to meet advertisers' demands for space. In 1980, circulation grew 9.2% to 1,930,400. This continued a trend that has given the *Journal* a 32% increase in subscribers and newsstand buyers over the past five years. The *Journal* had a 10.7% earnings gain in 1980.

Advertising linage was up 9.1% in 1980 from 1979. The *Journal* attributed its stronger advertising performance in 1980 to its ability to diversify its ad base so the paper depends on no single advertising category, industry or region of the country for its billings. In 1980, almost 8,400 display advertisers appeared in the *Journal*, up 5.6% from 1979 and nearly 20% above five years ago. The *Journal* estimates that its readers have an average household income of $68,600.

Barron's, Dow Jones' business and financial weekly, continued to gain in circulation and advertising in 1980. Advertising linage increased 14.3% over 1979 and circulation climbed 9.1% to 264,100.

Effective next Jan. 4, Dow Jones will raise its advertising and subscription rates for both *The Wall Street Journal* and *Barron's*. The *Journal's* national advertising rates will be increased 15% to $56,124 for a black and white page (national).

Barron's will increase its advertising rates 12% to $8,593 a page.

The *Journal's* subscription rates will rise 15.6% from $77 to $89 per year. *Barron's* subscription rate will rise 12% to $55 from $49.

Dow Jones is now considering a European edition of the *Wall Street Journal*, aimed at a "limited but influential audience," according to sources at the paper. A decision on the edition will probably be made by the end of the year. A startup date in the third quarter of 1982 is possible."We have been studying a European edition for the last decade, off and on," Mr. Kann said. "Sometimes it looks less likely that we will go ahead with it. This time it looks more likely."

MEDIA PROPERTIES:
Newspapers: *Wall Street Journal.* Ottaway Newspapers: CONNECTICUT—*Danbury New Times.* KENTUCKY—*Ashland Daily Independent.* MASSACHUSETTS—*Beverly Times; Cape Cod Times* Hyannis; *Gloucester Daily Times; New Bedford Standard-Times; Newburyport Daily News; Peabody Daily Times.* MINNESOTA—*Mankato Free Press, Owatonno People's Press.* MISSOURI—*Joplin Globe.* MICHIGAN—*Traverse City Record-Eagle.* NEW YORK—*Middletown Times-Herald-Record, Oneonta Daily Star, Plattsburgh Press-Republican, Port Jervis Union Gazette.* OREGON—*Medford Mail Tribune.* PENNSYLVANIA—*Pocono Record,* Stroudsburg; *Sharon Herald; Sunbury Daily Item.*
Newspapers (nondailies): *Asian Wall Street Journal, Far Eastern Economic Review* (49% interest), *South China Morning Post,* Ltd. (16% interest); Allied Newspapers in Grove City, Pa.; *Hampton* (N.H.) *Union; Rockingham County Gazette,* Exeter and Derry, N.H.
Magazines: *Barron's, Book Digest.*

OTHER OPERATIONS:
Dow Jones News Service; Richard D. Irwin, book publisher, a newsprint mill near Richmond, Va., (30% interest); Extel, a telecommunications equipment maker (35% interest).

Dun & Bradstreet

Dun & Bradstreet, New York, is the country's 19th largest media company with 1980 media revenues of $365,000,000.

Publishing accounted for $281,000,000 for the largest share of the media total. However, out of total company revenues of $1.17 billion the publishing segment totaled $408,378,000, which included the nonmedia operations of Funk & Wagnall's and Moody's Investors Service. Broadcast tallied $83,921,000. D&B's total profits last

She's 'just an editor,' with touch of color

PAIGE RENSE

She has been described as the "high priestess of home decor." She has been interviewed and profiled by talk show hosts and newspaper writers, most of whom are dying to know how she liked the decor of Yves Saint Laurent's Paris abode, or Barbra Streisand's living room.

She has been portrayed as leading the most glamorous of lives, jetting from one fabulous home to another, passing judgment on, and being courted by, the rich and the famous.

But if you ask Paige Rense, she's just an editor. Ms. Rense is senior vp and editor-in-chief of Knapp Communications Corp.and guiding force behind the company's *Architectural Digest*, the thick and glossy magazine for which she is best known, *Bon Appetit* and the newly acquired *Geo* The number of magazines under her responsibility will increase to five next year, when Knapp launches *Collecting* and a magazine tentatively titled *Travel.*

For all the glamor and power that supposedly have accrued to her, "what you're really doing is working very hard," the 47-year-old Ms. Rense says. "I'm not sure what people think I'll be like," she adds, "but I think what they expect is Rosalind Russell."

▪ What they find is a soft-spoken editor barely 5 ft. tall, with wavy blond hair and dark tinted glasses. She's likely to be wearing a black flounced dress with a huge silk scarf draped over a shoulder for a touch of color, and a long necklace made of gold paperclips.

Ms. Rense does decide which homes are featured in *Architectural Digest*, and thus is indeed wooed by designers and the wealthy. But she also plans coverage of art and antiques, books, gardens and architecture; reviews photograhs for publication; consults with the magazine's extensive graphics staff, and approves editorial copy—and that's just for *Architectural Digest*.

It is this high energy level and attention to detail, coupled with an uncanny sense of what readers want, that have enabled her to turn mediocre magazines into top-of-the- line best-sellers and have made Paige Rense the pride of Knapp Communications. "She has the most highly attuned sensitivity to the reader of any editor I've ever seen," says John L. Decker, Knapp's group publisher. "It's instinctive and intuitive."

"I don't know if it's trite or if it's arrogant," Ms. Rense says, "but I do the kind of magazine I would like. I'm not unique—if I think it's interesting, other people will, too."

▪ The editor-in-chief likes to tell the story of her initial job interview with Cleon (Bud) Knapp, president of Knapp Communications, in 1970. Ms. Rense, who was a free lance writer at the time, told him that *Architectural Digest* was "boring and poorly edited." Despite, or perhaps because of that, she landed a job as an associate editor of the magazine, which had a circulation of 50,000 at the time. Two years later, she was named editor-in-chief of a revamped magazine. Today's circulation is over 550,000, and 1981 ad revenues are expected to rise about 30% to about $32,000,000.

Ms. Rense says she sees herself as a "word person" first. "Of course, I've always been interested in art, but design—that just happened. I've never had any credentials."

Her success with *Architectural Digest* has won her total editorial freedom at Knapp, and the company does little if any market research on new projects. When Mr. Knapp bought *Bon Appetit* in 1975, "it was an impulse buy—he left it on my doorstep," Ms. Rense says. *Bon Appetit* has grown since then from a circulation of 250,000 to more than 1,300,000; the magazine this year will carry 1,000 pages of advertising for the first time.

Her revamp of *Bon Appetit* illustrates the Rense approach. "With our Architectural Digest background, it would have been easier for us to do a 'classical' magazine," she recalls. "But *Gourmet* already does this. Any editor with integrity would have an objective to create a magazine with her own viewpoint."

▪ On a flight from Los Angeles to New York one day, she outlined the magazine she wanted *Bon Appetit* to be. "I just thought, 'What do I want in a food magazine?' I'm a good cook, but not a great cook, and I'm very busy. I'm not that different" from the type of reader she is trying to reach, Ms. Rense says.

"I wanted to bring people into the magazine, real people, because good cooks like a network—they like to know who's doing what. Cooks are nice people—they care about love, because what you're doing is nurturing people.

"'Too busy to cook' is one of the most popular features in the magazine because it has real people, real recipes."

Now comes perhaps Ms. Rense's biggest challenge, *Geo*, which under the German publisher Gruner & Jahr lost between $35,000,000 and $50,000,000 in two years. Ms. Rense says she already has made top-level changes in the editorial staff, and that she expects a "Neo-Geo" with her trademark to appear by summer.

▪ Ms. Rense wants to "bring people into the magazine more, to show the reader the 'who and why' of the story. There will be a lot about animal behavior, and lots of exploration and discovery," she says, curled up on her pillow-laden office couch under the watchful eye of a large bronze buddha. There will be "more emphasis on the U.S.," she adds. "There's so much to discover here. How can she take on *Geo*, plan two new magazines, and still stay involved with *Bon Appetit* and *Architectural Digest*? "I'm muddling through now," she says. "I don't really divide my time. My door is always open and people just run in.

"At the beginning [of a new magazine] you're involved intensely," she continues. "Then you build your staff and they take care of the day-to-day.

But I will not step back from *Architectural Digest*. I'm involved in the orchestration of the total concept. Right or wrong it is my viewpoint. And you can't delegate viewpoint."#

year were $102,742,000. The company predicts it will hit a net income of $200,000,000 and an operating revenue by the end of 1984.

The publicly held New York-based company has been changing from a "product driven company to a market driven company," according to chairman Harrington Drake. In an attempt to zero in more effectively on the business reading market, D&B's Technical Publishing arm changed the name of *Dun's Review* to *Dun's Business Month* last year.

The company also attempted to find a niche with a publication dubbed *Output*, but the venture proved unsuccessful.

High tech oriented, D&B has introduced 30 new products that capitalize on computer innovations.

Dun & Bradstreet lost one key executive last year, vice-chairman Richard Simmons. Mr. Simmons decided to assume the presidency of the Washington Post Co., taking over from Mark Meagher. Mr. Simmons was succeeded by Charles W. Moritz, who was elected president-chief operating officer last June. Mr. Moritz had been chairman of the company. Harrington Drake, 61, continues as chairman-chief exec.

Dun & Bradstreet's publishing operations posted operating revenues of $408,378,000 in 1980, up 17.6% over 1979 and an operating income of $117,379,000, up 20.8% over the prior year.Those operations include: Reuben H. Donnelley (Yellow Pages), Moody's Investors Service, Official Airline Guides, Technical Publishing and Funk & Wagnalls. D&B boasts of a record year in 1980 in its publishing division, in spite of losses sustained in the start-up costs of the proposed computer magazine, *Output*. The magazine was designed to combat "computerphobia," to simplify computers for chief execs. According to sources, however, the magazine just never found its niche and ceos never found the time nor the inclination to learn computer basics.

Technical Publishing consists of 22 business magazines. It also produces specialized consumer books and educational training systems. Looking ahead, the company is expecting another record year for the publishing division.

In November, 1981, Dun's publishing division, Technical Publishing, acquired *Solid State Technology* from Cowan Publishing in Port Washington, N.Y. The sale also included *Solid State Buyers Guide & Directory*.

Last year, Technical changed the name of *Dun's Review*, to *Dun's Business Month*. At first, the magazine was just going to have a recap of the month's events but then decided to expand that idea to the entire magazine. So, while it continues to write trend stories, *Dun's Business Month* will provide a monthly review for business execs. The goal is one-stop reading for the busy chief exec. At the same time the magazine was renamed, it was redesigned.

Within the coming months, the Technical Publishing corps will move from Fifth Avenue to Third Avenue in a new building still under construction.

Reuben H. Donnelley joined forces last year with one of its clients, Bell of Pennsylvania and came out with the *New Neighbor Guide* for new residents of the five-county Philadelphia metropolitan area. Internationally, the company founded a new United Kingdom publishing venture, teaming up with the International Thomson Organization to publish the Thomson Directories.

Moody's Investors Service is coming out with two new investor guides: "Moody's Handbook of OTC Stocks" and an "International Manual."

The broadcast division of Dun & Bradstreet consists of Corinthian Broadcasting Television Stations division with CBS affiliates in Houston (KHOU-TV), in Tulsa (KOTV), Sacramento (KXTV), Ft. Wayne (WANE-TV) and Indianapolis (WISH-TV). Last year the company bought its first ABC affiliate, WVEC-TV in Hampton-Norfolk. With that purchase, Corinthian landed Pembroke Cable Corp., a cable network serving North Carolina and Virginia communities, and an ownership interest in three multi-point distribution system licenses.

The broadcast group also includes TVS Television Network (an independent network producing telecasts of sports and entertainment events) and PGW (Peters Griffin Woodward) (representing 45 television stations in spot sales to national and local advertisers). Now in the works is a syndicated show for young people from TVS, produced by Corinthian and called "Historyland."

Corinthian Broadcasting posted records in revenues and income in 1980. Operating revenues and income rose sharply at the television stations. Houston's station led in sales. National sales also were strong, according to the company's annual report, with significant increases from the aforementioned Houston and also from Indianapolis. Revenues and income also increased in the other two divisions. The broadcasting segment of Dun & Bradstreet's media holding posted operating revenues of $83,921,000 in 1980, a 27.5% increase over 1979, and an operating income of $36,598,000, up 25.3% over the year before.

MEDIA PROPERTIES

Magazines: *American Journal of Cardiology, American Journal of Medicine, American Journal of Surgery, Consulting Engineer, Cutis, Datamation, Dun's Business Monthly, Electric Light & Power, Fire Engineering, Graphic Arts Monthly, Highway and Heavy Construction, Industrial Research and Development, Mining Equipment International, Output, Plant Engineering, Pollution Engineering, Power Engineering, Purchasing World, Solid State Technology, Software News, World Construction.*

Broadcast: TELEVISION—KHOU, Houston; KOTV, Tulsa; KXTV, Sacramento; WANE, Fort Wayne; WISH, Indianapolis; WVEC, Hampton-Norfolk.

Cable/video: Pembroke Cable Corp., a division of Corinthian, a wholly owned subsidiary of D&B has locations in North Carolina (Ahoskie, Murfreesboro) and Virginia (Emporia, Greenville County, Halifax, Halifax County, LaCrosse, Mecklenburg County, South Boston, South Hill).

OTHER OPERATIONS

Reuben H. Donnelley, Moody's Investors Service, Funk & Wagnalls, DBI Books, Sentry Data Base Publishing, TVS Television Network.

Evening News Assn.

The Evening News Assn., Detroit, is the country's 28th largest media company, with estimated revenues of about $235,000,000, all from media operations in 1980.

The company owns a combination of profitable Sunbelt broadcast and newspaper properties, and Midwest and Northeast operations

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Rated Excellent or V.G.	48	53	51	43	48	62	50
Want to see as a Series	50	43	43	40	50	58	47
Make every effort to watch	39	30	35	31	37	41	35
"For the Whole Family"	78	93	83	93	79	78	84
The Negatives							
Not Interested	15	15	4	18	26	10	15
Would Not Watch	12	7	4	14	13	6	10

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currently riding out a recession. The company's flagship paper, the *Detroit News*, suffered a slight decrease in ad linage from 1980, though Sunday linage is up slightly.

"Detroit is a depressed area. Business isn't what we would like it to be but it's not at the point where we're all ready to jump out the window," a company spokesman said. The *News* had estimated revenues of $170,000,000 in 1980.

Despite the bad economy in Detroit, the circulation wars between the *News* and Knight-Ridder Newspapers' *Free Press* continue unabated. The *News* has a slight over-all lead but the *Free Press* dominates outside Detroit. To combat that situation, the *News* opened a satellite printing station in Lansing in December, 1980 and has recently been promoting home delivery aggressively throughout the mid-Michigan area.

The rivalry between papers was temporarily tabled when a Teamsters local struck the *Free Press* and halted distribution of that paper just before the Republican convention in July, 1980. The papers produced a combined paper with a separate 24 page *Free Press* section tucked inside. The Sunday edition of the joint paper sold over 1,000,000 copies.

The company's broadcast flagship, WDVM-TV, Washington, has retained the new leadership position it had when it came to evening news from the Washington Post Co. in a station swap in 1978. Evening news has made few changes at the Washington station.

WDVM is one company property outside the Sunbelt that has not been hurt by recession, the spokesman said. "The rest of the stations and Desert Sun Publishing Co. are all Sunbelters and are going like gangbusters," he added.

Evening News owns five tv stations, four VHF and one UHF, and wishes to acquire two more to bring it up to its total allowance of seven tv stations. However, the depressed economy has put those plans on the back burner for now. Broadcast properties account for an estimated 21% of total revenues.

Evening News is keeping an eye on cable and electronic information retrieval systems but it has no plans to jump into either of those fields at the moment. The exec cited the high cost of cable systems as one reason the company has stayed out of the field.

MEDIA PROPERTIES:
Newspapers: CALIFORNIA—*Indio Daily News, Palm Springs Desert News.* MICHIGAN—*Detroit News.* NEW JERSEY—*Atlantic County Record, Egg Harbor News, Hammonton News, Millville Daily, Vineland Times Journal.*
Broadcasting: TELEVISION—WDVM-TV, Washington D.C.; KTVY-TV, Oklahoma City; KOLD-TV, Tuscon; WALA-TV, Mobile, Ala,;KVUE-TV, Austin, Tex. RADIO— WWJ (am and fm) Detroit.

OTHER OPERATIONS:
Times Graphics Printing.

Field Enterprises

Field Enterprises, Chicago, the 22nd largest media company with primary interests in communications but strong activity in real estate, had estimated revenues of $329,900,000 in media in 1980 out of total estimated revenues of $380,000,000.

Once a more diversified company owning Worldbook-Childcraft International (sold to Scott & Fetzer in 1978) and an energy subsidiary which included two coal mines (also sold in 1978), the closely held Chicago-based Field now is "interested in opportunities for potential growth in almost any area of communications," says exec vp-general counsel Lee Mitchell. "We also see growth in real estate."

More specifically in communications, Field is aggressively pursuing acquisition of additional cable properties. San Francisco-based Field Communications Corp., owner of five independent tv stations, made its first move into cable with the acquisition of three Televents of California systems in 1980. Under the Field Cablevision umbrella, the company now has systems with a total of 12,000 subscribers and potential of 38,000.

Mr. Mitchell said that in addition to further cable growth, the company has explored possibilities in programing and production areas.

In the past year Field has begun experimenting with a number of alternative delivery options.

■ In the winter of 1981, Field formed an electronic publishing subsidiary to explore the potential for the new media of teletext. The Federal Communications Commission granted Field permission to test the first commercial teletext system in the country, and the company unveiled its KeyFax service. The technology, based on the British Ceefax System, enables Field to conduct two kinds of tests.

The first serves decoder-equipped televisions in public places, business and homes in the Chicago area with news, sports, financial and other information. The second makes KeyFax available to cable viewers with the addition of classified and display advertising.

The experiment is being conducted on the vertical blanking interval of Field's WFLD-TV.

Also on WFLD, in September, 1981, Field launched its Nite-Owl service. The teletext news and information magazine airs from midnight to 6 a.m.

In November, 1981, the company decided to try its hand at pay tv as well. In a joint venture with Subscription Television of America, it launched Super Tv in the greater Washington, D.C area.

Once the publisher of two metropolitan dailies (the *Chicago Daily News* folded in 1978), Field in mid-1980 formed Field Suburban Publishing to publish shoppers in the west and northwest suburbs of Chicago; *Smart Shopper* now is published in 18 zones, with a combined circulation of 300,000.

In 1980, the company broke with tradition and named the first non-Field family member publisher of the *Sun-Times*. James Hoge, then editor-in-chief, took the reins from chairman Marshall Field V, who said he wanted to pursue other Field ventures.

In the past year Mr. Hoge has implemented a number of changes in the *Sun-Times*. Among other things, the Sunday edition has been given additional editorial space in a number of sections, and the paper has added a standard-size offset fashion section, an expanded business section and a zoned neighbors section (one in Spanish) on various days of the week. Mr. Hoge gives the changes credit for a recent jump in circulation in its hotly contested battle with the *Chicago Tribune*.

Among those other ventures Mr. Field is now exploring are, the company's real estate properties. In 1977, the company acquired Cabot, Cabot & Forbes, a Boston-based national real estate development, investment and management company. Field also has several real estate properties in Chicago.

Also in 1981, Field Enterprises sold its paper mills, FSC Paper Corp., Alsip, Ill., and Manistique Pulp & Paper Co., Manistique, Mich., to company co-owners Marshall and Frederick Field. (Garden State Paper Co. continues to own 20% of FSC.)

In one major personnel move, Charles Fegert, exec vp-advertising, will be leaving the *Chicago Sun-Times* early next year. His responsibilities will be taken over by vp-advertising Robert Reese.

MEDIA PROPERTIES:
Newspapers: *Chicago Sun-Times, Suburban Sun-Times, Smart Shopper, Smart Suburbanite,* shoppers published in 18 Chicago-area zones.
Broadcasting: WBHK-TV, San Francisco; WFLD-TV, Chicago; WKBD-TV, Detroit; WLVI-TV, Boston; WKBS-TV, Philadelphia.
Cable/video: Field Cablevision, California—Redlands-Yucaipa, Riverside County. Field Electronic Publishing.

OTHER OPERATIONS:
Cabot, Cabot & Forbes, Field Realty division, Field Newspaper Syndicate.

Field Enterprises features award-winning columnist Mike Royko on Page 2 of the *Chicago Sun-Times*.

Freedom Newspapers

Freedom Newspapers, Santa Ana, Cal., is the country's 45th largest media company with estimated revenues of $153,500,000, all from media operations in 1980.

Privately owned Freedom Newspapers publishes the Orange County Metro Group Newspapers: *Anaheim Bulletin, LaHabra-Brea Star Progress,* and the *Santa Ana Register*. The company also publishes 29 other daily papers.

It acquired three dailies last year: *Greenville* (Miss.) *Delta Democrat-Times, Dothan* (Ala.) Progress, and *Huron* (S.D.) *Daily Plainsman*, Huron, S.D. Freedom Newspapers recently acquired a partnership interest in Community Press Newspapers, a chain of free distribution papers in Englewood, Colo.

Freedom Communications, a subsidiary, acquired tv station KTVL in Medford, Ore., last March.

The company "is actively engaged in a search for cable and newspaper properties and hopes to diversify in the near future in print and electronic information investments," said D. R. Segal, Freedom Newspapers' president.

He said the company also is upgrading its current newspapers to make them "more valuable to our readers and advertisers."

MEDIA PROPERTIES:
Newspapers: ALABAMA—*Dothan Progress.* CALIFORNIA—*Anaheim Bulletin, La Habra-Brea Daily Star-Progress, Marysville Appeal-Democrat, Porterville Recorder; Santa Ana Register, Turlock Daily Journal.* COLORADO—*Colorado Springs Gazette-Telegraph.* FLORIDA—*Fort Walton Beach Playground Daily News, Fort Pierce News Tribune, Tribune, Panama City News-Herald.* GEORGIA—*Victorville Daily Press.* INDIANA—*Crawfordsville Journal Review, Seymour Daily Tribune.* MISSISSIPPI—*Greenville Delta Democrat-Times,.* NEBRASKA—*Columbus Telegram.* NEW MEXICO—*Clovis News Journal.* NEW YORK—*Hornell Evening Tribune, Wellsville Reporter.* NORTH CAROLINA—*Burlington Times-News, Gastonia Gazette, Jacksonville Daily News, Kinston Daily Free Press, New Bern Sun-Journal.* OHIO—*Bucyrus Telegraph-Forum, Lima News.* SOUTH DAKOTA—*Huron Daily Plainsman.* TEXAS—*Brownsville Herald, Harlingen Valley Morning Star, McAllen Monitor, Odessa American, Pampa Daily News.*
Broadcasting: KTVL-TV (Medford, Ore.).

Gannett Co.

Gannett Co., Rochester, N.Y., is the country's sixth largest media company, with 1980 revenues from media operations of just under $1.2 billion, or more than 98% of total revenues of $1.215 billion. Newspapers provided 77% of total revenues, outdoor advertising 11% and broadcasting 10%. Profits totaled $151,985,000 in 1980, the 13th straight year of profit increases for Gannett. Allen Neuharth, president and chairman, says 1981 will be the 14th straight year of higher profits.

Through aggressive acquisitions, mostly of newspapers in smaller, noncompetitive markets, Gannett has become the publisher of 85 daily newspapers, the most of any company. Its daily circulation of 3,737,000 papers is second only to the 3,783,000 circulation of Knight-Ridder Newspapers.

Gannett may be at an important juncture in its history. Some company followers believe that, as the remaining number of independent newspapers in monopoly markets declines, Gannett may be forced to ease up its traditional kinds of acquisitions and fashion a new growth strategy.

Restless to move

Magazine launchers and revitalizers, take note: Peter Diamandis is restless again.

"To sit in a corporate job shuffling papers is not what I'm into," Mr. Diamandis says. Yet that's what he finds himself doing for Gruner & Jahr since the German publisher sold the U.S. version of *Geo* to Knapp Communications in September. Mr. Diamandis had been publisher of the U.S. *Geo* since October, 1980.

"I'm a hands-on operator," Mr. Diamandis says. "If the U.S. is a big part of their [Gruner & Jahr's] future, I'd like to participate as an executive in building this company here. If not, then I guess I'm looking for a job."

Mr. Diamandis, 50, doesn't lack for references. In January, 1979, he launched *Self* magazine for the Conde Nast operations of the Newhouse family. Before that, he published *New York* magazine for Rupert Murdoch. He also has been publisher of *Mademoiselle*, president of *New West* and for a time president of an ad agency.

Mr. Diamandis, who has been described by Advertising Age columnist James Brady as a publisher without a deep publishing philosophy and "a businessman rather than an editor [and possessing] a sense of what makes a good publication and what doesn't," says he would like to see Gruner & Jahr U.S. become more aggressive in acquiring new publications. He also favors "people and projects that are rolling" in any aspect of the media, whether magazines, books, tv, movies or the "new technology"—possibly cable. "The next two months will tell" what's coming for Mr. Diamandis.

Peter Diamandis

Recent moves by the company suggest that it will attempt to sustain its momentum by moving into new types of newspaper properties and by exploiting opportunities afforded by the new communications technologies.

Last summer, for example, Gannett acquired its first paper aimed at a special market, *El Diario-La Prensa*, the country's largest Spanish language daily. *El Diario-La Prensa*, based in New York, has a daily circulation of 61,000.

Also last summer, Gannett distributed prototypes of the most ambitious project it has under consideration, a national general-interest daily newspaper. Mr. Neuharth says reader response to the proposed paper, called *USA Today*, has been favorable. The company is still testing advertiser reaction; some advertising and marketing execs have been lukewarm about *USA Today's* potential as an advertising medium.

Gannett is to decide whether to go ahead with *USA Today* by the end of this year. If it does proceed, publication could begin as early as next fall.

Gannett directors reviewed research results on the prototypes at a recent board meeting. Some company followers believe Gannett will give *USA Today* the green light. One indication, they say, is Gannett's agreement with Canada, announced last month, to buy most newsprint for the new paper from Canadian suppliers; that commitment was one of several Gannett made in return for Canadian approval to acquire three outdoor advertising companies formerly owned by Combined Communications Corp., acquired by Gannett in 1979.

Gannett also is known to be lining up additional editorial employes and syndicated material for the proposed paper. Most important of all, perhaps, is that Mr. Neuharth, some company insiders say, is strongly behind the idea of a national newspaper under the Gannett banner. At the same time, however, Mr. Neuharth is proud of Gannett's financial record and wouldn't support the project if projections don't show a strong likelihood of financial success.

■ Satellite technology is integral to the idea of a national daily. As Dow Jones & Co. does with the *Wall Street Journal*, Gannett would transmit *USA Today* pages via satellite to company printing plants around the country.

Late last year, Gannett formed a new subsidiary, Washington-based Gannett Satellite Information Technology, to explore using satellites for *USA Today*, as well as for broadening distribution of information and advertising generated by existing Gannett units. For example, Gannett may relay material from *El Diario-La Prensa* by satellite to its other papers with sizable Hispanic readerships.

The new satellite subsidiary is part of the company's "continuing efforts to position Gannett to take maximum advantage of the fast-growing information businesses of the future," Mr. Neuharth says.

Gannett apparently has ruled out operating cable tv systems, because it feels it takes too long to reap returns from the substantial investment required. However, Gannett is interested in providing programing for cable tv and other forms of electronic communications. For example, it has joined with Robert MacNeil and Jim Lehrer, host of public television's "The MacNeil-Lehrer Report," to form a television production partnership.

■ Contrary to the views of the naysayers, Mr. Neuharth also believes Gannett can continue to derive substantial growth through acquisition of general-interest newspapers. This year it acquired the *Gainesville* (Ga.) *Times* (and its two poultry magazines) and 95% of the *Knoxville* (Tenn.) *Journal*. It also has agreed in principle to acquire the *Norwich* (Conn.) *Bulletin*.

Mr. Neuharth calls Gannett's local newspapers recession-proof, citing the company's unbroken string of 56 quarters of profit increases since Gannett went public in 1967.

As was the case last year, however, Gannett's increased revenues and profits from its newspapers stem largely from increases in ad and circulation rates. Linage and circulation of the papers as a whole were about flat last year and have remained so this year.

MEDIA PROPERTIES

Newspapers (dailies): ARIZONA—*Tucson Citizen*. CALIFORNIA—*Marin Independent Journal, Oakland Tribune, Salinas Californian, San Bernadino Sun, Stockton Record, Visalia Times-Delta*. CONNECTICUT—*Norwich Bulletin*. COLORADO—*Fort Collins Coloradoan*. DELAWARE—*Wilmington Morning News, Wilmington Evening Journal*. FLORIDA—Cocoa TODAY, Fort Myers News-Press, Pensacola Journal, Pensacola News. GEORGIA—*Gainesville Times*. GUAM—*Pacific Daily News*. HAWAII—*Honolulu Star-Bulletin*. IDAHO—Idaho Statesman, Boise. ILLINOIS—Danville Commercial News, Rockford Register Star. INDIANA—*Lafayette Journal & Courier, Marion Chronicle Tribune, Richmond Palladium-Item*. IOWA—*Iowa City Press-Citizen*. KANSAS—*Coffeyville Journal*. LOUISIANA—*Monroe News-Star-World, Shreveport Times*. MICHIGAN— *Battle Creek Enquirer and News, Lansing State Journal, Port HuronTimes Herald, Sturgis Journal*. MINNESOTA—*Little Falls Daily Transcript, St. Cloud Daily Times*. MISSOURI—*Springfield Daily News, Sprinfield Leader & Press*. NEBRASKA—*Fremont Tribune*. NEVADA—Nevada State Journal, Reno; *Reno Evening Gazette*. NEW JERSEY—*Bridgewater Courier-News, Camden Courier-Post*. NEW MEXICO—*Santa Fe New Mexican*. NEW YORK—*Binghamton Sun-Bulletin, Binghamton Evening Press, El Diario La Prensa* (Manhattan), Elmira Star-Gazette, Ithaca Journal, Niagara Falls Gazette, Poughkeepsie Journal, Rochester Democrat & Chronicle, Rochester Times-Union, Saratoga Springs Saratogian, Utica Daily Press, Utica Observer-Dispatch, Westchester Rockland Newspapers (*Mamaroneck Daily Times, Mount Vernon Daily Argus, New Rochelle Standard-Star, Nyack-Rockland Journal News, Ossining Citizen Register, Port Chester Daily Item, Tarrytown Daily News, Westchester County TODAY, White Plains Reporter Dispatch, Yonkers Herald Statesman*). OHIO—*Chillicothe Gazette, Cincinnati Enquirer, Fremont News-Messenger, Marietta Times, Port Clinton News-Herald*. OKLAHOMA—*Muskogee Daily Phoenix and Times-Democrat*. OREGON—*Salem Statesman Journal*. PENNSYLVANIA—*Chambersburg Public Opinion, Lansdale Reporter, New Kensington Valley News Dispatch*. SOUTH DAKOTA—*Sioux Falls Argus-Leader*. TENNESSEE—*Knoxville Journal, Nashville Tennessean* TEXAS—*El Paso Times*. VERMONT—*Burlington Free Press*. VIRGIN ISLANDS—St. Thomas Daily News. WASHINGTON—*Bellingham Herald, Olympia Daily Olympian*. WEST VIRGINIA—*Huntington Herald-Dispatch*. WISCONSIN—*Green Bay Press-Gazette, Wausau Daily Herald*.

Newspapers (nondailies): CALIFORNIA—*Rohnert Park-Cotati Times*. CONNECTICUT—*Norwalk Fairpress, Norwich Dolphin, Norwich Journal-Transcript*. FLORIDA—*Cocoa Tribune, Melbourne Times, Seminole Citizen News, Titusville Star-Advocate*. NEW JERSEY—Cherry Hill Suburban Newspaper Group (*Black Horse Suburban, Cherry Hill News, Civic Press, Community News, Hadson Gazette, The Journal, The News, News Chronicle, Sterling Suburban, The Suburban*), *Salem Sampler*. NEW YORK— *Bronxville Review Press-Reporter, Saratoga Springs Commercial News*. PENNSYLVANIA—*Butler County News*, New Kensington, *Pennsburg Town & Country*.

Broadcasting: TELEVISION—KPNX, Phoenix; KARK-TV, Little Rock; KBTV-TV, Denver; WXIA-TV, Atlanta; WPTA-TV, Fort Wayne, Ind.; WLKY-TV, Louisville; KOCO-TV, Oklahoma City. RADIO—KPRZ (am), KIIS-FM, Los Angeles; KSDO (am), KEZL (fm), San Diego; WJYW (fm), Tampa Fla.; WVON (am), WGCI (fm), Chicago; WLQV (am), WCZY (fm), Detroit; KSD-AM-FM, St. Louis; WWWE (am) and WDOK (fm), Cleveland.

Magazines: *Poultry & Egg Marketing, Poultry Times, Virgin Islander*.

Outdoor: Gannett Outdoor Advertising Group.

Other: Gannett News Service; Gannett Satellite Information Network, Gateway Film Productions.

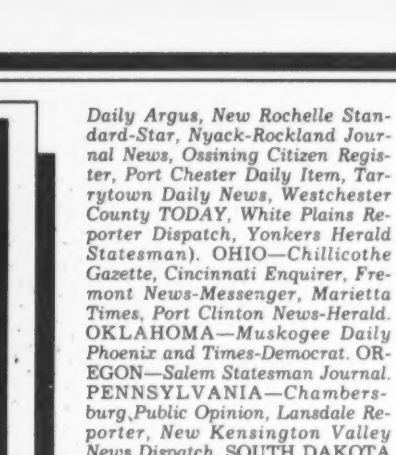
OTHER OPERATIONS:

Louis Harris & Associates research, Romo silk-screen printing.

Media Heaven

(recent arrivals)

Panorama (1980-1981)
Next (1980-1981)
Viva (1973-1979)
Daily News Tonight (1980-1981)
Wall Street Final (June 1980-August 1980)
New York Trib (January 1978-April 1978)
Your Place (April 1978-December 1978)
New Times (1973-1979)
Look (1937-1971; 1978-1979)
Media People (1979-1980)
Photoplay (1911-1980)
Enterprise Sports Network (January 1981-September 1981)



At heaven's gate?

Boston Herald-American
Philadelphia Bulletin
Cleveland Press
Book Digest
Inside Sports
GEO

Still missing:

RCA Satcom III Satellite (launched Dec. 6, 1979, disappeared Dec. 10, 1979)

General Electric Co.

General Electric Co., the 47th media company, had an estimated $150,000,000 in revenues in 1980, according to industry analysts.

GE, which had total revenues of $24.96 billion, owns two consolidated media affiliates within its Consumer Products and Services group, General Electric Broadcast Co. Inc., with three tv stations and eight radio stations, and General Electric Cablevision Corp., with 220,000 subscribers.

Revenues for General Electric Cablevision are estimated at $35,800,000, with operating profits estimated at $8,600,000. In the midst of management changes, GE is chasing on the heels of the now-popular broadcasting trend of more news and current events.

Winthrop Baker, new chief exec and president of the affiliates, found "...when I came in...management personnel and structure needed to be upgraded." In his three months with GE Mr. Baker has hired five new key managers out of eight total, and consolidated managers in markets where the company owns more than one property.

"I assessed broadcasting for the future," said Mr. Baker, "and I found prevalent the trend toward 'total service' programing, *i.e.* more news, talk, features, etc..."

The Cablevision affiliate introduced a complex marketing program last year concentrating on tiering services. Emphasis on expanded pay-tv services beyond HBO is in the works, as well as experimental areas including home security, in-home shopping, in-home banking and automobile traffic control.

MEDIA PROPERTIES

Broadcasting: TELEVISION—KOA-TV, Denver; WNGE-TV, Nashville; WRGB, Albany. RADIO—WGY (am, fm), Albany, N.Y.; KOA (am) and KOAQ (fm), Denver; WFIX (am, fm), San Francisco.

Cable/video: General Electric Cablevision Corp: Serving communities in CALIFORNIA—Merced, Tracy, Vacaville and Walnut Creek; ILLINOIS—Decatur, Peoria; INDIANA—Anderson, Evansville (80% interest); MICHIGAN—Grand Rapids Wyoming; MISSISSIPPI—Biloxi Hattiesburg; NEW YORK—Watertown.

General Tire & Rubber Co.

General Tire & Rubber Co., Akron, O., through its wholly owned subsidiary, RKO General, is the country's 51st largest media company.

Media revenues from New

York-based RKO totaled $142,100,000, all in broadcasting. Total RKO revenues were $255,900,000 out of General Tire's total revenues of $2.2 billion.

RKO's roots in broadcasting spring from its acquisition of a radio network in 1942. Today, RKO operates four television stations, 12 radio stations and three radio networks.

It also is involved in producing movies and tv programing, and it owns 60% of Frontier Airlines and eight soft-drink bottling plants. RKO's total profits in 1980 were, excluding its equity in Frontier, $22,500,000.

Recent RKO moves include the startup of two radio networks and the sale of the cable tv outlet, Cablecom. Most important to its future, however, is its appeal, in the U.S. Circuit Court of Appeals, of an FCC ruling that could strip the company of some or all of its radio and television licenses. The FCC ruling, initially made in June, 1980, was upheld by the new commission earlier this year.

"We believe that we have a strong argument in court, and that we will prevail," said a senior RKO exec who asked not to be named. He said the appeal could be decided by the middle of next year, although a finding against RKO could trigger further appeals.

■ The FCC found RKO unqualified to hold the operating license for its Boston station, WNAC-TV, on grounds of alleged misconduct by RKO and General Tire. Based on that ruling, the commission also found RKO unqualified to operate its tv stations in New York and Los Angeles.

The FCC found that RKO made airtime deals with advertisers in the 1960s that now are considered anticompetitive. It also found that RKO had knowingly filed false financial reports and otherwise had showed lack of candor in its FCC dealings.

It also found that General Tire had made improper domestic political contributions and overseas payments.

having knowingly misled the FCC. It also contends that its allegedly illegal advertising deals were common practices in the 1960s. And RKO says its managment has always been independent of General Tire, and therefore the parent company's problems with improper payments should not reflect on RKO's character as a licensee.

RKO continues to operate the three tv stations involved in the case.

When the appeal concludes, the FCC might challenge RKO's qualifications to hold licenses for its 13 other broadcast stations.

■ Loss of all licenses could force the sale of the stations, General Tire said in its 1980 annual report. The New York, Boston, and Los Angeles stations were valued at $48,200,000 and brought in $80,600,000 in revenues, the report said.

RKO's two new radio networks have had good advertiser response, the senior RKO official said. RKO II, aimed at 25-to-54-year-olds, started in September with 56 affiliates. RKO III supplies programing for specific time slots, including a midnight-to-6 a.m. talk show.

RKO declined to supply figures pertaining to its three networks. However, recent demand for network radio programing has spurred plans for such expansion by several media companies.

RKO's cable television arm, Cablecom-General, was sold to Capital Cities Communications in July for $139,200,000. Cablecom owns and operates cable tv systems in 122 states and approximately 100 movie theaters in Oklahoma, Texas and New Mexico.

Although the outlook for RKO's parent company has been darkened by the woes of the auto industry, the senior RKO exec said his company does not rely on General Tire for money.

"We have a good cash position and excellent borrowing capacity. RKO General is a strong contributor to the profits of the parent company," he said.

Robert Williamson was named president of RKO Radio last year, succeeding Dwight Case, who took a partnership post in Sunbelt Communications.

RKO vice-chairman Jack Poor retired and has not yet been replaced.

MEDIA PROPERTIES:
Broadcasting: TELEVISION—WOR-TV, New York; WNAC-TV, Boston; KHJ-TV, Los Angeles; WHBQ-TV, Memphis. RADIO—WOR (am), WRKS (fm), New York; WROK (am), WROR (fm), Boston; WGMS-AM-FM, Bethesda, Md.-Washington; WAXY (fm), Fort Lauderdale, Fla.; WHBQ (am), Memphis; WFYR (fm), Chicago; KFRC (am), San Francisco; KHJ (am), KRTH (fm), Los Angeles.

Harcourt Brace Jovanovich

Harcourt Brace Jovanovich, New York, is the country's 67th largest media company, with estimated media operations revenues of $100,000,000 coming from operations of HBJ Communications & Services, the company's communications division. Total revenues were $504,000,000 in 1980.

Although publicly owned, the company is family-run to the extent that William Jovanovich is chairman and chief exec officer, and acts as the principal corporate spokesman.

One of the world's largest publishers of educational and general and professional books, HBJ is organized into three operating units: Harcourt Brace Jovanovich Publishers (books, academic journals and instruction courses), Sea World Enterprises Inc. (marine parks, food processing and services, land development); and HBJ Communications & Services (magazines, insurance, book clubs and management consulting).

In 1980, the three groups making up HBJ each increased revenues, while most parts of the corporation gained in operating profit. Consolidated sales and revenue figures were: HBJ Publishers, $294,700,000, or 58.4% of the total; Sea World Enterprises, $103,800,000, or 20.6%; and HBJ Communications & Services, $106,000,000, or 21%.

HBJ Communications & Services is a diverse group, with interests ranging from vertical trade publications to book clubs to insurance holdings, the latter which contributes commission (and not sales) to consolidated statements.

Although last year's recession took its toll on HBJ Communications & Services, in the 1980 annual report, William Jovanovich described the division as re-emerging from an advertising slump, and, as such, "alert and active."

HBJ Publishers' strategy has traditionally been to inbed itself in sturdy educational markets: First, elementary and secondary school textbooks, tests and supplies; second, Academic Press's scientific books and journals, law, business and accounting; and, last, college learning materials. As of last March, the company was predicting that collective 1981 revenues from these markets should increase by at least 15%.

Consolidated sales and revenues for HBJ Publishers are separated into textbooks, tests and general books, accounting for $194,000,000; and academic press and professional publishers with some $101,000,000.

HBJ's third and smaller area of business is Sea World, which derives most of its revenues from the leisure time market; the bulk of its activities lie in providing instructive entertainment and recreation. This business is not only inherently seasonal but also vulnerable to fluctations in consumer spending due to external forces such as rising fuel costs.

In early 1979, HBJ divested itself of two efforts to make headway in the strictly consumer market. In February, it sold Jove Publications Inc., which publishes mass-market paperbacks, and, one month later, the subscription list and accounts receivable for unpaid subscriptions to *Human Nature*, a popular magazine into which HBJ plowed a substantial sum.

HBJ Communications this November added another magazine, *Food Plant Ideas*, to its stable of 88 business and professional magazines and newsletters in the division. The magazine, bought from Lakewood Publications, Minneapolis, claims a market of 60,000 top decision makers in the food processing field.

All of the markets in which the corporation competes are highly competitive. HBJ Communications & Services, given its high concentration of vertical trade journals, is particularly susceptible to advertiser drawback during economic downturns. Nonetheless, Harcourt Brace Jovanich shows no signs of seriously altering its over-all strategy—that of firm entrenchment in educational, general and professional publications.

MEDIA PROPERTIES:
Magazines: AGRICULTURAL—Harvest Publishing Co. group (*Kansas Farmer, Michigan Farmer, Ohio Farmer, Pennsylvania Farmer*). BUSINESS & TRADE—*Family Fashions/Intimate Apparel, Family Fashions/Intimate Apparel Directory, Communications News, Dental Industry Newsletter, Dental Laboratory Review, Dental Laboratory Review Buyer's Guide, Dental Management, Directory Of Incentive Travel International, Drug & Cosmetic Catalog, Drug & Domestic Industry, Electronic Technician/Dealer, Fast Service, Fast Service Action Cards, Flooring, Floor-ing Market Shopper, Food Management, Food Plant Ideas, Gourmet Today, Hearing Instruments, Hobby Show News, Home & Auto, Home and Auto APAA Show Daily, Home & Auto Buyers Guide, Hosiery and Underwear, Hotel & Motel Management, Hotel & Motel Management Buyer's Directory, Hotel & Motel Management Quick Order Product Postcards, Housewares, Housewares Show Stopper* (a.m. and Monday p.m. editions), *Industrial Education, Industrial Education* postcards, *Kitchen Planning, Lawn Care Industry, LP Gas, Market Maker Body Fashions/Intimate Apparel, Nebraska Farmer, Paper Sales, Paper Sales Convention News, Paper Year Book, Pets/Supplies/Marketing, Professional Remodeling, Quick Frozen Foods, Quick Frozen Foods Annual Directory of Frozen Food Processors, Rent All, Rent All ARA Show Daily, RSI, Selling Christmas Decorations, Seminars in Family Medicine, Seminars in Nephrology, Seminars in Ultrasound, Snack Food, Telephone Engineer & Management, Telephone Engineer & Management Directory, Telephone Engineer & Management's* Fast-Action postcards, *Toys Hobbies & Crafts, Toys Hobbies & Crafts Directory, Toy Trade News, Weeds Trees and Turf.*
Broadcasting: WDIO-TV, Duluth, Minn.; WIRT-TV, Hibbing, Minn.

Quotations from Chairman Mark*
(or why media moguls are drooling)

- **"Each time you [broadcasting companies] are successful commercially, you are serving the needs of the public."**
- **"I do not believe that past players, players with impressive records and innovative plans, should be arbitrarily excluded from new markets."**
- **"The historic role of the commission [FCC] as a grand Poo-Bah of the Potomac, determining what kinds of programs a broadcaster must air, must change."**
- **"Deregulation will be an important theme of my chairmanship. The technology bids us to pursue it, and the cost of continued regulation, impels us as well."**
- **"The FCC remains the last of the New Deal dinosaurs."**

*Mark Fowler, new chairman of the Federal Communications Commission.

Harte-Hanks Communications

Harte-Hanks Communications, San Antonio, is the nation's 26th largest media company, with total media property revenues of $269,700,000 in 1980, or 89% of total revenues of $304,000,000.

Company revenues, which increased 24% in 1980 over 1979, have continued to climb, although at a slower rate than last year. For the first nine months of 1981, Harte-Hanks reported revenues of $254,000,000, up 16.5% from the previous year. Net income rose to $17,600,000 from $15,200,000 in the same period a year ago.

The publicly owned holding company splits its business into three segments: Newspapers and related publications, which accounted for 53% of total revenues; broadcasting, 21% of revenues, and consumer distribution of advertising materials and consumer products, 26% of revenues. The first two segments are 100% media, while 56.6%, or about $44,740,000, of the third segment is media activity.

Harte-Hanks, which operates in 87 markets in 27 states, is implementing a "back to basics" plan developed by the company in 1979 to hold down costs while increasing revenues in four growth areas: Cable tv, consumer marketing, entertainment software and electronic information services. Expansion in these areas is backed by its strong revenue base in newspapers, advertising publications, radio and tv.

Emphasis is being placed on full attention "to operation during these times of continuing economic uncertainty," says Robert G. Marbut, president and ceo. "We intend to make a balanced approach into our new areas of obvious opportunity. With a national economy that's so unpredictable and sluggish, we cannot put all our eggs in one basket." he says.

Since 1971, Harte-Hanks has made more than 50 acquisitions, which Mr. Marbut says is all part of the strategy to diversify geographically into attractive new lines of business, both through acquisition and starting new publications.

In the anchor areas of business—newspapers, advertising publications, radio and tv—changes in the last year include realignment of the newspaper group and formation of a new area of business within the newspaper operations group. Dick Schlosberg, a group president, was named president of the new group and a senior vp of the company.

Harte-Hanks owns and operates 29 daily newspapers, and 68 non-daily publications, including weekly newspapers, advertising publications produced by newspapers and a trade publication for the radio industry. The company also publishes Pennysavers and shoppers that are zoned into more than 200 separate editions reaching 2,400,000 households each week.

In July 1981, the company decided to "pull entertainment and broadcasting under one roof to meet the long-term goal in the entertainment software area," Mr. Marbut says of the division that has four vhf network affiliated tv stations, five am and six fm radio stations and cable tv systems serving 41,000 subscribers.

A succession of personnel changes within the company were made when broadcast and entertainment were grouped, moves that Mr. Marbut describes as "natural evolution." Wayne Kearl, former president, became chairman of the group. William G. Moll succeeded him as president in addition to moving up from president of the tv group to chairman of that group

The expansion into new areas of development at Harte-Hanks will "gravitate into the different areas at different rates—for example cable more quickly and entertainment software more slowly," Mr. Marbut says.

Growth in entertainment software stems from Harte-Hanks' 1979 acquisition of *Radio & Records*, Los Angeles. On the other hand, at the end of 1980 Harte-Hanks owned eight cable tv franchises and managed 19 additional franchises. "The company currently is concerned with developing communities around major high-growth metropolitan areas," Mr. Marbut says.

Harte-Hanks also is testing electronic information with CompuServe and with the Associated Press through Harte-Hanks' *Middlesex News*, Framingham, Mass.

MEDIA PROPERTIES:
Newspapers (dailies): ARKANSAS—*Malvern Daily Record, Russellville Daily Courier-Democrat, Searcy Daily Citizen, Stuttgart Daily Leader.* GEORGIA—

Carollton Daily Times Georgian. MASSACHUSETTS—*Middlesex News*, Framingham. MICHIGAN—*Ypsilanti Press.* NEW JERSEY—*Gloucester County Times*, Woodbury. OHIO—*Hamilton Journal News.* SOUTH CAROLINA—*Anderson Independent, Anderson Daily Mail.* TEXAS—*Abilene Reporter-News, Big Spring Herald, Bryan-College Station Eagle, Corpus Christi Caller, Corpus Christi Times, Corsicana Daily Sun, Del Rio News-Herald, Denison Herald, Greenville Herald Banner, Huntsville Item, Marshall News Messenger, Paris News, San Angelo Standard, San Angelo Times, Wichita Falls Record News, Wichita Falls Times.* WASHINGTON—*Yakima Herald-Republic.*

Newspapers (nondailies): ARKANSAS—*Greenwood Democrat, Greenwood Advertiser, Malvern Advertiser, Malvern Meteor Journal, Paris Express-Progress, Russellville Weekly Courier-Democrat, Russellville Greensheet. Searcy White County Citizen, Stuttgart Grand Prairie Shopper's Guide.* CALIFORNIA—*Coronado Journal, La Jolla Light, Sentinel, Star-News, Star-News Advertiser*, all in San Diego County *San Francisco Progress.* GEORGIA—*Bremen Gateway; Haralson County Tribune*, Buchanan; *Carrollton Total; Douglas County Sentinel* Douglasville; *Walton Tribune*, Monroe; *Tallapoosa Journal-Beacon.* MASSACHUSETTS—*Tri-County TV Facts*, Framingham. MICHIGAN—*Ypsilanti Today.* NEW JERSEY—*Gloucester County Times Advertiser*, Woodbury. OHIO—*Fairfield Echo, Hamilton Journal-News Green Sheet.* SOUTH CAROLINA—*Shopping Guide, Home Buyers Guide*, and *Hometowner*, all in Anderson. TENNESSEE—*Gatlinburg Press, Mountain Visitor, Bert's Bargain Bonanza*, all in Gatlinburg; *Sevier Country News-Recorder* Sevierville. TEXAS—*Big Spring Window Shopper; Brazos Valley Review*, Bryan/College Station; *Commerce Journal; Commerce Advertiser; Cooper Review; Corpus Christi Pennysaver Plus; Corpus Christi Community Life; Corsicana Weekly Light; Corsicana Sunlight Shopper; Greenville Gree Wave Advertiser; Huntsville Advertiser; Marshall Dollar Saver; Paris Merchandiser; Lamar County Echo*, Paris; *TV Showcase, Super Saver, Monitor*, all in San Angelo. WASHINGTON—*Yakima Valley Scene, Yakima Valley View.* Also *California Shopper*, Riverside, San Bernadino and Los Angeles Counties, Cal.; *Potpourri*, Santa Clara County, Cal.; *Shopper's Guide*, Dallas, Tarrant and Collin Counties, Tex.; *Simi Valley Pennysaver*, Los Angeles and Ventura Counties, Cal.; *Tucson (Ariz.) Shopper; Van/De Pennysaver*, Orange and Los Angeles Counties in California.

Broadcasting: TELEVISION—WFMY-TV, Greensboro, N.C.; WTLV-TV, Jacksonville, Fla., KENS-TV, San Antonio; KYTV-TV, Springfield, Mo. RADIO—WSGN (am), Birmingham, Ala.; KOY (am), KQYP (fm), Phoenix; WLCY (am), St. Petersburg, Fla.; WRBQ (fm), Tampa, Fla.; KMJK (fm), Lake Oswego, Ore.; WEZI (fm), Memphis, Tenn.; KULF (am), Houston; KYND (fm), Pasadena, Tex.; WRVA (am), WRVQ (fm), Richmond, Va.

Cable/video: COLORADO—Akron, Otis, Yuma (all National Telecommunications Services). TEXAS—Deer Park, La Porte, Morgan's Point (all Kip—Lee CATV); Pasadena (Pasadena CATV); South Houston (South Houston CATV).

Magazines: Radio & Records.

Other: Abilene Publishing, Abilene Tex.; Advertising Distributors of America, Chicago; Advertising Distributors of Maryland, Baltimore; American Advertising Service; Corpus Christi Commercial Printing; Greater Houston Mailing Service; Harte-Hanks Distribution; Jordan Dennis Co., Dorchester, Mass.; Media Research, Fair Lawn, N.J.; National WATS Service, Fair Lawn, N.J.; Nortex Offset Publications, Wichita Falls, Tex.; Northeast Georgia Magazine, Anderson, S.C.; Publisher's Offset, San Diego County, Cal.; RMH Research, Fair Lawn, N.J.; R&R Entertainment, Los Angeles; Urban Data Processing, Burlington, Mass.

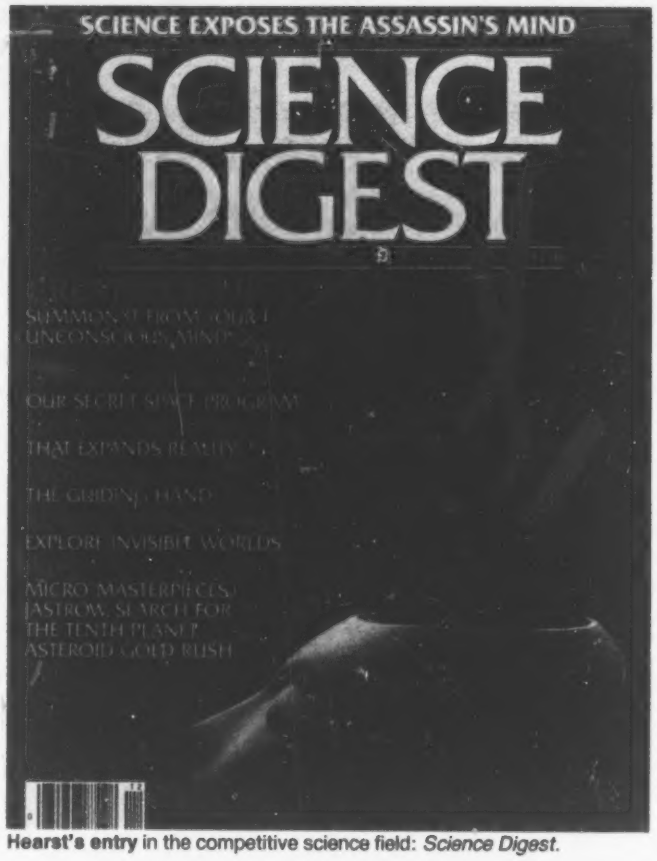
Hearst Corp.

Hearst Corp., New York, is the eighth largest U.S. media company. With revenues estimated at $1.1 billion from media operations in 1980. Total revenue figures for the company were not available.

The company's strong magazine division, with 20 publications, and broadcast holdings are the major contributors to media revenues, with the 15 Hearst newspapers next in revenue importance.

Privately held Hearst continues its strict policy against releasing figures, but lately the company has become more open about other aspects of its business. While chairman Randolph A. Hearst (son of founder Willam Randolph Hearst, who died in 1951) hasn't gone public, his top execs are out building a new image of the company as bullish, aggressive and thriving. Details on acquisitions and new projects now flow with great regularity from the refurbished Hearst building in New York and there have been plenty of acquisitions and new projects to announce. A tv and print advertising campaign aimed at showing a revitalized Hearst ran last spring and summer.

In what has been a tough year for many magazines, Hearst magazines have for the most part continued to prosper. With other women's magazines down, Hearst's *Good Housekeeping* was reported up 3% in ad pages at midyear.


SCIENCE EXPOSES THE ASSASSIN'S MIND
SCIENCE DIGEST
SUMMONS FROM YOUR UNCONSCIOUS MIND
OUR SECRET SPACE PROGRAM THAT EXPANDS REALITY
THE GIRDING HAND
EXPLORE INVISIBLE WORLDS
MICRO MASTERPIECES
JASTROW SEARCH FOR THE TENTH PLANET
ASTEROID GOLD RUSH

Hearst's entry in the competitive science field: *Science Digest.*

Harper's Bazaar, Science Digest, Sports Afield and *Town & Country* also have been on the increase, the last up a hefty 30% after an executive suite revamp.

Cosmopolitan was down 3% in ad pages and *House Beautiful* and *Popular Mechanics* also slipped. A new magazine, *Country Living*, is scheduled to make its debut as a monthly in February. Like *Town & Country*, it will be going after an upscale market. *Town & Country*, expanding from its country club magazine base over the last few years to become a service magazine for the wealthy, has increased circulation from 150,000 in 1977 to more than 254,000 today. Hearst execs credit editor Frank Zachary for the dramatic increase. They hope to produce more editors like him, through an extensive publishing training program for promising newcomers.

Hearst also is going outside for new talent. Thomas Hoving, a former director of New York's Metropolitan Museum of Art, was named editor-in-chief of the company's London-based *Connoisseur*. A Chicago adman, James N. Perkins, was named president-chief exec of Hearst/ABC Video Services, the cable programing joint venture of Hearst and ABC Inc. Mr. Perkins, as head of Washburn Associates, created and produced "The Home Shopping Show," a half-hour weekly cable tv program on which advertisers demonstrate products and services to viewers.

Another major appointment was that of Thomas P. Losee to the post of assistant to Hearst Magazines exec vp-general manager, K. Robert Brinza. The 40-year-old Mr. Losee had been publisher of *Harper's Bazaar* and *House Beautiful*. He was succeeded at *Harper's Bazaar* by D. Claeys Bahrenburg, who had been vp-associate publisher of *Rolling Stone*.

Higher up, Benson M. Srere was named executive assistant to Hearst president-ceo Frank A. Bennack Jr. He had been vp-general manager of Hearst's King Features Syndicate division.

Through mid-November, Hearst hadn't made a cable tv acquisition, but Mr. Bennack called it a "natural extension" of Hearst when the company set up a Cable Communications division in May and named Raymond E. Joslin to head it as vp-general manager. Mr. Joslin, former head of Joslin Communications, Stockton, Cal., is the current president of the California Community Television Assn., the industry's largest regional trade group.

Mr. Perkins, head of Hearst/ABC Video Services, is reporting to a board co-chaired by Mr. Joslin and Herb Granath, vp, ABC Video Enterprises. Mr. Perkin's staff of about 50 has begun work on the Beta women's channel that is targeted for a January start on Satcom I. Eventually the partnership unit will take over programing for ABC and Warner Amex's joint venture in cultural programing, ARTS.

Hearst is in the process of adding a fifth tv station to its broadcast holdings following an agreement with Metromedia in September to acquire KMBC-TV, the ABC affiliate in Kansas City, for $79,000,000 in cash. With Federal Communications Commission approval, Hearst will be in the top tier of U.S. broadcasting with five vhf tv stations the FCC maximum.

While there is some struggling among the Hearst daily newspapers (the *Seattle Post-Intelligencer*'s troubles are being stressed in a bid to set up joint operation with the *Seattle Times*), the company isn't showing signs of abandoning the field.

Hearst acquired the *Midland* (Mich.) *Daily News, Huron* (Mich.) *Daily Tribune* and *Edwardsville* (Ill.) *Intelligencer* in 1979, following the purchase of two Texas dailies (*Midland Reporter-Telegram* and *Plainview Daily Herald*) a year earlier. This August it acquired 28 Los Angeles area free circulation weeklies that will be combined as an advertising package once a week with the *Los Angeles Herald-Examiner*, the Hearst daily that is shifting toward all-morning publications in its battle to recover circulation. This year, after more than a decade of circulation losses, the *Herald* appeared to have stopped the slide and reported a small gain.

The Hearst acquisition spree this year included the purchase of William Morrow & Co., a fiction and nonfiction book publisher, for $22,250,000. This followed the acquisition in 1978 of Arbor House Publishing for an undisclosed price.

MEDIA PROPERTIES

Newspapers: CALIFORNIA—*Los Angeles Herald-Examiner, San Fernando Sun, San Francisco Examiner, Valley View*, Los Angeles. ILLINOIS—*Edwardville Intelligencer.* MARYLAND—*Baltimore News-American.* MASSACHUSETTS—*Boston Herald-American.* MICHIGAN—Huron Daily Tribune, Bad Axe; *Midland Daily News.* NEW YORK—*Albany Knickerbocker News, Albany Times-Union.* TEXAS—*Midland Reporter Telegram, Plainview Herald, San Antonio Light.* WASHINGTON—*Seattle Post-Intelligencer.* Also, 28 shoppers in California.

Magazines: *Colonial Home, Connoisseur, Cosmopolitan, Country Living, Good Housekeeping, Harper's Bazaar, House Beautiful, Motor Boating & Sailing, Popular Mechanics, Science Digest, Sports Afield, Town & Country.*

Broadcasting: TELEVISION: WBAL-TV, Baltimore; WISN-TV, Milwaukee; WTAE-TV, Pittsburgh, WDTN-TV, Dayton; KMBC-TV, Kansas City (pending

N.S. HAYDEN

A scrapper who's in his biggest fight yet

People in Salem, Ore., remember N.S. (Buddy) Hayden. He's the no-nonsense publisher—a street fighter," says a former colleague—mighty Gannett Co. dropped into Salem to "save the franchise," according to one account, when Gannett's *Oregon Statesman* and *Capital Journal* found themselves losing advertising to an upstart weekly.

Within a little more than two years after he became Gannett's man in Salem, the weekly was out of business, just as Buddy Hayden had predicted in a desk-top speech he made upon arrival. He was rewarded with the publisher's post at Gannett's *Camden* (N.J.) *Courier-Post*.

Now Buddy Hayden finds himself in another newspaper scrap and this time the odds aren't quite in his favor. In May, 1980, he became publisher of Charter Co.'s *Philadelphia Bulletin*, once one of the country's largest evening papers but now struggling for survival in a hard-ball market dominated by Knight-Ridder's *Philadelphia Inquirer*.

Last August, in what some at first saw as an intimidation tactic but which later appeared to be a serious proposal, Mr. Hayden gave the paper's unions an ultimatum: Agree to nearly $5,000,000 in contract concessions or the paper closes down for good. The unions agreed.

In September, the *Bulletin* launched a circulation drive that Mr. Hayden says has boosted newsstand sales by 12%. As part of the effort to get the paper distributed from more retail outlets, he has hired 20 marketing/circulation representatives to regularly woo retailers. He's also changed the paper itself by adding a new Today section with a daily theme.

Next, Mr. Hayden, 44, said comes; "Circulation the No. 1 project." "Advertising linage will come back as linage grows." He claims that the *Bulletin's* ad linage has begun to creep up, from a 25.8% full-run share in August to 27.6% in October. But that's still below the already anemic 33% share last year, when the *Bulletin* lost $13,000,000, followed by a loss of more than $10,000,000 in the first half this year.

FCC approval);RADIO:WBAL (am), WIYY(fm), Baltimore; WISN (am), WLPX (fm), Milwaukee; WTAE (am), WXKX (fm), Pittsburgh; WATA (am), San Juan, Puerto Rico.

OTHER OPERATIONS:
Arbor House Publishing, Avon Books, Eastern News Distributor, Hearst Books, Hearst Cable Communications, Hearst Metrotone News, Hearst Special News Service, International Circulation Distributors, King Features Syndicate, William Morrow Publishing, Periodical Publishers Service Bureau, Pjepscot Paper, Puck—The Comic Weekly, Reader Mail , Arthur Schroeder Paper Co., Sunday Colorcomics.

Houston Chronicle

Houston Chronicle Publishing Co. is the 55th largest media company in the country, with estimated revenues of $133,700,000 in 1980, all from its single media holding, the *Houston Chronicle*, which is ranked No. 1 in advertising linage in the Southwest.

The newspaper is part of Houston Endowment, a private charitable foundation born at the death of Houston businessman Jesse H. Jones in 1956, who left the newspaper, several banks, corporations and various other properties in the endowment.

A federal tax statute, the Tax Reform Act of 1969, says that by 1989 the endowment can have no more than 50% interest in the *Chronicle*, launching countless rumors that the newspaper will be sold. But *Chronicle* president Richard J. Johnson stands firm in saying, "We have no plans whatsoever to sell the paper."

If the newspaper were to be offered for sale, estimates are it would sell from $200,000,000 to $400,000,000. The Houston Endowment lists the market value of assets at $105,000,000.

Published for 80 years, the Chronicle has surpassed all other newspapers in the country in classified advertising linage, with 48,000,000 lines in the first nine months of 1981. Added to 35,500,000 lines in retail and 7,900,000 in general advertising, the newspaper has totaled 91,400,000 lines the first nine months. In 1980 retail linage, the *Chronicle* ranked third, preceded only by No. 1 *Los Angeles Times* and the *Chicago Tribune*. Media Record figures for 1980 rank the *Chronicle* with 104,265,118 total lines, second only to the *Los Angeles Times'* 107,027,765 lines.

In 1980, Everett Collier, political activist and editor of the newspaper for 15 years, was assigned to the post of senior vp, leaving the position of editor to Philip Warner, former assistant editor, who had been groomed for the job for nine years under Mr. Collier.

■ In April of 1980, the *Chronicle*, always an evening paper, added a morning edition. All home delivery outside Harris County was shifted to morning delivery, along with some single sales.

Simultaneous with the start of the morning edition was the addition of 15 reporters to the *Chronicle* staff to expand coverage for readers in the outlying areas of Houston.

Mr. Johnson said the morning edition was created because of the difficulty in distributing the newspaper in the fast growing city. Plans are also under way for a satellite plant and for a new press within the next two to three years to increase printing capacity and improve distribution.

"In a congested city such as this, we cannot continue to put all our printing in one area and still provide the distribution demanded of us," Mr. Johnson said.

The *Chronicle* won a Clio this year for its 1980 campaign via Rives, Smith, Baldwin & Carlberg. The campaign, which highlights the virtues of newspapers, continues this year, featuring author Alex Haley and actress Kristy McNichol in separate testimonials for the newspapers.

Recent format changes in the newspaper have included the expansion of business news into a section this past June, as well as the creation of a new Lifestyle/Fashion section.

In October, the newspaper began *Apartment Extra*, a direct mail piece for apartment dwellers that includes editorials, entertainment and dining guides and ads. The *Extra* is mailed to apartments in four areas of Houston.

Two years ago, the *Chronicle* began a sports information telephone line. And because of the success of the information line, traffic, weather and business lines have since been added.

MEDIA PROPERTIES
Newspapers: *Houston Chronicle.*

Houston Post Co.

The Houston Post Co., Houston, is the 43rd largest media company in the U.S. with estimated 1980 revenues of $165,000,000 all from media. The *Houston Post* accounted for 77% of the company's revenues, while its one radio and two television stations accounted for the rest.

The privately held company which jealously guards financial figures has a net worth of $200,000,000, according to a 1978 article in *Texas Monthly*. Oveta Culp Hobby, owner of the company, reportedly argued that the estimate was a little high.

The *Post* has strong competition from the paper across town, the *Houston Chronicle*, numerous tv and radio stations and 70 suburban papers, according to *Post* managing editor Kuyk Logan. However, the *Chronicle/Post* skirmish has never been waged to the pitch of the newspaper war being fought across the state in Dallas. Last year, the *Chronicle* went all day, a move newspaper followers expected would wake up the *Post* and set them fighting. It didn't.

The *Post* reported full-run ad linage for August of 4,648,312 lines, or 75% of the *Chronicle's* lines. Sunday *Post* linage of 1,839,370 lines was only slightly more than half of the *Chronicle's* 3,486,360 lines. The *Post's* daily and Sunday linage in August were both down from the previous August.

"They see the *Chronicle* and they have just decided not to go for it," said one newspaper observer in Texas. "The management is just not that aggressive."

■ The management is headed by Oveta Culp Hobby. The Hobby family has owned the paper since 1939. Mrs. Hobby is chairman and editor and reportedly actively involved in the paper. That report is disputed by some although her strong presence in Houston is not. The paper is said to still have a small-town flavor, a touch of boosterism, "boosting city, boosting civic pride," according to Harry Hurt III, author if the *Texas Monthly* article.

Editorially, the paper has not changed much. Mr. Logan said there are plans on the drawing boards but he declined to discuss them.

In the past year, the *Post* has opened a satellite bureau in North Houston and is planning another for South Houston, Mr. Logan said.

In broadcasting, the company owns television stations in Houston and Nashville and a radio station in Houston. The Houston station, KPRC-TV, an NBC affiliate is ranked third in the market and is in a hot contest with the No. 2 station, CBS affiliate KHOU. The ABC affiliate, KTRA, leads the market. Revenues of KPRC-TV have been estimated at $26,000,000-$27,000,000.

Nashville television station WTVF-TV is No. 2 in the market, and in a hotly contested race with the No. 3 station.

Revenues for the station have been put at $9,000,000.

MEDIA PROPERTIES
Newspapers: *The Houston Post*
Broadcasting: KPRC-TV, Houston; and KRPC (am), Houston; WTVF-TV, Nashville.

Jefferson-Pilot Corp.

Jefferson-Pilot Corp., Greensboro, N.C., is the nation's 74th largest media company, with media property revenues of $81,595,000 in 1980, or nearly 10% of total revenues of $885,021,000. Media revenues came from the company's holdings in radio, television and publishing.

The company's biggest business is insurance, which accounted for 90% of total revenues last year. Total net income was $92,526,000.

While Jefferson-Pilot Corp. president W. Roger Soles described 1980 as a good year, revenue and income for the year were below the record level it saw in 1979. Results for 1980 were the second highest in the company's history, however.

■ For the six months ending June 30, Jefferson-Pilot reported total revenues of $433,019,000, up from $392,578,000 for the same period in 1980. Net income for the 1981 period was $53,945,000, compared with net income of $46,066,000 for the first six months of 1980. Prospects for the remainder of the fiscal year indicate that earnings may be under pressure because of inflation and high interest rates and by depressed business conditions in some areas.

The broadcasting and publishing divisions both experienced restructuring of management, acquisitions and radio format changes in 1980, all instrumental to attaining long-range goals. The company acquired two Miami radio stations, WGBS and WLYF, from Storer Broadcasting Inc. early last year.

Cullie Tarleton, a former vp-manager of WBT, the company's am radio station in Charlotte, N.C., was named senior vp-radio of Jefferson-Pilot Broadcasting, a new position created when the broadcasting group restructured its top management. All 11 Jefferson-Pilot stations now report to Mr. Tarleton.

"We believe that additional support from top management will be beneficial in terms of improving our radio group's peformance," said Wallace Jorgenson, president of Jefferson-Pilot Broadcasting.

■ This year, Denver stations KIMN (am) and KYGO (fm) changed their formats to country music from rock, resulting, Mr. Jorgenson said, in a dramatic improvement in those stations' performance. Also this year, Mr. Jorgenson said that Jefferson-Pilot Broadcasting has been working with its newly acquired Miami stations to fine-tune their formats.

In addition, the company's television news bureau installed receiver dishes in Charlotte to pick up news from its newly opened Washington office.

Jefferson Data Systems, a subsidiary of Jefferson-Pilot Broadcasting, is marketing, nationally, Electronic News Processing (ENP) —a computer news programing system.

Through its Jefferson Productions division, the broadcasting arm installed a digital editing system that allows editing on film of commercials produced by the division. The company produces commercials for national and large regional advertisers.

"As to our future," Mr. Jorgenson said, "we are looking into teletext. At this point we are not prepared to announce anything, but we have formed a committee to look at its possibilities."

The company's publishing subsidiary, Jefferson Pilot Publications, purchased the *Sayer* (Okla.) *Journal* in 1980. The paper was a small family-owned daily that publisher Bob Gilmore turned into a semiweekly Dec. 1 to pare costs and boost advertising revenues.

■ Recent management changes in the subisidiary include the following: Mike Herrera was named publisher of the Laredo, Tex., newspaper and Dan Ragan was named publisher of the Clearwater, Fla., newspaper in 1980. Also in 1980, Scott Trundle was named exec vp of the subsidiary.

Since 1980, Jefferson-Pilot Publications has spent a total of $3,700,000 in a program to upgrade its printing plant operations in Laredo, Clearwater and Beaumont, Tex., according the Harold E. Martin, president of the subsidiary.

An advertising training program, headed by Lou del Casillo, was also set up to help each of the papers reach individual advertising goals. A part of this program, Mr. Martin said, is a marketing survey for each of the publications to help pinpoint strong and weak areas for each of the newspapers' markets.

MEDIA PROPERTIES
Newspapers (dailies): FLORIDA—*Clearwater Sun.* OKLAHOMA—*Altus Times.* TEXAS—*Beaumont Enterprise, Beaumont Journal, Laredo Times, Texas City Daily Sun.*
Newspapers (nondailies): FLORIDA—*Brandon News, Brandon News Weekender, Plant City Courier.* OKLAHOMA—*Blair Enterprise; Duke Times; Hollis News; Jackson County News,* Duke; *Kiowa County News Democrat,* Snyder; *Sayer Journal, Snyder News.* TEXAS—*Granite Enterprise,* Granite City; *Hardin County News,* Lumberton; *Jasper News-Boy.*
Broadcasting: TELEVISION—WBTV-TV, Charlotte, N.C.; WWBT-TV, Richmond, Va. RADIO—KIMN (am), KYGO (fm), Denver; WGBS (am), WLYF (fm), Miami; WQXI-AM, Atlanta; WQXI-FM, Smyrna, Ga.;WBT (am), WBCY (fm), Charlotte, N.C.; WBIG (am), Greensboro, N.C.; WWIL (am), WHSL (fm), Wilmington, N.C.

OTHER OPERATIONS:
Insurance.

Journal Co.

The Journal Co., Milwaukee, is the nation's 48th largest media company with an estimated $148,600,000 in media revenues in 1980 out of a company total of $283,500,000.

However, the company's net income of $17,100,000 was down 14.5% from the 1979 figure of $20,000,000. The Journal Co.'s profit margin dropped to 6% from 7.4% in 1979.

The Journal Co., a privately held company, is owned primarily by its employes under a stock plan initiated in 1937. The company includes Newspapers Inc., publisher of the *Milwaukee Journal* and *Milwaukee Sentinel*.

Donald B. Abert, chairman, called 1980 "a truly recessionary year." He said tight credit and high interest rates affected many advertisers in the automobile and real estate businesses.

Newspapers Inc., which also includes Trumbull Newspapers of Connecticut, had $123,600,000 in sales, in second place to commercial printing with sales of $126,600,000. The printing subsidiary consists of Perry Printing Corp. of Waterloo, Wis., and Tempo Communications.

Broadcast operations had sales of $25,000,000 up from the 1979 figure of $21,300,000. The gain was credited to KNTV in Las Vegas, Nev. and Teltron Cable TV, a cable television operation in central Wisconsin. Other broadcast properties include WTMJ-AM, WKTI-FM and WTMJ-TV in Milwaukee.

Teltron Inc., a subsidiary of the Journal Co., was established about a year ago to handle cable operations in Wausau, Stevens Point and Wisconsin Rapids, Wis., and to develop electronic information services. Midwestern Relay Co., which offers microwave transmission services, posted a 10 % sales gain with $4,640,000. MJE Corp., which provides educational materials, fell slightly to $3,590,000.

MEDIA PROPERTIES
Newspapers: *Milwaukee Journal, Milwaukee Sentintel.* Also, Trumbull Newspapers in Connecticut (*Easton Courier, Huntington Herald, Monroe Courier, Trumbull Times*).
Broadcasting: TELEVISION—WYMJ-TV, Milwaukee; KNTV, Las Vegas. RADIO—WTMJ (am), WKTI (fm), Milwaukee.
Cable/video: Teltron Cable TV; Teltron Cable serving Stevens Point, Wausau and Wisconsin Rapids, Wis.

OTHER OPERATIONS:
Perry Printing Corp, Waterloo, Wis.; Tempo Communications, Midwestern Relay Co.; MJE Corp.

Knapp Communications Corp.

Knapp Communications Corp., Los Angeles, is the country's 99th largest media company, with 1980 revenues of $50,000,000 from media operations all from consumer magazines. Magazines accounted for about 92.6% of the company's total revenues of more than $54,000,000. The privately owned company projects revenues of $70,000,000 in 1982.

Knapp Communications is best known for the magazines *Architectural Digest* and *Bon Appetit*. In September, it acquired the U.S. edition of *Geo*.

The past year or so has been one of significant growth for the company, represented by expansion in all of its divisions.

The first foreign-language edition of *Architectural Digest*—an Italian version titled *AD*—began publication in May in Milan. That was the first step in Knapp president Cleon T. Knapp's "planned program to 'internationalize' the publication." Negotiations are under way with publishers in France, England, Germany and Japan for editions in those countries as well.

Domestically, *Architectural Digest* last year posted a 26% gain in revenues to $27,500,000, while *Bon Appetit* posted a 29% rise to $25,480,000, according to *Folio*.

Knapp Press, the company's book publishing subsidiary, acquired Rosebud Books, a publisher of regional guides and promotional books that will operate autonomously as a separate division in Los Angeles.

■ Knapp subsidiary Wilshire Marketing estimates $4,000,000 in sales for 1981. Its current plans include publication of a nationwide restaurant guide, organization of the *Architectural Digest* Fine Arts Society, publication of a "hard-to-find" fine foods catalog and a cooking school directory and cookbook.

Knapp's reputation for being able to turn around faltering magazine properties will be put on the line with *Geo*, which the large German publisher Gruner & Jahr A.G. could not make profitable.

In the purchase, Knapp acquired all assets and liabilities of *Geo's* U.S. edition, the right to publish the magazine worldwide in English, as well as English-language books based on material from the magazine, and all electronic publishing rights in the U.S. Purchase price was not disclosed. Knapp says that "no major overhaul of format or content is planned in the immediate future."

Another new magazine, acquired in April, is *San Francisco*, which Knapp bought from owners James Clark and West German publisher Wolfgang Dummer.

In other ventures, Knapp recently developed a corporate art collection and "limited edition" art posters by William Gatewood, commissioned through Mirage Galleries in Santa Monica and promoted through *Architectural Digest*.

Knapp also secured English-language rights to the famous Gault-Millau guidebooks. The first volumes, guides to London, New York and Paris, will be published next spring by Knapp Press.

Construction of Knapp Plaza, a high-rise office complex immediately east of Knapp's present Wilshire Boulevard headquarters, began this year and is scheduled for completion at the end of 1983.

MEDIA PROPERTIES:
Magazines: *Architectural Digest; AD* (Milan); *Bon Appetit; San Francisco; Geo.*

OTHER OPERATIONS:
Knapp Press, Rosebud Books, Wilshire Marketing.

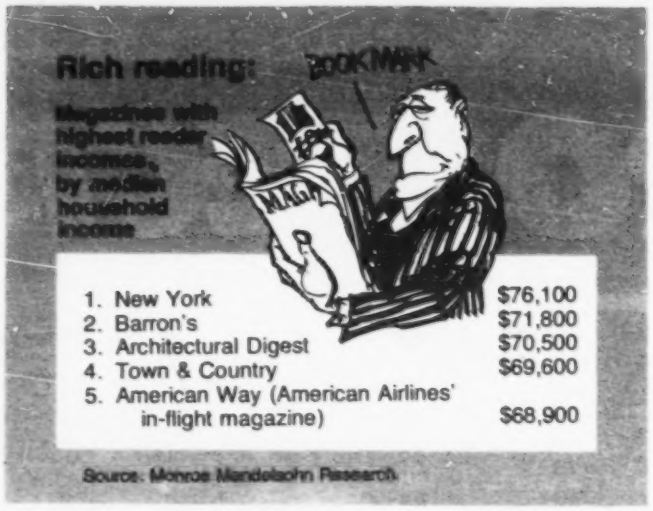
Knight-Ridder Newspapers

Knight-Ridder Newspapers, Miami, is the country's ninth largest media company, with 1980 revenues of $1.099 billion, 75% of which came from its newspaper properties. The remaining revenues of this virtually all-media company came from three television stations and financial newswires. Nonmedia units, including a book publisher and several newsprint supply operations take care of the rest. Net income last year almost topped $93,000,000.

The publicly owned company had revenues of $905,487,000 and net income of $71,041,000 through the first nine months of 1981, putting it ahead of last year's pace.

This year is the first of an ambitious five-year plan to create a more diversified communications company.

That means that Knight-Ridder will continue to eye acquisitions in cable and over-the-air tv as well as pursue its experiments in electronic publishing.


Rich reading:
BOOKMARK
Magazines with highest reader incomes, by median household income
1. New York $76,100
2. Barron's $71,800
3. Architectural Digest $70,500
4. Town & Country $69,600
5. American Way (American Airlines' in-flight magazine) $68,900
Source: Monroe Mandelsohn Research

During the year, the company made three major appointments in top management level posts. Richard Capen was named senior vp-operations, with responsibility for all nonelectronic aspects of the company's businesses. In addition, Albert Gillen, senior vp-broadcast, cable and Viewtron, and James K. Batten, senior vp news and editorial, were named to Knight-Ridder's exec committee.

Last April at the company's annual meeting, president-chief executive officer Alvah Chapman Jr. told shareholders that Knight-Ridder "is moving into the most exciting period in its history."

An indication of the new direction for Knight-Ridder was its unsuccessful attempt with Dow Jones to acquire UA-Columbia Cablevision, the nation's ninth largest cable tv company. Together the partners offered $80 a share but when the ensuing bidding drove the price to $90, Knight-Ridder and Dow Jones bowed out.

Nevertheless, this past year did see the addition of a fourth tv station. Knight-Ridder paid Landmark Communications $48,300,000 for WTAR-TV, Norfolk, Va., changing the call letters of the CBS affiliate to WTKR-TV.

Later in the year, Knight-Ridder, together with TeleCable Corp. and 19 Tampa, Fla., area residents, joined forces to apply for the cable tv franchise to serve that city.

But perhaps the biggest video news from Knight-Ridder came from its wholly owned viewdata subsidiary. In 1980, the unit equipped 204 homes in Coral Gables, Fla., with Viewtron screens and keyboards, giving the homes the opportunity to call up information and news, order goods and services, pay bills, entertain and educate—all without leaving their homes.

Among the advertisers in the program were Eastern Air Lines, Sears, Roebuck & Co., J.C. Penney Co., Shell Oil and Merrill Lynch, Pierce, Fenner & Smith. Those supplying information included Dow Jones, Associated Press, Knight-Ridder's *Miami Herald* and Macmillan Publishing Co.

Midway through 1981 the first phase of the viewdata test was completed and Knight-Ridder announced that it will launch a full-market trial of the service starting in 1983, when some 5,000 Florida homes will be equipped. "This marks the real beginning of our commercial business," a company official said.

Recently, Affiliated Publications Inc., Boston, publisher of the *Boston Globe* agreed to become a partner with Knight-Ridder in its viewdata tests.

If the 1983 experiment is successful, the two will initiate a joint venture to bring the service to Boston sometime later in the decade. American Telephone & Telegraph has also been a partner in the viewdata adventure.

The company's capital spending program is divided into two segments: Normal capital equipment requirements and expenditures under the five-year plan. Over the past five years normal expenditures have averaged about $25,000,000 and it is expected this level of spending will continue in the near future.

Meanwhile, five-year plan expenditures have totaled about $107,000,000 for the past three years and include $47,000,000 for a new production facility for the *Detroit Free Press*; $18,000,000 for expansion of the San Jose plant and $23,000,000 for the Lexington newspapers. These spending levels will continue in the future. All of the company's capital spending of recent years has been financed by internally generated funds.

MEDIA PROPERTIES:
Newspapers (dailies): CALIFORNIA—*Long Beach Independent Press-Telegram, Pasadena Star-News, San Jose Mercury, San Jose News.* COLORADO—*Boulder Daily Camera.* FLORIDA—*Boca Raton News, Bradenton Herald, Miami Herald, Tallahassee Democrat.* GEORGIA—*Columbus Enquirer, Columbus Ledger, Macon News Telegraph.* INDIANA—*Fort Wayne News Sentinel, Gary Post-Tribune.* KANSAS—Wichita Eagle. KENTUCKY—*Lexington Herald, Lexington Leader.* MICHIGAN—*Detroit Free Press.* MINNESOTA—*Duluth Herald, Duluth News Tribune, St. Paul Dispatch, St. Paul Pioneer Press.* NEW YORK—*Journal of Commerce.* NORTH CAROLINA—*Charlotte Observer.* NORTH DAKOTA—*Grand Forks Herald.* OHIO—*Akron Beacon Journal.* PENNSYLVANIA—*Philadelphia Daily News, Philadelphia Inquirer, State College Centre Daily Times.* SOUTH DAKOTA—*Aberdeen American News.* WASHINGTON—*Seattle Times (49.5% owned), Walla Walla Union-Bulletin.*
Newspapers (nondailies): CALIFORNIA—*Anaheim Independent, Arcadia Tribune, Buena Park News, Duartean, Huntington Beach Independent, La Mirada Lamplighter, Monrovia News Post, Orange County News, Temple City Times.* FLORIDA—*Florida Keys Keynoter.* GEORGIA—*Milledgeville Union-Recorder.*
Broadcasting: WJRT-TV, Flint Mich.; WPRI-TV, Providence, R.I.; WTEN-TV, Albany; WTKR-TV, Norfolk, Va.
Cable/video: Tampa Cable Associates, Viewtron viewdata service (in test).

Hurricanes surge past Florida St., 27-19 Page 1C

The Miami Herald

Power of Israel — it's still No. 1 in Middle East

West Cannot Overtake Us, Soviet Vows

2nd launch of Columbia is Thursday

Reagan is groping for that old team spirit

Georgia police attracted to easy money from drugs

Body found near Hitler not Eva, dental study hints

One of Knight-Ridder's stalwarts: The *Miami Herald*.

LFP Inc.

LFP Inc. (Larry Flynt Publications), Los Angeles, is the 97th largest U.S. media company, with estimated revenues of $52,000,000 from media operations in 1980, or 15% of total revenues of $350,000,000. The company's three monthly sexually oriented magazines, plus a variety of one-issue publications sold during the year, were the major contributors to media revenues. Much of its additional income is derived from the company's distribution arm.

The publishing division of LFP, Hustler Magazine Inc., currently produces three monthly magazines: Hustler, founded in 1974, with a current circulation of 1,600,000 and newsstand price of $3.50; *Chic*, begun in 1976 and now with a circulation of 250,000 and $2.95 price, and the three-year-old *Gentleman's Companion*, with a cover price of $3.50 and an unaudited circulation of 150,000. *Hustler* and *Chic* are both ABC-audited magazines.

Unaudited special issue magazines published throughout the year, which contribute to total revenues, are such "one-shots" as *Best of Hustler, Hustler Rejects, Best of Hustler Humor* and *Beaver Hunt*.

All the Flynt publications are essentially alike. A recent description of *Gentleman's Companion*, says it is a magazine designed to be sexually stimulating and informative and most of all entertaining. Articles dealing with sexuality are written in a straightforward aggressive manner, ultimately informing the reader of the latest in the sexual arena."

Top officers in the *Hustler* publishing empire, are Larry C. Flynt, publisher and chairman of the board, and his wife, Althea Leasure Flynt, president and associate publisher. Althea Flynt also holds the title of editor of *Hustler* and has assumed other management duties since Mr. Flynt was left partially paralyzed from a bullet wound inflicted in an attempt to assassinate him in 1978.

Mr. Flynt is no longer the highly visible personality he was during the series of obscenity trials in which he defended *Hustler's* constitutional rights under the First Amendment. But while still recuperating from the attack on his life, he has remained active in the affairs of the company, particularly those of Flynt Distributing Co., which handles the worldwide distribution of all the company's publications as well as that of some 50 other publishers with up to 300 different titles.

Over-the-counter sales, not advertising, have been the mainstay contributor to the fortunes of *Hustler*. As evidence of this, company sales execs note that despite a cover price increase to $3.50 in January, the circulation of *Hustler* magazine in the first six months of 1981 was higher than in the previous six months when the cover price was $2.95, "bearing out the strength of the magazine and its appeal to close to a million and half buyers per month."

Flynt Distributing has shown dramatic growth since Mr. Flynt took over his own distribution activities in 1977 and now holds the No.5 position among the nation's distributors. Since 1978, net revenues to wholesalers from the sale of magazines distributed by Flynt reportedly have jumped from $11,000,000 to $36,000,000, a leap of 227%.

Recent advertising by the company points out that profits from *Hustler* and all Flynt-distributed magazines "go to the wholesaler/retailer communities, *not* to Uncle Sam's post office." The company says the *Hustler* delivers the highest profit per-copy-sold to wholesalers and retailers of all high-circulation ABC-audited magazines: Seventy cents to wholesales; 85 cents to retailers.

■ The Flynt sales force has expanded as rapidly as the distribution company. The company maintains offices in Los Angeles and New York, with a field sales force of 100 men and women—about 20% are marketing specialists who devote full time to developing new business in major supermarket, convenience store and drug chains.

MEDIA PROPERTIES
Magazines: *Hustler, Chic, Gentleman's Companion.*

OTHER OPERATIONS
Flynt Distributing Co.

Landmark Communications

Landmark Communications, Norfolk, Va., is the country's 39th largest media company, with revenues of $182,000,000, all in media. According to company chairman Frank Batten, 65% of Landmark's revenues were derived from newspapers, 10% from tv and radio and 25% from cable tv.

For the past 16 years, the privately held company has been expanded from its traditional image as a newspaper company. Although the company maintains its newspaper interests—10 dailies and 22 nondailies, with a combined circulation of 511,000—Landmark now has 19 cable systems in 14 states, two radio stations and two tv stations.

The company is applying for a cable franchise in Scottsdale, Ariz., and last April announced a joint application with Knight-Ridder Broadcasting for a franchise in Tampa, Fla. Landmark also has "several cable acquisitions pending, which should be announced before year's end," Mr. Batten said.

The company bought the rights to a transponder on RCA's Satcom I from the proposed but abandoned Premiere network in July, 1981, for $10,500,000. Then, in early October, the company leased rights for a transponder on Space Net I, to be launched in 1984, from Southern Pacific Communications.

■ When Landmark leased the Satcom I transponder, Mr. Batten announced it would be used for "a unique information service for cable audiences."

The service, dubbed the Weather Channel, is scheduled to go into operation in late spring of 1982. The brainchild of "Good Morning America" meteorologist John Coleman, the channel is to provide 24-hour weather forecasts for both local and national weather. Mr. Coleman, who was appointed president of the Weather Channel, approached Landmark early this year with the concept, which the company estimates will cost $20,000,000 to start.

A staff of 21 meteorologists will man the Weather Channel, which will be advertiser-supported with a maximum of 12 minutes of national commercials, and two minutes of local spots. Broadcasts will be continuous and live, with color radar, color satellite pictures and numerous weather features.

Local forecasts and advertising will be filtered through the Weather STAR (Satellite Transponder Addressable Receiver), which will be distributed free by Landmark to cable operators with 10,000 or more subscribers, and leased to those with 6,000 or less. The Weather Channel itself is free to operators on basic cable.

Mr. Coleman called the response from cable operators "absolutely fantastic" and said in early October that the Weather Channel had received commitments from multiple systems operators totaling more than 2,500,000 subscribers. It is not expected to break even until its third year of operation.

Although Landmark's TeleCable is the nation's 15th largest operator, with subscribers in 14 states, the Weather Channel is the company's first attempt at cable software. Because of the favorable response to the Weather Channel, however, Mr. Batten said that Landmark is "exploring other software possibilities."

Landmark sold WTAR-TV, Norfolk, Va., to Knight-Ridder Broadcasting for $48,300,000 in March. Landmark sold the station to avoid cross ownership reprisals, since it owns the *Virginian-Pilot, Ledger Star*, WTAR (am) and WKEZ (fm) in the Tidewater area. WTAR's president and general manager John O. Wynne succeeds Mr. Gietz as president of Landmark's broadcast division, and he is also responsible for new video programing ventures.

Although Mr. Wynne said, "I doubt anything as good as the Weather Channel will come along in the next two or three years in video," Landmark has been actively exploring video hardware.

New ventures analyst Bahnson Stanley said the company is looking into videodiscs, film production and distribution, video conferencing, on-line database systems, video programing, tv syndication, home security systems and cable services such as program guides and accounting/billing services. Mr. Stanley also noted that Landmark has been checking into computer software such as home videogames.

It has been a year since Landmark, the nation's 25th largest print news organization in circulation, acquired its last noncable acquisition, Citrus Publishing in Florida. Mr. Batten said, "Landmark is focusing on cable at the moment because it has the most potential for us."

Added Mr. Stanley, "We don't care how we deliver information, we just want to deliver it."

MEDIA PROPERTIES
Newspapers (dailies): CALIFORNIA—*El Cajon Daily Californian.* INDIANA—*Mount Vernon Democrat.* KENTUCKY—*Elizabethtown News Enterprise.* MARYLAND—*Westminster Carroll County Times.* NEW MEXICO—*Los Alamos Monitor.* NORTH CAROLINA--*Greensboro Daily News, Greensboro Record.* VIRGINIA—*Norfolk Virginian-Pilot, Norfolk Ledger-Star, Roanoke Times & World News.*
Newspapers (nondailies): FLORIDA—*Beverly Hills Inquirer; Citrus County Chronicle,* Inverness; *Crystal River Sentinel;* Sumter County Times, Bushnell. ILLINOIS—*Vandalia Leader Union.* INDIANA—*Rockport Journal & Democrat; Tell City News.* IOWA—*Glenwood Opinion-Tribune; Red Oak Express.* KENTUCKY—*Anderson News,* Lawrenceburg; *Carrollton News-Democrat; Casey County News,* Liberty; *Central Kentucky News-Journal,* Campbellsville; *Cynthiana Democrat; Lebanon Enterprise; Oldham Era,* La Grange; *Shelbyville Sentinel-News; Springfield Sun; Trimble Banner Democrat,* Bedford. MARYLAND—*Reistertown Community News; South Carroll Herald,* Sykesville. MISSISSIPPI—*New Albany Gazette.* VIRGINIA—*Galaz Gazette.* Also 16 free distribution publications and Capital-Gazette Newspapers, Annapolis, Md. (49.9% owned).
Broadcasting: TELEVISION—KLAS-TV, Las Vegas, Nev.; KNTV-TV, San Jose, Cal. RADIO—WTAR (am), WLTY (fm), Norfolk, Va.
Cable/video: TeleCable systems in ALABAMA—Auburn, Decatur, Selma. GEORGIA—Columbus. ILLINOIS—Bloomington. INDIANA—Kokomo. KANSAS—Overland Park. KENTUCKY—Lexington, Radcliffe. MISSOURI—Springfield. NORTH CAROLINA—Roanoke Rapids. SOUTH CAROLINA—Greenville, Spartanburg. TENNESSEE—Cleveland. TEXAS—Arlington. VIRGINIA—Wytheville. WEST VIRGINIA—Beckley, Princeton. WISCONSIN—Racine.

Lee Enterprises

Lee Enterprises, Davenport, Ia., is the country's 54th largest media company with media property revenues in 1980 of $135,103,000, or 99% of total revenues of $136,958,000. Newspapers accounted for $99,591,000 or 73% of total revenues, and broadcasting $35,512,000 or 26% of the total. Total net income for fiscal 1980, which ended Sept. 30, 1980, was $20,050,000.

The publicly owned company made the biggest acquisition in its history in 1980, with the purchase of Lindsay-Schaub Newspapers, publisher of five dailies and two weeklies for $64,400,000.

The company is now planning its role in what it calls "the telecommunications decade of the 1980s."

"There is a lot of random activity out there," says Lloyd Schermer, Lee Enterprises president. "What we must do is think about what we have now, and how we might use that [technology] effectively in the future."

What they have now are 18 newspapers scattered throughout the Midwest and West, four tv stations, four radio stations and a two-channel cable tv service in Mason City, Ia.

Years of work in computer capability are bearing fruit, Mr. Schermer says. One long-term goal, he says, has been to be able to provide advertisers with 1% to 100% of the occupied dwelling units in a given area, newspaper subscribers or not. "Our computer capability with seven of our newspapers is close to achieving that now," Mr. Schermer says. The next step, he says, will be too develop a delivery system equally as sophisticated.

■ The company has spent more than $100,000,000 on tv stations and newspapers in the past four years. Some company followers believe the company may have overextended itself a bit in its 1980 spending. Initially, the company borrowed $47,000,000 to acquire the five dailies and the two weeklies making up Lindsay-Schaub. Subsequently, it sold three of the dailies and both weeklies to Hearst Corp. for $15,400,000.

Also in 1980, under Federal Communications Commission pressure, Lee sold KIMT-TV in Mason City, Ia., where the company also owns a newspaper. That sale brought in $9,500,000 and a capital gain of $4,950,000. And in August, 1980 Lee bought the *Winona* (Minn.) *Daily News.*

Partly as a result of the Lindsay-Schaub acquisition and partly with an eye to making current and future acquisitions more manageable, Lee restructured its top managements in 1980. Richard B. Belkin was named vp-broadcasting and corporate planning, and James E. Burgess became exec vp with increased responsibilities in both operations and in administration.

To better consolidate and manage the newspaper operations, two new groups were created: Newspapers-East, with Robert D. Ross as vp, and Newspapers-West, with John Talbot as vp.

The company's interest in new technologies notwithstanding, Lee's current strategy seems to be to concentrate on existing properties, zeroing in on the more recent acquisitions to make them more profitable. "There will always be use for the printed word," says Mr. Schermer. "The object is to enhance newspapers with electronics."

Spending in 1980 was not limited to newspapers; about $7,000,000 went into the NAPP system, a 50%-owned joint venture with a Japanese company, to provide more NAPP printing plates to meet consumer demand. Recent breakthroughs might make the unit's polymer plates more economical than offset in the future. Another breakthrough is the development of films and papers that require no silver or chemicals, but only tap water for image development. The films will be for use by commercial printers.

Satellites, earth stations and tv software are all of possible interest to Lee, Mr. Schermer says. "We're scratching around," he says. "We're in good businesses, where there are more opportunities than threats."

MEDIA PROPERTIES
Newspapers: IOWA—*Quad-City Times,*Davenport; *Mason City Globe-Gazette; Muscatine Journal; Ottumwa Courier.* ILLINOIS—*Decatur Herald; Kewanee Star Courier; Southern Illinoisan Review,* Carbondale. MINNESOTA—*Winona Daily News.* MONTANA—*Billings Gazette; Montana Standard,* Butte; *Helena Independent Record; Missoula Missoulian.* NEBRASKA—*Lincoln Star.* NORTH DAKOTA—*Bismark Tribune.* OREGON—*Corvallis Gazette-Times.* WISCONSIN—*Wisconsin State Journal,* Madison; *Racine Journal Times; Lacrosse Tribune.*
Broadcasting: TELEVISION—KHQA, Hannibal, Mo.; Quincy, Ill.; WSAZ, Huntington-Charleston, W.Va.; KOIN, Portland, Ore.; KGMB, Honolulu. RADIO—WTAD (am), WQCY (fm), Quincy, Ill.; KFAB (am), KGOR (fm), Omaha, Neb. (partially owned by Associate Journal-Star Printing.

LIN Broadcasting Corp.

LIN Broadcasting Corp., New York, is the country's 85th largest media company, with revenues of $61,300,000 from media operations in 1980, or 95% of total revenues of $64,500,000. Television operations accounted for approximately 75% of LIN's operating income, radio 21%, and radio paging (beepers) 4%. LIN recently acquired the Guest Informant, a specialty publisher of hard cover magazines that are placed in hotels in major cities.

Morris Berkowitz, LIN vp-secretary treasurer, said that LIN is proceeding with a diversification plan that includes possible acquisitions of newspapers, book publishing companies, additional tv stations and cable tv operations. He noted that at the outset of the cable boom LIN had an opportunity "to purchase in that area but we never thought it would catch on. Now the costs are astronomical." LIN has over $100,000,000 in cash and borrowing power to finance its expansion plans.

While the company's principal line of business is broadcasting, LIN also is taking a strong interest in cellular mobil radio, a new technlogy that will provide, for the first time, adequate spectrum for mobile and portable telephones.

The company is in the process of fine-tuning the formats of several of its radio stations. As a group, the profits of the fm stations were up and the am stations were down. Revenues from the fm stations constituted almost 45% of total revenues in 1980, up from 37% in 1979.

LIN operates am and fm stations in Philadelphia, Houston, St. Louis, Milwaukee and Rochester, N.Y. KILT-FM, Houston, which had broadcast modern country music, changed to a beautiful music/country music format.

Following its acquisition by LIN, WEMP (am) went from contemporary music to Schulke-II, while WNUW (fm) airs adult contemporary music. The St. Louis and Philadelphia fm stations also switched to the beautiful music/country format. Its am sister also changed its programing from adult contemporary music, as did WUSL (fm) in Philadelphia.)

Of LIN's four tv stations, three are NBC affiliates and one ABC. LIN credits its presence in the growing Texas market for the company's strong tv operations.

MEDIA PROPERTIES
Broadcasting: TELEVISION—WXAS, Fort Worth-Dallas; KTVV, Austin, Tex.; WAVY, Portsmouth-Norfolk, Newport News-Hampton, Va.; WAND, Decatur-Champaign-Springfield, Danville, Ill. RADIO—WFIL (am), WUSL (fm), Philadelphia; KILT (am, fm), Houston; WIL (am, fm), St. Louis; WEMP (am), WNUW (fm), Milwaukee; WBBF (am), WMJQ (fm) Rochester, N.Y.

Macfadden Women's Group

Macfadden Women's Group, New York, is the country's 95th largest media company, with total fiscal 1980 revenues of $54,500,000 from publishing operations. Macfadden Holdings, which includes seven romance magazines and two men's publications, accounted for $32,500,000 in revenues last year; *US*, managed under the separate division of Peters Publishing, generated $22,000,000.

Privately owned by Peter Callahan, a 39-year-old accountant, the New York-based company has made "turnaround" properties its target for growth. Mr. Callahan's initiation into magazine publishing, came with his purchase of the 60 year-old Macfadden Women's Group from Bartell Media Corp. in 1975. With assumption of a $100,000 printer's debt and $7,500,000 in circulation liabilities, Mr. Callahan secured the collection of fan and confession magazines for a personal investment of $800.

■ Even more startling to the publishing community was Mr. Callahan's acquisition of *US* from the New York Times Co. in spring of 1980. The every-other-week magazine, positioned against Time Inc.'s highly successful *People*, was rumored to have lost $7,000,000 to $10,000,000 in its three years of operation. Mr. Callahan, with co-financing from Warner Communications, acquired *US* for no cash

down, a $1,500,000 commitment in circulation liabilities and an obligation to pay the New York Times Co. a percentage of the magazine's profits as designated at the time of closing. Warner Publisher Services, a division of Warner Communications, retained national distribution rights for *US*.

Mr. Callahan says the company's goal remains one of aggressive acquisition. "We love to buy things economically and step in the shoes of people who have invested fair sums of money, but only when we're satisfied there's a magazine market."

■ When Mr. Callahan purchased Macfadden's Women's Group, the magazines showed a loss of between $1,500,000 to $2,000,000. "The problem was everybody thought these magazines were dead or had no place to go but out of business," he said. "The emphasis at that time was on the major publishing markets of Chicago-New York-Los Angeles, but we sell a lot of product between those towns."

Mr. Callahan's strategy with the group was to concentrate on working class audiences in those other areas. He gradually phased out the group's fan magazines, which proved unprofitable in the face of weekly tabloid competition, and added two romance publications. Under the editorial direction of Florence Moriarty, the company tried to restore the confession books to that original readership of "blue collar women who have husbands, families, values." For a while, says Mr. Callahan, the content of the magazines was "somewhat salacious."

Mr. Callahan says that advertising sales for the women's group have fluctuated indeterminantly over the last six years. *True Story*, the flagship, turned in its best figures to date in 1980, he says, with a 15% increase in national advertising linage and a 33% rise in ad billing. Earlier, he made major cuts in *True Story*'s rate base, weeding out unprofitable sources of subscriptions in two steps. The original 2,000,000 figure was reduced to 1,800,000 and then 1,400,000 gradually leveling off at 1,500,000. Mr. Callahan says any loss in ad revenue was more than made up in mailing cost savings.

He attributes *True Story*'s gains to juvenile toy industry sales, as well as support from major food, cosmetic and cigarete companies.

■ With the *US* acquisition, he saw a rich inheritance of $5,000,000 worth of supermarket racks and, at the time of purchase, 640,000 in newsstand sales. That figure now stands at 800,000. Total circulation is roughly 1,100,000 compared with 1,000,000 in spring, 1980, and 850,000 the previous year.

The magazine "recorded a small loss" last year, says Mr. Callahan, and he expects it will break even in 1981.

The next test for *US* is conversion to a weekly frequency, slated for fall, 1982. Mr. Callahan says the move is important to the magazine's performance against People, but not critical. "Matching frequencies will enhance our ability to compete.

It certainly makes the magazine more timely. And we have a lot of fixed costs we can spread over 51 or 52 issues. If we double our newsstand revenues, we have an opportunity to double the size of our business. Currently, says Mr. Callahan, "*US* is typically at every other [supermarket] checkout position. We endeavor to get every checkout position."

The cost of doubling the number of supermarket racks, expanding the magazine staff and conducting a tv campaign ($1,000,000 minimum) won't necessarily put *US* in the hole in 1982, Mr. Callahan says. "We have every expectation of making a profit the very first year, subject to the amount of money we put behind the conversion."

Mr. Callahan also believes that *US* is building an identity and readership among younger adults. According to Michael Boylan, managing editor of *US* under the Times' management and now exec vp of *US*, and vp of the women's group and Macfadden Holding Co., *US* is targeted at 18 to 34-year-olds with intentions of "entertaining first, informing second."

Macfadden's men's magazines, *Cheri* and *Pillow Talk*, represent a departure from Mr. Callahan's past publishing forays. "After several attempts to buy magazines in that category, we decided to start our own." *Cheri* was launched in 1976 with a capital investment of $250,000; *Pillow Talk* followed in 1977.

He says advertising for *Cheri* is up 10% over last year, *Pillow Talk*, modeled after the letters format of Penthouse's *Forum*, is now in a every-other-monthly frequency slot as a result of a "terribly overcrowded field."

Mr. Callahan has also organized a film production company, Cheri Enterprises, a division of Cheri Publishing. The first show, called "America Uncovered," will be marketed to cable for airing in January.

MEDIA PROPERTIES:
Magazines: *Modern Romances, Pillow Talk, Secrets, True Confessions, True Experience, True Love, True Romance, True Story.* Peters Publishing—*US*.

OTHER OPERATIONS:
Cheri Publishing, Cheri Enterprises.

McCall Publishing Co.

McCall Publishing Co., New York, is the country's 56th largest media company, with total revenues in 1980 of $133,000,000, all from *McCall's* and *Working Mother* magazines. *McCall's* accounted for 96% of total revenues and *Working Mother* 4%.

This year has been a difficult one for many women's service magazines, but McCall's claims to have done better than some of its chief competitors. Ad revenues have been "flat in all areas," said president-publisher Raymond Eyes, but he said there haven't been any severe problems. "No single product has given us grief," he said.

He added that package goods advertising has held up fairly well, giving *McCall's* a solid advertising base.

The company recently has attempted to broaden its circulation base in order to attract younger readers. Mr. Eyes said that effort has been successful.

He cited *Working Mother*, which made its debut in 1979 as an every-other-monthly, as an example. McCall's was responding to the high percentage of U.S. mothers who held jobs outside the home. "One [survey] showed that 27% of all mothers with children under six months [of age] work," Mr. Eyes said. "And consider the market for working women with children under 18."

Circulation of *Working Mother* rose to about 300,000 this year from 200,000 in 1979, and the magazine switched to monthly publication in October. Its guaranteed advertising rate base will be raised to 400,000 next March.

Working Mother carries about 90 ad pages an issue. The magazine has reached its breakeven point and will begin to make money next year, Mr. Eyes said.

McCall's' circulation rate base will remain at 6,200,000 but the magazine will increase its ad rate by about 6% effective with the February, 1982 issue. It also will raise the subscription price to $11.95 a year from $10.95 with the same issue.

MEDIA PROPERTIES
Magazines: *McCall's, Working Mother.*

McClatchy Newspapers

McClatchy Newspapers, Sacramento, Cal., is the 52nd largest media company in the country. Its 1980 revenues were estimated at $136,800,000, all from media operations. The private, family-owned company has newspaper, radio, tv and an increasing number of cable tv holdings.

In the past year or two, McClatchy Newspapers has shifted its philosophy, media property emphasis and management.

A management restructuring in August, 1980, put two younger members of the McClatchy family —brothers C.K. and James—into key posts. C.K. became president and editor of McClatchy Newspapers, while James became chairman of the board and head of long-range planning and development. Another change boosted Erwin Potts, formerly vp-newspapers, to corporate vp.

The McClatchy brothers are said to be more interested in expanding the company than was their aunt, Eleanor McClatchy, who had run the company for years before gradually turning over the reins to C.K. starting in the early 1970s. Eleanor, who became chairman emeritus in the management changes, died in late 1980.

The McClatchy blueprint now calls for geographical as well as media segment growth, particularly newspapers and cable tv. James McClatchy's planning and development committee is examining a number of publishing and broadcasting experiments.

McClatchy Newspapers bought an 80% interest in the Anchorage (Ala.) *Daily News* in January, 1979. At that time, editor and publisher Kay Fanning was struggling to survive with 12 employes and 12,000 subscribers. Today the paper boasts more than 40,000 subscribers, and the staff has grown by more than tenfold. The McClatchys took a chance on the *Daily News* because they see Alaska as a significant growth area.

■ The company also is positioning its community newspaper for growth. It says its weekly *Lincoln* (Cal.) *News and Messenger* serves the fastest growing suburban area of Sacramento. Another community paper, the *Gilroy Dispatch*, in California's southern Santa Clara county, became a daily paper the first week of November. It had been published three times weekly.

McClatchy's *Tri-City Herald* of Richland, Wash. is located in an area that has been listed as one of the fastest-growing parts of the country. However, Richland is a nuclear industry center and the slowdown in nuclear construction may impede the area's growth.

"We're successful because we're not located in stagnating centers like some eastern or midwestern cities that are experiencing economic decline and decay," says Mr. Potts, the corporate vp.

The company's best-known papers are the *Fresno Bee, Modesto Bee* and *Sacramento Bee*. Last Jan. 1, the *Sacramento Bee* opened the doors to its $40,000,000 building addition.

McClatchy owns eight radio stations (four am-fm combinations), but sold two tv stations in recent years to amass capital for investment in a new area for the company—cable tv. KMJ—TV, Fresno, was sold to San Joachim Communications for $13,500,000, while KOVR, Sacramento, was sold to the Outlet Company, of Providence, R.I. for $65,000,000.

Recently, the FCC approved an application by McClatchy Newspapers to operate an almost-defunct television station in the Knoxville, Tenn., market. The station, which is not operating yet, is the only over-the-air tv holding of the company.

■ The balance of the McClatchy holdings are in cable tv. The company owns Fresno Cable Television, serving 6,000 subscribers and still growing. McClatchy also owns an adjacent system close to Fresno County in the Visalia-Tulare area called Sequoia Cable, which is just being built. McClatchy owns 80% of Tel-Cab Communications cable in Reno, Nev. The system began operating last Jan. 1.

Finally, the company owns 60% of a mature, active cable system called Norcal Cablevision, which supplies 35,000 homes with programing in the communities of Yuba City, Marysville and Oroville, north of Sacramento. Viacom is McClatchy's partner in that venture.

Aside from cable as an investment in the future, McClatchy is looking at the infant field of electronic publishing, hoping to find the best way to wed newspapers with cable. "Any new ventures for the company would be in that direction," a company exec said.

MEDIA PROPERTIES:
Newspapers: ALASKA—*Anchorage Daily News* (80% owned). CALIFORNIA—*Fresno Bee, Modesto Bee, Sacramento Bee, Clovis Independent, Gilroy Dispatch, Hollister Freelance* (50% owned), Lincoln News and Messenger, Morgan Hill Times. WASHINGTON—*Tri-City Herald*, Richland.
Broadcasting: TELEVISION—A Knoxville, Tenn., station not yet operating. RADIO—KFBK (am), KAER (fm), Sacramento; KMJ-AM-FM, Fresno; KBEE-AM-FM, Modesto; KOH (am), KNEZ (fm), Reno, Nev.
Cable/video: Nor-Cal, Yuma City, Cal., (60% interest); Sequoia Cablevision, Visalia, Cal.; Fresno (Cal.) Cable; Tel-Cab, Reno, Nev., (80% interest).

McGraw-Hill

McGraw-Hill Inc. is the country's 13th largest media company, with revenues of $644,800,000 from media operations in 1980, or 64% of total revenues of $1 billion. Business magazines, trade magazines and newsletters, including such publications as *Business Week* and "Platt's Oilgram" provided 30% of total revenues last year.

A variety of information services including "Dodge Reports" for the construction industry, Standard & Poor's Corp.'s debt-rating service and computerized economic data bases accessible to clients, accounted for another 30%. Four television stations provided 5% of total revenues.

Total profits last year were $86,536,000, up 12% from 1979.

The company, which publishes more than 30 business magazines and 29 newsletters, says it is trying to be the "preeminent supplier of information to business and the

Can't stay away from making deals

KARL ELLER

His first acquisition attempt for his new employer went awry at the last minute, but it didn't take Karl Eller long to put a fresh deal together. Since February, Mr. Eller has headed the Columbia Pictures Communications division of Columbia Pictures Industries. Within months, he nearly had TDI/Winston, the nation's largest transit advertising company, in the Columbia fold, but the deal collapsed in May.

Two months later, though, Columbia was putting the finishing touches on an agreement to acquire Outlet Co., the broadcasting company, for $100,000,000 in stock. The Eller-orchestrated move will bring Columbia its first tv stations.

Nobody is surprised at Columbia's new aggressiveness. Best known for building Combined Communications into a multi-million-dollar public company that he sold to Gannett Co. for $367,000,000 in 1979, the soft-spoken Mr. Eller is perhaps without equal in the business of buying and selling media properties.

He has been wheeling and dealing throughout his career, except for a brief stay on the sidelines after he and Gannett parted ways. But he soon was back in action for Charter Co., for whom he acquired the *Philadelphia Bulletin*. "I just can't stay away from the media business," he said at the time.

What's on the shopping list for Columbia now? Just about anything in media, the 53-year-old Mr. Eller says. "[There is] nothing specific we can talk about now, but we're looking."

Mr. Eller does say he's not particularly interested in cable tv systems, however. "We're concentrating on the programing side, not the hardware," he says. "It's too cash-intensive for us." Besides, he adds, "The programing side is where the money will be made."

professions through both print and electronic media." It is especially interested in expanding its already substantial position in computer-related publishing.

■ This year, Joseph L. Dionne, formerly exec vp-operations, succeeded Harold W. McGraw Jr. as president-chief operating officer. Mr. McGraw remains chairman and chief exec. Mr. Dionne is expected to become ceo upon Mr. McGraw's retirement, scheduled for early 1983.

Although parts of the publishing and broadcasting side of McGraw-Hill's business operate in what are considered mature markets, the company expects publishing and broadcasting to grow 10% to 14% annually. It is especially interested in growth through acquisition.

Mr. Dionne has expressed optimism about *Byte* magazine acquired by McGraw-Hill in 1979, and another computer publication, *Personal Computing*.

"We are interested in the role of the computer in medicine and in providing legal information for professionals," Mr. Dionne said upon his promotion.

"We are also very interested in computer literacy, teaching computer neophytes how they can use computers in their business and personal lives."

Meanwhile, the company has taken steps to reduce the cyclical effects of economic downturns on its publications division by seeking balanced growth in ad pages, income from subscribers and service income from conferences, seminars and newsletters.

The launch of *Business Week International* at the beginning of 1981 is the company's most important new thrust this year. Initially, it is aimed at 300,000 managers throughout Europe, Asia, Africa, Central and South America.

■ Last year, the company also began "Coal Week International," a newsletter, and *NC Shop-Owner*, a quarterly under the *Industry Mart* umbrella. *National Petroleum News* was sold.

McGraw-Hill said that *Business Week* last year led all U.S. magazines in ad pages for the sixth straight year, held fourth place among U.S. magazines in ad revenue and led in total business and industrial ad pages for the 44th consecutive year.

Broadcasting operations consist of tv stations in Bakersfield, Cal.; Denver; Indianapolis and San Diego. Two are ABC affiliates, one NBC and one CBS.

Last year, new computerized systems were installed to permit the relay of live signals from greater distances than before. Equipment was also installed to improve weather reporting capabilities. The company's broadcasting division has led the industry's battle—so far unsuccessfully—against the relaxation of FCC rules against syndication overlap.

MEDIA PROPERTIES:

Magazines: *American Machinist, Architectural Record, Aviation Week & Space Technology, Business Week, Business Week International, Byte, Chemical Engineering, Chemical Week, Coal Age, Data Communications, Electrical Construction & Maintenance, Electrical Wholesaling, Electrical World, Electronics, Engineering & Mining Journal, Engineering News-Record, Fleet Owner, Fleet Owner/Small Fleet Edition, Graduating Engineer, Housing, Industry Mart, International Management, Modern Plastics, Modern Plastics International, NC Shop-owner, The Physician & Sportsmedicine, Popular Computing, Postgraduate Medicine, Power, Textile Products & Processes, Textile World, 33 Metal Producing*

Newsletters: Biotechnology Newswatch, Coal Statistics International, Coal Week, Coal Week International, Electrical Marketing, Electrical Week, E&MJ Mining Activity Digest, Federal Lands, Green Markets, Inside Energy, Inside F.E.R.C., Inside N.R.C., Inside U.S.D.A., International Construction Week, Keystone News-Bulletin, Long Term Care, Metals Week, Metalworking Sales Leads/MSL, Mine Regulation & Productivity Report, Nuclearfuel, Nucleonics Week, Platt's OHA Digest, Platt's Oilgram News, Platt's Oilgram Price Report, Platt's Oil Marketing Bulletin, Platt's Oil Policy and Regulation Report, PSRO Letter, Securities Week. Synfuels, Textile Week, Washington Health Record, Washington Report on Health Legislation, Washington Report on Medicine & Health.

Joint-venture magazines: *International Industrial Report, Medicina De Postgrado, Nikkei Architecture, Nikkei Business, Nikkei-Computer, Nikkei Electronics, Nikkei Mechanical, Nikkei Medical, World Medicine*

Business Week leads McGraw-Hill's stable of magazines.

Broadcasting: KERO-TV, Bakersfield, Cal.; KMGH-TV, Denver; WRTV, Indianapolis; KGTV, San Diego.

Newswires and services: Chemical Week Newswire Service, Fuel Price Analysis, Metals Week Insider Report, Nikkei Datapro, Platt's L.P. Gaswire, Platt's Marine Fuel Bunkerwire, Platt's Oilgram Marketscan, Platt's Oilgram News/Wire, Platt's Petrochemical Scan, Polymerscan.

Information services: F.W. Dodge division, Sweet's Catalog Files; Data Resources, Datapro Reports, Construction Analysis System.

Financial services: Electronic Stock Reports, Standard & Poor's Corp.

OTHER OPRATIONS:

Mc-Graw-Hill Book Co., International Book Co.

Media General

Media General, Richmond, Va., is the country's 42nd largest media company, with revenues of $167,406,000 from media operations in 1980.

Media revenues accounted for 50% of total revenues of $332,460,000. Newspapers contributed

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No other newspaper, no magazine, no electronic medium can match The Record's 177,226 Sunday circulation in Bergen County. The Sunday New York Times has only 50,886 circulation, less than 29% of The Sunday Record's exposure to the shoppers in this bountiful market. The Record's total Sunday circulation is 211,040, a bonus of 33,814 households in the markets adjacent to Bergen County.

For additional positive data please call Sandy Theophilakos, National Advertising Manager (201) 646-4257 - or your contact at Sawyer-Ferguson-Walker Co., The Record's national representatives.

The Record
NEW JERSEY'S LARGEST EVENING NEWSPAPER

SOURCES: S&MM, 1981 • A.B.C. AUDITs, 1980
*N.Y.-N.J. SMSA includes the five boroughs of New York City, and the suburban counties of Westchester, Rockland, and Putnam, N.Y., and Bergen County, N.J.

$145,181,100 and broadcast operations $22,225,000. Of the newspaper revenues, $116,145,000 came from advertising and $24,000,000 from circulation. Total profits for 1980 were $28,300,000, up 11% from the previous year.

Acquisition is the key word in the Media General outlook, as the company emerges from a decade in which it has invested heavily in internal expansion. From 1970 to 1980, the company spent $135,000,000 on new plant and equipment.

In June, 1980, Media General bought Highlander Publications, California's largest chain of local newspapers, for $12,700,000. The company publishes 17 free distribution weeklies in the San Gabriel Valley area of Los Angeles County.

With the move, Media General entered into battle with Times Mirror Co., whose *Los Angeles Times* was aiming for total market penetration through a test of a free weekly newspaper called the *Best of the Times*. The *Best of the Times* was not a success, but Times-Mirror officials say they still plan to be prominent in that market in some other form.

■ To make its "total market penetration" more complete, the company added two more chains later in 1980. First was the Herald Press Newspaper Group, based in Azusa, Cal. This chain's circulation area borders that of the Highlander weeklies. Herald Press was merged into Highlander's operations.

Later, the company bought Mission Viejo-based Golden West Publishing, a chain of free weeklies in southern Orange County, for $8,000,000.

Alan S. Donnahoe, president of Media General, said the combined circulation of the 1980 acquisitions is 580,000.

The company says, "The move into the field of weekly publishing reflects our view that this field now offers the most realistic asset values in journalism." Weekly newspapers also represent untapped potential for national advertising as well as the opportunity to move from weekly to semi-weekly to daily newspaper status, justified by local population growth.

Mr. Donnahoe said that although no acqusitions have been completed in 1981, the company is "looking at anything in the communications field," and that "lots of properties are under consideration."

The primary contributors to Media General's newspaper operations have been the *Richmond Times Dispatch* (morning and Sundays) and the *Richmond News Leader* (evenings); the *Tampa Tribune* (mornings and Sundays) and the *Tampa Times*, and the *Winston-Salem Journal* (mornings and Sundays) and *Sentinel* (evenings).

The company has spent $4,500,000 on modernization and expansion of its broadcast facilities over the past five years, and says it will invest an additional $1,400,000 in 1981.

MEDIA PROPERTIES:
Newspapers: Highlander Publishing; Golden West Publishing; *Richmond Times-Disptach; Richmond News Leader; Tampa Tribune; Tampa Times; Winston-Salem Journal; Winston-Salem Sentinel.*
Broadcasting: WFLA—TV, Tampa; WFLA (am, fm); three cable tv systems in Fredericksburg, Va.
Cable/video: Cablevision of Fredericksburg Inc. (Virginia), serving surrounding unincorporated areas in Stafford and Spotsylvania counties.
Other media properties:
Cligott Publishing (professional magazines); Media General Financial Services.

OTHER OPERATIONS:
Garden State Paper Co.; Onduline USA (building materials); Beacon Press (commercial printing).

Meredith Corp.

Meredith Corp., Des Moines, is the country's 21st largest media company, with revenues of $330,459,000 from media operations in the fiscal year ended June 30, 1980. Magazine publishing accounted for about 65% of the company's total revenues of $403,425,000 and broadcast properties for about 17%. Total profits in fiscal 1981 were $25,575,000. Most of the company's 20% profit gain came from broadcasting and book publishing; magazine publishing showed a slight decline in profits.

Although at one time Meredith had interests in businesses not directly related to media, Robert A. Burnett, president and chief executive officer, says the company now is pursuing only areas that are "a natural outgrowth" of its media properties.

"All of our interests are tied together with the thread of our basic related businesses," says Mr. Burnett, pointing to printing, mail order and even real estate as areas with which Meredith can capitalize on the well known *Better Homes and Gardens* name.

An example of how Meredith sees this philosophy relating to the future is its current experimentation with evolving technologies.

In January, 1981, the company created a new operating unit, Meredith Video Publishing, to evaluate business opportunities in cable and satellite programing, based on the editorial content of its publications. The subsidiary since has co-produced "The Better Homes and Gardens Idea Notebook," a series of half-hour programs on home decorating, improvement and landscaping. The series is carried on the USA Network.

Meredith also is participating in a project with CompuServe, through which it offers supplemental food information from *Better Homes and Gardens* to home computer owners. In 1980, in conjunction with Texas Instruments, it developed a program called "Weight Control and Nutrition," designed for use with a TI home computer.

With *Better Homes and Gardens*, Meredith also will be one of the publishers providing information for Times Mirror Co's. electronic home information service experiment, scheduled to begin in several hundred Southern California homes next February.

Although he says it is unclear where any one of these projects may lead, Mr. Burnett feels it's important to investigate them. "I suspect we're going to have a presence on the software side," he says, noting that hardware or cable delivery systems are competitive with Meredith's printing operations. He says the company also could add newspapers, radio stations, more magazines and one more television station.

Meredith regularly updates the look and content of its magazines to reflect changes taking place among its readers. In April, 1981, the company changed the name of *Apartment Life* to *Metropolitan Home* and broadened its focus to include all "young, affluent adults in major metropolitan areas," whether they live in apartments or not. The company says the old name had become "self-limiting" and "no longer indicative of the magazine's content."

According to Mr. Burnett, Meredith will continue to revise its editorial products in light of audience trends. However, he says, this may not always mean a name change. For example, several less noticeable changes have been in Successful Farming this year in the form of graphic revisions and the introduction of new topics.

Mr. Burnett says he believes the company now has found "what we think we should be doing."

In late 1980, Wayne A. Miller, president of the publishing group, died. He was succeeded by Jack D. Rehm, who had been group vp and general manager of magazines.

MEDIA PROPERTIES
Magazines: *Better Homes and Gardens; Metropolitan Home; Sail; Successful Farming*, Better Homes and Gardens Special Interest Publications, Australian *Better Homes and Gardens.*
Broadcasting: TELEVISION—KCMO-TV, Kansas City; KPHO-TV, Phoenix; WNEM-TV, Bay City-Saginaw-Flint, Mich.; WPGH-TV, Pittsburgh; WTVH, Syracuse. RADIO—KCMO (am), KCEZ (fm), Kansas City; WGST (am), WPCH (fm), Atlanta, WOW (am), KEZO (fm), Omaha; Georgia Radio News Service.
Cable/video: Meredith Video Publishing.
Newspapers: (all community newspapers) ALBUQUERQUE, N.M.—*Heights Outlook, Northwest, South Valley.* Kirtland Air Force Base, N.M.—*Focus.* LOS ANGELES AREA—*City News, City Press, Griffith Park News, Hollywood Independent, Los Feliz Hills News, Northwest Leader, Parkside Journal, W.H. Son Living, Westlake Post, Wilshire Independent, Wilshire Post.* SAN JOSE AREA—*Campbell Press, Cupertino Courier, East San Jose Sun, Los Altos Town Crier, Los Gatos Times Observer, Milpitas Post, Mt. View Sun, North San Jose Sun, Santa Clara Sun, Saratoga News, Sunnyvale Scribe.*

OTHER OPERATIONS:
Better Homes and Gardens Books, Better Homes and Gardens Crafts Club, Better Homes and Gardens Family Book Service, Better Homes and Gardens Insurance Agency, Better Homes and Gardens Real Estate Service and Insurance Services, Meredith Finance Corp., Meredith International Ltd., Meredith Relocation.

Metromedia Inc.

Metromedia Inc., Seacaucus, N.J., is the country's 20th largest media company, with revenues of $333,720,000 from media operations in 1980, or 73.5% of total revenues of $454,000,000. Broadcasting accounted for 50% of total revenues, outdoor advertising about 24%. Operating profits for these businesses last year were $107,000,000.

Although tv, radio and outdoor advertising divisions contributed the majority of operating income in 1980, the company believes there is significant growth potential for suppliers of quality programing, which is the main business of its Metromedia Producers subsidiary.

In preparing for future growth, Metromedia has restructured its production subsidiary, and costs related to those changes are expected to put the division in the red this year. As part of its effort to expand into the production of programing for cable, pay tv, videocassettes and disks, Metromedia hired Robert D. Wood, a former president of CBS Television Network, to head the production subsidiary.

A substantial part of the division's revenue is derived from syndicated distribution of the "Merv Griffin Show," but the number of stations carrying the program last year was down to about 70 from 100 a year earlier. The division also distributes on a syndicated basis tv series produced by others and made-for-tv movies originally produced by the division for network tv.

The company's commitment to improving the division is indicated in its proposed acquisition of WCVB-TV, in Boston, this year for $220,000,000, a record price for a tv station. The purchase, which must be approved by the Federal Communications Commission, also includes BBI Communications, a production and distribution arm that provides the station with more than 60 hours of locally produced programing.

The ABC affiliate is sometimes described as America's most innovative local broadcast operation. Before the deal is approved, Metromedia must sell one its five vhf tv properties since FCC rules prevent a corporation from owning more than seven tv stations, including five vhf's and two uhf's. That is being accomplished by an agreement in principle to sell KMBC-TV, Kansas City, to Hearst Corp. for $79,000,000 to pave the way for the acquisition.

Last year, Metromedia boosted its radio holdings by acquiring Texas State Networks, four radio networks that provide news to 135 stations throughout the Southwest and KJR, Seattle, in an exchange transaction for KNEW, Oakland. Also last year, the company's KSAN, San Francisco, a leading rock station in the 1960s, became the first major fm country music station in its market.

Through its Foster & Kleiser subsidiary, Metromedia is the leading outdoor advertising company, with about 40,000 structures in 16 markets. Metromedia focused on local selling last year by offering packages that reach specific market groups. The approach gives advertisers a chance to use outdoor ads close to the outlets in which their products are sold.

As part of its corporate objectives, the company is getting out of the mail order business by selling Figi's and its related data center to American Can Co. In another move, Metromedia plans to buy 10 railway cars and up to 620 buses from New York's Metropolitan Transportation Authority and lease them back to the city as part of a tax-deduction plan allowed by the recent changes in federal tax law.

MEDIA PROPERTIES:
Broadcasting: TELEVISION—WNEW-TV, New York; KTTV, Los Angeles; WTTG-TV, Washington; WTCN-TV, Minneapolis/St. Paul; KMBC-TV, Kansas City; WXIX-TV, Cincinnati; KRIV-TV, Houston. RADIO—WNEW (am, fm), New York; KLAC (am), KMET (fm), Los Angeles; KSAN (fm), San Francisco; WASH (fm), Washington; WMET (fm), Chicago; WCBM (am), Baltimore; WOMC (fm), Detroit; WIP (am), WMMR (fm), Philadelphia; KRLD (am), Dallas/Fort Worth; KJR (am), Seattle. Metro Television Sales; Texas State Networks; Texas State Agribusiness Network; Metromedia Producers Corp.
Outdoor: Foster & Kleiser, (40,000 boards in 16 markets).

OTHER OPERATIONS:
Metrotape, Harlem Globetrotters, Ice Capades, Ice Capades Chalets, Figi's.

Better Homes
A JOYFUL FEAST OF FABULOUS HOLIDAY RECIPES
• Family-made food gifts
• Dinner surprises
• Easy baked goods
• Calorie-cut favorites
• Buffet toppers
CHRISTMAS CRAFT MAGIC
Make-in-a-twinkling gifts, ornaments, wreaths, dolls, toys
HOLIDAY DECORATING—FAMILY STYLE
Contemporary, colonial, and country motifs
METROPOLITAN HOME
LUSH HOLIDAY ISSUE: Celebrate the good life
FESTIVE ROOMS: The way to warmth and comfort
FEASTS: Show-biz dinner & the right wines
EXCLUSIVE: Rating the new status symbols
Meredith Publications' two "approaches" to the home are in two of its publications.

Minneapolis Star & Tribune Co.

The Minneapolis Star & Tribune Co. is the nation's 29th largest media company with revenues of $213,700,000 for fiscal 1980, which ended Feb. 28. All revenues were

from media operations. Net earnings dropped 9% to $7,700,000 last year from the previous year.

The privately owned company has recently talked of mergers on two different fronts. First, the company has agreed to merge with its sister company, the Des Moines Register & Tribune Co. The companies are headed by two different factions of the Cowles family. In addition, the company is planning to consolidate the news staffs of its Minneapolis newspapers.

A merger with the Des Moines concern would result in a new, yet-unnamed company with headquarters in Minneapolis. John Cowles Jr., president of the Minneapolis company, would become chairman and chief executive officer of the new company. David Kruidenier, Mr. Cowles's cousin and chairman and ceo of the Des Moines company, as well as publisher of the *Des Moines Register and Tribune*, would become president of the new company.

The merger, expected to be approved early next year by shareholders, would end years of operating independence for the two companies. The newspapers in both cities, however, will retain editorial independence.

■ The new company would have annual revenues of $330,000,000, based on 1980 figures, considerably more than either company produced last year.The expanded financial base could be used to finance existing programs and new ventures. The company would also have substantially more assets on which to borrow. A combined company also would be more attractive to investors should it decide to go public. The company doesn't plan now to offer stock to the public, but it is anticipating that a secondary market will develop over time.

The company, in July, 1980, sold *Harper's* magazine, a prestigious publication that was never a financial success for the company.

The magazine was reported to be losing $1,500,000 a year when it was sold to the John D. and Catherine T. MacArthur Foundation of Chicago.

Two new ventures in which the company has interests are cable tv and electronic news dissemination. The company owns the 54,000-subscriber Cablescope, the 20th-largest cable system in the country. The company also is participating in Compuserve, an information system based in Columbus, O.

■ Christopher Burns, formerly an electronic information specialist with the Washington Post Co., recently was hired as associate publisher of the Minneapolis newspapers, with responsibility for marketing and electronic information.

Expansion in these areas might be slow, however. The company said in a letter in its 1980 annual report that prospects for the "electronic newspaper have been exaggerated."

It said the daily newspaper "is the backbone of our business, and we expect it to remain so for the foreseeable future."

The company's two principal newspapers, the morning *Tribune* and the afternoon *Star*, plan to merge their business news staffs to produce an expanded daily business section for both newspapers.

If the combined business section, which represents a departure from previous policy, is successful, sections such as arts and entertainment, sports and community news might also be combined.

Talk of the staff mergers once again touched off rumors, denied by the company, that the *Star*, like so many other afternoon newspapers, will fold or be merged totally with the *Tribune*.

The company this fall was criticized for its financial backing of a consortium of business leaders who promoted construction of a domed sports stadium in downtown Minneapolis. Mr. Cowles emerged as a leader of the group. In addition, the Star & Tribune Co. donated to the consortium $1,000,000 worth of land close to its offices. In exchange, the consortium received development rights over a 50-block area surrounding the stadium, which is to open in spring, 1982.

Rumors abounded that Mr. Cowles used his influence to kill serious reporting efforts by the Minneapolis newspapers into the consortium's maneuvering to obtain the development rights. Several days after the dome was inflated in October, the *Star* published several articles detailing the efforts of the consortium and its connection with the Minneapolis newspapers and Mr. Cowles. The articles drew mixed reviews from the public.

MEDIA PROPERTIES:
Newspapers: IDAHO—*South Idaho Press*, Burley. MINNESOTA—*Minneapolis Star, Minneapolis Tribune*. MONTANA—*Great Falls Tribune*. NEW YORK—*Buffalo Courier-Express*. SOUTH DAKOTA—*Rapid City Journal*. Community Publications Co.
Newspapers (nondailies): All in Colorado—Denver area (*Sentinel* newspapers in Commerce City, North Glenn-Thornton, Westminster, Arvada, Wheat Ridge, Lakewood, South Jefferson, Englewood, Arapahoe, Littleton, Aurora); *Blade, Market Place*, both in Brighton; *Broomfield Enterprise, Lowry Airman*.
Broadcasting: WTVH-TV, Wichita-Hutchinson, Kan.; WDRB-TV, Louisville, Ky.
Cable/video: Cablescope cable tv, Buffalo, N.Y.

OTHER OPERATIONS:
Information Publishers, a commercial printer and publisher of various community directories.

Morris Communications Group

Morris Communications Group, Augusta, Ga. is the country's 71st largest media company, with estimated revenues of $89,000,000, virtually all of which come from its newspaper properties throughout the South and Southwest.

Morris became prominent on the national media scene in the early 1970s when it purchased for $41,000,000 the Amarillo Globe News Publishing Co. and *Lubbock Avalanche-Journal* from the Wittenburg estate, a family with wide interests in the Texas Panhandle.

These two newspaper properties, lumped in Southwestern Newspaper Corp. in the Morris hierarchy, presently account for about half of the total corporate revenues. Morris has pumped considerable capital into upgrading the Amarillo product in particular, which added a $5,000,000 annex to its Amarillo facility to house a new $3,500,000 Goss offset press. Several years after purchasing the Amarillo newspaper, Morris bought Southwest Offset, now called Southwest Publications, primarily a book and

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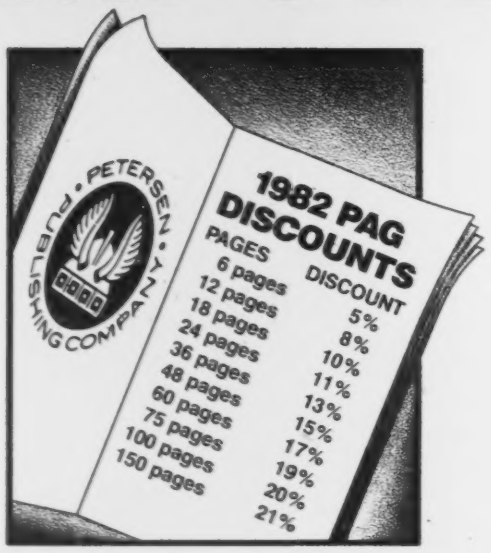

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magazine printer.

Morris's second largest division is Southeast Newspaper Corp., contributing just under 40% of media revenues. It includes the home-based *Augusta* (Ga.) Chronicle and *Herald* and the Sunday *Chronicle-Herald*, the *Savannah* (Ga.) *Morning News* and *Evening Press*. and the *Juneau* (Alaska) *Empire*.

Another subsidiary, Athens Newspapers Inc., owns the *Athens* (Ga.) *Banner-Herald*, which has estimated revenues for 1980 of around $4,300,000.

In addition to the 10 dailies published by the three subsidiaries producing total circulation of 320,817, Morris also publishes five weekly newspapers.

MEDIA PROPERTIES

Newspapers (dailies): Southeastern Newspapers Corp., including ALASKA—*Juneau Empire;* GEORGIA—*Augusta Chronicle, Augusta Herald, Savannah Morning News, Savannah Evening Press.* Southwestern Newspapers Corp. in Texas, including *Amarillo Daily News, Amarillo Globe-Times, Lubbock Avalanche-Journal.* Athens Newspapers in Georgia, including *Athens Banner Herald, Athens Daily News.*

Newspapers (nondailies): Published by North American Publications: FLORIDA—*Tampa Neighbor;* GEORGIA—*Elbert Beacon, Elberton Star, Hartwell Sun, Royston News Leader;* SOUTH CAROLINA—*Hilton Head News.*

Other: Southwest Publications.

Multimedia Inc.

Multimedia Inc., Greenville, S.C., is the country's 44th largest media company, with revenues of $163,563,000 in 1980, all from media operations. Newspapers accounted for $71,332,000, or 44% of revenues; broadcasting $83,281,000, or more than 50%, and cable tv $8,950,000, or about 6%.

The company includes program production and distribution in its broadcast revenues.

Earnings for first nine months of this year were $17,884,000, compared with $15,180,000 in the year-earlier period, an 18% increase, while revenues for the nine months were $140,953,000, up 20%.

The publicly held company publishes 13 daily and 22 nondaily newspapers, and owns six tv and radio stations in seven cities. In addition, Multimedia operates 58 cable tv franchises in Kansas, Illinois, North Carolina and Oklahoma, with approximately 137,000 subscribers.

By the end of 1981, Multimedia expects all of its newspapers except the *Staunton* (Va.) *Leader* to have computers and video display terminals for the production of news and classified ads. Satellite receiver dishes will be installed at its papers in Winter Haven, Fla., and Clarksville, Tenn., to receive wire service news.

■ The broadcast division experienced a good year in every phase in 1980, company officials say. In program syndication, the "Donahue" show, a Multimedia production, was expanded to 224 stations and into Canada, Bermuda, Alaska and Hawaii.

Multimedia says it has set new standards for quality children's programs through its "Young People's Specials." The series received the Peabody Award and 18 Emmys and is seen on 136 stations.

Multimedia is reported to be the largest syndicator of country music programs for tv. The company also plans to start syndicating a nightly news magazine series called "America," which will be co-produced with Kelly Brothers Television. Plans call for the show to begin airing in the fall, 1982.

In the broadcast ownership area, Multimedia is awaiting FCC approval of its station trade with Pulitzer Publishing Co. Under the deal, Multimedia would trade two of its tv stations—WXII-TV in Winston-Salem, N.C., and WFBC-TV in Greenville, S.C.—and cash for Pulitzer's KSDK-TV in St. Louis.

■ As the potential for cable tv has grown, so has Multimedia's involvement. The company expended major efforts during 1980 to expand a new division, Multimedia Cablevision.

The number of cable subscribers "will grow rapidly as we continue construction in Wichita and suburban Chicago, and as we implement our purchase agreement for the Tar River Communications cable group in North Carolina," Wilson C. Wearn, chairman and chief executive officer, told the stockholders earlier this year.

In April, Walter Bartlett became president-chief operating officer, succeeding Mr. Wearn who became chairman-ceo in November 1980, after Kelly Sisk, the former chairman, died. Assuming Mr. Bartlett's previous position, broadcasting division president, is James T. Lynagh, formerly a vp, Post-Newsweek Co.

Multimedia also named Donald D. Sharra, former president of Kansas State Network, as president of the company's cable tv division.

MEDIA PROPERTIES

Newspapers (dailies): ALABAMA—*Montgomery Advertiser, Alabama Journal,* Montgomery. FLORIDA—*Winter Haven Daily News-Chief.* GEORGIA—*Moultrie Observer.* NORTH CAROLINA—*Asheville Citizen, Asheville Times* OHIO—*Gallipolis Daily Tribune, Pomeroy-Middleport Daily Sentinel.* SOUTH CAROLINA—*Greenville News, Greenville Piedmont.* TENNESEE—*Clarksville Leaf-Chronicle.* VIRGINIA—*Staunton Leader.* WEST VIRGINIA—*Point Pleasant Register.*

Newspaper (nondailies): ALABAMA—*Prattville Progress.* ARKANSAS—*Baxter Bulletin,* Mountain Home, Ark. FLORIDA—*Auburn Star.* GEORGIA— *Weekly Moultrie Observer.* OHIO—*Tri-County News,* Gallipolis. TENNESSEE—*Ashland City Times; Dickson County Herald,* Dickson; *Donelson News Diary; Gallatin News-Examiner; Goodlettsville Gazette; Hendersonville Star News; Madison Community News; Music City News,* Nashville; *Nashville Record; Robertson County Herald,* Springfield; *Stewart Houston Times,* Dover-Erin; *Suburban News,* Nashville; *Waverly News-Democrat.* Six shoppers in Arkansas, Florida, Tennessee and Virginia.

Broadcasting: TELEVISION—WMAZ-TV, Macon, Ga.; WXII-TV Winston-Salem, N.C.; WIWT-TV, Cincinnati; WFBC-TV, Greenville, S.C.; WBIR-TV, Knoxville, Tenn.; WZTV, Nashville, Tenn. RADIO—KAAY (am), KLPQ (fm), Little Rock, Ark.; WMAZ (am, fm), Macon, Ga.; WAKY (am), WVEZ (fm), Louisville, Ky.; KEEL (am), KMBQ (fm), Shreveport, La.; WWNC (am), Asheville, N.C.; WFBC (am, fm), Greenville, S.C.; WEZW (fm), Milwaukee.

Cable/video: Multimedia Cablevision: ILLINOIS—Batavia, Chicago Ridge, Lisle, Oak Forest, Oak Lawn. KANSAS—Attica Township, Bel Aire, Crestview, Delano Township, Eastborough, Gypsum Township, Herrington, Kechi

(township and city), Lyons, McConnell Air Force Base, McPherson, Medicine Lodge, Minneha Township, Oaklawn, Park City, Park Township, Payne Township, Riverside Township, Shadybrook, Springdale, Timber Lakes, Waco Township, Wichita (65% interest). NORTH CAROLINA—Archdale, Ayden, Battleboro, Beaufort County, Belmont, Bridgeton, Chocowinity, Clinton, Craven County, Greenville, Indian Trail, Kinston, Lenoir County, Marshville, Mint Hill, Monroe, Mount Holly, Nash County, Nashville, New Bern, Pineville, Pitt County, Randolph County, River Bend, Rocky Mount, Sharpsburg, Tarboro, Trent Woods, Washington, Washington Park, Wingate, Winterville. OKLAHOMA—Bethany, Bixby, Crescent, Chickasha, Del City, Edmond, El Reno, Guthrie, Lindsay, Moore, Mustang, Nichols Hills, Perry, Tinker AFB, Valley Brook, The Village, Warr Acres, Yukon.

Other: Multimedia Program Productions (tv production and syndication).

National Enquirer

National Enquirer, Lantana, Fla., is America's 57th largest media company. It has no media holdings outside of its two print media operations, which generated total revenues of $129,000,000 from advertising and circulation in the fiscal year ended last March 31.

The company's mainstay, the *National Enquirer*, continued its domination of the weekly tabloid market in 1981 and remained, as its cover proclaims each week, the "largest circulation newspaper in America" 4,800,000, according to June, 1981 ABC figures; management claims it's nearly 5,000,000.

But while 1981 has doubtless been highly profitable for the company, it also has experienced some much-publicized trouble — the celebrated Carol Burnett lawsuit. Last June, a Los Angeles jury awarded the comedienne $1,600,000 based on an erroneous 1976 story concerning her alleged antics in a Washington, D.C. restaurant: It marked the first time that the paper had lost a suit in court.

A judge later halved the Burnett award, but Enquirer attorney Irving Younger says the ruling remains under appeal. Mr. Younger noted that the paper now faces 18 lawsuits, "give or take one," but he said that most are inactive and predate the Burnett case.

Only three "celebrity suits" are pending, filed by Cary Grant, Richard Pryor, and most recently by Raquel Welch, in the wake of an *Enquirer* cover story this year that said her marriage was collapsing. Mr. Younger claims the tabloid will not lose again, called the Burnett error "the kind of glitch that can occur in even the best machines." He said that he believes the company's fact-checking system rivals that of any media organization in the nation. Company offials anticipate no visible editorial changes as a result of the Burnett suit.

Legal troubles aside, the company continues its unusual success story. The *Enquirer's* mixture of celebrity gossip, medical and personal advice, cheesecake and cute kids has remained fairly constant, and company execs don't foresee any major changes in format. Owner-chairman Generoso Pope Jr. (described as a maverick entrepreneur) and editor-president Iain Calder remain atop the corporation's very tight management structure. The only notable change saw Michael J. Hay replace Thomas Kuncl as the *Enquirer's* executive editor.

Advertising director Ralph Gallagher said the paper's ad linage remains constant at 27 of each issue's 64 pages; after the Burnett ruling, several major advertisers said the case would not influence their decision to advertise there. Neil P. Carey, senior vp, marketing, noted that the gradual increase in the paper's circulation shows that the *Enquirer* still perches atop the still-expanding tabloid field, despite increased competition in the past five years from tabs such as the *Midnight Globe*, Rupert Murdoch's *Star* and the *National Examiner*.

A second Enquirer publication, *Weekly World News*, was launched in 1979, and Mr.Carey said its circulation has reached 600,000 "without any hype." A 1,000,000 figure is targeted for mid-'82, he said, adding that the tabloid mimics its parent publication, but offers more of a current news emphasis.

Though their established formula clearly works, National Enquirer Inc. has planned some changes for 1982. In October, the company changed ad agencies, leaving Grey & Davis in favor of Compton Advertising. The switch reportedly was linked to a conflict of interest — Grey took over a London agency handling the Murdoch group. The company began testing a major new tv campaign in San Antonio and Indianapolis during late October, Mr. Carey said.

"If our testing works out well, we will definitely be a very big television advertiser next year," Mr. Gallagher said. Mr. Carey said the bulk of the company's current advertising is on television, adding that the new spots seek neither to clean up the company's Burnett-bruised image nor a specific market. The new spots, if expanded, will be aimed at a larger general audience than any previous Enquirer campaign.

The company has no plans at this point to diversify into any other media or publications. "We just don't go for any of the fancy stuff," Mr. Carey said. "We just publish 52 weeks a year and work from there."

MEDIA PROPERTIES:
Newspapers: *National Enquirer, Weekly World News.*

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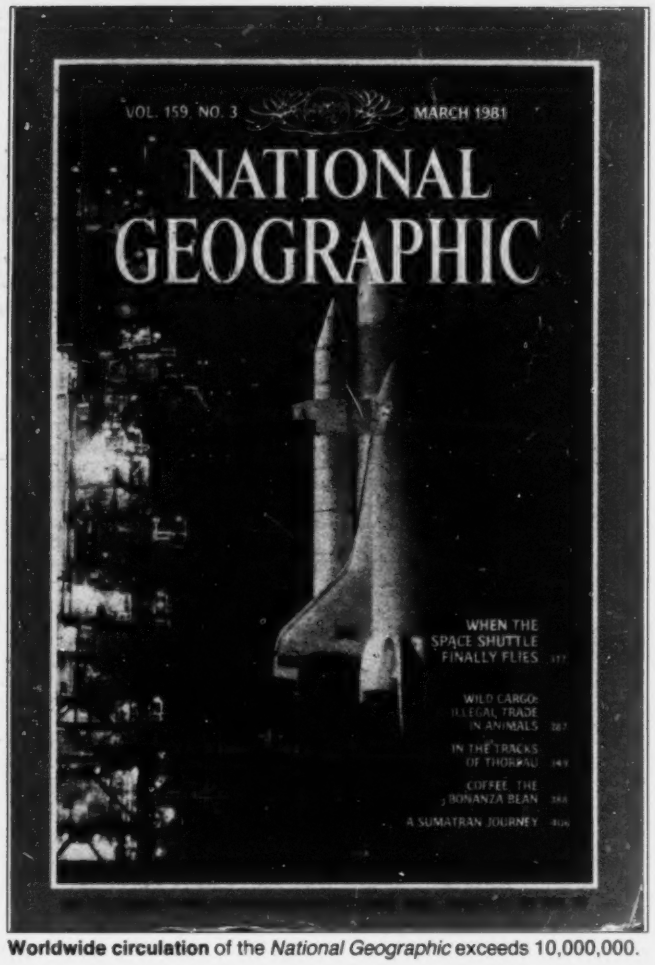
National Geographic Society

The National Geographic Society, Washington, is the nation's 50th largest media organization, with advertising and circulation revenues estimated at $143,312,999 in 1980, or 66% of the nonprofit association's total revenue for the year of $217,180,871.

The society at the turn of the century pioneered development of a mass market for general interest magazines on science and geography. Alexander Graham Bell, better known for the telephone than his presidency of the infant society, invented one of the most successful magazine marketing strategies ever when he coupled subcription to the magazine with society "membership," giving customers a sense of participation in the stories covered.

The market created by *National Geographic* has established a publishing segment that has attracted a number of challengers, most significantly the Smithsonian Institution's prospering *Smithsonian* (approaching 2,000,000 circulation),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NATIONAL GEOGRAPHIC
WHEN THE SPACE SHUTTLE FINALLY FLIES
WILD CARGO: ILLEGAL TRADE IN ANIMALS
IN THE TRACKS OF THOREAU
COFFEE, THE BONANZA BEAN
A SUMATRAN JOURNEY

Worldwide circulation of the *National Geographic* exceeds 10,000,000.

and the U.S. edition of *Geo*, under new ownership after anemic subscription sales.

But *National Geographic* is not only the saint of its field but also one of the biggest sellers in the entire publishing industry. Audited worldwide circulation hit 10,733,000 (8,615,000 in the U.S.) last June 30. Society president Gilbert M. Grosvenor reports in the December issue that by yearend, 1981, membership in the society will reach 10,850,000, an increase of more than a third from 10 years ago. *National Geographic* was the third largest consumer magazine in the U.S. last year, bested only by *TV Guide* and *Reader's Digest*.

The enormousness of the society's sales effort is illustrated by the *Geographic's* 84% annual renewal rate among members. Simply to stay at its 10,000,000-member level, the society signs up 1,600,000 new readers of the magazine every year.

"Right now the *Geographic* is in a strong, healthy economic condition," Mr. Grosvenor says. But the society is testing television and newspaper ads to sell new society memberships as the costs of direct mail, its traditional sales medium, go up.

Mr. Grosvenor, who became president of the society last year after 10 years as editor of the magazine, is the third generation of his family to hold the top spot at the society, and he's a visionary. "I'd be greatly disappointed if within the next five years or so we aren't using the videodisc technology to deliver information," he said. "You could put an entire atlas on just one portion of the disc."

While no firm projects are under way, he also sees the *Geographic* sizing up new information products for the "retired market," and possible general-interest family film theaters. Mr. Grosvenor compared *National Geographic's* award-winning television specials —in terms of their long-range planning and production time—to the kind of work "the old Walt Disney organization used to do, but aren't doing any more."

But he's not so certain that the *Geographic's* circulation will go on growing indefinitely, contending that the uncontrolled circulation growth was a "fatal mistake" contributing to the demise of *Life*, *Look*, *Collier's* and *Saturday Evening Post*. There's room for growth overseas, he said, but the society has yet to publish a foreign-language edition.

While circulation for the *National Geographic* has grown, ad volume has dropped from the 1960s when Mr. Grosvenor said the society was "turning away" advertisers and carrying 800 to 900 pages a year. "I happen to think we are as attractive an advertising medium today as we were then," he said, adding he hopes to raise the magazine's profile with advertisers.

More zoned editions are a possibility (the *Geographic* has seven regional and five metro editions), as four-color page ads in the full-run U.S. edition now cost $95,575, with black and white $73,520, a potential impediment to some advertisers.

■ The society successfully entered the children's magazine field in 1975 with "National Geographic World," aimed at 8 to 12-year-olds, which now boosts circulation of about 1,800,000. Unlike the *Geographic*, the children's magazine does not carry advertising. The *Geographic* still does not accept ads for tobacco products, alcoholic beverages or proprietary drugs, and carries fewer ad pages (388 vs. 1,020 in 1981) than *Smithsonian*. But both magazines actively woo other advertisers.

Mr. Grosvernor called 1981 a banner year, citing editorial innovations in the magazine, including, an extra, 13th edition devoted entirely to the energy problems facing the U.S. and a new "minibook" approach that groups longer, interelated articles together in a single issue. And, after 94 years, the *Geographic* has added a letters to the editor page.

Long a Washington "institution," the society has just broken ground on a new $30,000,000 office building in anticipation of future growth.

When completed, the new structure will join two existing society buildings and dominate an entire block of prime downtown Washington real estate.

The society is a major publisher of books (in excess of 4,000,000 copies sold each year), atlases and maps, a producer of educational films, filmstrips and globes, and co-producer with WQED-TV, the public tv station in Pittsburgh, of the highly acclaimed "National Geographic" tv specials. Nearly all of the costs of the tv specials, now in their 16th year, are underwritten by Gulf Oil Corp., and tv operations are not a significant revenue producer for the society. Of last year's $143,312,999 in media revenues, about $106,000,000 came from the cost of the Geographic to members, $26,405,336 from advertising and $10,907,663 from "National Geographic World" subscriptions.

MEDIA PROPERTIES:
Magazines: *National Geographic*, "National Geographic World."

New York Times Co.

New York Times Co., the country's 11th largest media company, had revenues from media operations—newspapers, magazines and broadcast facilities—of $678,976,000 in 1980, up 13% from the year before and equal to 93% of total revenues of $733,237,000. Net income totaled $40,609,000.

The *New York Times* brought in almost two-thirds of the company's revenues last year, and its total of $463,356,000 represents an 18% gain over the paper's revenues in 1979. Operating profit for the paper jumped 15% to $31,445,000 in 1980 from 1979, a continuation of the strong rebound from 1978, when the paper lost $12,557,000 because of a citywide newspaper strike.

The company's strong performance continued into 1981, as revenues for the first nine months of the year were up 19% to $205,600,000 and net income rose 22% to $36,400,000. Each of this year's three quarters has produced a record for that quarter in earnings and revenues.

Again, newspapers led the company, as the *Times* and 18 small papers in the South recorded a 32% gain in operating profit to $9,900,000.

■ These gains came after the *Times* had, in 1980, one of its most impressive years ever. It carried more advertising than ever before—90,100,000 lines—and saw its circulation grow to 887,211 daily and 1,461,673 on Sundays. The *New York Times Magazine*, with 4,397 ad pages, was once again second—McGraw-Hill's *Business Week* was No. 1—among all major consumer magazines in total ad pages in 1980. The price of the paper also went up—to $1.00 on Sunday.

Despite some initial resistance from advertisers and readers, the national edition of the *Times*, introduced in 1980, continued to show gains in 1981. The company decided earlier this year to expand its operations by opening a second printing plant, in Lakeland, Fla.

The plant, which will complement the Midwest facility in Chicago, will be used to speed morning delivery of the national newspaper in the South. The national press run is currently 52,000 copies weekdays and 134,000 Sundays, figures that will not change dramatically with the addition of the new plant.

The company's 18 dailies and weeklies in Florida, North Carolina and Louisiana showed an 18% gain in operating profit in 1980, with the group's two largest papers, the *Lakeland Ledger* and *Wilmington* (N.C.) *Star-News* registering substantial gains in circulation and advertising shares.

■ The magazine division had a more lackluster year than the rest of the company, as revenues dropped to $148,223,000 from $153,656,000 a decline of 4%, while operating profits increased 43% to $13,961,000. Both those figures were affected by the sales of *Us* and the Australian *TV Guide*.

The company's *Family Circle* continued its position in 1980 as one of the top-selling magazines in the country, but experienced the same problems being felt by most of the traditional women's magazines, as ad pages declined 11% and circulation dipped 3%. Results look a little more promising this year, with ad pages up 7% through the first 14 issues of 1981.

Golf Digest saw its ad pages decline to 822 in 1980 from 945 the year before, but rebounded in 1981, as pages for the first six months of the year were up by about 5%. *Tennis* had the reverse experience, as its pages jumped by 8% in 1980, but declined by about 6% through the first half of 1981.

The company's other magazine holdings—Australian editions of *Family Circle* and *Better Homes and Gardens*—were sold to an Australian conglomerate for a reported $11,000,000.

The company expanded its broadcast operations in 1980 by acquiring a Huntsville, Ala., tv station, bringing to three the number of southern tv stations the company now owns. The New York Times Co. also owns WQXR-AM-FM in New York, which recently went to all-night programing and which counts a weekly cumulative audience of 952,000 listeners for its classical music programing.

Operating profit for the broadcast group rose by 21% in 1980, to $3,842,000, while revenues increased 46% to $17,252,000.

Ever the epitome of grace: *The New Yorker.*

MEDIA PROPERTIES:
Newspapers: FLORIDA—*Anna Maria Islander, Avon Park Sun, Fernandina Beach News-Leader, Gainesville Sun, Golden Gate Eagle, Lake City Reporter, Lakeland Ledger, Leesburg Commercial, Marco Island Eagle, Ocala Star-Banner, Palatka Daily News, Sebring News, Zephyrhills News.* NEW YORK—*New York Times.* NORTH CAROLINA—*Hendersonville Times-News, Lexington Dispatch, Wilmington Star-News.* Louisiana-*Houma Daily Courier, Thibodaux Daily Comet.*
Magazines: *Family Circle, Golf Digest, Tennis.*
Broadcasting: TELEVISION—KFSM-TV, Fort Smith, Ark.; WHNT-TV, Huntsville, Ala.; WREG-TV, Memphis. RADIO—WQXR-AM-FM, New York.

OTHER OPERATIONS:
Books, education and information (a news service, features syndicate, information retrieval services, micropublishing and the publication of books and educational materials), equity interests in Madison Paper Industries, three Canadian newsprint companies and the *International Herald Tribune*.

The New Yorker Magazine Inc.

The New Yorker Magazine Inc., New York, is the nation's 98th largest media company, with revenues of $50,138,975 from media operations in 1980, or nearly 88% of total revenues of $57,797,248. *The New Yorker*, the 56-year-old literary magazine, accounted for all the media revenues.

About 13% of total revenues came from Boulder Enterprise, a Colorado printing subsidiary, and less than 1% came from minority interests in an electronics company and a publisher of medical books and journals.

The publicly owned company earned $6,736,835 before taxes last year. George J. Green, New Yorker president, says 1981 will be "the best year we've ever had," topping last year's record net earnings of $3,619,599 and exceeding the 1980 record high of 4,222 ad pages in *The New Yorker* by 75 to 100 pages.

Next year, "represents much more of a challenge" because of the national recession, said Mr. Green, who is chairman of the Magazine Publishers Assn. But he added there is a consistently strong market for high price, quality goods.

■ "There just seem to be more people willing to spend on the kind of items advertised in *The New Yorker*," he said. He noted that the magazine's readership is stable, with a subscription renewal rate of 75.5%—one of the highest among U.S. weeklies.

"Unlike other publishers, we haven't spent a great deal of money over the last several years in promotion," Mr. Green said. "We may in 1982, if the grim economic predictions are correct."

But even in a sluggish economy, *The New Yorker's* advertisers "realize that our audience represents potential buyers in bad times," he said. "So I think our advertisers come to us even more in bad times that any other time, because of the concentration of potential customers."

Last year saw *The New Yorker* shift to a cold-type and photopolymer letterpress printing system, replacing its former linotype and engraving processes.

■ In September, the company acquired 60% of *Horticulture*, a 77-year-old Boston-based gardening magazine with a circulation of about 105,000. Eliot Wadsworth II, owner of White Flower Farm in Litchfield, Conn., owns the rest of the publication.

The first issue of *Horticulture* reflecting New Yorker's ownership will appear in January.

"We are going to improve the editorial product and develop circulation because of the better editorial material," Mr. Green said. He added he expects a resulting boost in *Horticulture's* current ad volume of about 300 pages a year.

In March, 1980, New Yorker acquired a 33% interest in Raven Press Books Ltd., which gives the company a foothold in medical journals. "The journal business is one there can be growth in," Mr. Green said. The company's policy is to keep an eye out for more

"compatible" companies to buy into, Mr. Green said.

The company's other interests include wholly-owned Boulder Enterprise, which prints computer forms and letters, chiefly for the publishing industry, and 35%-owned Teleram Communications, which makes and sells video display editing terminals for newspapers. Teleram wasn't profitable last year because of development costs, but will be profitable this year, Mr. Green said. Profits will be up this year after a decline in 1980, he said.

Recent personnel changes at the company include the naming of Robert F. Young as advertising director of *The New Yorker*, replacing William P. Buxton, who retired, and Douglas W. Florenzie as circulation director, replacing Frank Ogden, who also retired.

MEDIA PROPERTIES:
Magazines: *Horticulture*, *The New Yorker*.

OTHER OPERATIONS:
Boulder Enterprises (35% interest), Raven Press Books Ltd. (33% interest), Teleram Communications.

S.I. Newhouse & Sons

Samuel I. Newhouse & Sons, New York, is the country's fifth largest media company, with estimated 1980 revenues from media operations of $1.25 billion, or 89% of total estimated revenues of $1.4 billion. Its estimated profits last year were $100,000,000.

Nearly three-fourths of the company's media revenues are generated by newspapers, followed in size by magazines published by its Conde Nast subsidiary, radio stations and cable tv systems. Media revenues exclude an estimated $150,000,000 derived from Random House books.

Newhouse is the country's largest privately owned media company, according to AA figures.

The family-owned and-operated New York-based company has no chief executive officer. Its top management structure seems to be based more on a division of labor among family members Samuel Newhouse Jr., his brother Donald, and their uncles Theodore and Norman.

That arrangement has existed for three years, since the death of Samuel I. Newhouse, father of Samuel Jr. and Donald. Mr. Newhouse ran the company with a scorn for titles and other executive trappings. Today Samuel I. Newhouse Jr. is the Newhouse the others defer to and the acknowledged company publisher.

Still, there have been some changes in the company, one of which seems to be a decision to expand more aggressively into businesses other than newspapers. Analysts who watch the company even though it is not public say there are several indications of this.

- Says one, "They have been saddled with some not very profitable newspapers, including the *Cleveland Plain Dealer* and the *St. Louis Globe-Democrat*. And while the Booth Newspapers chain in Michigan was a profitable group when acquired, it is not nearly as much so now largely because of the Michigan economy. Also, *Parade* magazine is not doing well because of the recent proliferation of local Sunday magazines as well as management problems."

Perhaps more telling, however, is the fact that Newhouse has not bought a newspaper in the last three years, unlike many of its competitors.

On the other hand, Newhouse has made additions to its other divisions, particularly Conde Nast magazines. During the last three years, Newhouse acquired GQ from *Esquire*, started up *Self* and now is planning to revive *Vanity Fair*.

It has been sprucing up existing properties, including *House & Garden* and *Mademoiselle*. *House & Garden* is considered the weakest publication within Conde Nast, having suffered declines in ad revenues and, until recently, no real increases in circulation. *Bride's*, *Vogue*, *Glamour*, *GQ*, and *Mademoiselle* have all been growing.

Over the last 10 months, Conde Nast management has made visual and editorial changes in *House & Garden* and started pursuing a younger reader. As a result, according to the company, *H&G* was the only shelter magazine to show a total circulation gain from January to June, posting an 11.2% increase. Newsstand sales increased 9.2%.

In the last two years, *Mademoiselle* also was changed editorially and this year its look was revamped. Its current circulation, about 70% newsstand normally is about 700,000 although some months it can rise to as high as 900,000, up from 400,000 20 years ago.

There are indications that *Self*, much touted as one of the most successful new magazines ever, may now be experiencing some growing pains.

Conde Nast management says it is booming with 800 ad pages projected for this year and over 1,000 for next, but *Self* carried fewer ad pages in October, 1981 than 1980, sources say. They add that while *Self* has managed to enlist the ad support of beauty advertisers, it has had a harder time cultivating second, third and fourth categories of advertisers.

Due to its strong health stance, it has not been able to rely on cigaret and liquor advertisers for support nor has it managed to build a strong fashion ad category.

Other indications that Newhouse is actively seeking to grow in areas apart from newspapers, include its acquisition of Random House for about $65,000,000 in February, 1980.

In broadcasting, Newhouse has sold its tv properties in Syracuse, Elmira and Birmingham, N.Y., Harrisburg, Pa.; Portland and St. Louis to the Times Mirror Co., while retaining its radio stations in those cities.

Concurrently, it has ventured further into cable with the acquisitions of Vision Cable Co. and Daniels Properties—CATV Interests.

Established cable operations of Newhouse include NewChannels and MetroVision. The company's increased interest in cable, those close to the company believe, signifies a broadening of focus and more interest in providing information rather than just entertainment, paralleling similar moves by Time Inc. and Ziff Corp., which also got out of broadcasting.

Still, some in the industry believe Newhouse may once again begin acquiring newspapers. One potential candidate already rumored is the *St. Louis Post Dispatch* and sources believe Newhouse also may try to buy up the opposition in other cities.

MEDIA PROPERTIES
Newspapers (dailies): ALABAMA—*Birmingham News*, *Huntsville Times*, *Huntsville News*, *Mobile Press*, *Mobile Register*. LOUISIANA—*New Orleans Times-Picaynne*, *New Orleans States-Item*. MASSACHUSETTS—*Springfield Republican*, *Springfield Union News*. MISSISSIPPI—*Pascagoula Mississippi Press*, *Pascagoula Chronicle*. MISSOURI—*St. Louis Globe Democrat*. NEW JERSEY—*Jersey Journal*, Jersey City; *Newark Star Ledger*. NEW YORK—*Staten Island Advance*, *Syracuse Herald Journal*, *Syracuse Post Standard*. OHIO—*Cleveland Plain Dealer*. OREGON—Portland Oregonian, *Oregon Journal*, Portland. PENNSYLVANIA—*Harrisburg Patriot News*. Also publishes Booth Newspapers in Michigan—Ann Arbor News, Bay City Times, Flint Journal, Grand Rapids Press, Jackson Citizen Patriot, Kalamazoo Gazette, Muskegon Chronicle, Saginaw News.
Magazines: Conde Nast Publications: *Vogue; House & Garden; Mademoiselle*, *Glamour*, *Bride's*, Conde Nast Publications Ltd.—England. Les Editions Conde Nast SA—France; Edizioni Conde Nast SPA—Italy. Also, *Parade*, the Sunday supplement.
Broadcasting: WAPI (am, fm), Birmingham, Ala.; WSYR (am, fm), Syracuse, N.Y.; WTPA (fm), Harrisburg, Pa.
Cable/video: MetroVision Inc., serving FLORIDA—Lake County; LOUISIANA—La Place; NEBRASKA—Auburn, Crete, David City, Fairbury, Freemont, Humboldt, Lincoln, Nebraska City, Pawnee City, Seward, Superior, Table Rock, Tecumseh, Douglas County, Valley, York; OHIO—Green Township (Hamilton County); ILLINOIS—Blue Island, Bridgeview, Crestwood, Melrose Park, Midlothian, Northlake, Posen, Stickney, Tinley Park, Westhaven, Hickory Hills (90% interest); INDIANA—Portage; KENTUCKY—Newport; TEXAS—Belton, Greenville, Killeen, Temple and Waco; WISCONSIN—Menomonee Falls, Lannon (90% interest); WYOMING—Sheridan. NewChannels Corp. serving ALABAMA—Anniston; NEW YORK—Binghamton, Carthage, Corning, Delhi, Fulton, Rome, Sidney, Syracuse, Troy; PENNSYLVANIA—Canonsburg, Corapolis, Crescent township, Moon township, Neville township. Vision Cable Communications, serving FLORIDA—Clearwater (90% interest); LOUISIANA—Alexandria and Houma; NEW JERSEY—Fort Lee; NORTH CAROLINA—Concord, Jacksonville, Morehead City, Salisbury, Shelby, Southport and Wilmington; PENNSYLVANIA—DuBois; SOUTH CAROLINA—Darlington, Florence and Sumter.

The man who beat Ma Bell

There's "no way" he would take on politics fulltime, says Robert G. Marbut, but his nearly fulltime politicking earlier this year helped block American Telephone & Telegraph's proposed test of its "electronic Yellow Pages" in Austin, Tex.

Mr. Marbut, 46, is president and chief executive officer of San Antonio-based Harte-Hanks Communications and chairs the telecommunications committee of the American Newspaper Publishers Assn. The publishers group doesn't want AT&T to be able to originate information that would be sent into homes via its telephone lines; newspaper people see that as a formidable threat to newspaper advertising.

AT&T scrapped its proposed Austin test after Mr. Marbut led a successful lobbying effort that resulted in the Texas Public Utilities Commission's ordering new hearings on the matter.

Mr. Marbut also has gone to Washington with his case, and in early October the Senate voted 90 to 4 to pass a bill that says AT&T cannot be an electronic publisher in markets where it owns the local telephone business. House action is pending.

ROBERT MARBUT

Meanwhile, Mr. Marbut is overseeing the fortunes of Harte-Hanks, a rapidly growing newspaper and broadcasting company that is no slouch itself in the electronics information business. One Harte-Hanks paper, the *Middlesex News* in Greater Boston, this fall became one of 11 newspapers in the Compuserve project, a videotext service that offers dial-a-computer information access to subscribers who own home computers.

Mr. Marbut says he's glad Congress is looking into the "whole communications law," which he wryly suggests is "a little out of date," much of it being embodied in the Communications Act of 1934.

He's convinced the political process will work, Mr. Marbut says, but adds that it's a little slow for somebody used to daily deadlines.

Understanding a bit before readers do

"It was one magazine I had my own subscription to," Myrna Blyth says of the *Ladies' Home Journal*. "Millions of women love it already—I just want to make them love it more."

MYRNA BLYTH

Mrs. Blyth, 42, was recruited by Charter Co. last May to revitalize the 98-year-old *Journal*, which, like other traditional women's service magazines, has been experiencing flat circulation and advertising revenues. She became the magazine's editor-in-chief after a six-year stint at another women's magazine, *Family Circle*.

Editorial liveliness, Mrs. Blyth says, comes from understanding readers' life style trends "a little bit before they do." As a working mother of two sons, ages 11 and 14, she feels in a position to do just that.

Charter is giving Mrs. Blyth's efforts strong support, she says. One indication: Starting with the February, 1982 issue, the *Journal* will have 25% more editorial content. The magazine also will sport a new look, designed by new art director, Tamara Schneider, formerly of *Seventeen*. That makes *Ladies' Home Journal* the largest women's magazine with a woman art director and editor, Mrs. Blyth says.

For a magazine whose slogan boasts, "Never underestimate the power of a woman," that may make a big difference, Mrs. Blyth suggests.

News America Publishing

News America Publishing, New York, the U.S. arm of Rupert Murdoch's international publishing empire, is the country's 32nd largest media company, with estimated U.S. revenues of $210,000,000 in the fiscal year ended June 30, all from print media.

The highlight of the company's year was a profit-draining battle by its New York Post for increased circulation and advertising shares of the New York markets.

Company execs decline to say just how heavily the red ink flowed at the *Post* this year, but they do concede that its losses were greater than the profits brought in by other News America properties.

The all-out war for late afternoon domination in New York pitted the *Post* against the *Daily News Tonight*, the newcomer launched last year by an archrival, the Tribune Co.'s *Daily News*.

"The intention of [the *Post's*] new competitor was no less than to break the *Post*," Mr. Murdoch contended in his company's 1981 annual report. In order to stave off any inroads by *Tonight*, Mr. Murdoch cut the price of the *Post* from 50 to 25 cents and launched a morning edition in a frontal assault against the morning *Daily News*. After *Tonight* folded in August, Mr. Murdoch claimed to have won the war.

In the past year, Mr. Murdoch later pointed out, the Post's guaranteed circulation soared to 850,000—double the figure when he acquired the *Post* in 1976. The *Daily News* lost circulation in the same period. The *Post's* average circulation for the six months ended Sept. 30 stood at 764,387. For the *Daily News*, the figure was 1,483,333, and for the *New York*

Times, it was 887,211.)

The company also claims that the *Post's* advertising volume inched up by 4% during the first six months of 1981. Though better department store advertising still eludes the *Post*, execs claim their newspaper has about 16% of the daily advertising market in New York.

Mr. Murdoch predicts that the *Post* soon will overtake the *New York Times* in circulation, then will attempt to forge past the leading *Daily News*. "We will establish a 1,000,000 circulation plateau," Mr. Murdoch said. "At the right time, we will have a Sunday paper."

Despite the *Post's* high profile, News America's most profitable U.S. publication continued to be its weekly tabloid, the *Star*. This past year, with the placement of the *Star* in midwestern Kroger Co. supermarkets, the paper was said by News America sources to have achieved full penetration of major supermarket and convenience store chains.

In the past, the *Star's* advertising has been dominated by mail order houses, but a number of national advertisers have joined recently, including television networks, film studios and cigaret and liquor companies. The *Star*, which has 17 pages of ads available 52 times per year and usually fills them, grossed about $60,000,000 in 1981.

News America trimmed its roster of glossy magazines down to one—*New York*—this past year with the divestiture of *New West*. The magazine reportedly had been losing about $1,500,000 per year, even though its advertising revenues had been expanding.

Currently, the company plans no additional divestitures or acquisitions, according to Martin Singerman, president of the News Group magazines subsidiary.

At *New York*, total ad pages climbed slightly last year to 2,600 pages. Automobile ads fell off, but the major retail, media and corporate advertising categories showed signs of promise and have been targeted for future growth. After suffering through a losing year in fiscal 1980, *New York* reportedly posted record profits in fiscal 1981. *New York* grossed about $28,000,000 to $30,000,000 during 1981.

The Village Voice, the company's liberal weekly, brought in about $14,000,000 during 1981 on approximately 2,700 pages of advertising, including its healthy classified sections. Because of the installment of a computerized system for taking classified ads, the *Voice's* classified section was able to produce about 17.5% more volume this year than last on reduced overhead.

Circulation at the *Voice* stands at around 145,000 and has probably reached its peak, says Mr. Singerman, who also serves as publisher of the *Voice*. The recently introduced *Voice Literary Supplement* brought in 45 pages of advertising during its three-issue trial run, mostly from the publishing industry.

Beginning in February, it will be published 10 times a year in 24-page sections supported by 10 pages of advertising.

During 1981, the company formed News Group Productions, a new division designed to develop television and film properties based on articles culled from company publications. Two projects are in the works, an NBC pilot of dramatizations of actual stories and a sports show based on stories from the *Post*.

MEDIA PROPERTIES:
Newspapers (dailies): *New York Post, San Antonio Express, San Antonio News.*
Newspapers (nondailies): *Star, Village Voice*, Houston Community Newspapers (all in Houston—*Community News, Humble Echo, Sentinel, Suburbia-Reporter, Sun, Sun Woodland.*)
Magazines: *New York.*

Oak Industries

Oak Industries, Rancho Bernardo, Cal., is the country's 78th largest media company with estimated revenues of $76,000,000 from media operations in 1980, or 19.7% of total revenues of $385,586,000. Oak's subscription tv operations (stv), by far the largest in the industry, were the sole source of 1980 media revenue.

A public company based in Rancho Bernardo, Cal., Oak Industries operates stv under the ON TV consumer trade name; stv is over-the-air pay tv delivered via scrambled uhf tv signal.

The company's major business continues to be equipment manufacturer for electronic, cable tv and other industries, but it is diversifying into service, systems and software tv ventures. Equipment sales to the exploding cable tv industry have helped bankroll this diversification.

"The outlook for [stv and cable tv equipment] gives us confidence that earnings per share gains are sustainable at about 30% per year for the period 1982 to 1985," well above U.S. average, said Theodore E. James, an analyst at Montgomery Securities, San Francisco. Oak's operating profits last year rose 51%.

The cornerstone of Oak's stv success has been ON TV in Los Angeles, now with about 325,000 subscribers. It is the world's largest single stv operation, accounting for more than one third of all stv subscribers in 1980. Oak in October bought out managing partner Chartwell Communications Group's 49% interest for $55,000,000.

Other ON TV stv operations that Oak manages (some with partners) are in Phoenix (now 38,000 subscribers), Miami/Fort Lauderdale (40,000 subscribers), Chicago (104,000 subscribers) and Dallas (a few thousand). ON TV's success in Chicago has been spectacular as it turned an operating profit in June, 1981 (with 70,000 subscribers), just eight months after launch.

On the other hand, the newest Dallas operation presents a marketing challenge as ON TV is the third stv service there. Oak is field testing in Dallas its second generation of stv decoders—the Sigma model. Because of ON TV's Los Angeles success, the first generation of Oak stv decoders have been prime targets of so-called "pirates" —those who make and sell unauthorized decoder devices that deprive stv operators of monthly subscription fees of about $20.

Oak's stv advertising philosophy entails a mass market approach with heavy tv spending, consistent with the stv industry.

Aside from ads, special discount promotions reducing installation costs or security-deposit fees "are a real big hook" in signing subscribers, said Scott Rogers, marketing director. Local sports telecasts and "networking some major sports to all our systems" are key elements in the ON TV product mix, he added.

Oak plans to introduce ON TV to Washington, D.C./Baltimore and Houston in 1982. Oak has licensed ON TV in Cincinnati and Philadelphia.

Oak this year diversified into cable tv by acquiring two California cable tv systems with about 30,000 subscribers. The company says it is scouting for more cable properties. Also acquired this year was an 81% interest in VideoNet, a Woodland Hills, Cal. closed-circuit video conference company.

Oak also has set up a subsidiary, Oak Media Development, to establish new business in tv program ventures.

In a major development in its hardware business, Oak in 1981 sold Orion model direct broadcast satellite (dbs) decoders to a Canadian company that is launching a commercial dbs service.

Also, Oak in late 1981 reported that backlogged equipment orders had reached $180,100,000, reflecting continued high demand.

MEDIA OPERATIONS:
ON TV subscription tv (Los Angeles, Phoenix, Chicago, Miami/Fort Lauderdale, Dallas); Cable tv systems in two cities; Oak Media Development.

OTHER OPERATIONS:
Oak Communications (largely stv and cable tv hardware and decoders), Oak Technology.

Oklahoma Publishing Co.

Oklahoma Publishing Co., Oklahoma City, the 41st largest media company, had estimated revenues of $170,000,000 in 1980, generated primarily from revenues from its Oklahoma City newspaper operations and Dallas-based subsidiary, Gaylord Broadcasting Co.

The biggest single property is the company's newspaper division dominated by the Oklahoma City papers, the morning *Daily Oklahoman*, the evening *Oklahoma City Times* and the *Sunday Oklahoman*, with estimated revenues of about $80,000,000.

Circulation and advertising have been strong for the papers, thanks largely to the boom market buttressed by tremendous oil and gas activity, and a general drift by the nation's business into the Sunbelt. Ad linage across the board is up about 6% this year, according to Howard J. Nicks, vp-general manager and treasurer.

■ Oklahoma City newspaper circulation trends have followed patterns set in other parts of the country favoring morning papers. "Back in the '30s, the evening paper was around 135,000 to 140,000 and the morning was smaller, but the morning just hit an all-time high of 205,505 while the evening is now about 90,200," Mr. Nicks says. He says the evening paper, however, with circulation pared back primarily to a five-

In Syracuse, we're giving away thousands of free consumers.

It's true. Your ads reach so much extra spending power in Syracuse, it's like reaching thousands of extra consumers free.

For example, Syracuse spends over twice the average amount per person on scotch.* Sixteen percent more than average per person on food.** Our median income is $775 above average.** And the story goes on and on.

What's the best way to reach this profitable audience? Only The Syracuse Newspapers can promise you the kind of coverage you need. The Syracuse TV audience is fragmented by one of the highest cable penetrations of any major market. And we have two new studies that prove it. Just call Dave Kaczorowski at 315-470-2085 for more information about opportunities in the Syracuse Market.

*Source 1981 Liquor Handbook
**Source S & MM Survey of Buying Power

Syracuse. More than you bargain for.

The Syracuse Newspapers
Herald-Journal
Herald American
The Post-Standard

Represented nationally by Newhouse Newspapers

county SMSA around Oklahoma City, has been on a gradual upswing the past five years.

Sunday paper sales, which tend to follow morning circulation patterns statewide added to evening readership in the city, have increased 7,000 in the past year to 315,000. The papers used to have about 60% readership duplication, but that has fallen closer to 25% to 27%, says Mr. Nicks.

Unlike the company's broadcast division, the newspaper division has not been acquisition-minded. Its sole other property, purchased in 1977, is the *Colorado Springs Sun*. The *Sun* has about 23,500 subscribers at the time it was purchased and has been built up to 40,000, "largely because it is in a big growth market as well as tourist center," says Mr. Nicks.

■ The Oklahoma City papers are at the vanguard of newspaper sophistication. The papers went electronic about three years ago, and have just completed putting in an electronic library. Retrieval service will be provided to individual reporter's terminals next spring. New presses and perhaps a new printing plant may be in the offing the next couple of years, Mr. Nicks notes.

Gaylord Broadcasting traces its roots to the purchase of an Oklahoma City radio station in 1928, billed as the first am station west of the Mississippi. "I think it was in some man's garage," says a company officer of the radio property. The company now has the FCC's maximum allowable limit of seven tv stations, as well as three radio units, all in major markets.

Gaylord, named after the founder of Oklahoma Publishing Co., E.K. Gaylord, who directed the company from 1903 until his death (at the age of 101) in the mid-1970s, began to acquire tv properties slowly in the mid-60s, purchasing its last unit in 1977. His son E.L. Gaylord now heads the company. "Our philosophy has been to look for turnaround opportunities instead of trying to buy into highly successful and as a result high priced stations," says Crawford Rice, exec vp at Gaylord.

Mr. Rice says that although the company has reached its FCC set limit of seven tv properties, "we are still in the marketplace if an opportunity presents itself. However, he notes the company is putting much of its thrust these days into software.

Two years ago Gaylord set up a movie production company in Los Angeles called Gaylord Production Co. The newly released movie, "Soggy Bottom U.S.A" is the first big project of that movie house. Complementing that end of the business was the purchased in mid-November of Yongestreet in Los Angeles, producers of "Hee Haw." We bought the company because "Hee Haw" has a long life, and the company already had people in place which would enable us to move more quickly into the tv production field," Mr. Rice says.

"With all this new technology, whether cassettes, pay cable, signals received directly from satellite, there is a big need for programing. Regardless of the delivery system, the programing need is there."

Gaylord, like many other broadcasting operations across the country is bidding for low-power tv station. The company has 43 applications pending before the FCC.

The tightly held company's only other media property is the *Farmer-Stockman* magazine based in Dallas. *Farmer-Stockman* prints monthly from the Oklahoma City newspaper plant some 65,000 copies for distribution in Oklahoma and 140,000 for Texas. It sold its *Kansas Farmer-Stockman* a year ago.

MEDIA PROPERTIES
Newspapers: *Daily Oklahoman, Oklahoma City Times, Sunday Oklahoman*, all Oklahoma City; *Colorado Springs Sun.*
Magazines: Farmer-Stockman Magazines.
Broadcasting: TELEVISION—Gaylord Broadcasting Co.: WTVT, Tampa; WVUE, New Orleans; WUAB, Lorain, (Cleveland) O.; KTVT, Fort Worth; KHTV, Houston; KSTW Tacoma; WVTV, Milwaukee. RADIO—WKY (am), Oklahoma City; KYTE (am), KLLB (fm), Portland.

Outlet Co.

Outlet Co., Providence, R.I., is the country's 82nd largest media company, with media property revenues of $64,200,000 in the year that ended Jan. 31, or 49% of total revenues of $132,300,000. Tv stations contributed $54,000,000 of the media revenues and radio stations $11,000,000.

The company projects revenues of $150,000,000 for the year ending next Jan. 31, including media-property revenues of $76,000,000.

Outlet's nonmedia operations consist of 72 women's wear stores.

The publicly owned company is in the process of being acquired by Columbia Pictures Industries in a tax-free stock exchange valued at more than $100,000,000. The acquisition reportedly was spearheaded by Karl Eller, the well known media exec who now is president of Columbia Communications, Phoenix-based subsidiary of Columbia Pictures.

■ The acquisition was agreed to in principle in September and now awaits shareholder, FCC and Security & Exchange Commission approval. "We don't anticipate any surprises," said David Henderson, Outlet corporate vp and vp-broadcasting.

Outlet currently owns five vhf tv stations, five fm stations and two am stations, while Columbia Communications owns three am and two fm stations.

Part of the agreement requires that Outlet sell its retail stores. Commenting on the merger, Mr. Henderson said: "There is clearly a belief that the current administration is in a deregulatory mood. We see restrictions loosening, allowing more licenses per market.

"With greater capital from Columbia we could diversify more readily than on our own."

MEDIA PROPERTIES:
Broadcast: TELEVISION—KOVR—TV, Stockton/Sacramento Cal.; KSAT-TV, San Antonio, Tex.; WCMH-TV, Columbus, O.; WDBO—TV, Orlando Fla.; WJAR-TV, Providence, R.I. RADIO—KIQQ (fm), Los Angeles; WDBO (am, fm), Orlando, Fla.; WIOQ (fm), Philadelphia; WQRS (fm), Detroit; WRLM (fm), Taunton, Mass.; WTOP (am), Washington.

OTHER OPERATIONS:
Retailing.

Park Broadcasting

Park Broadcasting, Ithaca, N.Y., is the country's 81st largest media company, with estimated revenues from media operations of more than $65,000,000 in the year ended June 30, or 81% of total revenues of $80,000,000. The privately held company owns seven television stations, seven am and seven fm radio stations and more than 45 daily, nondaily and shopper newspapers, with a combined circulation of more than 500,000.

Established in 1962, when Roy H. Park, then 52, bought his first broadcast station, WNCT-TV, in Greenville, N.C., the company soon began an intensive acquisition program that continues today.

It purchased its first newspaper in 1972. At that time, Mr. Park said, "My goal now is to establish a good group of newspapers, only I want to do it much faster than the 10 years it took to build my broadcast group."

He apparently has achieved his goal, and this past year added yet another title to the company's growing list: The *Helena* (Ark.) *World*.

While the total circulation of Park's newspaper group is smaller than that of many large city daily newspapers, the company is not looking for a large acquisition.

In 1977, Mr. Park said: "We're trying to buy more newspapers now. And I'm looking in the smaller towns. We know how to operate in small towns. We wouldn't know how to operate in New York City, Buffalo or Oakland, I'm a real country boy. My background is more rural."

While his background may be rural, the company's philosophy is not. In 1977, Park Broadcasting became the first organization to own the maximum amount of broadcast stations (21) permitted by the FCC.

Mr. Park, now 71, parlayed a merchandising background into what is now a multi-million-dollar media company. In 1948, he joined with Duncan Hines, then an author of food and lodging books to form Hines-Park Foods, which licensed manufacturers to produce food products under the Duncan Hines brand.

In 1956, Procter & Gamble Co. acquired Hines-Park in a tax-free merger. The merger, Mr. Park said, provided him with the "initial financial base on which to start building businesses which I would own outright." Mr. Park served as a P&G exec for seven years following the merger, and continued as a consultant until the late 1960s.

■ It was while he was with P&G that he first saw the power and potential of television and decided to get into broadcasting.

Park's main business—broadcasting, newspapers and outdoor advertising—employ 1,710 people, and are held in three corporations, Park Newspapers, Park Broadcasting and RHP Inc., which controls other companies.

MEDIA PROPERTIES:
Newspapers (dailies): ARKANSAS—*Helena World*. FLORIDA—*Brooksville Sun Journal*. GEORGIA—*Warner Robins Daily Sun*. ILLINOIS—*Macomb Daily Journal*. INDIANA—*Plymouth Pilot News*. MICHIGAN—*Coldwater Daily Reporter*. NEBRASKA—*Nebraska City News-Press*. NEW YORK—*Lockport Union Sun & Journal, Norwich Sun, Ogdensburg Journal & Sunday Advance News*. NORTH CAROLINA— *Concord Tribune, Kannapolis Daily Independent, Morganton News-Herald, Newton Observer-News-Enterprise, Statesville Record & Landmark*. OKLAHOMA—*Broken Arrow Ledger, McAlester News-Capital & Democrat, Sapulpa Daily Herald*. VIRGINIA—*Manassas Journal Messenger*.
Newspapers (nondailies): ARKANSAS—*West Helena Twin City Tribune*. GEORGIA—Perry Houston Home Journal. INDIANA—*Bremen Enquirer, Nappanee Advance-News*. NEW YORK—*Canton St. Lawrence Plaindealer, Potsdam Courier-Freeman, Massena Observer*. NORTH CAROLINA—*Maiden Times, Valdese News*. OKLAHOMA—*Bixby Bulletin, Hartshorn Sun, Jenks Journal, Quinton Times*. Also 17 shoppers.
Broadcasting: TELEVISION—WNCT-TV, Greenville, N.C.; WDEF-TV, Chattanooga, Tenn.; WJHL-TV Johnson City, Tenn.; WTVR-TV, Richmond, Va.; WUTR-TV, Utica, N.Y.; WSLS-TV, Roanoke, Va.; WBMG-TV, Birmingham, Ala. RADIO—WNCT (am,fm), Greenville, N.C.; WDEF (am,fm), Chattanooga, Tenn.; WTVR (am,fm), Richmond, Va.; WNAX (am), Yankton, S.D.; KWJJ (am, fm), Portland, Ore.; KRSI (am) and KFMX (fm), Eden Prairie, Minn.; KEZX (fm), Syracuse, N.Y.
Outdoor: Park Outdoor Advertising, Ithaca, N.Y., Scranton, Pa., and Jamestown, N.Y.

Penthouse International

Penthouse International, New York, is the country's 49th largest media company, with 1980 media property revenues estimated at $145,700,000, or 94% of media operations total revenues of $155,000,000.

The privately held company was founded 16 years ago in England by Robert Guccione. As chairman, he remains the driving force behind the company, maintaining control of all facets of the business, though he is primarily "an idea man" for new projects and goals, a Penthouse staff member said. His goal: "To command the largest privately owned company in the world." Toward this end, he has consistently sought to expand the company by using profits from skin magazines, primarily his highly successful *Penthouse*.

Penthouse is responsible for about 80% of company revenues. Sixty-five per cent of total sales is solely derived from the 4,600,000 copies it sells monthly, mostly on U.S. newsstands. Since 95% of its circulation is single-copy sales, the company is less affected by postal-rate increases than other magazine publishers. Rival *Playboy* sells 40% of its 5,300,000 monthly copies by subscription.

While some *Penthouse* projects have been successful, others have cut into profits.

■ *Forum*, started in 1967 to handle the overflow of letters to *Penthouse*, has had some success with a steady circulation of about 650,000. However, *Lords*, a man's fashion quarterly also started in 1967, folded after four issues, with a reported loss of $1,000,000. *Viva*, a sort of monthly *Penthouse* for women, lasted five years until 1978 and lost an estimated $14,000,000. A third magazine, *Photo World*, died within a year (1970), and lost about $1,000,000.

In a complete departure from its previous magazines, *Penthouse* introduced *Omni*, a science magazine, in 1978. Monthly circulation is currently 800,000, and a spinoff television program, "Omni—The New Frontier," made its debut in October, mostly by way of ABC affiliates. The half-hour, staff-produced syndicated science show is supposed to feed the magazine and vice versa.

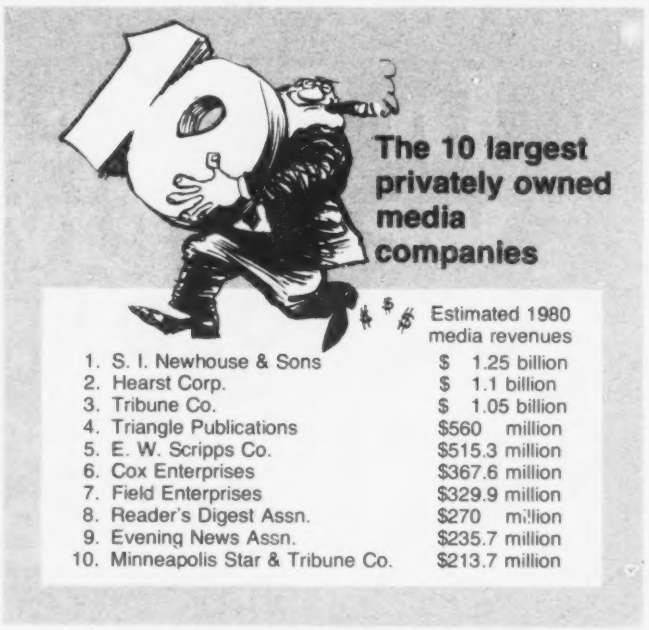
Prior to this year, Penthouse was a family operation. Mr. Guccione's father is still secretary-treasurer. His eldest son, Robert Jr., is the circulation director. His sister is vp and his daughter runs the West Coast advertising/sales office. Other relatives fill various positions within the organization.

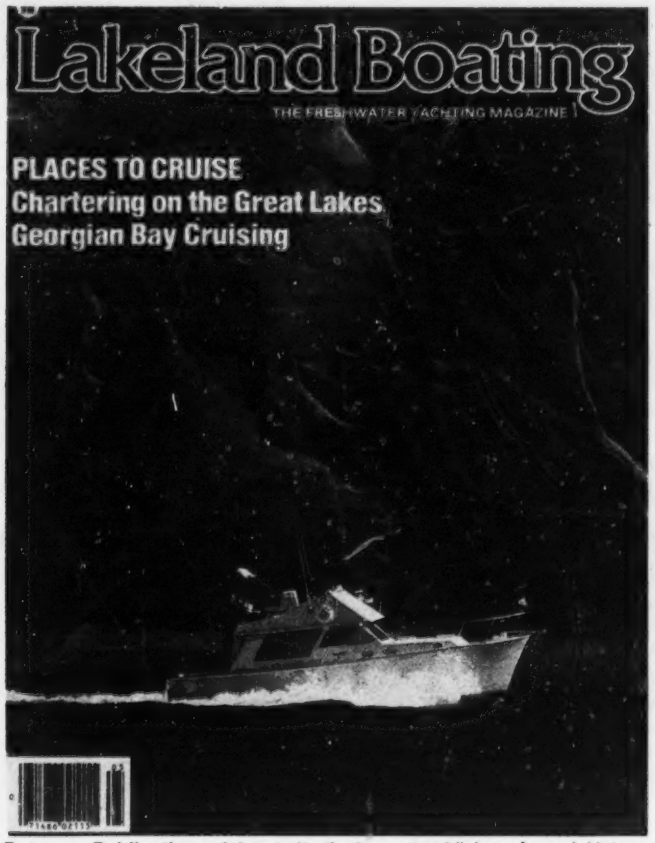
The family is still there, but the company is undergoing a transformation. A new president, Mark Meagher, joined the company in April, 1981. Mr. Meagher, 50, former president of the Washington Post Co., came on board "to establish systems that didn't exist before," he said. (Mr. Guccione previously had held the presidency.)

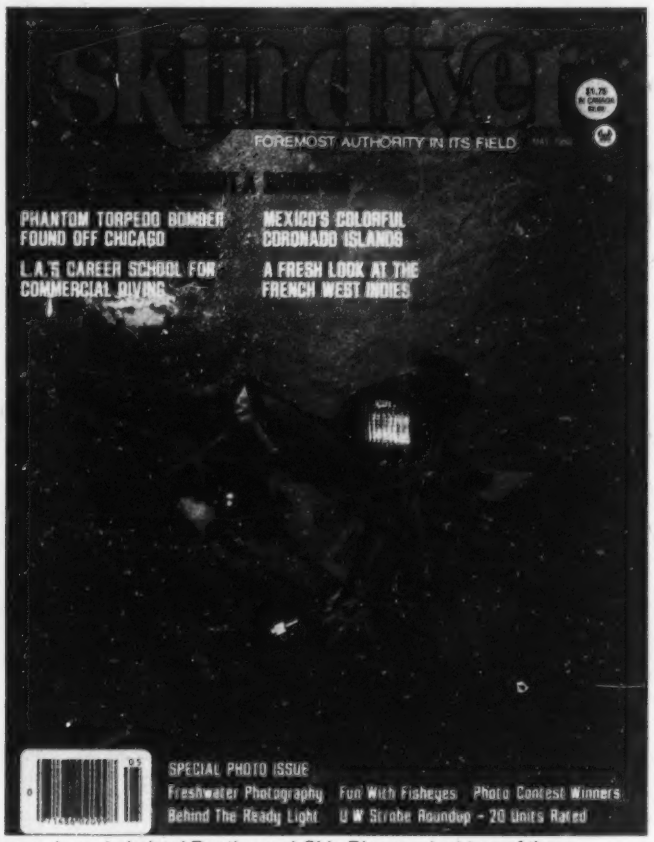
■ For the first time ever, all departments will have budgets in 1982. Mr. Meagher, and new exec vp David Myerson, have established personnel reviews and evaluations for *Penthouse*'s 350 employes in an attempt to rid the company of its "revolving door" reputation. However, some insiders feel Mr. Meagher was brought in to manage the expanded company assets that resulted from a recent buying spree by Mr. Guccione.

Acquisitions in the last few years have included two Atlantic City, N.J., properties expected to be made into casinos in spring, 1983; International Nuclear Systems Organization, a fusion energy company, and film production companies. "We have been diverting huge sums of cash flow without generating the revenue," Mr. Meagher said.

The biggest potential asset is this year's purchase of about 38% in Telemine Co. Earlier this year *Penthouse* signed on to use Telemine's satellite access to produce PET. (Penthouse Entertainment Television). PET is being designed as a


The 10 largest privately owned media companies
Estimated 1980 media revenues
1. S. I. Newhouse & Sons $ 1.25 billion
2. Hearst Corp. $ 1.1 billion
3. Tribune Co. $ 1.05 billion
4. Triangle Publications $560 million
5. E. W. Scripps Co. $515.3 million
6. Cox Enterprises $367.6 million
7. Field Enterprises $329.9 million
8. Reader's Digest Assn. $270 million
9. Evening News Assn. $235.7 million
10. Minneapolis Star & Tribune Co. $213.7 million




skin diver
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PHANTOM TORPEDO BOMBER FOUND OFF CHICAGO
MEXICO'S COLORFUL CORONADO ISLANDS
L.A.'S CAREER SCHOOL FOR COMMERCIAL DIVING
A FRESH LOOK AT THE FRENCH WEST INDIES
SPECIAL PHOTO ISSUE
Freshwater Photography
Fun With Fisheyes
Photo Contest Winners
Behind The Ready Light
U W Strobe Roundup - 20 Units Rated

Petersen Publications claims to be the largest publisher of special interest magazines. *Lakeland Boating* and *Skin Diver* are just two of them.

12-hour, seven-day-a-week version of *Penthouse*. "Initially," said Mr. Meagher, "revenues will come from subscriber fees. We may offer advertising as cable audiences get larger." PET was supposed to air Oct. 1, but has been delayed.

MEDIA PROPERTIES
Magazines: *Penthouse*; *Forum*; *Omni*.

OTHER OPERATIONS:
Apex Properties, Boardwalk Properties, International Nuclear Systems Organization, "Omni—The New Frontier" syndicated tv show, Penthouse Entertainment Television, Penthouse films, Penthouse International Books, Evelyn Rainbird Ltd. (mail order).

Petersen Publishing Co.

Petersen Publishing Co., Los Angeles, is the country's 75th largest media company, with media property revenues of $79,269,000 in 1980, or 90% of total revenues of $88,075,000. The company's media revenues came largely from special-interest magazines.

Petersen expects total revenues this year of about $93,230,000.

The privately owned company is seriously considering its first expansion into broadcasting and new video technologies.

In 1981, Petersen formed a six-member corporate development committee to guide company expansion in publishing and into video programing.

Included on the committee are Frederick Waingrow, Petersen president, and several Petersen publishers and execs.

■ Under consideration for 1982 is a new monthly male magazine, either through acquisition or internal development. Mr. Waingrow has indicated the new title probably will involve a subject in which Petersen is already entrenched—outdoor activities or sports, for example.

In addition, Petersen plans to increase the number of one-time issues it publishes. New one-shots would include all areas of current Petersen interest, plus others.

Mr. Waingrow said audio-visual, home entertainment and home computers are possible subjects for single issues in the coming year. Petersen is also reviewing the sports field, particularly baseball, football and hockey, for possible one-time issues.

Mr. Waingrow said Petersen has received numerous inquiries from public and cable television operators concerning the possibility of using Petersen-generated programing. He hinted the company is in serious talks about a possible joint venture.

While in fiscal 1980 Detroit's troubles triggered a sales slump for Petersen's two strongest titles, *Hot Rod* and *Motor Trend*, 1981 has been different.

Mr. Waingrow said advertising sales for Petersen's auto group have increased in 1981, and noted that over-all Petersen expects a 10% increase in revenues in 1982. He described 1981 as the strongest year financially in Petersen's history.

■ Petersen's top management remained relatively stable this year, with only one key personnel shift. *Motor Trend* publisher Robert E. Brown moved to the new management post of senior vp-corporate development in Petersen's automotive group, based in Detroit. Don Williams, former head of advertising at B.F. Goodrich's tire group, succeeded him as *Motor Trend* publisher.

Despite the uncertain future of the U.S. auto industry, Petersen's automotive group may be in a strong position if Detroit shifts, as some experts expect, from a mass marketing strategy to a more targeted one that would include more aggressive wooing of hard-core auto enthusiasts through special-interest media.

Some industry sources believe, however, that its practice of hiring relatively inexperienced editorial talent at low salaries hinders the over-all quality of Petersen publications and may restrict growth.

MEDIA PROPERTIES
Magazines: *Car Craft*, *4-Wheel, Guns & Ammo*, *Hot Rod*, *Lakeland Boating*, *Hunting*, *Motor Trend*, *Motorcyclist*, *Off-Road*, *Pacific Photographic*, *Rudder*, *Sea*, *Skipper*, *Skin Diver*, *Sports Car Graphic*, *Teen*. Also, one-shot special-interest publications.

Pittway Corp.

Pittway Corp., a highly diversified Northbrook, Ill. is the 65th largest media company in the U.S., with media property revenues of $112,000,000 in 1980, all of it gained through the Pittway Corp.'s Cleveland-based Penton/IPC subsidiary.

Penton/IPC, with revenues amounting to about 35% of Pittway's total revenues of $311,700,000, publishes 27 trade magazines and also is involved in direct mail marketing, educational consulting and real estate.

Advertising in the magazines accounted for 69% of Penton/IPC revenues last year. Advertising sales increased 10%, contributing to the publishing segment's record profits.

The best performers in ad page gains were *Machine Design*, *Progressive Architecture*, *Modern Office Procedures*, *Materials Handling Engineering*, *Energy Management*, *Welding Design & Fabrication*, *Materials Engineering* and *Used Equipment Directory*.

■ According to *Folio* magazine, Penton/IPC's largest magazines in revenues are *Machine Design* ($14,435,000 in 1980 revenues), *Industry Week* ($11,536,000), *New Equipment Digest* ($9,047,000) and *Progressive Architecture* ($5,347,000).

The company anticipates a record year in sales and profits in 1981 because of the publishing company's performance and strong growth in Penton/IPC's real estate resort segment.

Chairman Irving Harris said 1981 has been a year of "greater selectivity in choice of media. Our challenge is to continue to improve Penton/IPC publications and services so that when choices are made among competitive magazines serving similar markets, Penton/IPC magazines will be selected to carry advertising programs."

The company has increased its involvement in real estate with the recent opening of Saddlebrook, an

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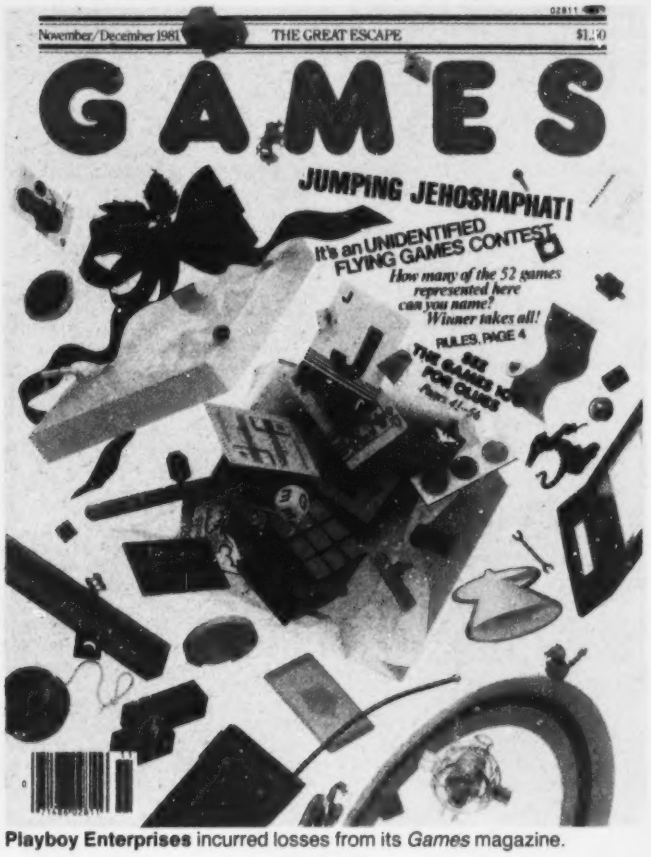


Playboy Enterprises incurred losses from its *Games* magazine.

$80,000,000 condominium resort 14 miles north of Tampa, Fla., late last year.

It also established a corporate classified advertising department that sells classified ads for individual or groups of company publications. Last year, it began publishing an every-other-monthly called *Energy Management*, aimed at industrial-plant energy managers and executives.

MEDIA PROPERTIES:
Magazines: *Air Conditioning & Refrigeration Business, Air Transport World, Chemical Engineering Catalog, Energy Management, Foundry, Government Product News, Handling & Shipping Management, Heating/Piping/Air Conditioning, Hydraulics & Pneumatics, Industry Week, Lodging Hospitality, Machine Design, Management Personal Time, Material Handling Engineering, Materials Engineering, Modern Office Procedures, New Equipment Digest, Occupational Hazards, Power Transmission Design, Precision Metal, Production Engineering, Progressive Architecture, Restaurant Hospitality, School Product News, Used Equipment Directory, Welding Design & Fabrication, Welding Distributor.*
Other: Direct response cards, directories, annuals, special publications.

OTHER OPERATIONS:
C&A Investments, Curtin & Pease (mail marketing), Fluid Power Show, list sales, market research, Mail-Tel Service, Penton/IPC Press (graphic services), Penton Learning Systems, Pittway Real Estate, Power Transmission Show, Rick Reinert Productions (motion pictures and animated films), Saddlebrook Resorts.

Playboy Enterprises

Playboy Enterprises, Chicago, is the nation's 40th largest media company, with media property revenues of $170,000,000 in calendar 1981. That amounted to 47% of total revenues of $363,200,000. Nonmedia revenues came from gaming, clubs and hotels and other businesses. Total profits were $14,341,000 for the year.

Playboy is a company undergoing a major facelift. After a long and expensive battle over licenses for its United Kingdom gaming operations, Playboy sold the casinos and betting shops in early November to Trident Television Ltd. for $31,400,000. The U.K. gaming division provided 85% of the company's operating earnings in fiscal 1981.

The money from the sale, plus an accumulation of more than $40,000,000 in cash and short-term investments, left the company with the option to enter new businesses. Derick J. Daniels, president and chief operating officer, said Playboy would enter "fields that make sense" in the communications and entertainment arena.

■ During the year, Playboy was faced with problems in its other divisions, too. The company's flagship magazine, *Playboy*, showed only modest increases in subscription sales. And its 12% jump in gross ad revenues—to $73,619,000—came largely because of ad rate increases. Circulation from January to June averaged 5,200,000, down 8.8% from 1980. Ad pages fell to 1,199 pages for the first 11 issues of the year, down 2.9% from 1,234 pages last year.

Total earnings from the magazine division fell by more than 50% in fiscal 1981 to $6,017,000, compared with $14,744,000 in 1980. The company attributed the drop to the decline in newsstand sales, an estimated $4,000,000 in losses from Games and a $1,400,00 decline in revenues from *Oui*.

In June 1981, Playboy decided that publishing two competing magazines in the men's category was not "sound policy," according to Nat Lehrman, senior vp-magazine division director. The company sold *Oui* for an undisclosed amount to Goshen Litho, a New York company that publishes *Blueboy* and other magazines. Management said it placed hopes for increased revenue this year for *Games*, "The 4Star," a monthly puzzle newsletter and a syndication package of *Games* puzzles for newspapers.

Another venture, *Playboy Guides*, also is slated for more development. The company set eight publication dates through November, 1982, for the guides, which range in topics from fashion to entertainment to *Wheels*, covering automobiles, motorcycles and other recreational vehicles.

Operating earnings in fiscal 1981 from the television and movie production, and book publishing divisions dropped 67% to $964,000. Cable television programing plans emerged during the year, and the company said the new media would be a significant development area in the years ahead.

In August, Playboy Productions and Rainbow Programing Services, a consortium of cable tv operators, agreed to form a pay cable tv program service called "The Playboy Channel." Hugh M. Hefner, company founder, chairman and chief executive officer, said at Playboy's recent annual meeting that cable would eventually produce profits exceeding the former gaming holdings.

"The Playboy Channel" is described as a "translation" of *Playboy* magazine, including such features as fashion, interviews and "provocative" pictorials. The programing is scheduled to be introduced in early 1982 on the existing Escapade adult pay cable network operated by Rainbow. The name of the network will change to "The Playboy Channel" at a yet to be determined date.

In addition to its London gaming operations, other nonmedia operations proved troublesome in fiscal 1981. The clubs and hotels division reported a loss of $5,153,000 last year, and execs said domestic and overseas franchise development, rather than company-owned clubs, would hold the key to future growth in the division.

Playboy announced in late November it planned to sell its money-losing resort hotels in Lake Geneva, Wis., and Great Gorge, N.J. to a joint venture partnership formed by Eugene Golub, a Chicago real estate investor, and Americana Hotels Corp., also of Chicago.

The company's long-awaited Atlantic City hotel and casino was opened in April, 1981, after several delays and cost overruns. The company said the facility had experienced a "slow start," which it attributed to high startup costs and strong competition from other casinos. Mr. Hefner said the gaming problems in the U.K. were not expected to affect the U.S. hotel and the company's application for a permanent operating license.

MEDIA PROPERTIES:
Magazines: *Playboy, Games, Playboy Guides*

OTHER OPERATIONS:
Book division, cable programing venture with Rainbow Programing Services, gaming operations, hotel operations, licensing, limousine services, modeling agencies, motion picture and television production, Playboy Clubs.

Post Corp.

Post Corp., Appleton, Wis., is the country's 83rd largest media company, with revenues of $63,129,000 from media operations in 1980. Media accounted for the majority of the company's revenues, with an additional $18,000,000 coming from Post's commercial printing operations, giving the company $81,129,000 in revenues.

Revenues for the first three quarters of 1981 were $57,067,000 and the company expects to match or slightly exceed the previous year's revenues. During 1981, newspapers proved to be the strongest performers in Post Corp.'s stable, showing slightly higher profits than in 1980. The broadcast division reported revenues at about the same level as 1980 with higher costs of doing business.

The privately owned company rid itself of a considerable financial burden in early 1981 by killing 10 of 12 suburban Milwaukee weeklies in January. John Rickert, general manager, said the company believed it didn't make sense for the papers to continue because they were competing against strong dailies and weeklies in many of the communities.

In May, the company sold the remaining two papers to Hutchinson Publications of West Allis, Wis. The papers were losing approximately $800,000 a year.

"It has certainly helped the outlook for our newspaper division and it is one of the reasons the third quarter looked very strong for our papers," said Roy Valitchka, the company's marketing director. "They were the only weak performers we had."

Post added five new weeklies to bring its total of Cleveland-area papers to 17. They serve 66 communities in the area. With the exception of the unprofitable Milwaukee chain that was dropped, Post papers worked from a solid financial base in 1981.

In addition to the Cleveland-area publications, Post holds papers in the Boston and St. Louis areas, as well as the company flagship, the *Appleton Post-Crescent*. Ad revenues for the Appleton daily are up this year, said Mr. Valitchka.

Although newspapers form the base of Post Corp.'s operation, the company has continued to expand in broadcasting. Because of the economy and a softness in local spot sales, ad revenues for the five television stations were lower than anticipated.

The only major format changes for any of the tv stations came at WEAU in Eau Claire, Wis. and at KLUK in Green Bay. Both moved from a 30-minute local evening newscast to a one-hour news magazine format that wraps around the national network newscast.

■ The move was seen to give a competitive edge to WLUK, which is in a highly competitive market. In Eau Claire, WEAU competes with one of the largest and most established cable tv-wired areas in the country. Cable in Eau Claire got its start years ago because the terrain doesn't allow traditional antenna reception. The regular tv stations are transmitted via cable.

Post has not yet entered the cable arena, but it is examining the possibility of acquiring a system. It has applied for low-power television licensing from the Federal Communications Commissions, which may be a first step toward becoming involved in cable.

"We want to think carefully about cable and how best we can use our knowledge of the news business," said Mr. Valitchka. "We don't want to be doing rolling video text on a screen. If we get into cable, we want to have something worthwhile to offer."

MEDIA PROPERTIES
Newspapers (dailies): WISCONSIN—Appleton, Neenah, Menasha *Post-Crescent* and Neenah and Menasha *News-Record*; *West Bend News*. MASSACHUSETTS—*Dedham Daily Transcript* and *Weekly Transcript, Waltham News-Tribune*. ILLINOIS—*Granite City Press Record*.
Newspapers (nondailies): *OHIO—Bedford Sun-Banner; Brunswick Sun Times; Chagrin Valley Herald Sun; Euclid Sun Journal; Garfield-Maple Heights Sun; Lakewood Sun Post; Medina Sun Sentinel and News Sun; Parma Sun Post; Solon Herald Sun; Strongsville-North Royalton Sun Star, Sun Courier, Sun Herald, Sun Leader Journal,* Sun Messenger, *Sun Press, Sun Scoop Journal, West Side Sun News.* MASSACHUSETTS—in Boston: *Parkway Transcript; West Roxbury Transcript; Newton Graphic.*
Broadcasting: TELEVISION—MICHIGAN—WLUC-TV, Mar-

Not just a question of vanity

"I didn't want to be a publisher of anything, but this was the most exciting idea I've heard in years," says Joseph E. Corr Jr. So he chucked his marketing vice presidency at Heublein and on Sept. 1 officially became the leader of the proposed revival of a magazine-industry legend: *Vanity Fair*.

The showcase of literary talent that expired in 1936 is scheduled to reappear in early 1983. Times are ripe for a literary renaissance, Mr. Corr says. He feels a "new elite" of affluent, educated and widely dispersed readers emerged in the 1970s and will support the new *Vanity Fair* as they are such magazines as *Architectural Digest* and *Town & Country*.

The new magazine will feature great writers, Mr. Corr says, just as its venerable namesake did with the likes of Robert Benchley and Dorothy Parker. The new *Vanity Fair* will discover unkown writing talent; it will offer the work of the very best magazine designers, illustrators and cartoonists; it will encompass everything from sports to satire. Mr. Corr anticipates first-issue circulation of 250,000, and an abundance of upscale advertisers offering "super-premium products" such as crystal and luxury cars.

Despite his marketing and promotion background—he was manager of sales and promotion for *Life* from 1968 to 1971 and as president of Time Distribution Services was responsible for introducing *People* to the nation's newsstands—Mr. Corr plans a low-key promotion for *Vanity Fair*, one that he says will rely heavily on word-of-mouth.

JOSEPH CORR

quette; MISSOURI—WTVO-TV, Kirksville; NEW YORK—WOKR-TV, Rochester; WISCONSIN—WEAU-TV, Eau Claire; WLUK-TV, Green Bay. RADIO—WISCONSIN—WAXX (fm), Eau Claire, WAYY (am), Chippewa Falls; IOWA—KBIZ (am), Ottumwa.

Providence Journal Co.

The Providence Journal Co., Providence, R.I., is the nation's 63rd largest media company, with estimated revenues from media operations in 1980 of $117,009,000 or 71% of its estimated total revenues of $162,800,000.

The privately held company publishes three newspapers and is expanding into other media businesses.

Circulation of the dailies—the morning *Providence Journal* and the *Evening Bulletin*—total 219,000. In other words, when considered together, the two papers are second only to the *Boston Globe* in circulation size in the New England daily market. The Sunday *Journal*'s 233,813 circulation places it fourth in the region.

The Sunday publication continues to make circulation gains in what some consider an economically weak part of the country.

The newspapers recently initiated customized research for advertisers, including delivery of preprints into demographically determined specific locales. A number of national advertisers, backed by the papers' research facilities, use the editions for testing newspaper ads.

■ The *Journal* and *Bulletin*, three-time winners of Pulitzer Prizes, employ a large news staff out of its Providence facilities, 12 regional offices and a Washington bureau.

A subsidiary, Providence Journal Broadcasting, operates the all-news WEAN (am) in Providence. The station employs the largest broadcasting news staff of any radio or tv station in southern New England and has a score of news awards to its credit. In addition, the company owns a contemporary music fm station in the Providence area.

The broadcasting unit's lone tv station, the independent WPHL-TV, Philadelphia, has broadcast rights to the Philadelphia Phillies baseball games and also is said to devote considerable time to public affairs programing. The station reportedly operates the largest commercial production facility in the market.

Less than a dozen years ago, the Journal Co. entered the burgeoning cable tv field with the establishment of Colony Communications, which serves more than 120,000 subscribers in systems in New England, Florida and Pennsylvania.

Colony's special services are expanding to include fire and medical alert systems, data and information retrieval, utility and meter reading and energy management. Community affairs efforts have resulted in a recent presentation of a National Cable TV award to Colony's New Bedford, Mass., system for creation of a channel devoted to Portuguese programing.

Colony also operates an over-the-air pay television unit, Multipoint Distribution Service (MDS) in Boston, Springfield and Providence, and transmits Home Box Office programs over the system to more than 15,000 households.

Colony's most recent personnel change in its upper ranks was the hiring of Roger R. Turner from Park Broadcasting to assume the post of vp-director of operations.

Michael P. Metcalf, publisher and chief operating officer of the corporation, says: "The Journal Co. is committed to maintaining and building upon its reputation as the information center and as a major advertising medium for southeastern New England, while simultaneously developing its base in the print and electronic media on a regional and national level."

MEDIA PROPERTIES:
Newspapers: *Providence Journal; Providence Evening Bulletin; Providence Sunday Journal.*
Broadcasting: Tv—WPHL-TV, Philadelphia. Radio—WEAN (am and fm), Providence.
Cable/video: Colony Communications, serving the following: FLORIDA—Hialeah (88.89% interest). MASSACHUSETTS—Fall River (84% interest), Falmouth (90% interest), Lowell, New Bedford (86% interest), Woburn. NEW YORK—Beacon, Hyde Park, Lloyd, Monroe, Poughkeepsie. PENNSYLVANIA—Homestead. VERMONT-Bennington. Multipoint Distribution Service pay tv.

OTHER OPERATIONS:
Providence Gravure.

Pulitzer Publishing Co.

Pulitzer Publishing Co., St. Louis, is the country's 38th largest media company, with estimated 1980 revenues from media properties of $190,500,000. The St. Louis company is privately owned with the majority of stock held by the Pulitzer family.

The *St. Louis Post-Dispatch*, Pulitzer's flagship newspaper and largest revenue producer, has been losing money for more than three years. The company says that should change by 1983.

Pulitzer's other holdings, including the *Arizona Daily Star* in Tucson, a radio station and five vhf tv stations, are said to be in fairly good financial shape.

Although Pulitzer has been the dominant name in St. Louis media for more than 100 years, the company seems determined to lessen its dependence on that old industrial city and to position itself in smaller markets in the middle of the Sunbelt.

Two years ago it traded its local radio station for one in Phoenix. Earlier this year it agreed in principle to swap its St. Louis tv station, KSDK-TV, for two Multimedia Inc. Sunbelt stations and cash.

In the deal—which still must receive FCC approval—Multimedia will give Pulitzer WFBC-TV in Greenville, S.C., WXII in Winston-Salem, N.C., and $8,500,000. All three stations are NBC affiliates.

The cash will give Pulitzer several investment options, including the purchase of a uhf tv station or other newspaper properties. "Magazines, cable, print and broadcast media all would be considered," said Nicholas Penniman, Pulitzer assistant general manager.

Pulitzer is looking for a niche in the cable market as a producer of software and has formed a subsidiary, Pulitzer Productions, to experiment with electronic information dissemination. The company's move into this field is strictly exploratory. "We're cautious," Mr. Penniman said, "because others who have gone into it are not as optimistic as they once were."

In 1979, under the federal Newspaper Preservation Act of 1970, the *Post-Dispatch*, an afternoon paper, and Newhouse Newspapers' morning *Globe-Democrat* merged all operating functions except editorial. The two now split profits and losses equally.

■ Although both dailies are losing money, Pulitzer's newspaper is clearly the dominant entity. The *Post-Dispatch* controls the operating agency and has 1,600 editorial, business and printing employes. It also owns the presses. The *Globe-Democrat* has only 200 employes, all in editorial, operates from rented quarters and is printed on contract by the *Post*.

Local observers speculate that Newhouse eventually will give up on St. Louis and leave Pulitzer with a market monopoly. Another possibility is a Pulitzer takeover of the *Globe-Democrat*.

During labor negotiations last summer, auditors revealed that the joint operating agency had lost more than $11,000,000 during the three-year period ending in 1980. Agency revenues during those years reportedly totaled slightly more than $300,000,000.

■ The losses, along with the sobering effect of the *Washington Star*'s death, persuaded most of the papers' unions to agree to an 18-month moratorium on wage increases. If all accept the wage freeze, it will give the *Post-Dispatch* a chance to get its house in order and take advantage of an expected upturn in the economy, Mr. Penniman said.

He said the *Post-Dispatch* is "leaner" and better managed than it was a few years ago. He pointed to empty offices in the executive suite as evidence of the new austerity. He also noted that the composing room has less than one-third the number of employes it once had.

During 1982, the *Post-Dispatch* plans to initiate a blanket-coverage delivery system designed to put advertisers' supplements at every door in the metropolitan area. The supplements would be delivered with the newspaper to subscribers and alone to nonsubscribers.

The system will offer market segmentation and zoning options to advertisers, Mr. Penniman said.

The company hopes the system will help the dailies compete more effectively with the Suburban Newspapers of Greater St. Louis, a powerful free-weekly publisher that blankets most of the metro area, delivering to 800,000 households and offering retailers a wide range of zoning options. The suburban weeklies have grabbed a big share of the supermarket advertising away from the dailies.

MEDIA PROPERTIES:
Newspapers: *St. Louis Post-Dispatch; Arizona Daily Star.*
Broadcasting: TELEVISION—KSDK-TV, St. Louis; WLNE-TV, Providence, R.I.; KETV, Omaha, Neb.; KOAT-TV, Albuquerque, N.M.; WGAL-TV, Lancaster, Pa. RADIO—KTAR (am), KBBC (fm), Phoenix.
Cable/video: Pulitzer Productions Inc.

RCA Corp.

RCA Corp., New York, the third largest media company, had revenues from total media operations, consisting of National Broadcasting Co.'s tv and radio networks and the owned radio and tv stations divisions, of just over $1.5 billion in 1980, when parent RCA Corp. topped $8 billion in revenues.

NBC was "on its way to a good year" in 1980 until the Carter Administration's boycott of the '80 Moscow Summer Olympics "shattered its earnings prospects," said Edgar Griffiths in his last annual report statement as RCA chairman. The Olympics situation caused a $33,700,000 loss, which with political campaign coverage pushed earnings down 29% as gross NBC sales rose 11% to a record level. Without that writeoff, NBC earnings would have surpassed the 1979 mark, he noted. In 1979, NBC contributed nearly $1.4 billion of RCA's total sales, which were about $7.5 billion.

NBC said the tv network finished the calendar 1980 year with its "best competitive [prime time ratings] position since 1972," thanks largely to the "Shogun" miniseries, the "Centennial" rerun and World Series '80 coverage, plus strong weekly series "Little House on the Prairie," "Real People" and "Diff'rent Strokes." Still, NBC wound up third, well before the full 1980-81 prime time season Nielsen ratings were tabulated.

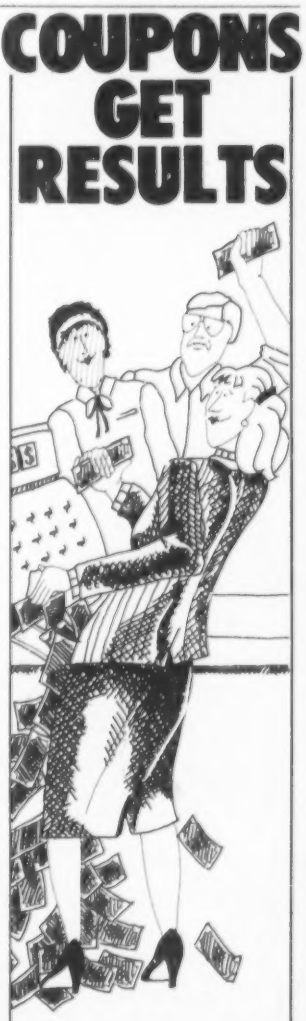
RCA, in reporting $2 billion in third quarter '81 revenues and $5.9 billion for the year's first nine months, took a $150,000,000 after-taxes writedown, chiefly on NBC-TV programing and Hertz Corp. The write down, according to new RCA chairman (and former ARCO president) Thornton Bradshaw, was a form of "cleaning house," leaving the company with a $109,300,000 loss for the third 1981 quarter and a $9,000,000 nine-month loss. Thanks to this move, RCA expects a "modest" profit when '81 results are compiled.

The considerable NBC write off—estimated by some industry sources at just over $30,000,00—involves a batch of lackluster prime time series, miniseries and pilots. These shows, given virtually no chance of improving on their dismal Nielsens the first time out, are being "eaten" rather than repeated, sources said.

Mr. Bradshaw's selection of successful independent tv producer Grant Tinker (MTM Enterprises) to replace Fred Silverman as NBC chairman was generally welcomed inside and outside NBC as a promising sign.

Robert Mulholland, the NBC-TV Network president whom Mr. Tinker promoted to NBC president, also was widely praised, especially by affiliates.

The over-all picture at NBC heading into autumn '81 was not without several positive develop-



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ments. Mr. Tinker saw the final fall schedule of the Silverman era as a promising one, but emphasized that he himself will not "play an active role in programing" at the network.

NBC Sports, besides boasting strong ratings for the 1980 World Series, the Rose Bowl and Wimbledon tennis, pointed out that its Sunday afternoon pro football ratings in fall '80 were "considerably larger" than in 1979. All told, NBC produced some 430 hours of 1980 sports coverage.

On the affiliate front, NBC-TV had 213 stations contracted at the end of 1980 and has since inched up to 215. In Saturday morning children's ratings, NBC this fall has been making its best showing in years, thanks to entries like "The Smurfs" and "Spider-Man."

Still, NBC is having more than its share of rating woes and sometimes it is hardest hit by circumstances beyond its control. Early in the fall '81 season, NBC continues to lag well behind its rivals in prime time, in part due to production delays created by last summer's writers' strike. NBC has seen such interim series as "The Flintstones," "Here's Boomer" and "Fitz & Bones" bomb in the Nielsens, while creative changes put Angie Dickinson's series out of the running for fall and into the mid-season. In November, NBC got more bad news when Rock Hudson's sudden heart surgery forced his series into hiatus until next year.

For the four weeks ended Nov. 1, NBC averaged a 15.3 rating and 24.1 share. That was 5.1 points behind No. 2 ABC in rating and 8 points behind ABC in audience share.

In news, for the five fall weeks through Oct. 30, NBC had a 12.1 homes rating and 23 share, compared to ABC's 12.3 and 23 score and CBS' 12.7 and 25. The Tom Brokaw/Roger Mudd anchor team takes over the NBC helm in April, when John Chancellor begins work on several prime time documentaries. In daytime, NBC has been a sluggish third, hampered by too many low-rated game shows and strong counter-programing by ABC and CBS. Even in late night ("Tonight") and early morning ("Today"), where NBC long went unchallenged, NBC has had quite a ratings fight on its hands, mainly with ABC.

■ Meanwhile, in radio, the NBC Radio Network boasted strong affiliations in such major markets as Philadelphia, Cleveland, Miami and St. Louis for a total of 311 outlets at year's end. Its eight owned am and fm stations attained their "highest audience ratings" in their history, NBC radio execs boasted. In addition, the young adult-appeal Source network has now attracted 163 affiliates. The Source is not only one of several recently started radio networks, but also may be the first of several new satellited NBC networks.

As Mr. Bradshaw said, primarily regarding NBC's status, after he took the RCA position, "Obviously, in the broadcast business or any business, results are what counts. One always asks how long a person gets to win a ball game. Sometimes in broadcasting, judgments are made too soon."

Looking ahead, NBC hopes to hold onto its recently signed $180,000,000 college football tv contract covering 1982 through '85. Completion of that College Football Assn. deal has been tied up in the courts because of opposition from the National Collegiate Athletic Assn. NBC would have 61 of the top 81 college grid teams the CFA lured from the NCAA. NBC also had to spend big—$11,000,000 a year for the three years ending in 1984—because CBS forced the bidding up on the Rose Bowl.

REESE SCHONFELD

This is more fun than the law

Despite reports of monthly losses reaching $1,000,000, the Cable News Network—and the 24-hour news format—are going nowhere but up, says CNN president Reese Wolfe Schonfeld.

"By the second quarter of '82, we'll be showing a profit," says the lawyer-turned-newsman who joined Ted Turner in August, 1979 to head and help form the revolutionary CNN.

"This is natural growth. We started [June 1, 1980] with 1,700,000 [subscriber] homes, we now have nine and a half million homes, and we're growing by 12,000 to 15,000 homes per day," Mr. Schonfeld says.

What's more, CNN will introduce yet another 24-hour news service, CNN II, on Jan. 1. This headline service will cover "all the news in the world" in half-hour cycles, with six minutes per half hour allowed for local news. CNN II has the jump on its main competition, Westinghouse/ABC's Satellite News-Channel, scheduled for a spring 1982 start, Mr. Schonfeld notes.

Mr. Schonfeld, 50, was a Columbia University law student in 1956 when he opted for parttime work as a UPI Movietone copyboy rather than executive training at CBS Inc.; he says he figured news would be "a hell of a lot more fun." After earning his J.D. in 1960, he foresook the law to write, edit and produce for UPI TV News. In 1975 he founded the Independent Television News Assn., where Ted Turner found him in 1979.

As part of NBC's last major theatrical movie buy, totaling more than $77,000,000 for 15 films, mainly from Paramount Pictures, the network secured the rights in late 1980 to such features as "Urban Cowboy," "Meatballs," "Ordinary People" and "Airplane," stretching across several seasons.

Although NBC comprises RCA's media empire for now, the future may well find at least some of RCA's SelectaVision videocassettes and videodiscs carrying commercials. That, however, will take a while since consumer sales are not mass enough to make such approaches financially viable.

■ RCA is getting into the catv field via RCTV's Entertainment Channel, a joint venture with Arthur Taylor and Rockefeller Center. Herb Schlosser, RCA Cable Inc. president and also RCA Corp. exec vp, is handling RCA's involvement in this project, due for an early '82 startup as a pay cable service. RCTV, which is spending $50,000,000 to buy BBC tv programs for the cable service, will sell commercial time, but that is getting a lower priority than originally expected.

Another RCA operation indirectly affecting the media world is RCA Americom, whose Satcom satellites helped spark catv and pay cable's upsurge in recent years, starting with Ted Turner's Atlanta superstation and Time Inc.'s Home Box Office network.

MEDIA PROPERTIES
Broadcasting: TELEVISION—NBC-TV Network. Stations: KNBC-TV, Burbank, Cal.; WMAQ-TV, Chicago; WNBC-TV, New York; WKYC-TV, Cleveland; WRC-TV, Washington.
RADIO—NBC Radio Network; The Source. Stations: KNBR (am) and KYUU (fm), San Francisco; WMAQ (am) and WKQX (fm), Chicago; WNBC (am) and WYNY (fm), New York; WRC (am) and WKYS (fm), Washington.

Reader's Digest Assn.

Reader's Digest Assn., Pleasantville, N.Y., is the country's 25th largest media company, with estimated media property revenues of $270,000,000 in 1980, all from the U.S. edition of the *Reader's Digest*. The U.S. edition of the 60-year-old magazine accounted for about 25% of the company's total estimated revenues of $1.1 billion last year.

The company also generates revenues from foreign editions of the *Digest*, book publishing and mail order sales of records and other products.

While the *Digest* is perhaps unique in having thrived as a general-interest publication, its U.S. circulation has remained flat at about 18,000,000 in recent years, reinforcing the view of some magazine industry analysts that the *Digest* has reached its peak in the U.S. market. The company has been criticized in recent years for failing to use its powerful *Digest* base to market new magazines, but it steadfastly has insisted that as a privately owned company it was not compelled to pursue growth for growth's sake. "Mr. Wallace [DeWitt Wallace, founder of the magazine] always felt that if there was additional talent around it ought to be invested in making the *Digest* even better," Richard McLoughlin, *Digest* publisher, said.

As Mr. Wallace grew less active in the company in the late 1970s and John A. O'Hara, former director of the books and recorded music division, became chief executive in 1978, Digest Assn. followers began to detect a new, if gradually introduced, sense of change at the company.

In early 1979, the company sampled *Digest* readers for their thoughts on eight new magazine concepts. The upshot of that testing was *Families*, the company's first new magazine since the *Digest*. The premier issue appeared last fall with a solid 67 pages of paid advertising, and the magazine began regular monthly publication in October, 1981. It has continued to do well with both readers and advertisers, a Digest official said.

In an interview earlier this year, Edward T. Thompson, *Digest* editor-in-chief and a member of the company's three-man executive committee, said, "I'm sure you won't have to wait 60 years for the next new magazine" from the company. Publisher Mr. McLoughlin later confirmed that the other seven ideas tested in 1979, including such test titles as *Do-It-Yourself Digest*, *Money Digest* and *Sports Digest*, were serious proposals and that one or more of them eventually could become Digest magazines

The company reportedly will consider seriously only magazines with a potential circulation of at least 1,000,000. Its targeted circulation for *Families*, which started with a 500,000 circulation rate base, is 2,000,000, although company officials acknowledge that a circulation of as much as 5,000,000 is possible.

■ In another recent diversification, the company in late 1980 acquired 51% of The Source, a computer software company that transmits data by telephone lines to subscribers with home computers. The Digest Assn. presumably will provide information from its vast storehouse—as well as expansion money—to The Source, but no specific plans have been announced.

Mr. Wallace, who with his wife started the *Digest* in a Greenwich Village basement and saw it grow to be the world's largest-circulation magazine, died last March at the age of 91. His widow, Lila, now controls all of the company's voting stock.

MEDIA PROPERTIES
Magazines: *Reader's Digest*, *Families*.

Rodale Press

Rodale Press, Emmaus, Pa., is the nation's 92nd largest media company, with revenues from media operations in the year ended July, 1981, of about $55,000,000, all from magazines and newsletters stressing health and individual self-sufficiency.

A book publishing division brought total revenues to about $85,000,000 last year. The company says its total revenues will top $98,000,000 in the current fiscal year.

The privately owned company publishes *Organic Gardening*, launched by the company's late founder, J.I.Rodale, in 1942 and still is increasing in circulation, which now stands at 1,300,000. Other Rodale publications include *Prevention*, the largest health magazine in the nation, with a circulation of 2,388,246 (estimated readership of more than 6,000,000); *Bicycling*, which this year increased its circulation 27.5% to 200,000; *New Shelter*, a home improvement publication that has doubled its circulation to 525,000 since its February, 1980, debut, and *New Farm*, which recently changed its editorial direction to appeal to all farmers without compromising the company's commitment to "organic" farming.

In addition, Rodale publishes "Executive Fitness" and "Body Bulletin," newsletters aimed at company execs and their employes. Rodale says the combined circulation for its magazines and newsletters is 5,000,000, up from 4,600,000 a year ago.

■ Earlier this year, Rodale's 14-year-old *Theatre Crafts*, the largest paid-circulation publication in its field, was sold to the magazine's editor, Patricia Mackay, and now is published in New York.

Rodale plans an April, 1982, debut for *Spring*, a women's service magazine designed primarily to reach those in the 20-to-40 age group who seek "high energy living." The pilot issue distributed earlier this year was well received, Rodale says.

Spring will start with a circulation base of 250,000. Newsstand sales, introduced in recent years after the company's longtime orientation toward mail order, will be used along with subscription solicitations.

Spring will abide by the Rodale policy that bans ads for liquor, cigarets, "junk foods" and other products that the company considers harmful. Emrika Padus, a *Prevention* editor, is executive editor of the new magazine.

Rodale's book division, under a new president, Richard Huttner, publishes 30 to 35 new titles annually and operates three book clubs. Book topics range from agriculture to fitness. In 1980, Rodale reported sales of 2,400,000 books, representing a 16% increase through the retail trade and a 20% rise in mail orders.

The company's electronic publishing division, has undertaken a new 13-part "Home Dynamics" series, which began airing on cable tv this fall.

Although J.I.Rodale met resistance at first in his bid to make Americans aware of natural type living through organic gardening and health prevention, the company, now headed by son Robert, is finding widespread acceptance of its ideas.

The company is trying to make even more Americans aware of Rodale through such recent actions as sponsorship of the American Lung Assn.'s antismoking campaign; opening of corporate advertising offices in New York, and a series of op-ed page public service ads in the *New York Times*. The *Times* ads were devoted to Rodale's Cornucopia Project, designed to develop strong food systems for this country.

Company officials expect Rodale to keep expanding. "We ended fiscal 1981 with a strong finishing kick, with net sales nearly 25% over last year," says Robert Teufel, president of Rodale Press and publisher of *New Shelter*. "We are entering new markets, expanding our newsstand base and gaining broader public awareness. With the continued vitality of *New Shelter* and with *Spring* waiting in the wings, next year promises to be even better."

MEDIA PROPERTIES:
Magazines: *Bicycling*; *New Farm*; *New Shelter*; *Organic Gardening*; *Prevention*; *Spring*.
Newsletters: "Body Bulletin"; "Executive Fitness."

Rollins Inc.

Rollins Inc., Atlanta, is the nation's 94th largest media company, with revenues of $54,700,000 in 1980 from media-related operations. The bulk of the company's total revenues of $400,100,000 for the year came from its termite and pest control and oil and gas services businesses.

For 1981, media operations are expected to reach $62,100,000 by the end of the year, giving this segment 13.7% of total projected company revenues of $454,600,000.

Although dominated by its termite business ($194,600,000 in revenues in 1981 vs. $182,600,000 in 1980) and oil and gas service ($147,100,000 vs. $95,700,000 in 1980), Rollins began as a media

company when founder O. Wayne Rollins, now chairman, opened up his first radio station in Radford, Va. Rollins eventually sold that property, but over the years has added three television stations, five am and one fm radio stations, an outdoor advertising business and cable operations in two states.

The media division is concentrating most of its efforts in cable expansion in the Northeast. Rollins is building systems in southeast Massachusetts and contiguous areas of Rhode Island, where it has won 16 franchises. The company has an additional 11 applications for franchises in Massachusetts.

■ Under the division name of Rollins CableVue, the company already operates systems in and around Bradford, Conn., and Wilmington, Del. Despite the heavy activity in catv, cable trails outdoor advertising and tv operations as the media group's breadwinners. Radio holds down the fourth and final slot. Revenues from radio, in fact, have been relatively flat the past few years, while outdoor, tv and cable have shown good increases, says a corporate official.

Rollins Outdoor Advertising has plants in Philadelphia, Washington, the Delmarva Peninsula (Delaware-Maryland), Wilmington, Del., and San Antonio, Corpus Christi, Victoria, Austin and Laredo, all in Texas.

Rollins, which went public in 1960, still has 40% of its stock in the hands of the Rollins family. The family has strongly influenced the company's meticulous approach to acquisitions by emphasizing potential rather than its performance.

For example, in its three tv markets—Charleston, W.Va.; Pensacola, Fla., and Plattsburgh, N.Y.—the company turned the single-market stations into dual market ones by merely moving the transmitter after making the purchases.

Says one corporate official, "Our philosophy with radio properties is to meet the single greatest unmet need in the community," which has translated into programing formats for the agricultural community, format for the black community, college community and, in the Chicago area, jazz buffs.

MEDIA PROPERTIES:
Broadcasting: Television—WCHS-TV, Charleston, W.Va.; WEAR-TV, Mobile, Ala./Pensacola Fla.; WPTZ-TV, Plattsburgh, N.Y. Radio—KDAY (am), Santa Monica/Los Angeles; WCHS (am), WBES (fm), Charleston, W.Va.; WBEE (am), Harvey/Chicago, Ill.; WRAP (am), Norfolk/Portsmouth, Va.; WAMS (am), Wilmington, Del.
Cable/video: Rollins CableVue in CONNECTICUT—(80% interest) Branford, Guilford, Madison, New Haven, North Branford, North Haven, Wallingford. DELAWARE—(100% interest) Elsmere, Newark, Newcastle, Newcastle County, Newport, Wilmington.

Schurz Communications

Schurz Communications, South Bend, Ind., is the nation's 95th largest media company, with revenues of $52,000,000 in 1980, all from media operations.

"The current year has been sluggish so we'll either be flat or down slightly. We would hope general business conditions improve and that we would grow with the economy," says chairman Franklin D. Schurz Jr.

The Schurz daily newspaper flagship is the *South Bend Tribune*; it also owns radio and television stations and cable tv operations. The Augusta, Ga., station, WAFT-TV, a uhf operation, is moving from the outskirts to the downtown area. Cable systems in Hagerstown, Md., and Coral Springs, Fla., will be revamped from 12-channel capacity to a larger number of channels.

"We're certainly taking a look at information systems [in tandem with newspapers] and we're talking with several cable operators," Mr. Schurz says.

"Our biggest problem has been the sluggish economy, which has caused some advertisers to leave the market," he adds. "We've had slight increases in newspaper circulation." Mr. Schurz says the company has no plans to enter the non-media business.

MEDIA PROPERTIES
Newspapers: CALIFORNIA—*Brawley News*; *Imperial Valley Press*, El Centro. INDIANA—*Bedford Times-Mail, Bloomington Herald-Telephone, Bloomington Herald Times, South Bend Tribune*. KENTUCKY—*Danville Advocate-Messenger*. MARYLAND—*Hagerstown Herald, Hagerstown Mail*.
Broadcasting: TELEVISION—WAFT-TV, Augusta, Ga.; WSBT-TV, South Bend, Ind.; WDBJ-TV, Roanoke, Va. RADIO—WSBT(am), WTHO (fm), South Bend, Ind.
Cable/video: Antietam Cable TV—Hagerstown, Md.; Cable TV of Coral Springs—Coral Springs, Fla.

How a cable ties together disparate set of interests

KAY KOPLOVITZ

As an undergraduate at the University of Wisconsin in Madison, Kay Koplovitz had some seemingly disparate interests.

She studied cross-cultural communications—the ways that people from different cultures communicate verbally and nonverbally. She also majored in science, because she was fascinated with technology.

It was while she was working at a local educational tv station to help pay her way through school, she says, that "a lot of things came together." She discovered broadcasting.

She soon caught the attention of the Wisconsin Broadcasters Assn. and won its "Up-and-Coming Broadcaster of the Year" award. That led in turn to an internship at WTMJ-TV in Milwaukee. Then she went to graduate school at Michigan State University, where she continued to bridge disciplines with intellectual connections: Her master's thesis was on "the political ramifications of international satellite communications."

She has spent much of her career since then proving the accuracy of that early broadcasting award, and winning accolades like "the most powerful woman in cable." Today, at 36, she is president and chief exec of USA Network, the fast-growing advertising-supported cable tv network that is expected to gross $12,000,000 or more from advertising this year. USA Network is 50% owned by Time Inc., which recently acquired its interest from UA-Columbia Cablevision; the other half is owned by the Paramount Pictures Corp. subsidiary of Gulf & Western.

USA Network now reaches 9,000,000 homes, Mrs. Koplovitz says. She predicts rapid expansion to penetrate the present 13,000,000 cable-wired homes not on the network. Furthermore, she says, the company's goal is making USA Network, "the most-viewed network in the U.S." by the end of the decade.

■ Mrs. Koplovitz joined UA-Columbia in 1973, where she became a vp in charge of programing for Madison Square Gardens Sports, the predecessor of USA Network. In 1978, she moved the programing beyond sports by introducing Calliope, a children's program. By April 1980 she had the top job at USA Network.

Last May, USA Network began offering "You!" magazine, the first cable programing aimed at women. That was soon followed by "Better Homes & Gardens' Idea Notebook" and "Alive & Well," two more programs tailored for the female audience.

"Sports is still our front card," says Mrs. Koplovitz, noting that USA Network has most major sports leagues under contract and carries top-rated professional and amateur sporting events from around the world to all 50 states. In October, USA Network began offering the Scholastic Sports Academy, aimed at teens and pre-teens and hosted by Hubie Brown, former coach of the Atlanta Hawks professional basketball team. All the commercial time for the show has been bought for the forseeable future by Kellogg Co.

Mrs. Koplovitz comes by her interest in sports naturally, having speed skated competitively as a kid in her home state of Wisconsin. She continues to enjoy tennis, skiing and hiking. She's also interested in the environment; she's no crusader, she says, but she does want to see wilderness areas preserved. "Once it's gone, it's gone," she says.

■ Mrs. Koplovitz also seems to have a natural affinity for reaching the 15 to 34-year-old audience that standard broadcasting finds so "elusive." One of her most intriguing innovations was Nightflight, a late-evening package of cult films, rock music and entertainment news. "Nightflight," which premiered in June, is making "remarkable strides," she claims. One viewer, a 30-year-old tv sportscaster from Green Bay, Wis., wrote Mrs. Koplovitz that he wasn't "a crazy teen ager" who doesn't know what he wants, but that he always hurries home from his station to catch "Nightlife.

"Nightflight," a joint venture with ATI Video of New York, will offer its audience a special treat come New Year's Eve—a Rolling Stones feature that Mrs. Koplovitz calls "USA's answer to Guy Lombardo."

Still ahead for USA Network, which went to 24-hour programing in October: A new information and entertainment program for women (perhaps to meet the new competition from the planned "Daytime" program of Hearst/ABC Video), set to begin in March or April. It will feature "lots of personalities," Mrs. Koplovitz says.

E.W. Scripps Co.

E.W. Scripps Co., Cincinnati, is the 15th largest U.S. media company, with estimated revenues of $515,300,000 in 1980, all from media operations.

The privately held company is owned largely by the Scripps Family Trust. The company has some 40 subsidiaries, including Scripps-Howard newspapers, of which the *Pittsburgh Press* is the largest, but the *Rocky Mountain News* in booming Denver is the fastest growing.

In addition to daily newspapers, the company has among its holdings community weekly newspapers, area business publications, United Press International (UPI) wire service and United Media Enterprises feature services.

The company owns about 75% of the stock of Scripps-Howard Broadcasting Co., Cleveland. Stock of Scripps-Howard Broadcasting is traded publicly and the company is treated as a separate entity in Advertising Age's listing.

Edward W. Estlow, president and chief exec of E.W. Scripps, said the company intends to look for continued opportunities in print and electronics. "Our goal is to add publications according to high reader interest and opportunity, including dailies, weeklies and special interest publications." He noted that the company's broadcast and cable tv holdings also have been expanding.

Scripps-Howard jumped into area business publishing in February, 1980, with the acquisitions of Cordovan Corp., Houston, which had four regional business weeklies—a field it's credited with starting—and four monthly magazines at the time of acquisition. In the midst of an expansion when acquired, Cordovan now has 10 business weeklies, including *Dallas-Fort Worth Business*, acquired in 1980, and *Pittsburgh Business Journal*, acquired last August.

■ The 10 Cordovan business weeklies have a total circulation of approximately 100,000. Bob Gray, vp and general manager, said that "over a period of time" he sees the company adding more business papers either by startup or acquisition. In 1981, discussions aimed at acquiring *Washington Business Review* were discontinued.

As losses by United Press International reportedly mounted to over $7,000,000 in 1980, E. W. Scripps let it be known that it wanted to modify the ownership of the nation's second largest press service. Reuters News Service is known to have shown some interest, but Mr. Estlow said "discussions are continuing with several organizations." UPI, which dates back to 1907 when E.W.Scripps founded United Press, has been 95%-owned by Scripps Co. and 5% owned by the Hearst Corp. since 1958, when Hearst's International News Service merged with UP. UPI's losses have continued this year. *Editor & Publisher*, citing industry sources, reported UPI is expected to lose $8,000,000 this year, on revenue's projected to around $90,000,000.

Despite its losses, UPI has expanded, opening a $10,000,000 computer and technical center in Dallas last year to serve as the center for all UPI communications and to provide research, development and manufacturing for specialized equipment, including Unifax II, a high quality picture receiver that led to a new UPI service providing weather satellite photos.

■ UPI also opened new $3,000,000 headquarters in New York this year equipped with newly developed computerized, digital photo editing and transmission equipment.

With UPI's news, audio and stocks services now on satellite, about 600 users have contracted for receiving dishes. About 100 are already in place and the goal is to have most operating by 1983.

UPI this year joined a teletext experiment with KNXT and KCET, Los Angeles, and it has been experimenting with supplying information for computer-accessed data bank ventures by Mead Corp. and Reader's Digest Assn.'s The Source, among others.

The Scripps-Howard lineup of daily newspapers was reduced by one, to a total of 16, with the sale in

1980 of the ailing *Cleveland Press* to industrialist Joseph Cole for a price believed to be in excess of $10,000,000. Of the remaining dailies, five are morning papers with a combined average daily circulation of 722,449; eleven of the 16 properties, six have Sunday papers with a combined average circulation of 1,559,272.

In Denver last year the *Rocky Mountain News*, for the first time in modern history, moved ahead of the *Denver Post* in weekday circulation figures and a longstanding rivalry heated up when the *Post* was acquired by Times Mirror Co. This year, the *Post* launched a daily early morning newsstand edition in September.

In the first year under Times Mirror ownership, the *Post* circulation went from 260,000 to 276,000 daily, and from 351,149 to 357,157 Sundays.

During the same period, however, Scripps-Howard's *News* boosted circulation from 271,153 to 288,410 daily, and from 293,004 to 306,627 Sundays. In one of the more unusual results of the intense competition, Times-Mirror hired private detectives to investigate circulation practices of the *News*.

The Scripps lineup of weekly newspapers grew to 27 with a combined circulation of 382,159 in October of this year with the addition of the *Brea Advocate, La Habra Advocate, Placentia Journal, Yorba Linda Journal* and *Anaheim Hills Journal*, all in Orange County, Cal. The five new weeklies have a combined circulation of 70,517. E.W. Scripps also publishes weeklies in Florida and Kentucky.

MEDIA PROPERTIES:
Newspapers (dailies): ALABAMA—*Birmingham Post Herald.* CALIFORNIA—*Fullerton Daily News Tribune.* COLORADO—*Rocky Mountain News*, Denver. FLORIDA—*Hollywood Sun Tattler, Stuart News.* INDIANA—*Evansville Press.* KENTUCKY—*Columbus Post, Citizen-Journal.* PENNSYLVANIA—*Pittsburgh Press.* PUERTO RICO—*San Juan Star.* TENNESSEE—*Knoxville News Sentinel, Memphis Press—Scimitar, Memphis Commercial Appeal.*
Newspapers (nondailies): CALIFORNIA—Southern California Publishing Co. Los Angeles, southern group—*Commerce Tribune, East Los Angeles Gazette, East Los Angeles Tribune, Montebello News, Pico Rivera News, Santa Fe Springs News*, and *West Whittier Independent*, most of these bilingual (English and Spanish); *Brea Advocate; La Habra Advocate; Placentia Journal; Yorba Linda Journal; Anaheim Hills Journal.* Northern group (Monterey Park)—*Alhambra Post Advocate, Fullerton Forum, Monterey Park Progress, San Gabriel Progress, South San Gabriel Rosemead Progress.* FLORIDA—*Jupiter Courier Highlights.* KENTUCKY—*Campbell County News*, Alexandria; *Grant County News*, Williamston; *Kentucky Standard*, Bardstown. Also, Scripps-Howard Press: St. Matthews, including the *Highland Herald, Jeffersonian, Reporter, Voice, Southwest News, Mirror*, all serving the greater Louisville area.
Area business publications: Cordovan Corp., Houston—*Atlanta Business Chronicle, Dallas-Fort Worth Business, Houston Business Journal, Los Angeles Business Journal, Miami Business Journal, San Diego Business Journal, San Francisco Business Journal*, and *Seattle Business Journal.*
Magazines: *Horseman, Jet Cargo News, Texas Fisherman, Western Outfitter.*

OTHER OPERATIONS:
United Press International wire and broadcast services. UPI is a partner with Independent Television News, London, in UPITN, worldwide tv film service and also is a partner with Knight-Ridder's Commodity News Service in UNICOM, international financial and commodities news wire available in Europe, Asia and Latin America. Also, United Media Enterprises, parent company of United Features Syndicate and Newspaper Enterprise Assn. news features syndicates. Subsidiaries of United Features include TV Data Inc. and TV Watch. Tele-log is a division of NEA. Berkley-Small Inc., Mobile, Ala., circulation supply company. SCW, Berkley, advertising art and feature service. Scripps-Howard Supply, purchasing company.

Scripps-Howard Broadcasting Co.

Scripps-Howard Broadcasting Co., Cleveland, is the nation's 76th largest media company, with revenues of $76,991,679 in 1980, up 10% from 1979. Net income was $16,460,580 in 1980, up 3%.

Television broadcasting services contributed 93% of the publicly owned company's total revenues in 1980, down from 95% in 1979. Due to the company's growth in other areas, the percentage will continue to drop in 1981, although television will remain the undisputed leading contributor to company sales.

For the nine months ending Sept. 30, company revenues were $61,739,000, up from $54,495,000 for the same period in 1980. Net income for the first nine months was $12,448,000, up from $11,301,000 for the same period in 1980.

The company attributed its "modest increase" in operating revenues in 1980 to "the uncertain economic conditions which existed throughout the year." An increase of only 7% in 1979 was attributed to "a softness in national spot revenue throughout the Midwest."

The broadcasting company, which began in 1935 with a Cincinnati radio station (no longer part of it operations), became a public company in 1963 and today remains the only public subsidiary of E.W. Scripps Co. (See separate AA listing.) Scripps-Howard Broadcasting Co. is 75% owned by E.W. Scripps Co.In December, the company will dedicate a 44,000-sq.ft. office and studio facility for KBMA-TV, Kansas City, Mo. Construction of the multi-million-dollar building began in 1980.

During 1980 Scripps-Howard Broadcasting spent $7,605,000 to acquire radio stations WBSB (fm), Baltimore, a contemporary music station, and KMEO (am,fm), Phoenix, which uses a "beautiful music" format. This year the company acquired KUPL (am,fm), Portland, Ore., from Tracy Broadcasting Co. for $4,750,000.
With the latest additions, the company has six tv stations, four am and four fm stations. The Federal Communications Commission allows a company to hold seven of each.

Is Scripps-Howard looking for more? "Yes," said Donald L. Perris, president. "We plan to fill out our television [allotment] and we will have some more radio. I don't know if we'll ever actually get up to 14, but we will definitely have a few more fm stations in the near future.

"We are also concentrating now on our cable operation. When it all gets built, our interest in various systems will bring us up to about 80,000 subscribers, and we hope to go on past that," Mr. Perris said.

As part of its rapid expansion in cable, the company established a subsidiary, Scripps-Howard Cable Services Inc., Wellesley, Mass., early this year.

Cable systems developer Richard W. Loftus, formerly president and owner of AM-Video Corp., Boston, was named president of Scripps-Howard Cable Services. Mr. Loftus sold his company to Prime Cable, another multiple cable-system operator.

The company took its first step into cable in April, 1980, when it became a partner with Daniels & Associates, Denver, in a cable system serving Ann Arbor, Mich. Since then the company has acquired a system serving De Bary, Fla., and has joined in a franchise with Mickleson Media for a system currently under construction in Tulare County, Cal. The company, in participation with the *Chicago Tribune* and Continental Cabelvision, has been awarded a franchise for a system to serve Springfield, Mass. In November, the company acquired a group of systems serving seven communities in Lake County, Fla.

In July, Cablevision of Connecticut, a partnership in which Scripps-Howard Broadcasting is a participant, was awarded the franchise for southern Fairfield County, Conn., an area that includes 10 lucrative New York City "bedroom communicommunities," such as Norwalk, Westport and Stamford. Four competing applicants for the franchise have gone to court to appeal the award by Connecticut's Division of Public Utility Control. If the award is allowed to stand, Charles Dolan, the head of Cablevision, will serve as managing partner. Scripps-Howard will run only the news operations within the system..

In addition to its regular broadcast and cable interests, Scripps-Howard Broadcasting is an investor in Cylix Communications Network, Memphis, a national high-speed data transmission company utilized by business.

In a Scripps-Howard Broadcasting staff shift this year William F. Brooks, formerly assistant general manager, became general manager of WPTV, West Palm Beach, Fla., the company's fastest growing tv station. He succeeded Robert R. Regabuto, who became general manager of the company's WCPO in Cincinnati. Robert D. Gordon, who had headed WCPO, left the company to become president of Western Broadcasting Co.

MEDIA PROPERTIES:
Broadcasting: TELEVISION—WPTV-TV, West Palm Beach; KBMA-TV, Kansas City, Mo.; WCPO-TV, Cincinnati; WEWS, Cleveland; KJRH-TV, Tulsa; WMC-TV, Memphis. RADIO—KMEO (am,fm), Phoenix; WBSB (fm), Baltimore; WNOX (am), Knoxville, Tenn.; WMC (am,fm), KUPL (am,fm), Portland, Ore.
Cable/video: Scripps-Howard Cablevision Corp., a limited partner in Ann Arbor Cablevision, serving Ann Arbor, Mich. Scripps-Howard Cable Services Co., with T and W Cable Co. serving De Bary, Fla., and the Lake County, Fla., franchise serving Leesburg, Fla.

Seattle Times Co.

The Seattle Times Co., which owns the daily *Seattle Times*, and *Walla Walla* (Wash.) *Union-Bulletin*, is the country's 70th largest media company, with revenues last year of about $93,500,000, all in media.Its revenues have more than doubled in the last five years.

Partly because of the costs of starting a morning edition last year, the company's 1980 earnings fell 17% to $2,900,000 from the record $3,500,000 earned in 1979.

The company is controlled by Seattle's Blethen family, which owns 51.5% of the voting stock. Knight-Ridder Newspapers holds 49.5% of the voting stock and 65% of the nonvoting stock.

The *Times* has dramatically outdistanced its daily competitor, Hearst Corp.'s *Post-Intelligencer*, in revenue, profit, advertising and circulation. An afternoon paper that became an all-day publication in February, 1980, the *Times* agreed to a joint operating agreement with the rival *P-I* last January under the 1970 Newspaper Preservation Act.

Under the agreement, which still requires U.S. Department of Justice approval, the two newspapers would pool their business production and distribution operations but keep their news operations separate. The *Times* would receive 6% of the joint operation's profits as a management fee; of the remaining profits, the *Times* would get 66% and the *P-I* 34%.

The *P-I*, which has incurred yearly losses since 1969, stands to make as much as $1,800,000 in 1982 under the joint operating agreement. The paper's projected loss this year is $2,259,100. The *Times* expects its highest profits ever under the agreement, which would permit dropping the morning edition launched last year to compete with the *P-I*.

The *Times* says it expects to hire "a significant number of noneditorial *P-I* employes, but a net reduction of newspaper employes in Seattle is inevitable if the agreement is adopted."

Opposition to the merger has been strongest from local retailers and other advertisers who fear that a joint operation would result in a single advertising rate covering the placing of an ad in both papers. Advertisers say such a situation would make it economically unattractive to place an ad in just one newspaper. All rates will be set by the *Times*.

David Brewster, publisher of a Seattle weekly and head of POINT (People Opposed To a 1-Newspaper Town), contends that a merger "would cost jobs, cause advertising rates to skyrocket, strangle other editorial voices, and impoverish the journalistic and intellectual life of the region. . . ."

The merger remains in abeyance, pending Justice Department action.

MEDIA OPERATIONS:
Newspapers: *Seattle Times; Walla Walla* (Wash.) *Union-Bulletin.*

Southern Progress Corp.

Southern Progress Corp., Birmingham, Ala., is the country's 87th largest media company, with estimated 1980 media property revenues of more than $61,000,000.

Formerly the Progressive Farmer Co., the privately owned company enjoyed its 16th consecutive year of increased sales and profits in 1980. "All of our divisions are now profitable, and we intend to double in revenues within the next five years," said Emory O. Cunningham, president.

Primarily a publisher of magazines directed toward audiences in southern states (principally the Carolinas, Virginia, Texas, Oklahoma, Kentucky and Tennessee), Southern Progress publishes three regional magazines: *Progressive Farmer, Southern Living* and *Delta Report*. It also has one regional trade publication, *Southern Supermarketing*, and one national magazine, *Decorating and Craft Ideas* acquired in 1975 from the Tandy Corp.

Oxmoor House, the book publishing division of the company, published 13 titles of general interest to southern readers in 1980.

Southern Progress recently diversified into a variety of areas related to its publishing endeavors: Agresponse, a direct-mail agricultural marketing company; Akra Data, a computer center for magazines and books; Publishers Services division, providing computer typesetting for the company's various publications; Progressive Farmer Insurance, and Sunland Plans, a fund-raising program for schools and clubs.

The company's only broadcasting venture is the Progressive Farmer Radio Network, based in Starkville, Miss., and serving approximately 50 stations throughout the South. The corporation does occasional tv broadcasting of its "Southern Living Cooking School" classes but has not divulged plans for any further involvement in broadcasting.

MEDIA PROPERTIES:
Magazines: *Progressive Farmer; Southern Living; Delta Report; Southern Supermarketing; Decorating and Craft Ideas.*
Broadcasting: Progressive Farmer Radio Network.

OTHER OPERATIONS:
Agresponse; Akra Data; Publishers Service division; Progressive Farmer Insurance; Sunland Plans; Oxmoor House book publishing.

Stauffer Communications

Stauffer Communications, Topeka, Kan., is the country's 90th largest media company, with media property revenues of $55,600,000 in 1980, or 92% of total revenues of $60,400,000.

Newspapers generated 76% of media revenues and 70% of total revenues. Net profits last year were $3,800,000.

Stanley H. Stauffer, president of the publicly held company, said Stauffer's 1981 objectives "are to increase revenues by 15% and net income by 17%. The strategy to reach these figures is to increase revenues and profitability of our existing units by expanding products and services, and then fill revenue and profit gaps by making at least one media acquisition."

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Stauffer has two media acquisitions pending but has not disclosed whether these will be in publishing or broadcasting.

■ The company publishes the *Topeka Capital-Journal*, an all-day paper formed in 1980 out of the morning *Capital* and the afternoon *State Journal*. The paper has a Sunday edition, as well.

Stauffer also publishes 18 other newspapers in Arkansas, Kansas, Michigan, Missouri, Colorado, Nebraska and South Dakota. Its *Capper's Weekly* is the third largest newspaper in circulation in the six-state midwest region consisting of Iowa, Kansas, Missouri, Nebraska, Colorado and Oklahoma.

Other principal newspaper holdings are the *Grand Island* (Neb.) *Independent*, the *Holland* (Mich.) *Sentinel*, and the *Shawnee* (Okla.) *News-Star*.

Stauffer operates two television stations in Topeka and Santa Maria-Santa Barbara, Cal., and nine radio stations—six am and three fm—in Phoenix, Des Moines, Amarillo, Topeka, Shawnee and Springfield, Mo. The company also controls 50% of Total Television, a cable station in Amarillo.

MEDIA PROPERTIES:
Newspapers: COLORADO—*Glenwood Springs Post*. KANSAS—*Arkansas City Traveler, Newton Kansan, Pittsburg Morning Sun, Topeka Capital-Journal*. MICHIGAN—*Hillsdale Daily News, Holland Sentinel* MISSOURI—*Blue Springs Examiner, Hannibal Courier Post, Independence Examiner, Marshall Democrat News, Maryville Forum, Nevada Daily Mail* NEBRASKA—*Beatrice Sun, Grand Island Independent, York Daily News-Times*. OKLAHOMA—*Shawnee News-Star*. SOUTH DAKOTA—*Brookings Register, Yankton Daily Press & Dakotan*. Also *Capper's Weekly*, distributed in six-state Midwest region.
Broadcast: TELEVISION—KCOY-TV, Santa Maria/Santa Barbara, Cal.; WIBW-TV, Topeka. RADIO—KARZ (am), Phoenix; KRNT (am), KRNQ (fm) Des Moines, Ia.; WIBW-AM-FM, Topeka; KGBX (am), Springfield, Mo.; KGFF (am) Shawnee, Okla.; KGNC-AM—FM, Amarillo; Kansas City Royals Baseball Radio Network.
Cable/video: Total Television of Amarillo (50% interest), serving Amarillo, Tex.

OTHER OPERATIONS:
Capper's Insurance Service, computer software.

Storer Broadcasting Co.

Storer Broadcasting Co., Miami Beach, Fla., is the 36th largest U.S. media company, with revenues of $197,068,000 in 1980, all from media operations.

Some good news in the p.m.

BY B.G. YOVOVICH

Everyone has heard the "bad news" part of the afternoon newspaper story: The demise of such major metro dailies as the *Washington Star* and the *Chicago Daily News*, and the problems facing p.m. papers in such cities as Los Angeles, Philadelphia and Boston.

The "good news" about afternoon papers has received much less attention, but there is some. For example:

- In Houston, the *Chronicle*, an afternoon paper that has shifted to "all-day" publication, has been improving its competitive standing *vis-a-vis* its a.m. competition. Today, the *Chronicle* leads the morning *Post* in circulation and far outstrips it in advertising linage market share, 58% to 42%.
- In Seattle, it is not the p.m. paper but the morning *Post-Intelligencer* that is in trouble. Trailing in circulation and losing ad linage market share, the *Post-Intelligencer* reportedly has lost more than $14,000,000 since its last profitable year in 1968, compared with the consistent profitability of the *Times*, the *Post-Intelligencer's* formerly p.m. and now all-day competition.
- In Baltimore, the two afternoon dailies continue to account for a total of nearly two-thirds of the daily circulation.
- In Dallas, Denver and Detroit, afternoon papers continue to prove formidable foes to their a.m. rivals.

How have such p.m. papers managed to buck the trend and remain competitive and even prosperous? To answer that, it's helpful to look at the problems facing the afternoon paper generally. Probably the most significant problem for p.m. dailies in major metro markets has been the post-World War II movement of middle-class families from the central city to outlying suburbs, a migration that hurt p.m. papers more than their a.m. counterparts.

"Morning papers have all night to distribute their papers, so traditionally they have circulated over a wider geographical area," explains Leo Bogart, exec vp of the Newspaper Advertising Bureau and author of "Press and Public," a recently published study of the newspaper industry. "Morning papers' circulation traditionally has covered more of an ADI (Area of Dominant Influence)-type area, and, as department stores [and retail chains] have moved into suburban areas, they have been more interested in ADI-type distribution.

"Also, the change in the composition of the central cities, with a higher proportion of blacks and Hispanics with lower incomes and lesser reading skills," made the inner city areas "less attractive for advertisers, Mr. Bogart adds."

Those p.m. papers that tried to widen their distribution and follow their readers to the suburbs, however, ran afoul of another change in American society: Growing reliance on the automobile.

"The number of autos in the U.S. has increased almost two and a half times as fast as the nation's population," points out Mr. Bogart, and the p.m. papers' delivery trucks found themselves ensnarled in increasingly congested afternoon rush-hour traffic.

Afternoon papers also weren't helped by changes in the patterns of news coverage, as television evening news rose in importance.

"Think of the way the world works now," says Lee Guittar, publisher of the afternoon *Denver Post*. For example, "the President rarely gives a news conference in the morning any more, and most sporting events are played at night now," making coverage of such events more difficult for p.m. papers.

A change in advertising media strategies also has contributed to the demise of some major p.m. papers. Rather than split their advertising evenly among the metro dailies, advertisers have increasingly run ads in only one metro daily paper and put the rest of their newspaper budgets into suburban papers that have sprung up in outlying areas. This approach has been extremely detrimental to papers that trailed significantly in circulation and ad linage market share, and, once a paper got too far behind in market share, a "tipping" phenomenon occurred that helped the stronger metro daily move to a position of overwhelming dominance in the market.

■ Generally, it has been p.m. papers like the *Washington Star* and the *Chicago Daily News* that have had smaller circulations and that have suffered from "tipping", but a few morning papers have been victims as well.

Media experts point to Seattle as a classic example of a market in which the traditionally dominant evening paper has succeeded in tipping its morning competion into financial trouble. As a result, the morning *Post-Intelligencer* has petitioned the Justice Department for permission to go into joint operation with the now all-day *Times*.

One final factor has pushed readers to a.m. papers: The shift in the U.S. labor force from blue-collar to white-collar jobs.

"Blue-collar workers and those that are employed in light manufacturing industries tend to start work earlier in the morning and to get home by three or four in the afternoon," says Mr. Guittar of the Denver Post. He says this makes them more likely to read a p.m. rather than an a.m. publication. In fact, publishers and media observers point to heavy concentrations of early-rising work forces as significant factors in the continued vitality of p.m. papers in such cities as Dallas, Buffalo, Baltimore and Detroit.

Blue-collar workers are not enough to keep a paper afloat, however, particularly given the continuing shift to white collar jobs in the U.S. The most common step taken by p.m. papers is to begin distribution of a.m. editions in an effort to attract executives and office workers in the morning. Morning editions also make it possible to reach outlying parts of the metro area that are virtually impossible to supply with afternoon editions.

The *Detroit News*, for example, began by moving its printing operations out of the city in 1973 to avoid strangulation by rush-(our traffic, and it installed an all-electronic newsroom to facilitate communications between its downtown newsroom and the outlying plant. The *News* has since begun an a.m. edition that is distributed outside Detroit proper, and just recently opened a new printing facility in Lansing. Linked by microwave transmitters to the Detroit-area facilities, the new plant is expected to further enhance the *News'* potential for" out-state," or non-Detroit, circulation growth of its a.m. edition.

■ "We couldn't have done it without the technological capabilities," says *News* editor William Giles. The *News* is the nation's largest circulating evening paper and enjoys a better than 60% to 40% lead in ad linage market share over the competing morning paper, the Free Press.

The p.m. papers in Denver, Dallas and Houston also have begun a.m. editions for distribution outside central city areas, but the rapid growth those cities have enjoyed has given the strategy a slightly different emphasis from the one in Detroit.

"We call it our 'Immigrant Marketing Plan'," says *Dallas Times-Herald* publisher Thomas R. McCartin. Since 1977, the previously p.m. paper gradually has been converting its suburban delivery from afternoon to morning editions, beginning the process in Dallas' fastest-growing, most predominantly white-collar suburbs.

"There are lots of people moving into areas like Dallas and Denver, and most of them are managerial, white-collar workers who are already established morning-paper people," explains Mr. Guittar. The *Times-Herald* strategy calls for its a.m. edition to capture these new readers rather than lose them to the competing morning *Dallas News*.

The Denver Post, a Times-Mirror Co. paper, as is the *Times-Herald*, is employing the same strategy with the morning *News*.

As part of this evolutionary process, the *Times-Herald* now offers home delivery of either a.m. or p.m. editions in all parts of the metro area, and it's likely that the *Denver Post* will follow suit in its market.

In Houston, the *Chronicle* began an a.m. edition two years ago that circulates outside the city and also began using outlying facilities to help its p.m. edition as well. For example, features and classified sections for the p.m. editions now are shipped to the outlying distribution centers along with the early morning papers and are inserted in the late-breaking news sections of the evening editions.

■ "This makes it possible for us to delay our p.m. deadline [on breaking news]," says *Chronicle* publisher Richard J.V. Johnson, "and helps us put out a better product."

The most innovative afternoon newspaper strategies may turn out to be those currently under consideration at the *Baltimore Evening Sun*, sister paper to the morning *Sun*.

"We put together a team of people from all parts of the paper—advertising, circulation, editorial, research and production—on one committee and have had them take a look at those geographical areas that offer us the best prospects for success," says John "Reg" Murphy, publisher of both the *Sun* and the *Evening Sun*.

"The density of circulation is important, and we've identified specific Zip code clusters where we are going to concentrate our heaviest circulation efforts. We believe our best prospects lie in building dense circulation."

"The newspapers that have been most successful over the last 30 years are those that can deliver high-density audiences to local advertisers, dense audiences that television hasn't been able to deliver" agrees Stanford University economist and newspaper follower James Rosse. "The p.m. papers that are in the best shape are those with solid, dense local distribution. That's what they can sell to advertisers and what is best protected from other media."#

B.G. Yovovich contributes frequently to Section 2 on the media.

FINAL EDITION
The Washington Star
128 Years of Service Ending
Publication Of the Star Ceases Today
Controllers Fired; Flights Still Limited
60 Approached Time Inc. About Purchase of Star
Reagan, Sadat End Mideast Talks Without Agreeing on PLO's Role

...but not for all.

Trying to prove the experts wrong

BY CHARLES P. WINGIS

With the publishing landscape already littered with the remains of evening newspapers across the U.S., the *Los Angeles Herald Examiner* has been regarded as a sure bet to become another statistic in the escalating mortality rate. It was just a matter of time, the pundits said.

But the *Herald* may yet prove the "experts" wrong. Having weathered more than a decade of crippling labor disputes, declining circulation (down to 281,000 daily from its 1967 peak of 750,000, when it was the biggest p.m. paper in the country) and plummeting advertising revenues, the *Herald* appears to have stabilized and to be on the upswing. "After losing 30,000 copies [circulation] every year for the past 10 years we've finally stopped the hemorrhage," says Frank Dale, the paper's publisher.

It still may be too soon to call the *Herald Examiner* a clear survivor, but its willingness to try new approaches coupled with the bullish backing of its parent, Hearst Corp. may be giving it a better shot than some other p.m. papers have had.

Here, at any rate, is how one evening newspaper is attempting to defy the odds. To start with, in the process of trying to survive the *Herald* gradually has become something quite other than a "traditional p.m. newspaper." In fact, about 65% of its 180,000 copies daily circulation is now delivered in the morning, and the remaining 100,000 in the afternoon and evening, making the *Herald* a true "all-day" newspaper.

And if current testing of morning delivery to outlying suburbs continues to show positive results, there is the distinct possibility that, within the next several years, the *Herald* may become Los Angeles' second morning newspaper.

Mr. Dale sees this as being "perhaps years away." But if it does come to pass, the market's second newspaper will be thrust into and even more heated battle with its old rival, the *Los Angelese Times*.

Mr. Dale, who has been called a "worried man keeping up an enthusiastic front," admits the *Herald* is "not burning up the streets" of Los Angeles. But compared to other second newspapers across the country, he says, "we're doing much better and continuing to upgrade. Current daily circulation is down less than 4,000, or 3%, from a year ago, and Sunday circulation is up slightly, to 307, 124 from 306,179.

■ Despite the brighter outlook, a recent article in *Los Angeles* magazine cited an estimate by *Times* publisher Otis Chandler that the *Herald's* current losses might be as high as $1,000,000 per month. Mr. Dale disputes this figure calling it "a lie and a big one at that." He adds, "It may be that he [Mr. Chandler] is not aware of how efficently a newspaper can be run. Why, the *Times* has more people in their editorial room that we have in our entire plant.

Privately held Hearst does not release financial figures, but the *Herald*, Mr. Dale says, "showed gains on the bottom line in 1979 and 1980 was even better." He concedes, however, that with the exception of a strong first quarter, "1981 has been a very difficult year for us," as it has been for many newspapers.

But in the area of classified ads, the *Herald* has bucked the national trend and posted some significant, although relatively small, gains in linage. It was "by luck, more than skill," says Mr. Dale. "It just so happened that about the time classified sales began to fall off drastically, the *Herald* was able to get under way a classified promotion that had been in the works for some time."

■ Launched in the second quarter, the promotion helped sustain classified sales through July, during one period producing an average of 460 "family" or "personal" type ads per week. As a result, classified linage at the *Herald* for the first nine months of 1981 enjoyed an increase of 4.6% over last year, with a 10.4% gain in classified revenues.

"That," said Mr. Dale, "helped to increase our relative share of field, which is still very small compared to them [the *Times*], but when you come up with any kind of increase it's worth talking about. Not such a big deal," he added, "except it's one of those little signs that we must be doing something right."

National advertising for the first three quarters was also up, totaling 2,890,236 lines through September, up from 2,846,326 lines a year earlier. Retail linage through the first three quarters was down slightly—5,662,990 lines from 5,743,714 a year ago. But David Feldman, sales director, says, "We expect to wipe out that 80,000 line deficit and wind up ahead for the year without any problem."

Although total linage remains lower than it was prior to the disastrous Newspaper Guild strike of the late 1960s, it is still up about 50% over 1977 figures.

A more aggressive editorial stance has been no small factor in the *Herald*'s stabilization process, local newspaper followers believe. A revitalized and award-winning editorial staff, put together by former editor James G. Bellows, has scored some significant news beats over the *Times* during the past few years, attracting increased public attention to the *Herald*.

Effective Dec. 1, Mr. Bellows resigned to take over as managing editor of "Entertainment Tonight," a television show featuring news in the entertainment field.

His successor is Mary Anne Dolan, 34, who had been managing editor at the Herald for the past two years. She had previously been assistant managing editor of the *Washington Star*, where she worked for nine years, the last three under Mr. Bellows.

The appointment of Ms. Dolan, believed to be the first woman named as top editor of a major metropolitan daily, had been established well in advance of Mr. Bellows' resignation, Mr. Dale says. "Jim Bellows did what every good manager is supposed to do; he prepared his own successor," the publisher says. She'll give the *Herald* the same kind of sparkle he did and in a short time she'll put her own stamp on the paper.

While the editorial salaries at the *Herald* remain far lower than those paid to *Times* staffers, Mr. Dale points out that a labor contract negotiated with the union about 18 months ago was designed to bring *Herald* employes "up to par with their counterparts in this industry in this market" by the time the contract expires in March, 1983.

For the first time, the contract permits the *Herald* to give merit pay increases to individual employes. Under the previous contract everyone had to get the same raise. "That," says Mr. Dale, "is typical of most union contracts, making you move along at the pace of the least productive employes, rather than the most productive. Now we're at the point where we can compensate the workers who are really carrying the load."

In September, for the first time since Mr. Dale arrived at the *Herald* in 1977, the paper launched a major ad campaign to build circulation. Mr. Dale had all but suspended advertising "until we had a product we could promote."

Theme of the campaign, "Love Us or Hate Us, L.A.'s Mad about Us," positions the *Herald* as a feisty, irreverent paper that may offend or please on a given day but is still read. The $500,000, 10-week campaign effort features 60-second radio spots heard an average of 26 times daily on as many as 15 stations during commuter drive time.

■ In yet another effort to boost its city circulation, the *Herald* in January will begin a six-month test of newspaper sales on certain buses of the Los Angeles Rapid Transit District (RTD). If results are promising, as is expected, newspaper racks will be installed on buses throughout the RTD system. Also participating in the RTD test is the *Daily News*, of Van Nuys.

Hearst and the *Herald*'s boldest move to date, however, was the parent company acquisition last August of 28 weekly and two daily newspapers from four suburban Los Angeles newspaper groups. Mr. Dale had pushed for the action, which is designed to meet advertiser demands for greater penetration of the market. The aim is to link the suburban papers with the *Herald Examiner* to form an advertising network with a special rate structure permitting advertisers to select as much coverage as they choose.

The newspapers have a total controlled circulation of about 425,000, mostly in southeast Los Angeles, a blue-collar and minority area largely ignored by the *Times*, and in the San Fernando Valley. Nearly all the weeklies are published on either Wednesdays or Thursdays, bringing Hearst's circulation on those days to more than 700,000, a substantial portion of which is morning delivery. This total, Mr. Dale says, is larger than the circulation of the Times in Los Angeles County. The *Times* total daily circulation averaged 1,011,798 for the six months ended Sept. 30.

■ Details of the new advertising package (dubbed "Great Day L.A.") were unveiled to the newspapers' combined sales staffs for the first time on Nov. 10, so it will be some time before its impact can be measured. The new rate card provides a variety of "rate breaks" for advertisers using different combinations of newspapers from eight separate groups. Advertisers will be offered "spot" buys in any publication, "group" buys for two to five groups, or "network" buys, which are defined as any two groups, plus the *Herald Examiner*.

There will also be a retail network buy and a national network buy. No matter what the combination, advertisers will place only one order and receive only one bill. In all there are 273 different combinations to chose from.

If the plan works as expected, Mr. Dales ses a "cross-fertilization" of advertising from one publication to another, with all of them the ultimate beneficiaries.

The move has been called an "expensive gamble" by some observers. Mr. Dale calls it a serious effort to deepen penetration of "the most horizontal [geographically dispersed] large market" in the country. "Penetration here is a problem for everyone, including the *Times*," he says. He estimates the *Times'* share of the potential audience in Los Angeles and Orange counties at less than 27%. The *Herald's* is only 7.5%, he days.

■ "The *Times* may have ignored the minorities" Mr. Dale says, "but they sure haven't ignored the penetration problem." He points to the *Times'* $215,000,000 capital spending program to upgrade its Orange County facilities and for a new press in the San Fernando Valley.

"They're [the *Times*] making a substantial vertical effort to increase their penetration into those key areas," Mr. Dale says. "The *Herald* is also aiming for greater penetration into those same areas, we're just doing it in a different and, I think, very adequate way."

FRANK DALE

"After losing 30,000 copies of circulation every year for the past 10 years, we've finally stopped the hemorrhage."

Charles P. Wingis is associate editor-special projects in the Los Angeles office of Advertising Age.

Of that total, broadcast stations accounted for $128,744,000, or 65%, and cable communications systems accounted for $68,324,000 or 35%.

According to Standard & Poor's Corp., broadcast stations accounted for 92% of last year's profits, and cable systems 8%.

Storer has been involved in cable tv since 1963, and since 1978 has sold its six radio stations and borrowed money under a $200,000,000 revolving credit agreement in order to continue expansion into cable.

■ The company currently has a contract to sell its last radio station, WLAK (fm), Chicago, for $8,000,000 to Viacom, New York, subject to FCC approval. Storer reportedly has no plans to reenter radio in the future.

This year, the company purchased Coastal Cable. Groton, Conn.; Connecticut River Cable Co., Clinton, Conn., and Monmouth Cable of New Jersey. As of Sept. 30, Storer was providing service to 750,000 cable subscribers in 20 states.

Storer's original goal of 950,000 basic subscribers by the end of this year has been reduced to 900,000, which the company still expects to accomplish. "If we miss it, it won't be by much," said Kenneth Mosher, vp, treasurer and chief financial policy officer. Mr. Mosher said the company will achieve 950,000 subscribers not long after the close of the first quarter of next year.

■ Storer has obtained additional financing for its expansion into cable by selling 2,000,000 shares of common stock in April, 1980, and $100,000,000 worth of 8½% debentures in November, 1980. It sold another 1,900,000 shares of stock in July.

Previously, the company's last major period of transition was from 1948 to 1950, when it began pursuing an interest in tv after 21 years in radio.

Today, the company still owns seven tv stations. located mainly in industrial cities.

■ But Storer's major movement unquestionably has been into cable. Although its basic subscriber count stands at 750,000, there are 3,000,000 homes in Storer's wired areas, providing a substantial reserve of unsold households.

The company is ranked sixth among cable operators, but may rank as high as fourth in potential subscribers.

MEDIA PROPERTIES:
Broadcasting: WJBK-TV, Detroit; WJKW-TV, Cleveland, WTVG, Toledo, O.; WITI-TV, Milwaukee; WSBK-TV, Boston; KCST-TV, San Diego; WAGA-TV, Atlanta.
Cable/video: Storer Cable TV Inc. in ALABAMA—Clanton, Montgomery (80% interest), Prattsville, Sulacauga. ARIZONA—Dobson Ranch, Mesa (both 90% interest). CALIFORNIA—Banning, Fairfield, Ferndale, Fillmore, Fortuna, Frazier Park, Hermosa Beach, Humboldt County, Laguna Beach, Ojai, Rancho Camarillo, Rio Dell, Rohnert Park, St. Helena, San Juan Capistrano, Santa Paula, Sebastopol, Sonoma, Thousand Oaks, West Village. CONNECTICUT—New Haven. DELAWARE—Dover, Georgetown, Milford, Rehoboth, Seaford. FLORIDA—Arcadia, Barton, Englewood, Frostproof, Lake Placid, Lake Wales, Lehigh Acres, Manatee county, Miramar, Pembroke Pines, Sarasota, Venice, Wauchula, Williston. GEORGIA—Albany, Americus, Ashburn, Bainbridge, Camila, Clanton Cordele, Sawson, Donalsonville, Moultrie, Nashville, Sylvester, Tifton. ILLINOIS—Wenona. MARYLAND—Howard

County, Pocomoke City, Salisbury. MINNESOTA—Bloomington, Fridley, St. Cloud. NEW JERSEY—Burlington, East Brunswick, Eatontown, Plainfield, Washington, Woodbury. SOUTH CAROLINA—Charleston (80% interest). TEXAS—Garland. Also owns franchises for Ladera, Cal.; Altamonte Springs, Fla. (80%); Bowling Green and Warren County, Ky.; College Park, Md.; Highstown, N.J.; Radnor, Pa.; Bedford, Cedar Hill, Cleburne, Grand Prairie, Houston, Lancaster, Richland Hills, Weatherford, all in Texas.

Taft Broadcasting Co.

Taft Broadcasting Co. is the nation's 64th largest media company, with media-property revenues of $112,190,000 for the year ended March 31. Broadcasting accounted for all of the media revenues, or 47% of the company's total revenues of $239,925,000. Taft's entertainment group, which produces and distributes video programing, contributed revenues of $82,132,000, or 34% of total revenues. Net profits last year were $24,250,000.

The publicly held, Cincinnati-based company has set its sights on cable tv. This year it formed two partnerships with Tele-Communications Inc., Denver. One is TCI-Taft Cablevision Associates, which will acquire and operate cable systems. The other, TCI Programs, will develop programing in 1982 for both basic and pay cable stations.

In April, TCI-Taft Cablevision filed an application for Miami's cable tv franchise. In addition, Taft launched "Entertainment Tonight," a daily program carried live via satellite, covering entertainment news. The show is carried on Taft's seven stations and sold to broadcasters in 85 other markets.

Taft has installed satellite-to-earth stations in all of the tv stations, and its stations broadcast heavy amounts of sports programing. This was the first year that WDAF-TV, Kansas City, aired Kansas City Royals baseball, while WGR-TV, Buffalo, continues broadcasts of Buffalo Sabres hockey, Baltimore Orioles baseball and Washington Bullets and Capitols basketball.

The entertainment division, which includes such units as Hanna-Barbera Productions and QM Productions, continues to focus on the production and distribution of animated features and live-action tv programs. QM also is developing comedy series pilots, tv movies and pay-tv specials.

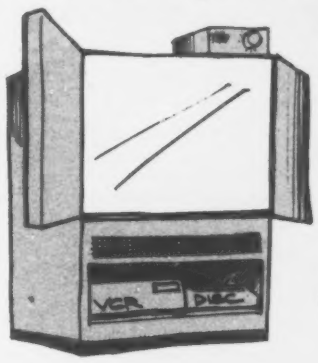
Inroads were also made this year within the theme park arena, with the opening of the company's Canada's Wonderland. This brings the company's total number of such amusement centers to four. The company recently sold its Marineland near Los Angeles.

Taft believes it has an "excellent mix of businesses for the 1980s," Charles S. Mechem Jr., chairman, told shareholders this year. He called fiscal 1981 "a year of significant accomplishment," despite a 24% decline in earnings caused by the weak economy, the actors' strike and entertainment development costs.

MEDIA PROPERTIES:
Broadcasting: TELEVISION—WBRC-TV, Birmingham; WGR-TV, Buffalo; WKRC-TV, Cincinnati; WTVN-TV, Columbus, O.; WDAF-TV, Kansas City; WTAF-TV, Philadelphia; WDCA-TV, Washington. RADIO—WGR (am), WGRQ (fm), Buffalo; WKRC (am), WKRQ (fm), Cincinnati; WTVN (am), WLQV (fm), Columbus; WDAF (am), KYYS (fm), Kansas City; KQV (am), WDVE (fm), Pittsburgh; WDAE (am), WYNF (fm), Tampa-St. Petersburg.

OTHER OPERATIONS:
Taft Entertainment, including four amusement parks.

But everyone in Palm Springs has cable, dahling . . .



Markets with highest percentage of tv homes on cable tv July 1981:

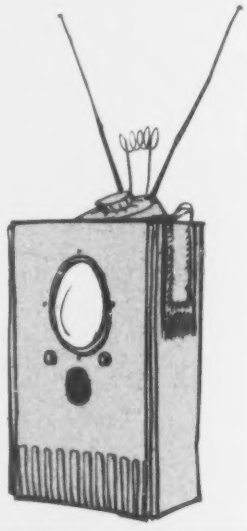
1.	Palm Springs, Cal.	100%
2.	Parkersburg, W. Va.	72%
3.	Victoria, Tex.	70%
4.	Santa Barbara-Santa Maria-St. Luis Obispo, Cal.	67%
5.	Elmira, N.Y.	66%
6.	Lima, O.	66%
7.	Roswell, N.M.	66%
8.	Casper-Riverton, Wyo.	64%
9.	Lafayette, Ind.	64%
10.	Dubuque, Ia.	63%
	Johnstown-Altoona, Pa.	63%
	Laredo, Tex.	63%

And the great unwired . . .

Markets with lowest percentage of tv homes on cable tv:

1.	Las Vegas	1%
2.	Chicago	4%
3.	Detroit	4%
4.	Anchorage	5%
5.	Baltimore	5%
6.	Bowling Green, Ky.	5%
7.	Minneapolis-St. Paul	6%
8.	Milwaukee	7%
9.	Phoenix	7%
10.	St. Louis	7%

Source: Arbitron



Tele-Communications

Tele-Communications, Denver, Colo., is the nation's 66th largest media company, with media property revenues in 1980 of $111,900,000, all from cable tv. Microwave operations added $12,510,000 to bring total revenues to $124,400,000. Net income for fiscal year 1980 was $8,253,000. Revenues have more than doubled over the past three years, with revenues in 1980 up 35% over 1979 figures.

Acquisitions by the company are made swiftly and quietly. "We do about two acquisitions a month," says company president John C. Malone. With this strategy, it claims the rank of the third largest cable tv company, and according to Mr. Malone, it has "realistically set its sights on the No. 2 position."

In 1980, the number of catv subscribers jumped by 235,000 and pay tv subscribers by 150,000, the biggest increase in the history of the company. By the end of the year, the final count of subscribers reached 1,100,000 for basic cable and 469,000 pay tv, scattered throughout some 40 states.

Last year's growth was gained by three methods: Acquisition, addition of new services to already existing operations, and acquisitions of systems from third parties.

Last year's growth included the addition of 34 catv systems, at the cost of some $34,000,000. In addition, two large projects were completed during the year. One, a communications system, was constructed for the U.S. Coast Guard and the second was a major route expansion of existing facilities that added a 7,200 channel capability to Omaha-Salt Lake City route for data and voice transmission.

Recent developments include the January, 1981 partnership with Taft Broadcasting, which established two joint venture partnerships, TCI-Taft Cablevision Associates, Denver, to handle acquisition, development and operations of catv systems and Taft-TCI Programs, Cincinnati, O., to develop programing for both pay and basic cable.

That move was followed by the March 31 purchase of about 83% of the outstanding common stock of Horizon Communications Corp. from Equitable Life Assurance, for $30,000,000 in cash. The purchase swelled the basic subscriber list by 135,000. And in May, 1981, that list was augmented by 60,000 more with the purchase of Cable Information Systems in New York.

Following that, in June, Taft-TCI made an agreement to purchase Cape Cod Cablevision Corp., Barnstable, Mass., which, if the deal goes through, could yield another 28,000 subscribers. As of March 31, 1981, TCI, through its subsidiaries, served 1,277,000 basic subscribers and 563,000 pay tv subscribers in 43 states.

■ The company generated additional buying potential in August, 1981, when it announced that TCI Growth, a wholly owned subsidiary, had received the okay from nine banks for a new credit line of $130,000,000, funds that will be used for both future acquisitions and consolidation of affiliates.

Stock offerings are another way the company generates equity for future acquisition. One, issued in November, 1980, offered 3,000,000 shares of class A common stock and brought in over $70,000,000. Another, more recent offering occurred in April, 1981, when 1,800,000 more shares of class A common stock were offered.

The top priority of TCI is expansion, but there has been an strong effort made to build a strong, homogenous management core surrounded by heterogeneous elements—the diverse elements gathered by acquisition. That is accomplished, according to Mr. Malone, by promoting from within. "We have never used a headhunter," he says, and he compares the strength of this method to the growth of a crystal.

Attempts also are being made, by decentralizing and delegating more responsibility to to the regional operations, to keep the company from getting top-heavy at the home office.

MEDIA PROPERTIES:
Cable/video: Owns or franchises the following systems: ALABAMA—Homewood (80% interest); CALIFORNIA—Carson, Daly City (84% interest), Fremont (92% interest), Grass Valley, Millibrae, Oceanside, Penn Valley, San Carlos, San Mateo, South Lake Tahoe, Sunnyvale; COLORADO—Alamosa, Brush, Delta, Durango, Fort Morgan, Glenwood Springs, Jefferson County (southern portion), Lakewood, Leadville, Monte Vista, Montrose, Pueblo (88% interest); INDIANA—Eaton, Fairmont, Hartford City, New Castle, Upland; ILLINOIS—Alorton, Mattoon; IOWA—Milford; KANSAS—Caney, Cherryvale, Coffeyville, Derby (83%), Dodge City, El Dorado, Garden City, Garnett, Goddard, Iola; Leavenworth, Newton, Ottawa; MINNESOTA—Albert Lea (80% interest), Austin (80% interest), Faribault, Ortonville; MISSOURI—Centralia, Hannibal, Huntsville, Jefferson County, Moberly, Mountain Grove, Republic; MONTANA—Anaconda, Billings, Bozeman, Butte, Deer Lodge, Dillion, Glenview (50% interest), Helena, Lewiston, Livingston, Miles City; NEBRASKA—Alliance, Douglas County, Kimball, Ogallala, Scottsbluff, Sidney; NEVADA—Carson City, Elko; NEW JERSEY—Elizabeth (80% interest), Gloucester City; NEW MEXICO—Artesia and Carlsbad; NEW YORK—Poughkeepsie; NORTH CAROLINA—Elkin, Marion, Morganton, Mount Airy; NORTH DAKOTA—Grand Forks, Minot (80% interest); OHIO—Barnesville, Bethesda, Bridgeport, Cadiz, Dillonvale, East Liverpool, Hamilton, Irondale, Marion, Martins Ferry, Middletown, Mingo Junction, Shadyside, Steubenville, Warren, Wheeling Township; OKLAHOMA—Duncan, Enid, Marlow, Muskogee; PENNYSYLVANIA—Ambridge, Carnegie, Castle Shannon, Clarion, Dormont, Etna, Gettysburg, Glassport, Kane, McKeesport, McKees Rocks, Monessen, Mount Wolf, Penn Hills Township, Quarryville, Red Lion, State College, Towanda, West View; SOUTH CAROLINA—Bennettsville; SOUTH DAKOTA—Mitchell(50% interest), Rapid City, Sioux Falls; TENNESSEE—Brownsville, Memphis (44%), Soddy-Daisy; TEXAS—De-Leon, Freeport (80%), Huntsville, Mineral Wells, Woodsboro; UTAH—Farmington, Grantsville, Ogden, Provo, Salt Lake City, Toole; VERMONT—St. Albans; VIRGINIA—Culpeper, Orange; WASHINGTON—Anacortes, Bellingham, Bremerton, Burlington and Olympia, Raymond; WEST VIRGINIA—Chester, Moundsville, New Cumberland, Wellsburg, Wheeling; WISCONSIN—Madison (25%); Wyoming—Cody, Lander, Laramie, Riverton, Thermopolis, Worland.

OTHER PROPERTIES:
Centre Video Corp.; Community Cable of Utah; Community Tele-Communications; TCI Development Corp.; TCI Programs; Tri-State Cablevision; Vail Cable Communications; TCID 2: Athena Communications Corp.; TCID 3; Utah Satellite Corp., Western Tele-Communications.

Thomson Newspapers Ltd.

Thomson Newspapers Ltd., Toronto, Ont., is the 33rd largest media company in the U.S. with revenues of $208,144,200 in 1980, all from newspapers.

Thomson Newspapers U.S. properties include 80 newspapers. The company has an additional 54 Canadian daily and weekly newspapers which bring additional revenues of US $230,600,000. Its U.S. headquarters is in Des Plaines, Ill. At yearend 1980, total daily circulation in the U.S. was 1,100,200; in Canada, total circulation was 1,166,700.

The company is a 71%-owned operation of the Thomson family, which holds a vast publishing and business empire in the U.S., Canada and Europe. International Thomson Organisation Ltd., Toronto, is a separate, 81% family-owned company with interests in business publications and book publishing in the U.S., United Kingdom and the Continent; national and regional newspapers in the U.K.; U.K. consumer magazines; package tour operations and travel agencies in the U.S. and U.K., and substantial holdings in North Sea oil fields and other petroleum-related businesses.

Both Thomson Newspapers and International Thomson Organisation are headed by Kenneth R. Thomson, who also holds the title of Lord Thomson of Fleet. He inherited both the title and the companies from his father, Roy H. Thomson. The elder Mr. Thomson started the newspaper company in 1934 with the acquisition of the *Daily Press*, Timmins, Ont.

Thomson's first U.S. acquisition—the purchase in 1952 of the *St. Petersburg* (Fla.) *Independent* (subsequently sold)—was the start of a movement southward from its Canadian base. The company has been consistent in operating style, and, as in Canada, it favors non-competitive newspapers in small and medium-size communities.

In 1967 alone, Thomson acquired 18 U.S. newspapers. Since then, it has bought about six to eight per year. St. Clair McCabe, president of the U.S. operations, said the company does not approach acquisition with cut-and-dried rules.

"If we think a newspaper can make a good contribution, we'll buy it," he said. "Thomson is not a very exciting newspaper chain. Our basic business is not that of a large, metropolitan newspaper, and we wouldn't be interested in that sort of property."

An exception to that corporate rule came in 1980, when Thomson acquired F.P. Publications Ltd., a

leading Canadian chain whose flagship paper was the *Toronto Globe and Mail*. Following the purchase, the Canadian government conducted an inquiry into media concentration. The Kent Commission issued a detailed report on the issue and recommended that Thomson limit futher acquisition activities in Canada.

In addition, after it closed F.P. Publications' *Ottawa Journal*, Thomson was charged in May, 1981, with antitrust actions under Canada's Combines Investigation Act.

■ The government and public attention has forced the company to shift its future growth to the U.S. market, said Robert Duncan, a communications analyst with Wood Gundy, a Toronto brokerage.

In its 1980 annual report, Thomson called the acquisition of additional U.S. newspapers "one of our principal objectives."

So far in 1981, it has acquired five U.S. papers: *Tifton* (Ga.) *Gazette, Enterprise* (Ala.) *Ledger, Sikeston* (Mo.) *Daily Standard,, Thomasville* (Ga.) *Times-Enterprise;* and *Kokomo* (Ind.) *Tribune*. The company also formed an equal partnership with Abiti-Price to expand and operate that company's newsprint mill in Augusta, Ga.

Financially, 1981 is shaping up to be a healthy year for the chain. For the first six months of the year, net income (for Canadian and U.S. operations) reached $43,816,992, compared with $246,349,037 in the same period last year. Mr. Duncan estimated that the company's earnings this year will end up about 25% ahead of last year.

MEDIA PROPERTIES:
Newspapers (dailies): ALABAMA—*Dothan Eagle, Enterprise Ledger, Opelika-Auburn News*. ARIZONA—*Douglas Daily Dispatch*. ARKANSAS—*Northwest Arkansas Times*, Fayetteville. CALIFORNIA—*Barstow Desert Dispatch; Eureka Times-Standard; Oxnard Press-Courier; San Gabriel Valley Tribune*, West Covina; *Antelope Valley Daily Ledger-Gazette*, Lancaster; *Siskiyou Daily News*, Yreka. CONNECTICUT—*Ansonia Evening Sentinel*. FLORIDA—Jackson County Florida, Marianna; *Key West Citizen; Orange Park Daily Clay Today; Punta Gorda Daily Herald News*. GEORGIA—*Cordele Dispatch; Dalton Daily Citizen-News, Thomasville Times-Enterprise, Tifton Gazette, Valdosta Daily Times*. ILLINOIS: *Mount Vernon Register-News*. INDIANA—*Kokomo Tribune, New Albany Tribune*. IOWA—*Council Bluffs Nonpareil, Oelwein Daily Register*. KANSAS—*Atchison Daily Globe, Leavenworth Times*. KENTUCKY—*Corbin Times-Tribune*. LOUISIANA—*Lafayette Daily Advertiser*. MARYLAND—*Salisbury Daily Times*. MASSACHUSETTS—*Fitchburg-Leominster Daily Sentinel and Enterprise, Taunton Daily Gazette*. MICHIGAN—*Adrian Daily Telegram, Escanaba Daily Press, Iron Mountain Daily News, Marquette Mining Journal*. MINNESOTA—*Albert Lea Evening Tribune, Austin Daily Herald*. MISSISSIPPI—*Laurel Leader-Call*. MISSOURI—*Cape Girardeau Southeast Missourian, Carthage Press, Sikeston Daily Standard*. NEW HAMPSHIRE—Portsmouth Herald. NEW YORK—*Herkimer Evening Telegram, Newburgh Evening News, Oswego Palladium-Times*. NORTH CAROLINA—*Rocky Mount Evening Telgram*. OHIO—*Canton Repository, Coshocton Tribune, East Liverpool Evening Review, Greenville Daily Advocate, Lancaster Eagle-Gazette, Marion Star, Middletown Journal, Newark Advocate, Piqua Daily Call, Portsmouth Times, Salem News, Steubenville Herald-Star, Xenia Daily Gazette, Zanesville Times Recorder*. OKLAHOMA—*Ada Evening News*. PENNSYLVANIA—*Connellsville Daily Courier, Greenville Record-Argus, Hanover Evening Sun, Kitanning Leader-Times, Lock Haven Express, Meadville Tribune, Monessen Valley Independent*, SOUTH DAKOTA—*Mitchell Daily Republic*. VIRGINIA—*Petersburg Progress-Index*, WEST VIRGINIA—*Fairmont Times-West Virginian, Weirton Daily Times*. WISCONSIN—*Fond du Lac Reporter, Manitowoc Herald-Times-Reporter*.
Newspapers (nondailies): *Phenix City* (Cal.) *Citizen, Englewood* (Fla.) *Herald, McLeansboror* (Ill.) *Times-Leader, Franklin* (O.) *Chronicle, Midland* (Pa.) *News*.

Time Inc.

Time Inc., New York, is the country's fourth largest media company, with an estimated $1.35 billion in revenues from media operations in 1980, or 47% of total revenues of $2.88 billion. Magazines brought in almost half of the media revenues, with the company's extensive holdings in video properties accounting for the rest.

Over-all, the company earned $222,700,000 in 1980. The company also derives income from book publishing, forest products, industrial contracting and various other operations. Although the past year has been a good one for Time Inc. —especially in the magazine group —some of its ventures have proved to be disappointments.

The company pulled the plug on the *Washington Star* in August, ending its 3½-year struggle to make the afternoon paper a profitable competitor to the *Washington Post*. The company estimated that it lost $35,000,000 on the venture, and that losses were beginning to mount at a rate of $20,000,000 a year.

What sounded the death knell for the paper was its continuing inability to break the morning *Post's* hold on local advertising. Although one of the country's largest papers, with a circulation of 323,000—and arguably one of its better ones—the *Star* had only 25% of Washington's ad linage and only 20% of its ad revenues at the time of the paper's death. Those two anemic shares, many analysts agree, doomed the paper.

■ Time-Life Films also went down the tubes, as the parent company shut down that unprofitable operation in 1981.

But for a company that in recent years has seen its nonpublishing operations, such as forestry, contribute an increasing portion of the bottom line, 1981 was a year in which the magazine division again proved to be a winner.

After struggling through much of the decade, *Money* has taken off, with ad pages, ad revenues and circulation all rapidly setting new records. And Time Inc.'s newest property—*Discover*—has quickly established itself as a leader in the science magazine field, with its rate base rising by 150,000 to 750,000 in January. Altogether, the company's magazines brought in revenues of $747,000,000 in 1980, with that figure expected to grow considerably by the end of 1981. Last year's net income was reduced by 20%, largely because of the startup costs of *Discover*, again a figure expected to improve by the time year-end results are in.

For the third quarter of 1981, the company's operating income rose 23% to $220,992,000, while net income declined 7% to $95,685,000, a drop company officials attribute to the shutdowns of the *Washington Star* and Time-Life Films.

Time Inc.'s video subsidiaries continue to grow into impressive moneymakers.

Although the company does not report the individual results of its Home Box Office operations, industry analysts have said that the pay tv subsidiary, with its estimated 7,500,000 subscribers, will probably bring in a profit of almost $80,000,000 this year. That profit—which represents 22% of Time Inc.'s estimated total profit—means that the cable subsidiary has just about drawn equal with the magazine division in terms of contributing to the company's bottom line.

HBO did not show a profit until 1977, but now the seven-year-old enterprise is proving successful enough to allow expansion. The company just formed Cinemax, a service that relies almost strictly on movies for its programing. The new venture is a way that Time Inc. can effectively compete against some of the other cable services, such as Showtime and The Movie Channel, that rely on movies around the clock, while allowing HBO to maintain its mix of movies and original programing.

Some of that original programing is coming from Time Inc.'s other properties. *Money* has just completed a deal to develop a regular show based on articles in its issue. *Discover* is reportedly also on the verge of developing a cable show using its editorial resources, and word is strong from Time Inc. insiders that the company is about to go through with a cable magazine show that *People* editor Richard Stolley and publisher Richard Durrell have been working on since the summer.

Time further strengthened its position in the video business in August when it entered the advertiser-supported cable network field as half-owner of USA Cable Network, one of the top four in that category. Time agreed to pay $15,000,000 for the 50% share owned by UA-Columbia Cablevision, with the other half going to Paramount Pictures Corp. from Madison Square Gardens Productions, both of which are subsidiaries of Gulf & Western. There is also an option for Time to buy full control of the operation.

USA Cable Network, thanks to a lineup of 1,450 systems reaching more than 8,000,000 homes, is expected to gross at least $12,000,000 on ads in 1981.

MEDIA PROPERTIES:
Magazines: *Discover, Fortune, Life, Money, People Weekly, Sports Illustrated, Time*.
Cable/video: Amercian Television and Communications Corp., serving the following: ALABAMA—Birmingham (87% interest). ARKANSAS—El Dorado, West Memphis. CALIFORNIA—Arvin, Canyon Country, Del Mar, Lamont, Moraga, Orange, Rancho Bernardo, San Diego, San Marino (80% interest), Saugus, South Pasadena, Tehachapi, Tulare. COLORADO—Canon City, Colorado Springs, Littleton. CONNECTICUT—Torrington (97% interest). FLORIDA—Cocoa/Melbourne, Jacksonville, Kissimmee, Orlando, Ormond Beach, Perry. GEORGIA—Savannah. HAWAII—Honolulu (84% interest). ILLINOIS—Champaign-Urbana (80% interest). INDIANA—Indianapolis (80% interest), Marion, Terre Haute. IOWA—Council Bluffs (50% interest), Fort Madison, Iowa City, Mount Pleasant, Muscatine. KANSAS—Chanute, Emporia, Independence, Neodesha, Parsons. KENTUCKY—Hartford/Beaver Dam, Madisonville, Mayfield, Murray. LOUISIANA—Monroe/West Monroe, Shreveport. MAINE—Biddeford, Portland, Sanford. MICHIGAN—Battle Creek (50% interest), Oscoda, Tawas, Waterford Township (50% interest). MINNESOTA—Mankato, Marshall, Montevideo. MISSISSIPPI—Jackson. MISSOURI—Boonville, Chilicothe, Kansas City (50% interest), Kennett, Marshall, Maryville, St. Louis County unincorporated areas (80% interest) and north area (80% interest). NEBRASKA—Columbus, Falls City. NEVADA—Fallon/Yerrington. NEW JERSEY—Salem. NEW YORK—Albany (80% interest), Ithaca, Manhattan, Rochester, Webster. NORTH CAROLINA—Asheboro, Burlington, Charlotte, Durham, Fayetteville/Dunn, Gastonia, Greensboro, High Point (80% interest), Lumberton, Raleigh, Rockingham, Southern Pines (80% interest), Whiteville/Chadbourne. OHIO—Columbus, Delaware. OKLAHOMA—Bartelsville (80% interest), Blackwell, Cushing, Guymon, Midwest City (83% interest), Norman (80% interest), Stillwater (80% interest), Woodward. OREGON—Baker, La Grande, Union. PENNSYLVANIA—Erie (52.65% interest), Franklin, Levittown (80% interest), Reading, Springfield/South Delaware County. TENNESSEE—Henderson, Lexington, Memphis (44% interest), Milan, Savannah, Union City. TEXAS—Austin, Wichita Falls. VIRGINIA—Lynchburg (90% interest), Richmond (40% interest). WEST VIRGINIA—Charleston. WISCONSIN—Appleton, Beloit, Chippewa Falls/Eau Claire, Fond du Lac (50% interest), Green Bay, New Berlin, Sheboygan (50% interest), Two Rivers (40% interest), West Allis (49% interest). Also, Cinemax, Home Box Office, USA Cable Network
Broadcasting: WOTV, Grand Rapids, Mich.
Newspapers: Twenty-eight nondaily newspapers of the Pioneer Press: *Citizen* (serving Edison Park, Harwood Heights, Norridge, northwest Chicago, Norwood Park), *Deerfield Review, Des Plaines Highlander, Elm Leaves, Evanston Review, Forest Leaves, Franklin Park Herald, Franklin Park Journal, Glencoe News, Glenview Announcements, Herald* (Northlake, Leyden Township, Stone Park, Melrose Park), *Highland Park News, Lake Forester, Maywood Herald, Morton Grove Champion, Niles Spectator, Northbrook Star, Oak Leaves, Park Ridge Advocate, River Grove Messenger, Rosemont Progress, Schiller Park Independent, Skokie Review, Vernon Review, Weekend World* (Oak Park), *West Proviso Herald, Wilmette Life, Winnetka Talk*.

OTHER OPERATIONS:
Time-Life Books, Little, Brown, Book-of-the-Month Club, New York Graphic Society, Temple-EasTex, Inland Container Corp., Selling Areas-Marketing Inc.

Times Mirror Co.

Times Mirror Co., Los Angeles, is the country's seventh largest media company, with revenues of $1,128,378,000 from media operations in 1980. Newspapers accounted for $874,343,000 in revenues, or 61% of the company's total revenues of $1,857,349,000.

Magazines accounted for $114,100,000 in revenues and tv and cable operations together produced sales of $139,935,000. Total profits last year were $253,826,000.

The publicly held company is on an expansion drive, which in 1980 included the acquisition of the *Denver Post* and five tv stations. In 1981, it installed new publisher-chief executive officers at the *Los Angeles Times* and the *Denver Post*.

Times Mirror is pursuing a $215,000,000 capital improvement program that includes the expansion of its Orange County, Cal., plant and plans for a new satellite facility in the San Fernando Valley, also in Southern California, by 1985. The company is also modernizing its pressroom at Times Mirror Square headquarters.

Times Mirror is continuing to strengthen its position in cable tv. It is testing a two-way interactive cable information system in Southern California and plans in 1981 to introduce new programing services to cable via satellite.

Named as *Los Angeles Times* publisher-ceo in 1981 was Tom Johnson, president and chief operating officer of the *Times* from 1977 to 1980. He is a former publisher of Times Mirror's *Dallas Times Herald*.

Mr. Johnson succeeded Otis Chandler, who became chairman and first corporate editor-in-chief of Times Mirror.

Since Mr. Johnson's arrival, a key *Times* goal has been to strengthen the paper's presence in suburban markets where *Times* penetration is low.

■ It was in 1980 that the *Times* attempted to better reach those markets in an experiment with a free weekly newspaper called the *Best of the Times*. This distillation of news features from the daily *Times*, was seen as an attempt to offer advertisers "total market coverage" and a means to boost *Times* circulation. It was apparently unsuccessful. In March, 1981, the *Times* ended the experiment after if failed to generate significant ad revenues.

On the other hand, Times Mirror recently established a fully staffed free weekly in Irvine, Cal., called the Mirror. The paper is published under the company's *Orange Coast Daily Pilot* subsidiary, Costa Mesa, Cal.

The *Los Angeles Times* itself continues to set U.S. records in ad linage. In 1980 it retained its leadership position, with total ad linage of 161,075,507. On Sunday, the *Times* is also the national linage leader, reporting total Sunday linage of 54,047,742.

Magazines accounted for Daily circulation at the *Times*, which averaged 1,011,798 over the six-month period ended Sept. 30, is second in the nation, ranking behind the circulation of the *New York Daily News*. Its Sunday circulation—1,250,620—is third, behind the *Daily News* and the New York Times.

In 1980, the *Times* signed a consent decree with the Federal Trade Commission agreeing to restrict volume discount ad rates it offered heavy advertisers. Now the paper wants the FTC to drop the case and is attempting to marshal industry support.

The company's 1980 acquisition of the afternoon *Denver Post* for $95,000,000 was seen by management as a strategic move into one of the fastest growing U.S. markets. Lee J. Guittar, former publisher of the company's Dallas Times Herald, was named president, publisher and ceo of the *Post*, succeeding Donald R. Seawell, who continues as Post chairman. Mr. Guittar is also group vp-newspapers of Times Mirror and chairman of the *Dallas Times Herald*.

Continuing its battle against the afternoon odds and the *Rocky Mountain News*, the *Denver Post* began an early morning edition in September, 1981. It is expected to increase street sales 10,000 to 15,000.

The *Post's* circulation averaged 255,663 in the six months ended Sept. 30, compared with 272,373 over the same period in 1980.

In 1980, the *Dallas Times Herald* had its fifth straight record year.

Its daily circulation averaged 242,821 over the six months ended Sept. 30, while the Sunday figures stood at 335,089.

■ But the once friendly competition between the *Times Herald* and the rival *Dallas Morning News* broke into a heated struggle in 1981 after the *Morning News* managed to lure Field Syndicate columnist Ann Landers from the Times Mirror newspaper. Times Mirror attorneys are said to be considering some kind of legal action over this move.

Five new tv stations and a major expansion in cable helped the Times Mirror broadcast and cable group post a 46% increase in operating profits to $47,200,000 in 1980 on revenues of $139,900,000.

The seven-station Times broadcast group has a joint programing venture in the works and is said to be concentrating on station programing and promotion to improve ratings at the stations for the season.

MEDIA PROPERTIES:
Newspapers: *Advocate* (Stamford, Conn.); *Dallas Times Herald*; Denver Post; *Greenwich* (Conn.) *Time*; *Hartford* (Conn.) *Courant*; *Los Angeles Times*; *Newsday*(Melville, N.Y.); *Orange Coast Daily Pilot* (Costa Mesa, Cal.).
Broadcasting: KDFW-TV, Dallas-Fort Worth; KTBC-TV, Austin, Tex; KTVI-TV, St. Louis; WVTM-TV, Birmingham, Ala.; WHTM-TV, Harrisburg, Pa.; WSTM-TV, Syracuse; WETM, Elmira, N.Y.; Times-Mirror Cable Television.
Cable/video: (All designated "Times Mirror Cable Television") ARIZONA—(all 20% owned) Bullhead City, Casa Grande, Chandler, Eloy, Fountain Hills, Heber, Lake Havasu, Nogales, Paradise Valley, Phoenix, Rio Verde, Superior, Tempe. ARKANSAS—Jacksonville, North Little Rock. CALIFORNIA—Escondido, Laguna Niguel, Long Beach, Palos Verdes, Perris. CONNECTICUT—Hartford (90% owned), Meriden (95% owned). ILLINOIS—Springfield. INDIANA—Lafayette. KENTUCKY—Ashland, Hopkinsvile, Louisville. MASSACHUSETTS—Amherst, Bradford, Greenfield, Longmeadow, Palmer. NEVADA—Las Vegas (50% owned). NEW JERSEY—Point Pleasant Beach. NEW YORK—Riverhead. OHIO—Caldwell, Cambridge, Coshocton, Defiance, Greenfield, Ironton, Logan, Newark, Newcomerstown, New Philadelphia/Urichsville, Toronto, Waverly. PENNSYLVANIA—Beaver Falls, Glenolden/Darby, Philadelphia, Upper Darby, Washington, Williamsport. RHODE ISLAND—West Warwick. TEXAS—Del Rio, Kerrville, Marlin, Midland, Texarkana, Uvalde. WEST VIRGINIA—Weirton.
Magazines: *Cross Country Ski*; *Homeowner's Own*; Outdoor Life; *Popular Science*; *Ski*; *Sporting News*.

Times Publishing Co.

The Times Publishing Co. of St. Petersburg, Fla., had estimated media property revenues of $81,990,000 in 1980, making it the 73rd largest media company in the U.S. The privately owned company publishes the morning *St. Petersburg Times* and the *Evening Independent*.

It also owns the "Congressional Quarterly"; Modern Graphic Arts, a commercial publishing subsidiary, and *Florida Trend* magazine.

"We're in an expansion mode in all of our divisions," said Eugene Patterson, president of Times Publishing and editor of the *Times*. "We're benefiting from a very stable management group and several long-term financial investments."

Times Publishing is a Florida pioneer in localized news editions and advertising. In 1982, it plans to publish regional editions of the *Times* in five different suburban areas surrounding St. Petersburg, with an emphasis on dominating and penetrating the markets directly north of the city.

■ To facilitate its plans for that area, the company opened its first satellite printing plant, costing $6,000,000, this year in New Port Richey, north of St. Petersburg.

The company's regional editions are published seven days a week and offer part-run advertising rates to give local advertisers a rate they can afford.

"Intensely local advertising and news coverage will be the major thrust of the company's operations over the next year," Mr. Patterson said. "Our circulation objective is to become the largest newspaper between Miami and Washington, D.C."

The Times had an average circulation of 219,899 for the six-month period ending Sept. 30; the *Independent's* circulation was about 37,517 over the same period.

The company earlier this year acquired Congressional Monitor, which publishes a daily report on congressional committee activites in Washington. "Congressional Quarterly" is moving heavily into textbook publishing.

MEDIA PROPERTIES:
Newspapers: *St. Petersburg Times*; *Evening Independent*.
Magazines: *Florida Trend*.
Other publications: "Congressional Quarterly," publication of Congressional Monitor.

OTHER OPERATIONS:
Modern Graphic Arts.

Toledo Blade Co.

The Toledo Blade Co. is the nation's 62nd largest media company, with revenues of $118,700,000, all of which came from media operations. The Toledo-based company is privately owned and has both newspaper and broadcast holdings.

The *Toledo Blade*, flagship of the operation, continues to hold its own as the city's only evening newspaper. Advertising revenues have held steady in 1981 for the *Blade* despite the fact that Toledo, like many Northern industrial cities, has suffered through some hard times.

The company's other newspaper holdings, the Pittsburgh Post-Gazette, *Redbank* (N.J.) *Register* and *Monterey* (Cal.) *Pennisula Herald*, had slight ad revenue increases over 1980.

The main action for The Toledo Blade Co. has been in broadcasting, where the company is trying to diversify its holdings. The company has been in cable tv for 15 years with its Toledo-area Buckeye Cablevision.

■ "The future of cable is very bright and we want to be right in the middle of it," said Gary Brubacker of the broadcast operation. "We have good penetration in the area and the system is growing."

The cable system reaches 68,000 households with 60 channels and two pay services. Blade Co. also owns a 12-channel cable system in Monroe, Mich.

Federal Communications Commmission deregulation action in 1981 allowed Buckeye to unify its cable coverage for Toledo.

Previously, because of certain restrictions, people in certain parts of the area received different programing than other subscribers nearby.

■ In 1981, Blade Co. purchased Erie County Cablevision in Sandusky—a system with 13,200 subscribers.

The company also has traditional broadcast holdings. This past year it purchased WLFI-TV in Lafayette, Ind., a CBS affiliate. It already owned WLIO-TV in Lima, O. The company has one radio station, WWSW in Pittsburgh.

Toledo Blade Co. is owned by brothers Paul Block Jr. and William Block. The business has been in the family since 1926 and the *Toledo Blade* will celebrate its 185th anniversary in 1985.

MEDIA PROPERTIES
Newspapers (dailies): *Toledo Blade; Pittsburgh Post-Gazette; Shrewsbury-Redbank* (N.J.) *Register; Monterey Peninsula* (Cal.) *Herald*.
Broadcast: TELEVISION—WLFI, Lafayette, Ind.; WLIO, Lima, O. RADIO—WWSW (am), Pittsburgh.
Cable/video: Buckeye Cablevision, serving Toledo and suburbs; Erie County (Ohio) Cablevision, serving Sandusky; Monroe Michigan Cable System, serving Monroe.

And did you know...

• The number of U.S. tv and radio stations passed the 10,000 mark last January.
• The average price for the 35 tv stations sold last year was $15,261,428—more than double the $6,757,042 average of 1979. The 424 radio stations that exchanged hands sold for an average price of $801,023.
• Metromedia Inc. is paying $220,000,000 to Boston Broadcasting Corp. for WCVB-TV Boston—the most ever paid for a single station, and more than three times the previous record of $65,000,000.
• Westinghouse Electric Corp.'s acquisition of Teleprompter Corp. for $646,000,000 last year was the largest merger in broadcasting/cable history.
• In 1977, Park Broadcasting became the first company to own the maximum 21 radio and tv stations allowed by the FCC (7 am, 7 fm and 7 tv.)
• In 1981, it costs $175,000 for a 30-second commercial on "60 Minutes," the most expensive 30-second commercial in tv history.
• In 1924, Herbert Hoover said, "I believe the quickest way to kill broadcasting would be to use it for direct advertising."

Triangle Publications

Triangle Publications, Radnor, Pa., is the nation's 14th largest media company, with estimated 1980 revenues of $560,000,000, all from print media. It publishes *TV Guide*, *Seventeen* and the *Daily Racing Form*. In June, Triangle folded its 16-month-old *Panorama* magazine.

In the midst of burgeoning video technology, privately owned Triangle, headed by Walter Annenberg, a former U.S. ambassador, has been forced into defensive moves to protect its flagship *TV Guide* from obsolescence. In 97 of its 110 editions, *TV Guide* has incorporated program listings for basic cable and/or pay cable. It has also been testing a cable-pay tv edition sold alongside the regular *Guide* in the Southwest.

In late summer, the company scrapped plans for tests of editions in four markets that would have included a 24-page cable guide section. It would have been printed on colored paper, bound into the book and put after regular broadcast listings. Officials said they found the cable listings mixed with the regular listings to be preferable.

TV Guide had total 1980 revenues of $613,850,000, including $239,468,000 in advertising revenues, according to *Folio* magazine. *Folio* presents pre-commissionable ad expenditures and gross circulation and newsstand sales. It averaged 18,426,194 in circulation in 1980; for the first six months of 1981, the estimated ad revenue was $120,641,008 and circulation was 18,084,966, allowing it to maintain its position as the largest-circulation magazine in the nation.

■ Triangle officials maintain that *TV Guide* is healthy and vital enough to accommodate the changing requirements of a video publication.

"We have the right editorial format and content," said Merrill Panitt, editorial director of *TV Guide* and *Seventeen*. "It's a matter of covering more. But no publication is going to cover 150 channels. We'll carry the important ones, the ones that people watch."

TV Guide's commitment to long-term growth in changing media listings was evident earlier this year when the position of editor was divided between David Senler, now editor for national sections, and Roger Youman, editor for local sections.

Some observers believe Triangle's *Panorama* effort was an attempt to guard against the potential extinction of *TV Guide*. *Panorama*, a monthly first published in February, 1980, covered tv and its impact.

The publication ran 296 ad pages last year, with February through December ad revenues of $683,656; ad revenues from January through June, 1981, were $305,390. The company even talked about the possibility of incorporating *Panorama*'s format into tv programs.

But, aimed at upper-income, well educated readers, *Panorama* had garnered only half of its originally guaranteed circulation of 200,000 when the magazine folded in June, 1981. Saying that there was evidently "no need for *Panorama* as a consumer magazine," Mr. Annenberg admitted that the prospects for substantial growth were doubtful.

Analysts speculated that Triangle Communications pumped about $5,000,000 into *Panorama* during its brief life.

Seventeen magazine had total 1980 advertising revenues of $20,555,614, and expects advertising revenue of $22,300,000 for 1981. The magazine's publisher, Frank Wolf, also served as publisher of Panorama.

MEDIA PROPERTIES:
Magazines: *TV Guide*; *Seventeen*
Newspapers: *Daily Racing Form*

Tribune Co.

Tribune Co., Chicago, is the country's 10th largest media company, with revenues of $1.05 billion from media operations in 1980. Newspapers accounted for about 75% of the company's total revenues of $1.23 billion and radio and tv stations together about 10%. Total profits last year were $78,000,000.

The privately owned company is in the throes of change, as it struggles to improve profits at the *Chicago Tribune* and stem losses at the *New York Daily News*. It has installed a new chief executive officer and new editor at the *Tribune* and has scrapped a costly attempt to sell an afternoon edition of the *Daily News*.

At the same time, Tribune Co. is increasing its stake in cable tv and last summer purchased the Chicago Cubs baseball team, partly because of its potential value as cable entertainment.

The new president and ceo of the flagship *Tribune* is Charles T. Brumback, who formerly headed Tribune Co.'s Sentinel Star Co. in Orlando, Fla. Shortly after his arrival last February, Mr. Brumback, a financial exec by experience, imposed an austerity program at the newspaper, since partially lifted, that curbed travel and hiring. In June he tapped James D. Squires, who had been editor of the *Sentinel Star*, as editor of the *Tribune*.

Mr. Squires replaced Maxwell T. McCrohon, who was shunted into the less visible post of vp-news, a new position. Mr. Squires was brought in over William Jones, the *Tribune's* managing editor, who once was considered the odds-on favorite to become editor.

Tribune Co. wants to increase its return on equity from last year's 13.4%, which is well below that of most large newspaper companies. Mr. Brumback will try to contribute to that effort by increasing productivity at the *Tribune*, which he has characterized as a paper that had been "spending like an institution" rather than a business."I'm not comfortable working for a company that is satisfied with trailing the pack," he said.

In August, the company ceased publication of *Daily News Tonight*, its year-old afternoon paper designed to attract homebound commuters who read the *Wall Street Journal* and the *New York Times* in the morning. The company spent $20,000,000 on the venture, but could manage a circulation of only 70,000 for *Tonight*, compared with the targeted 200,000.

Tonight also failed to attract advertising from upscale department stores and other retailers. Two months before the folding, the paper had replaced Clay Felker as *Tonight* editor, hoping that a hard-news approach would work better than Mr. Felkner's "soft" features emphasis; it didn't.

"We have serious financial problems that must be dealt with immediately," Robert M. Hunt, Daily News publisher, said in announcing *Tonight's* demise.

Mr. Hunt said the *Daily News* would lose $11,000,000 this year, despite salary freezes, layoffs and other belt-tightening. The paper said it would seek concessions from its 11 unions, but stopped short of saying it would fold if the unions don't cooperate.

The *Daily News* remains the nation's largest general-circulation newspaper, but circulation has fallen substantially from its peak of 2,000,000 in the early 1970s. Meanwhile, Rupert Murdoch's *New York Post*, which started a morning edition to counter *Tonight*, has been gaining circulation.

■ The *Tribune* and *Daily News* both ranked among papers suffering the largest declines in circulation from Sept. 30, 1980 to Sept. 30, 1981. Average *Tribune* circulation fell 3.9% to 754,043, while *Daily News* circulation fell 2.7% to 1,483,333.

In June, Tribune Co. announced it would pay $20,500,000 for the Chicago Cubs, in a move that caught the sports and media worlds by surprise.

For the moment, the Cubs continue to produce revenues for the Tribune's WGN radio and tv in Chicago, and the company is believed to be looking at the baseball team's potential role in the Tribune's growing interest in broadcasting and cable tv.

■ Tribune Co. has indicated a willingness to spend heavily in baseball's free-agent market to improve the Cubs, even as the company tries to hold the line on spending at its newspapers.

Late last year, Tribune Co. paid about $33,000,000 for Douglas Communications Corp., a Mahwah, N.J., cable company, merging Douglas with existing cable operations to form a new cable subsidiary. At the same time, the company formed another subsidiary, Tribune Co. Broadcasting, which hopes to develop its own programming.

The company also is spending heavily on capital improvements. Last year, it approved a record $517,500,000 capital spending budget to build, among other things, a new Canadian newsprint mill and a $185,000,000 offset printing plant in Chicago.

■ Management hopes the new plant, which it says is the largest in the industry, will improve productivity and capacity, as well as the readability of the *Tribune*, which has been plagued by typographical errors, missing punctuation and poor legibility.

The capital spending and acquisitions have increased the company's outside borrowing and interest costs substantially, however, adding to the difficulties faced in reaching satisfactory profit levels. Long-term debt soared to $117,700,000 last year from $20,800,000 in 1976.

MEDIA PROPERTIES

Newspapers: CALIFORNIA—*Escondido Times-Advocate, Palo Alto-Redwood City Peninsula Times Tribune, Van Nuys Daily News.* FLORIDA—*Fort Lauderdale News, Fort Lauderdale Sun-Sentinel, Orlando Sentinel Star.* ILLINOIS—Chicago Tribune. NEW YORK—*New York Daily News.*

Broadcasting: TELEVISION—KWGN-TV, Denver; WGN-TV, Chicago; WPIX-TV, New York. RADIO—KNGR (am), WCTC (fm), Sacramento, Cal.; WICC (am), Bridgeport, Conn.; WGN (am), Chicago; KDAL (am), Duluth, Minn.; WPIX (fm), New York.

Cable/video: Tribune Co. Cable Inc., serving California—Palmdale/Lancaster; Louisiana—Slidell; Maryland—Gaithersburg; Michigan—Houghton; Minnesota—Glencoe; New Mexico Albuerque; New York—Glens Falls, Oneida, Fedonia; Tennessee—Jackson.

Other Operations: Ontario Paper Co.; Q.N.S. Paper Co.; Quebec & Ontario Transportation Co.

UA—Columbia Cablevision

UA-Columbia Cablevision, Westport, Conn., is the country's 91st largest media company, with revenues of $54,930,000 in the year ended Sept. 30, 1980, all from cable tv services provided to 170 communities in 16 states. Net earnings last year were $4,790,000.

Revenues for the year ended Sept. 30, 1981, were "approximately $80,000,000," Robert Rosencrans, company president, said.

Last month, UA-Columbia's acquisition by Toronto-based Rogers Cablesystems and United Artists Theatre Circuit (a joint venture) was completed. Effective with the change, UA-Columbia's name was changed to Rogers UA Cablesystems.

At the end of September, the company provided cable to nearly 500,000 basic-service subscribers, up from 429,000 in April. About 450,000 of the basic-service subscribers also bought pay-cable service, up from 318,000 in April. Through September, the company cable service had passed 900,000 homes. Mr. Rosencrans said the company is about the ninth-largest U.S. cable tv operator.

■ UA-Columbia agreed last June to be sold for $90 a share, or a total of $400,000,000, ending a four-month bidding war marked by escalating offers and litigation threats. The battle began in February, when Knight-Ridder Newspapers joined with Dow Jones & Co. to offer $72 a share, or $237,600,000 for UA-Columbia. United Artists, then owners of 28% of UA-Columbia, vowed to fight the Knight-Ridder and Dow Jones bid, and finally triumphed when Rogers Telecommunications joined in the $90-a-share offer accepted UA-Columbia in June.

With the acquisition, Rogers Cablesytems, already Canada's largest, gains a more significant foothold in the fertile U.S. market. Rogers was already a minority shareholder in UA-Columbia. With its 51% share of UA-Columbia, the Canadian company can now claim 2,000,000 subscribers in Canada, the U.S. and Ireland.

The company has no immediate plans to add new territories, Mr. Rosencrans said, although that is a possibility.

In a major move this year, UA-Columbia sold its 50% share in the USA Network to Time Inc. in October for $30,000,000. This was done because his company's resources are best devoted to cable, rather than programing, Mr. Rosencrans said. "[USA's] service was really exceptional...but we thought the demands for investment in that [kind of] business would be extraordinary, with Getty Oil, Ted Turner and CBS attracted to compete. We're not as well equipped as they to fight that battle."

MEDIA PROPERTIES

Cable/video: ARIZONA—Yuma. ARKANSAS—Bonanza, Fort Smith, Greenwod, Hackett, Jonesboro, Lake City. CALIFORNIA—Brawley-Westmoreland, Calexico, El Centro-Imperial, Holtville. COLORADO—Aspen-Snowmass, Basalt, Rifle. FLORIDA—Fort Pierce, Vero Beach. KANSAS—Marysville, Pittsburg. MASSACHUSETTS—North Attleborough, Tauton. NEBRASKA—Beatrice. NEW JERSEY—Allendale, Bloomingdale, Bogota, Butler, Cedar Grove, Clifton, Elmwood Park, Garfield, Glen Rock, Hackensack, Haledon, Hasbrouck Heights, Hawthorne, Hillsdale, Hohokus, Kinnelon, Lincoln Park, Little Falls, Lodi, Maywood, Midland Park, Montville, North Caldwell, North Haledon, Nutley, Oakland, Ringwood, Riverdale, River Edge, Rochelle Park, Saddle Brook, South Hackensack, Teaneck, Totowa, Waldwick, Wanaque, Wayne, Washington, West Patterson, Westwood, Woodridge. NEW MEXICO—Alamagordo. NEW YORK—Ardsley, Bellport, Brookhaven, Bronxville, Dobbs Ferry, Eastchester, Lake Grove, New Rochelle, Patchogue, Pelham, Pelham Manor, Scarsdale, Tuckahoe, White Plains. OKLAHOMA—Arkoma, Krebs, McAlester, Muldrew, Salislaw. OREGON—Hermiston, Pendleton, Pilot Rock. TENNESSEE—Fayetteville, Lawrenceburg, Pulaski. TEXAS—Ballinger, Bexar City, Cibold, Converse, Gainesville, Kirby, Laredo, Live Oak, Miles, Mount Pleasant, Mt. Vernon, Pittsburg, San Angelo, San Antonio, Schertz, Selma, Universal City, Windcrest, Winters. WASHINGTON—Pasco-Kennewick.

And furthermore...

• *Business Week* in 1980 completed its sixth straight year of running more ad pages (4,941 last year) than any other magazine.

• The single magazine issue with the largest ad revenues in the medium's history was the November, 1981, *Better Homes and Gardens,* which ran 177 pages of ads costing $12,315,582.

• The largest single magazine issue in total pages was the September, 1981, *Vogue* — 610 pages.

• The 67 pages of ads carried by the fall, 1981, issue of *Families* was the most ever for a premier issue.

• Gannett Co.'s and Knight-Ridder's 6% shares of total U.S. daily newspaper circulation were exceeded in 1946 by Hearst Corp., whose 17 papers controlled 10.4% of daily circulation.

• The most expensive four-color full-page ad in a U.S. magazine: $89,600, *Reader's Digest.*

• *Geo* last year was the fastest growing consumer magazine in total revenues, ad revenues, average circulation, subscription revenues and subscriptions. It was sold by Gruner & Jahr this year because it was losing too much money.

United Cable TV Corp.

United Cable TV Corp., Englewood, Colo., is the country's 84th largest media company, with revenues of $62,838,000 in the fiscal year that ended in May, all from cable television. Net income was $7,897,000.

Reflecting the general boom in cable tv, the publicly held company has grown rapidly in recent years. By subscriber count, it is the 11th largest U.S. cable company.

Last year's revenues rose 41% from the previous year, and net income was up 23%. That pace continued in the first quarter of the current fiscal year, when revenues jumped 48% to $20,311,000 and earnings increased by 36% to $2,475,000.

At the close of calendar 1980, the company had 362,150 system subscribers; that number grew by 22% to 443,536 by Oct. 31 of this year.

■ United Cable was founded in 1953 by two brothers who brought tv to Casper, Wyo., by sending broadcasts from Denver network tv stations via microwave to Casper, where the signals then were transferred over cable to homes. Tv signals at that time were too weak for Casper, which had no local tv stations, to receive from Denver.

United has long since left behind the trappings of such frontier technology. The company, which has 35 systems covering 84 communities in 16 states, is deep into testing new services to augment its current cable base.

Its showcase system in Tulsa, whose 90,000 subscribers account for more than one-fifth of United Cable's subscribers, is investigating other revenue sources such as in-home security and banking services, rigging tv sets as minicomputers with keyboards, meter reading, teletext and pay-per-view services, as well as advertising and time sales.

■ United Cable, unlike its larger neighbor, Tele-Communications Corp., has not been acquisition-minded. "The value of cable properties is so high; many, too, are overvalued, for one thing," says a company official. United Cable has only purchased two systems since 1979: One in Foster City, Cal., and the other in Hammond, Ind. Both, however, were in the initial building stage. Foster, purchased in late 1979, now has 3,500 cable subscribers and 6,800 homes passed.

■ The Hammond operaton, purchased in 1980, indicates the sophistication that has entered the cable business, primarily since RCA Corp. in 1975 granted Home Box Office the right to use its communications satellite. That quickly rendered passe the relaying of programing from one system to the next. HBO promptly went national from its regional base and other pay cable operators took after in hot pursuit.

Hammond, with only 11,000 cable subscribers out of 30,000 homes passed has 27,000 pay subscriptions, meaning United Cable subscribers have an average of 2.45 pay systems per home, one of the highest in the nation.

United Cable has responded to internal growing pains by broadening its management base. A year ago, David Vanvalkenburg was brought in from Time Inc.'s American Television & Communications Corp. to become exec vp and chief operating officer. He joined company founders Gene Schneider, president and ceo, and Richard Schneider, senior vp/engineer, in United Cable's office of the president.

MEDIA PROPERTIES

Cable/video: (systems im 15 states) CALIFORNIA—Cupertino, Foster City, Hayward (80.5% interest), San Leandro (80.15% interest), San Lorenzo (80.5% interest). COLORADO—Arvada, Denver (suburbs), Grand Junction. CONNECTICUT—Bristol, New Britain (50% interest), Plainville. IDAHO—Boise. ILLINOIS—Carpenterville (80% interest), Effingham, Galesburg (50% interest), Mendota, Monmouth (50% interest), Peru-LaSalle. INDIANA—Hammond. LOUISIANA—Bossier City. MARYLAND—Berlin, Ocean City (both 50% interest). MICHIGAN—East Lansing (96.5% interest), Gibraltar, Lincon Park, Woodhaven. NEBRASKA—Bellevue (40% interest). NEW MEO—Gallup, Santa Fe (80% interest). OKLAHOMA—Tulsa (91% interest). TEXAS—Abilene, Anson, Hamlin, Jacksonville, Perryton, Rotan, Sweetwater, Tyler. UTAH—Moab. WYOMING—Casper.

U.S. News & World Report

U.S. News & World Report, Washington, is the 58th largest media company in the country, with estimated revenues in 1980 of $125,000,000, nearly all from media operations.

The weekly news magazine accounts for more than 90% of total revenues. The remaining 10% comes from two newsletters, interests in radio programing and electronic publishing services and a book division.

Company president James McIlhenny and chairman John Sweet say the privately owned concern is "an extremely wealthy company," and has been profitable in at least seven of the last 10 years.

Things began to change noticeably at the company a few years after David Lawrence, founder of the 41-year-old periodical, died in 1973. "It was decided to aggressively manage the assets of the company," says Mr. McIlhenny.

Mr. Lawrence was interested almost entirely in making the magazine successful. He did allow a book division to start up in the 1960s, but it never received his full support and remained largely dormant for years.

■ In the mid-1970s, the company started moving slowly to diversify and now is actively looking into new, but related, business interests. "We're not only a magazine," says Mr. McIlhenny. "We're a communications business." The company is also looking into ways to improve the image of *U.S. News*. (The magazine actually evolved from a newspaper, *United States Daily*, which Mr. Lawrence began in 1926.)

U.S. News has always been "the third news magazine," with 2,100,000 in circulation to *Time's* 5,700,000 and *Newsweek's* 3,000,000. Part of the reason is that *U.S. News* has never sought to conform to the flashy readability of its competition. It claims to be the "serious" news magazine; it doesn't have sections on entertainment, for example.

In 1977, in an effort to shed its stodgy reputation among advertisers and even the magazine's staff, Mr. Sweet budgeted $1,200,000 for an advertising campaign. New York agency Ted Chinn & Co. came up with ads featuring celebrities such as Cheryl Tiegs and Andy Warhol telling what *U.S. News* was not—"no fun," "no razzle-dazzle" and "no glitter." In the first two years of the award-winning campaign, ad pages and circulation were up. "I think it increased ad pages, but it would be difficult to prove it in actual numbers," says Mr. Sweet.

The magazine recently moved its account to North Castle Partners,

Greenwich, Conn., which has developed the new slogan: "We're on the inside looking out for readers."

The magazine was redesigned in 1977 and 1979, and in June, 1980, four-color r.o.p. capacity was added. *Newsweek* had this capability in 1977 and *Time* will have it in January, 1982.

There also are some new faces at the company. Mr. McIlhenny, now president, was hired in 1980 as vp primarily responsible for business and financial operations. He previously had spent 12 years at Macmillan Inc., eventually becoming one of three vps there.

In 1978, William Dunn, formerly vp-advertising, moved up to publisher. Last year, Raymond Naimoli, formerly controller at *Scholastic* magazine, signed on as financial vp.

■ U.S. News recently hired Nat Kingsly, a radio and print veteran to develop new projects. One of the first was to buy a controlling interest in Parkway Communications Corp., a major producer and distributor of fine arts radio programing. Parkway is expected to begin syndicating news and public affairs programs, drawing on the editorial staff of *U.S. News*. Mr. Kingsly also is hoping to get involved in producing tv shows on political and social issues.

A major goal of the organization is to beef up its book division under recently hired publishing exec Roy Pinchot. To date, 62 titles have been released.

Mr. McIlhenny expects this division—eventually—to bring in 25% of revenues, with a volume of $35,000,000. Currently, the book division accounts for only a small fraction of the 10% of the company's total revenues from nonmagazine sources.

In a move to derive money from its land holdings, U.S. News earlier this year announced that it would lease some of its downtown Washington land for development of a major hotel, an office building and high-rise condominiums. The project will cost $200,000,000 and is expected to be completed in 1983.

MEDIA PROPERTIES:
Magazines: *U.S. News & World Report.*
Newsletters: "Washington Newsletter" (monthly); "Washington Business Report" (monthly); news syndication service.
Broadcasting: Parkway Communications (radio programing).

OTHER OPERATIONS:
Book division; interests in Publishers Phototype and Computer Typesetting Service.

Viacom International

Viacom International, New York, is the country's 59th largest media company, with media property revenues of $122,260,000 in 1980, out of total revenues of $160,146,000.

The largest media segment is cable television, which had revenues in 1980 of $66,321,000, followed by tv and radio stations, with revenues of $55,939,000 (including those from Viacom's 50% ownership of Showtime with Teleprompter).

The company's Enterprise program distribution division accounts for the rest of total revenues.The publicly owned company, organized in New York in 1971 as the cable and syndication subsidiary of CBS Inc., has grown rapidly since its spinoff from the network a decade ago. In 1980, total revenues amounted to eight times those of 1971; operating profits for the same period increased tenfold.

In its early growth stages, Viacom's strategy was to use cash generated from the lucrative syndication arm, the Enterprises division, to help expand a young cable operation. Program distribution still makes the largest contribution to operating profits.

Viacom's library of off-network syndicated programs includes such titles as "The Mary Tyler Moore Show," "The Bob Newhart Show" and Tandem Productions' "All in the Family," which has been sold in 109 television markets for nearly $100,000,000. In 1979, the company acquired a package of 28 theatrical films from CBS for approximately $30,000,000, a deal that rates as Viacom's largest single product acquisition and one of the largest in television syndication history.

Access to off-network titles, however, is becoming increasingly difficult as more companies discover the low capital requirements and profit potential of syndication. The television series "Hawaii Five-O" represents Viacom's most recent acquisition in that category.

Says Viacom president Terrence Elkes: "There's no question that the marketplace is more competitive. It's one of the major reasons that we've become more aggressive in network programing and first-run programing."

The company is stressing original production in these areas. It has coproduced first-run programs, made-for-television movies and two theatrical feature films.

■ Mr. Elkes says Viacom's goal as a diversified communications entertainment company is to "continue to grow in the area of software production and acquire various outlets in the chain of distribution."

Viacom formed the Entertainment Group in 1979, incorporating the Enterprises division, programing development and production and Showtime under one umbrella. Mr. Elkes says the move represents a "consolidation of all software resources, which we see as becoming more interchangeable."

Showtime, the pay television operation owned jointly by Viacom and Teleprompter, currently has about 2,500,000 subscribers. It ranks as the nation's second largest satellite-distributed pay tv service in a field dominated by Time Inc.'s Home Box Office. In an effort to narrow the gap with HBO, Showtime went to 24-hour programing in July. Here again, Viacom is emphasizing original material. The biweekly comedy series, "Bizarre," is an example of the sort of "creative episodic programs" the company hopes to develop.

The acquisition last year of the Sonderling Broadcast Corp. for $28,000,000 netted Viacom eight major market am-fm radio stations and a CBS tv affiliate in Albany, N.Y. The station, WAST, has since switched to NBC affiliation. The purchase was viewed by some as a tactical move against possible takeovers, given the complexities of FCC license transfer, and the recent memory of Storer Broadcasting Co.'s bid for Viacom in 1977.

■ Mr. Elkes dismisses that notion, saying, "The action represents a strategic decision made long before any takeover attempts. Besides, we already have a station in Hartford, Conn. Legal protection gets no better with the number of properties."

The company purchased WLAK, an fm radio station in Chicago this year. Says Mr. Elkes, "We think radio is a major growth business offering another potential for programing."

Viacom's cable television division is actively competing for franchises, and today counts more than 485,000 subscribers in roughly a dozen systems.

The cable division was recently awarded a 20-year extension of its franchise in San Francisco, and plans to spend $65,000,000 there in constructing and rebuilding cable systems. Viacom is pursuing franchises in Montgomery County, Md., and South Prince Georges, Va., and has been awarded a franchise in Mountain View, Cal., pending clearance.

Mr. Elkes says the company would like to add one or two franchises a year. He adds, "We don't take a shotgun approach to franchising, but a rifleshot. We choose selectively."

MEDIA PROPERTIES
Broadcasting: TELEVISION: WVIT-TV, Hartford, Conn.; WAST-TV, Albany, N.Y. RADIO: KDIA (am), Oakland, Cal.; WMZQ (fm), Washington; WWRL (am), WKHK (fm), New York; WDIA (am), WQUD (fm), Memphis, Tenn.; KIKK (am), Pasadena, Tex.; KIKK (fm) Houston.
Cable/video: Showtime pay tv service (50% interest). Viacom Cablevision franchises: CALIFORNIA—Biggs (40% interest), Colusa (40% interest), Crockett, Dublin, Gridley (40% interest), Healdsburg, Livermore, Marysville (40% interest), Napa, Oroville (40% interest), Paradise (40%), Petaluma, Pinole, Pittsburg, Pleasanton, Red Bluff, Redding, San Francisco, San Rafael, Sonora. NEW YORK—Islip. OHIO—Dayton, Shaker Heights.OREGON—Salem. TENNESSEE—Nashville. WASHINGTON—Lynwood, Monroe, Oak Harbor, Seattle, Snohomish, Sultan.

OTHER OPERATIONS:
Viacom Enterprises, Viacom programing and distribution.

Warner Communications

Warner Communications, New York, is the country's 77th largest media company, with $76,500,000 in media revenues in 1980, primarily from cable tv operations. Media operations represented only 4% of total corporate revenues of $2 billion for the worldwide communications and entertainment conglomerate.

Warner's media activities are centered in Warner Amex Cable Communications (50/50 ownership between Warner and American Express Co.), which had revenues of $107,800,000 in 1980. The other major contributors to media operations are DC Comics, and "Mad Magazine" and "Mad Spec which had estimated revenues of $22,000,000 last year. Recorded music and music publishing, not counted as media, is the largest Warner division, contributing 40% to total revenues in 1980.

Warner's cable operation got its start in the early 1970s when Warner purchased Continental Telephone Corp., TeleVision Communications Corp. and Cypress Communications Corp., thereby creating Warner Cable. Warner sold 50% of the unit to American Express in 1979 to gain capital for expansion. Amex used the joint venture to enter consumer entertainment.

Warner Amex is now the fifth largest multiple system operator in the U.S., behind American Television & Communications (Time, Inc.), Teleprompter (now owned by Westinghouse Electric Corp.), Tele-Communications and Cox Cable Communications. It has 850,000 subscribers in 144 markets in 27 states.

Additionally, Warner Amex could emerge the big winner in the heated battle for franchises in the four unwired boroughs of New York, sometimes referred to as the biggest "virgin territory" for cable in the Northeast, if not the U.S. In recent action, the city board of estimate's cable working group recommended Warner Amex for portions of the Queens, Brooklyn and Staten Island franchise pies. Warner Amex was one of seven of 13 contenders recommended for franchises in the area. (AA, Nov. 23)

■ Two Warner Amex cable systems carry advertising and plans are under way to sell advertising on additional systems. Basically, advertising is a local buy and rates are inexpensive.

Warner Amex Satellite Entertainment Corp. is the programing division of the joint venture. It features a video jukebox called MTV: Music Television. A 30-second spot on MTV costs from $400 to $1,200. In only three months after startup in August, MTV was 30% sold. Warner finds sponsors for 75% of allotted commercial time with the local affiliate selling the rest.

The Warner unit also procures advertising for Cable News Network. "Although advertising revenues from cable are not significant at this time," says a Warner official, "it is expected to become important in the years to come."

QUBE, a two-way interactive system first offered in Columbus, O., features limited advertising, but the possibilities are endless for generating income if the service becomes affordable and meets with consumer acceptance.

Warner also sells outdoor advertising space at each of 32 amusement centers operating under the name of Malibu Grand Prix.

■ Warner is the largest distributor of magazines through its publisher services operation, but few are its own. It just concluded a deal, however, in which it plans to purchase 56% of *Us*, when it goes from twice-monthly publication to weekly in the fall of 1982. The company owns "Mad Magazine," which has no ads, and DC Comics, formerly Detective Comics, most of which have ad pages. DC publishes more than 30 titles each year, including *Batman, Wonder Woman and Superman.*

Warner beefed up its media investment in early 1981 by purchasing 8.6% of the stock in Harcourt Brace Jovanovich, which so incensed the book and trade magazine publisher that it forced Warner to issue releases indicating it was merely interested in Harcourt for investment purposes. According to a Wall Street analyst, however, "This is Warner's style—to buy a little stock and sit tight. If they like what they see, they'll buy more stock. Warner did this with the recent Franklin Mint acquisition and other companies."

MEDIA PROPERTIES:
Cable/video: (franchises of Warner Amex Cable Communications) ARIZONA—Flagstaff, Parker, Sedona. ARKANSAS—Booneville, Clarksville, Fayetteville, Paris, Russellville. CALIFORNIA—Avenal, Bakersfield, Barstow, Big Bear Lake, Blythe, Lake Arrowhead, Malibu, Palm Springs, Taft, Victorville and Wrightwood. FLORIDA—Crestview, Fort Walton Beach, Lake City, Niceville, Winter Haven. GEORGIA—Cedartown, Elberton, Homerville. ILLINOIS—Altamont, Chicago (suburban areas), Danville, DeKalb, Rochelle. INDIANA—Union City. IOWA—Albia, Denison, Guthrie Center, Sac City. KANSAS—Hiawatha, Russell. MAINE—Island Falls, Patten. MASSACHUSETTS—Athol, Chelsea, Dalton, Everett, Lynn, Malden, Medford, Melrose, Peabody, Pittsfield, Salem, Somerville, Winthrop. MINNESOTA—Babbitt, Ely, Fergus Falls, Little Falls. MISSISSIPPI—Batesville, Cleveland, Houston, Lambert, Louisville, Marks, Pontotoc, Water Valley, Yazoo City. MISSOURI—El Dorado Springs, St. Louis (suburban areas), Tarkio, Warrensburg, Warsaw, Waynesville, Windsor. NEBRASKA—West Point. NEW HAMPSHIRE—Berlin, Claremont, Lancaster, Nashua. NEW JERSEY—Avalon. NEW YORK—Olean. OHIO—Akron, Canton, Cincinnati, Columbus, Delphos, Fort Shawnee, Kenton, Norward, St. Mary's, Sidney, Wapakoneta. OREGON—Coos Bay, Hood River, Myrtle Point, Sandy, Wemme. PENNSYLVANIA—Altoona, Bradford, Chambersbury, Clearfield, Marietta, Morrison Cove, Newport, Pittsburgh, Pottsville, Reedsville, Warren. TENNESSEE—Erwin, Greeneville, Kingsport, Parsons, Waynesboro. TEXAS—Burnet, Crockett, Dallas, Dumas, Fairfield, Hico, Houston, Mexia, Navasota, Pecos, Rosebud, Stephenville. VERMONT—Bellows Falls, Brattleboro, Bristol. VIRGINIA—Hampton, Harrisonburg, Reston, Williamsburg. WEST VIRGINIA—Martinsburg. WISCONSIN—Marinette (80% interest), Marshfield, Menasha (80% interest), Merrill, Neenah (80% interest), Oshkosh (80% interest).
Other: D.C. Comics, "Mad Magazine," "Mad Specials," Warner Amex Satellite Entertainment Co.

OTHER OPERATIONS:
Consumer electronics and toys, recorded music and music publishing, direct response marketing, filmed entertainment.

Washington Post Co.

The Washington Post Co. is the country's 12th largest media company, with revenues of $646,692,000 from media related operations in 1980, or 98% of total operating revenue. The flagship *Washington Post* accounted for 42% of total operating revenues of $659,535,000; the weekly *Newsweek* magazine, 38%, and the four Post-Newsweek tv stations, 12%. Net earnings were $34,335,000, up 17% from 1979.

The company's 20% return on equity in 1980 was among the best in the newspaper industry.

Over the past 30 years, Post Co. has built the *Washington Post* into one of the nation's top daily newspapers and a clear rival to the *New York Times* as a publication vital to national opinion makers. With Time Inc.'s decision to close the ailing afternoon *Washington Star* this summer, the *Post* is entering a era as the only surviving [illegible] circulation daily in the na[illegible] capital.

Newsweek has prospered as the second largest newsweekly, behind *Time* and ahead of *U.S. News & World Report*. And the company has pulled four network-affiliated tv stations into a profitable broadcast division that could be the springboard for new tv ventures.

Under Richard D. Simmons, president of the company since Sept. 1, Post Co. also has begun ridding itself of money-losing properties. In late October it sold the daily *Trenton* (N.J.) *Times*, which has been in the red for three straight years and losing circulation, to Allbritton Communications Co. for a reported $10,000,000 to $11,000,000.

A week later it announced it was trying to sell *Inside Sports*, its 18-month-old sports monthly. The magazine had a pre-tax loss of $12,000,000 in 1980, and could lose

as much as $10,000,000 more this year. Mr. Simmons said company strategists were wrong when they assumed that the magazine could survive on newsstand sales.

Unlike many other newspaper companies, Post Co. so far has stayed out of the race into cable tv ownership. But it is participating in three separate "electronic publishing" tests as a supplier of information. Using telephone lines, Post stories are sold to subscribers of the CompuServe database service, based in Columbus, O.; Post stories are transmitted via videotex signals by WETA-TV, the public tv station in Washington, and a "Newsweek International" newsletter is distributed electronically in Europe by Prestel International, a British company.

Post Co. chairman Katharine Graham, as chairman of the American Newspaper Publishers Assn. this year, has been a major figure in the newspaper industry's effort to bar American Telephone & Telegraph Co. from entering the electronic publishing field as an information provider.

Chairman Graham, 63, brought in Mr. Simmons, 46, from Dun & Bradstreet Co., where he was vice-chairman and had helped the company diversify into electronic distribution of information. Separately, Mark Edmiston advanced from exec vp to president of Newsweek Inc. this year, replacing Peter Derow, who left to head the CBS Publishing Group.

Post Co. appears to be in the final laps of a major investment program. After pumping $210,000,000 into its operations from 1978 to 1980, the company will spend about $50,000,000 more this year before slowing the pace in 1982 and 1983.

The *Washington Post* appears to have been the biggest beneficiary of the spending push: A new, $68,000,000 satellite printing plant; a reported $15,000,000 to acquire the printing plant of the shuttered *Washington Star*; $7,000,000 for a computerized newswriting and editing system, and millions more for modernizing and expanding the *Post's* original printing plant.

While critics fear that monopoly newspapers cut back on quality, *Post* publisher Donald Graham, 35-year-old son of the chairman, added about 30 *Star* reporters and columnists to his paper's already huge editorial staff of more than 400 to give it even more breadth.

Partly because of the heavy capital spending, and a loss on the sale of the *Trenton Times* and another subsidiary, the company's earnings were down 24% in the first nine months this year, to $14,300,000 from $18,900,000. Earnings were also hurt by the costs of a 25% jump in the *Post's* daily circulation to more than 730,000 after the *Star* folded; the costs of the additional circulation were higher than the *Post's* ad rate increases.The company's *Everett Herald* in Washington state launched its first Sunday edition in April, and *Newsweek* added a new monthly advertising edition, *Newsweek Woman*. And its Detroit tv station, WDTV, is getting a new, $13,000,000 broadcast center.

MEDIA PROPERTIES:
Newspapers: Everett (Wash.) *Herald*; *Princeton* (N.J.) *Spectrum*; *Washington Post*.
Magazines: *Newsweek*; *Inside Sports* (up for sale).
Broadcasting: WDIV-TV, Detroit; WJXT-TV, Jacksonville, Fla; WPLG-TV, Miami; WFSB-TV, Hartford, Conn.

OTHER OPERATIONS:
Bear Island Paper Co. (30% owned); Bowater Mersey Paper Co. Ltd. (49% owned); *International Herald Tribune* (30% owned); Los Angeles Times-Washington Post News Service (50% owned); Newsweek Broadcasting; Post-Newsweek Distribution (distribution of video programing); Post-Newsweek Productions (production of video programing); Publishers Phototype (24% owned); Robinson Terminal Warehouse (newsprint warehousing; 92% owned);Washington Post Writers Group (features syndication).

Westinghouse Electric Corp.

Westinghouse Electric Corp., Pittsburgh, is the country's 27th largest media company, with revenues of $266,500,000 from its Westinghouse Broadcasting Co. operations in 1980. Total operating profits were $64,400,000. Media represented 3% of total Westinghouse sales of $8.514 billion.

Daniel L. Ritchie, president and chief exec of Westinghouse Broadcasting, New York, said company activities in 1980 signified the biggest change Westinghouse has seen since it entered the broadcasting business in the late 1940s.

On Oct. 15, 1980, Westinghouse Broadcasting announced plans to acquire Teleprompter Corp., the second biggest U.S. cable tv company. Eight months later—in July—the FCC approved the $646,000,000 deal. Teleprompter's revenues, which could hit $240,000,000 in 1981, will nearly double the size of Westinghouse Broadcasting.

Westinghouse paid almost 28 times Teleprompter's 1980 earnings and 4.4 times its shareholders equity to acquire the company.

■ "Teleprompter really provides us with the opportunity to become involved in what we feel the future will be," Mr. Ritchie said. "Commercial television and radio today will survive and do quite well in the mass market but the explicit growth is going to be in the cable areas."

He emphasized that Westinghouse's strength is in the area of programing. To that end, the company has begun one project and is exploring the possibility of others.

In August, Westinghouse's Group W Satellite Communications and ABC Video Enterprises entered into a joint venture to create Satellite NewsChannels, a 24-hour all-news cable tv service.

The channel is designed to provide news that is updated every 18 minutes, much like Group W's all-news radio. A second service will be designed to attract people who want a deeper look at the news.

■ Westinghouse has also entered into a joint venture with Walt Disney Productions to create and operate a family entertainment pay-cable channel.

Mr. Ritchie is concerned about the FCC's deliberations and ultimate decision concerning prime-time access. On Aug. 13, NBC asked the FCC to return to the networks the half hour of prime that currently belongs to local stations.

Westinghouse has put the half hour to good use with its syndicated "P.M. Magazine." More than 100 stations receive the show and more than 1,000 people across the country are employed to produce local inserts for the show.

Mr. Ritchie said that, in terms of revenues, an adverse decision on prime time access wouldn't be a crushing blow to Westinghouse because of a pattern set by NBC, which offered a healthy number of commercial spots to the affiliates in the half-hour in question.

Mr. Ritchie said that Westinghouse Broadcasting will not be looking to expand in the near future. However, he indicated that new properties could be acquired as a result of the company's obligation to dispose of its cross-ownership in various cable systems.

The FCC has required Westinghouse to dispose of 13 Teleprompter systems that operate in the same areas as Westinghouse tv stations. He said this would give the company the opportunity to buy or trade for other systems.

MEDIA PROPERTIES:
Broadcasting: TELEVISION—WBZ TV, Boston; KYW-TV, Philadelphia; KPIX-TV, San Francisco; KDKA-TV, Pittsburgh; WJZ-TV, Baltimore, WPCO-TV, Charlotte, N.C. RADIO—WBZ-AM, WBZ-FM, Boston; KYW (am), Philadelphia; KDKA (am), WPNT (fm), Pittsburgh; WINS (am), New York; WOWO, Fort Wayne, Ind.; WIND (am), Chicago; KFWB (am), Los Angeles; KODA (fm), Houston; KOAX (fm), Dallas-Fort Worth; KJQY (fm), San Diego.
Cable/video: (All designated "Teleprompter" unless otherwise indicated.) ALABAMA—Dothan, Florence, Gadsen, Huntsville, Mobile, Tuscaloosa. ARIZONA—Prescott. CALIFORNIA—Fort Bragg, Fullerton, Kings Beach, Lompoc, Los Angeles Data, Los Gatos, Milpitas, Newark, Newport Beach, Oakland (80% interest), Piedmont (80% interest), San Bernardino, Sant Clara, Santa Cruz, Santa Maria, Seal Beach, Sierra Madre, Simi, Simi Valley, Ukiah, Willits, Yucca Valley. COLORADO—Trinidad. CONNECTICUT—Danbury, Middletown. FLORIDA—Boca Raton, De Land, Haines City, Hillsborough County, Holly Hill, Lakeland, Manatee County, Marianna, New Port Richey, New Smyrna, Palm Beach County, Plantation, Quincy, St. Petersburg, West Palm Beach, Winter Garden. HAWAII--Honolulu (50% interest). IDAHO—Lewiston, Pocatello. ILLINOIS—Galena, Rock Island. IOWA—Dubuque. KANSAS—Liberal. LOUISIANA—Baker/Zachary, Leesville, St. Bernard parish. MAINE—Caribou. MASSACHUSETTS—Worcester (80% interest). MICHIGAN—Calumet, Escanaba, Iron Mountain, Ironwood, Sault Ste. Marie, Grosse Point. MISSOURI—St. Louis Telecom. MONTANA—Great Falls, Kalispell, Missoula, Cut Bank. NEVADA—Reno. NEW HAMPSHIRE—Keene. NEW JERSEY—Birdston, Ocean City, Ramapo, Ventnor, Vineland, Wildwood. NEW MEXICO—Farmington, Lovington, Portales, Silver City, Tucumari. NEW YORK—Elmira, Ilion, Islip, Jamestown, Mount Vernon, Newburgh, Manhattan (50% interest), Oswego, Warwick. OHIO—Portsmouth, Ridgeville. OREGON—Coquille, Eugene, Portland. PENNSYLVANIA—Johnstown. SOUTH CAROLINA—Greenwood. TEXAS—Baytown, Commerce, El Paso (74⅔% interest), Galveston, Graham, Grapevine, Irving, Palestine. VIRGINIA—Richlands. WASHINGTON—Richland, Seattle, Tacoma, Walla Walla, Wenatchee. WEST VIRGINIA—Clarksburg, Fairmont, Morgantown. WISCONSIN—La-Crosse. WYOMING—Rawlins.

Wometco Enterprises

Wometco Enterprises, Miami, is the country's 69th largest media company, with revenues of $95,400,000 from media operations in 1980, or 27% of total revenues of $357,187,000. Broadcasting accounted for about 16% of total revenues and cable and subscription tv combined for about 11%. Total earnings last year were $20,797,000.

The publicly held company also owns movie theaters, tourist attractions and food vending operations and is one of the country's largest Coca-Cola bottlers. Although the bottling and vending businesses are each larger than the broadcasting or cable-stv divisions, Wometco sees the media operations as providing most of its growth in the 1980s.

"We think we are in a good position to grow and prosper in the tv communications industry, no matter which direction it may take," said Mitchell Wolfson, president and chairman.

At the end of July, Wometco's cable tv business had 176,000 subscribers, including 130,000 pay-cable tv subscribers, in 121 franchises in eight states and the Bahamas. In May, the company raised $17,000,000 for cable tv expansion by offering 1,100,000 shares of Wometco Cable TV to the public. Wometco retains 84% of the stock and incorporates the cable company's results into Wometco's financial statements.

■ The company's cable operations are solidly profitable. Its stv business has been losing money but is in what Mr. Wolfson called a "turnaround" situation this year. Wometco's stv operation, known as Wometco Home Theatre, offers over-the-air programing to subscribers in the New Jersey-New York City metropolitan area and at the end of June began serving the Philadelphia-southern New Jersey market over Channel 65 in Vineland, N.J.

The New York-New Jersey stv business had been operated as a joint venture with Universal Subscription Television of Burlingame, Cal., but the venture was dissolved for undisclosed reasons in June.

As a result, Wometco became sole owner of WSNL-TV a Smithtown, N.Y., station (in Long Island) used for stv programing, and now operates WWHT-TV in Newark and Home Theatre in New York with a remaining minority partner, Blonder-Tongue Laboratories of New Jersey.

In the broadcasting division, Wometco owns and operates four vhf and two uhf stations and an fm radio station. With southern Florida's continuing economic strength and heavy national advertising spending, WTVJ in Miami, Wometco's flagship station and Florida's first tv station, is a major contributor to the division's profits.

MEDIA PROPERTIES:
Broadcasting: Tv—WTVJ-TV, Miami and West Palm Beach, Fla.; WLOS-TV, Greenville/Spartanburg/Asheville, N.C.; WZZM-TV, Grand Rapids/Kalamazoo/Muskegon, Mich.; KVOS-TV, Bellingham, Wash.; WWHT-TV, Newark, N.J.; WSNL-TV, Smithtown, N.Y. Radio—WLOS (fm), Greenville/Spartanburg/Asheville, N.C.
Cable/video: (Locations preceded by "Wometco Cable TV of" unless otherwise indicated) Alabama—Daleville Cablevision. Georgia—Austell, Berkeley Lake, Douglasville, Grayson, Hiram, Liburn, Norcross, Snellville; Satellite Cable TV, Acworth and Kennesay; Douglas County Cable TV; Cobb County Cable TV; Alert Cable TV, Fort Benning; Marietta Cable TV, Marietta; Clayton County (Forest Park, Jonesboro, Lake City, Morrow, Riverdale); Fulton County(Hapeville); Rockdale County. Louisiana—Cable TV of Acadiana,Eunice; Jeff Davis Cable TV, Jennings; Church Point Cable TV of Point Coupee; St. Landry Cable TV, Opelousas as St. Landry parish; St. Tammany Cablevision, Slidell; Alert Cable Tv of Oklahoma, Pryor Creek; Picayune Cablevision of Mississippi. North Carolina—Alert Cable TV of North Carolina, Garner, Cary, Carrboro, Reidsville, Selma, Cherry Point, Wake Forest and Farmville; Alert Cable of Goldsboro, Seymour Johnson AFB and Wayne County. South Carolina—Alert Cable of South Carolina, Andrews, Georgetown, Lake City; Columbia Cable TV, Cayce, Columbia, Immo, Lexington, Springdale, West Columbia; Dorchester Cablevision of New York-Ausable Communications, Ausable, Chesterfield, Dannemora, Keesville, Peru, Plattsburgh, Plattsburgh AFB, Saranac, Schuyler Falls.

OTHER OPERATIONS:
Citrus Tower; Coca-Cola Bottling Co. franchise vending operation in southern U.S.; Conch Tour Train sightseeing tours; Miami Seaquarium; motion picture theaters in Arkansas, Florida, the Bahamas, Dominican Republic, Puerto Rico, Virgin Islands.

Worrell Newspapers

Worrell Newspapers, Charlottesville, Va., is the country's 88th largest media company, with estimated revenues of $60,000,000 from media operations in 1980. It is a privately held company, with all its holdings in media.

The past few years have been busy ones for Worrell, as it attempts to diversify its holdings. During 1979 and 1980, it acquired several broadcast outlets, but has made no acquisitions during 1981.

The company did take over management of three publications in Broward County, Fla., that have a combined circulation fo 80,000. The move may lead to eventual purchase of these publications.

Worrell owns 24 dailies in 18 states. making it the seventh largest media company in number of newspapers, although it is about 40th in combined circulation. The chain's *Potomac News*, based in Virginia near Washington, had a 10% gain in circulation when the *Washington Star* folded.

"That is not the way we like to increase circulation—at the expense of a great newspaper," said John Fitzwater, director of marketing. The *News* has been a strong performer, as has *The Daily News* of Lynchburg, Va. The Lynchburg paper, with circulation of 40,000, was a 1979 acquisition.

The broadcast division made no acquisitions, but did boost power in its CBS affiliate station in the Virgin Islands. That makes WBNB in St. Thomas one of the major stations in the Caribbean.

Although it made no broadcast buys during the past year, Worrell is looking to expand and diversify by getting into more broadcast ownership. There are, however, no pending moves into cable or radio.

The family-owned company is run by Thomas E. Worrell Jr., 36. In the five years he has been chief exec, the company has nearly doubled in size.

MEDIA PROPERTIES
Newspapers (dailies): ALABAMA—*Florence Times, Tri-Cities Daily*, Florence. COLORADO—*Sterling Journal-Advocate*. ILLINOIS—*Olney Daily Mail*. INDIANA—*Greensburg Daily News, Rushville Republican*. KENTUCKY—*Harlan Daily Enterprise, Madisonville Messenger, Middlestoro Daily News*. LOUISIANA—*Opelousas Daily World*. MISSISSIPPI—*Corinth Daily Corinthian*. NEW MEXICO—*Las Cruces Sun-News*. NORTH CAROLINA—*Lenoir News-Topic*. TENNESSEE—*Dyersburg State Gazette*. TEXAS—*San Marcos Daily Record*. VIRGINIA—Blacksburg

Sun, Charlottesville Daily Progress, Culpeper Star-Exponent, Dumfries Potomac News, Lynchburg News, Suffolk News-Herald. **Newspapers (weeklies):** INDIANA—*Batesville Herald Tribune.* MAINE—*York County Coast Star,* Kennebunk. MISSISSIPPI—*Booneville Banner Independent.* NEBRASKA—*Sidney Telegraph.* NEW JERSEY—*Wildwood Gazette-Leader.* TENNESSEE—*Claiborne Progress,* New Tazewell. VIRGINIA—*Richlands News-Press, Rural Virginian,* Scottsville, *Clinch Valley News,* Tazewell. WEST VIRGINIA—*Princeton Times. Smyth County News,* Marion.
Broadcasting: WHSV-TB, Harrisonburg, Va.; WIFR-TV, Rockford, Ill.; WBNB-TV, Charlotte Amalie, St. Thomas, Virgin Islands.

Ziff Corp.

Ziff Corp., New York, is the nation's 35th largest media company, with media property revenues estimated at $200,000,000 in 1980. Consumer and trade publications accounted for about 89% of that total, and six tv stations the remainder.

Estimates of total revenues for the diversified publisher and broadcaster run between $225,000,000 and $250,000,000.

William Ziff, chief exec of the company, guards the company's privacy fervently. He inherited the company from his father, a man not at all like William Ziff in style or temperment; just as the son avoids the limelight, his father, a well known author and lecturer, was always in it.

After his father's death in 1953, William Ziff bought out William Davis, a cofounder of the then 17-year-old company. The Davis name still is part of the titles of company divisions.

Ziff's strategy has always been to build, largely through acquisitions and internal spinoffs, an empire of consumer and business special interest magazines.

Among its more highly trade-promoted properties is the Ziff-Davis Magazine Network, which targets the young, well heeled, active male. They are *Boating, Car & Driver, Flying, Photography, Skiing* and *Stereo Review.*

However, if promotion expenditures are any indication, *Psychology Today,* which Z-D positions as the special interest publication of the future, is a major focal point, some say because of William Ziff's fascination with it.

This past August, *PT* launched a new consumer and trade print campaign via Chiat/Day, New York. The theme of the campaign: "Sooner or later America arrives where our readers have already been."

■ In August, 1980, Z-D acquired *Uniques,* a Santa Barbara, Cal.-based quarterly featuring photographs and descriptions of palatial dwellings being sold for an average of $1,000,000. Since then, Z-D has moved the magazine's headquarters to New York, changed its name to *Unique Homes,* expanded its coverage, increased the cover price from $2.95 to $4.95, and announced plans to increase its frequency to every-other-month with the February issue.

Although clearly committed to special interest and business magazines, the company has shown signs of diversifying into database publishing, and has studied the application of current business publications to a database. Z-D has also launched a new quarterly, *Data Sources,* with data on software and equipment geared to the information-processing industry.

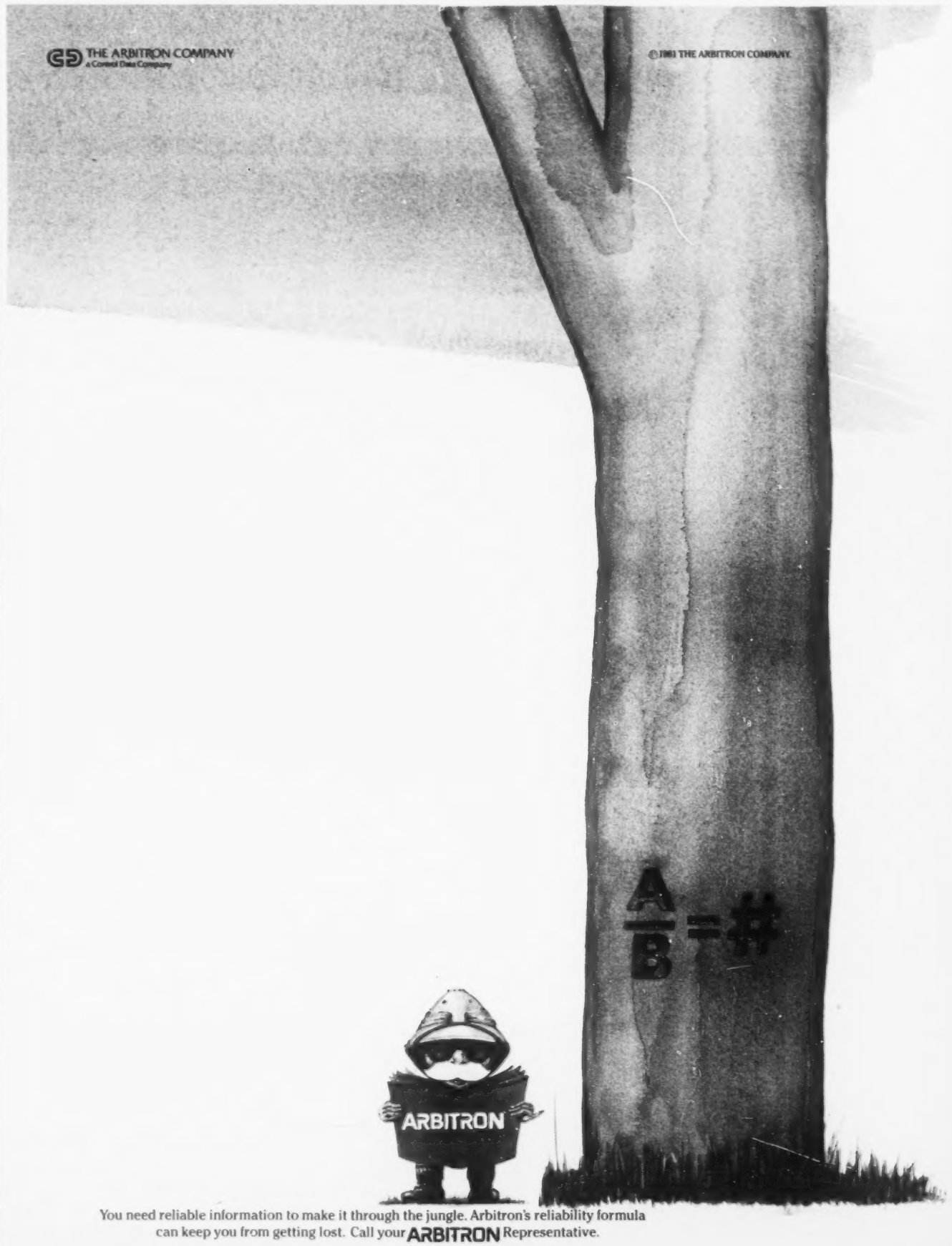
Recent computer acquisitions include Information Access Corp. and Managements Inc.

The company also has shown more than a passing interest in the economic theory and consulting businesses. Last year, Z-D acquired Wharton Econometric Forecasting Assn., a think tank previously associated with the University of Pennsylvania's Wharton Graduate School of Business. Earlier this year, the company acquired Barr Rosenberg & Associates, San Francisco, a consulting operation that specializes in Modern Portfolio Theory.

With its focus on publishing and-databases, Ziff sold two fairly new acquisitions, Russ Craft Greeting Cards, Dedham, Mass., with holdings in gift and greeting lines and 17 broadcast companies, and Norcross, a Chester, Pa.-based greeting card company.

MEDIA PROPERTIES
Magazines: CONSUMER PUBLICATIONS—*Adventure Travel, Backpacker, Boating, Boat Owner's Buyer's Guide, Camera Arts, Car & Driver, Car & Driver Buyer's Guide, Cycle, Cycle Buyer's Guide, Fly Fisherman, Flying, Flying Annual & Pilot's Buying Guide, Modern Bride, Popular Electronics, Communications Handbook, Electronic Experimenters, Handbook, Popular Photography, Photography Annual, Photography Directory & Buying Guide, Psychology Today, Skiing, Stereo Review, Stereo Directory & Buying Guide, Unique Homes, Yachting.* BUSINESS & TRADE PUBLICATIONS—*A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commercial Aviation, Hotel & Travel Index, Meetings & Conventions, Official Hotel & Resort Guide, Official Meetings Facilities Guide, Photomethods, Skiing Trade News, Travel Weekly, Weekly of Business Aviation, World Aviation Directory, World Travel Directory.*
Broadcast: (Ziff-Davis Broadcasting Co.) WJKS-TV, Jacksonville, Fla.; WRDW-TV, Augusta, Ga.; WEYI-TV, Flint, Mich.; WROC-TV, Rochester, N.Y.; WTOV-TV, Steubenville, O.; WRCB-TV, Chattanooga, Tenn.

OTHER OPERATIONS:
Barr Rosenberg & Associates, Computer Intelligence Corp., Data Decisions, Data Sources, Information Access Corp., Management Contents, Strategic Information, University Communications, Wharton Econometric Forecasting Assn., various real estate holdings.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Cigaret output by company (Billion units)

Company	1980 Domestic	Export	Total	% of domestic market	1981 (estimated) Domestic	Export	Total	% of domestic market
R. J. Reynolds	201.71	30.42	232.13	32.6%	209.00	32.00	241.00	33.0%
Philip Morris	191.19	43.20	234.39	30.9	202.64	47.95	250.59	31.9
Brown & Williamson	84.49	18.30	102.79	13.7	88.05	17.00	105.05	13.9
American Brands	66.63	1.30	67.93	10.8	61.64	1.30	62.94	9.7
Lorillard	60.20	—	60.20	9.7	58.43	—	58.43	9.2
Liggett Group	14.35	—	14.35	2.3	14.75	—	14.75	2.3

Unit volume comparisons— the top ten brands

	1980 Billion	1980 Share	1981 (est) Billion	1981 (est) Share
R. J. Reynolds				
Winston	81.79	13.2%	84.04	13.2%
Salem	53.88	8.7	55.23	8.7
Camel	26.64	4.3	30.13	4.8
Vantage	23.63	3.8	24.09	3.8
	185.94	30.0	193.49	30.5
Philip Morris				
Marlboro	109.59	17.7	116.07	18.3
Benson & Hedges	28.37	4.6	28.94	4.6
Merit	26.01	4.2	28.80	4.5
	163.97	26.5	173.81	27.4
Brown & Williamson				
Kool	54.24	8.8	52.44	8.3
American Brands				
Pall Mall	31.69	5.1	29.59	4.7
Lorillard				
Kent	20.28	3.3	18.94	2.9
Total Top 10	456.12	73.7%	468.27	73.8%

Cigaret sales up in 1981

By JOHN C. MAXWELL JR.

We estimate that the cigaret industry will end 1981 with a strong 2.6% gain in units.

As usual, Philip Morris has shown the fastest growth, increasing some 6% in units and adding a share point. Reynolds is up about 3.6% and adding 0.4 of a share point. Liggett Group has increased 2.8%, primarily because of its generic cigarets, which now appear to have about a 0.4% share.

■ In the top 10, Reynolds' Salem moved into the third slot and Camel became No. 5; these were the only changes in that group. Camel is the fastest-growing major product group in the industry, with an estimated gain of 25% this year. It is interesting to note that Camel nonfilters are up some 2.6%.

Also, the rate of decline seems to be abating for such products as Pall Mall and Lucky Strike. This may harbinger a "return to taste."

The same thing happened in Germany, where the preponderant share of the market worked itself down to very low tar and nicotine and then reversed itself and went back to more flavorful products. It would be wise to watch the full-flavor and nonfilter products to see if the same trends occur here.

Reynolds' portfolio moved ahead nearly across the board this year, with More leading (up about 33%). Philip Morris also saw nearly all of its portfolio move ahead in units, with Marlboro up 6% and 0.6 of a share point. Merit and Virginia Slims were also up substantially.

■ Brown & Williamson's Barclay appears successful, with a 1.3% share for the year. In the case of Lorillard, the growth brand is Newport (up some 23%).

Low-tar cigaret consumption (*i.e.*, products with 15mg or less of tar) now accounts for almost two-thirds of the market, with the ultralow tars (*i.e.*, 0 to 6mg) in the area of 11%.

From what we can see, we continue to feel that the cigaret industry will grow modestly over the years.

On another subject, there has been considerable discussion about raising federal excise taxes on cigarets. In fact, a bill has been introduced to this effect every year for the past four years. It is our belief that this would be a bad move on the part of the government. Currently state and local governments get a goodly share of their income—some $4 billion annually—from tobacco taxes. A large increase in the federal excise tax might have an adverse effect on consumption growth, and in turn would mean a drop in income from this source of taxation for state and local governments, further aggravating the fiscal situation in many states. It would be nonsensical for Washington to expropriate this source of revenue from the localities.#

Mr. Maxwell is with Lehman Brothers Kuhn Loeb Research, New York.

Estimated low-tar cigaret consumption and full-year market shares by company

Company	Billion units 1980	1981	% of market 1980	1981
R. J. Reynolds				
7-15 mg	90.74	151.98	14.7%	23.9%
0-6 mg	13.50	25.91	2.2	4.1
	104.24	177.89	16.9	28.0
Philip Morris				
7-15 mg	79.82	86.81	12.9	13.7
0-6 mg	1.68	5.12	0.2	0.8
	81.50	91.93	13.1	14.5
Lorillard				
7-15 mg	29.61	28.02	4.8	4.4
0-6 mg	17.26	15.69	2.8	2.5
	46.87	43.71	7.6	6.9
Brown & Williamson				
7-15 mg	29.85	27.37	4.8	4.3
0-6 mg	—	9.53	—	1.5
	29.85	36.90	4.8	5.8
American Brands				
7-15 mg	12.65	11.56	2.1	1.8
0-6 mg	17.31	15.40	2.8	2.4
	29.96	26.96	4.9	4.2
Liggett Group				
7-15 mg	7.07	9.17	1.1	1.5
0-6 mg	0.40	—	0.1	—
	7.47	9.17	1.2	1.5
Total				
7-15 mg	249.74	314.91	40.4	49.6
0-6 mg	50.15	71.65	8.1	11.3
	299.89	386.56	48.5%	60.9%

Magazine debuts in video format

NEW YORK—About 200 subscribers this week will get their first look at the initial "issue" of *Video Newscasting Network*, a 30-minute business magazine in video form.

More than 150 of those charter customers who signed up for four years are general managers at tv stations, mainly in the U.S., but including Canada, according to Tom Madden. The onetime Fred Silverman aide at NBC now is president of *VNN*, formerly called *Video News Network* (AA, June 22).

Given all those tv station decision makers receiving *VNN* in videocassette form, Mr. Madden has been focusing his ad sales efforts on syndicators. Paramount Television Domestic Distribution, through senior vp Randolph Reiss, made *VNN*'s first major "long-term" sponsor buy, with its three commercial minutes on the premiere show to emphasize the first-run "Entertainment Tonight" series and the offnet potential of "Mork & Mindy" and "Taxi."

To attain his goal of booking subscribers at the roughly 700 commercial tv stations in the U.S., Mr. Madden has ordered a total of 650 copies of the first *VNN* to whet nonsubscriber tv execs' appetites. A small syndicator with a package of drop-in featurettes on tax topics also has bought a two-minute block of time on the opening show.

Roughly 50 of the 200 starting subscribers, Mr. Madden said, are execs in the syndication, ad agency and cable tv fields. Indeed, he said he already is considering two *VNN* spinoffs, one geared solely to advertising execs, the other to catv people.

Interview subjects in the opening *VNN* will include current Federal Communications Commission chairman Mark Fowler (interviewed by former FCC chairman Richard Wiley, who is *VNN*'s Washington anchorman); Mike Weinblatt, Showtime president, who will give a sneak preview of its prime time comedy series, "Romance"; Paul Klein, who will examine the November sweeps tv ratings data; Roger Rice, Television Bureau of Advertising president, and William Baker, tv group president, Westinghouse Broadcasting Co. "Television Digest" editorial director David Lachenbruch will cover industry hardware features for *VNN*, starting with a comparison of the latest in lightweight electronic news-gathering cameras.

■ Mr. Fowler's comments will continue in the second video issue, due to reach subscribers' offices two weeks after the first one. Also due are sessions with Gus Hauser, chairman, Warner Amex Cable Communications, and an Anheuser-Busch exec, who will discuss the brewer's local tv and catv buying strategies and commercials. And, in a light moment, A-B will show *VNN* subscribers a spot that never will run anywhere else: A "beer hunter" spoof of the Russian roulette scene in "The Deer Hunter," with A-B people popping beer cans by their heads rather than pulling a gun trigger.#

USPS halts drug efforts

WASHINGTON—Twenty-one companies have agreed to stop direct mail marketing of "look-alike" drugs, and 40 other companies remain under investigation, according to Postal Service inspectors. The drugs resemble amphetamines and depressants, widely known and abused substances, and are marketed to junior high school and high school youths who believe they're buying the real thing, the Postal Service said.

Advertising Age

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Ad bureau sells NABSCAN

NEW YORK—The Newspaper Advertising Bureau has sold its NABSCAN division to a consortium of research companies and individual investors. NABSCAN will be incorporated as a separate entity by its new owners.

Although the identities of the buyers were not made public by the bureau, it is known that the group includes Market Science Assn. of Pittsburgh, a research organization that has been the chief processor of NABSCAN data.

NABSCAN, the National Advertised Brands Scanning Reports, was established by the bureau in 1974 to gather and report grocery product movement data from supermarket checkout scanners. It has become the largest such operation in the world, scanning checkout data from more than 450 supermarkets in 30 states.

Its president, Richard Neale, has indicated he will return to the bureau and a new head will be selected by the new owners.

Bureau president Jack Kauffman said one of the reasons the operation was being sold was because it has grown so large that it was in danger of dwarfing the bureau itself.

"Since the bureau's mission is to sell newspaper advertising, rather than operate a market research company, we decided somewhat reluctantly that NABSCAN belonged outside of the bureau," Mr. Kauffman said.

"We are totally committed, however, to the continuing use of NABSCAN data," he added. "We know how accurate it is; we know how timely it is, and we have seen again and again how scanner data can pinpoint consumer response to even minor changes in promotional strategy and execution."

Mr. Neale said that all current contractual agreements with participating stores, suppliers and clients would remain in effect.#

Sugarman loses in House

WASHINGTON—A congressional oversight subcommittee that has looked into the Federal Trade Commission investigation of Joseph Sugarman's mail order promotions has reported that Mr. Sugarman's comics books and other materials "do not present a fair rendering of the facts."

In comics books, speeches and advertisements, Mr. Sugarman has contended that JS&A, his Illinois-based mail order operation, has been the victim of a vendetta by FTC's staff. FTC, in turn, has insisted that its investigations show numerous violations of the mail order industry rules requiring notice to consumers whose orders are not filled promptly.

■ Rep. John Dingell (D., Mich.), the subcommittee chairman, said he does not normally get involved in cases while they are still pending in court, but added that in the investigation of the Sugarman case it was necessary because Mr. Sugarman's charges against FTC had been "widely disseminated and raised legitimate concerns in the minds of thousands of people."

While the report focuses almost entirely on the Sugarman case, it includes a strong endorsement for the FTC mail order industry rules, which Mr. Sugarman has attacked as "confusing." Referring to a statement that the Direct Mail/Marketing Assn. submitted during the subcommittee's Sept. 18 hearing, Rep. Dingell said, "It appears the rule is accomplishing the objective of protecting consumers and businessmen alike without imposing undue regulatory burdens upon the industry."

The subcommittee's staff conducted an in-depth investigation, he explained, after congressmen received "a stream of letters" from small businessmen and JS&A customers based on a comics book Mr. Sugarman published.

■ FTC's investigation began in late 1979, and sparked a fierce response from Mr. Sugarman, who contends that most of his problem relates to delivery breakdowns beyond his control because they occurred during a big snowstorm. Early last year, however, a federal judge in Chicago rejected Mr. Sugarman's complaints against FTC and ordered him to turn over his files to FTC investigators. FTC subsequently reported that over 8,000 orders had been held 60 days or more in the August, 1977-December, 1978, period, well before the snowstorm, and at FTC's request the Department of Justice is in court seeking civil penalties against Mr. Sugarman.#

Kahn heads Sara Lee unit

DEERFIELD, ILL.—In another management shakeup at the Kitchens of Sara Lee, P. Frederick Kahn, senior vp-frozen sweet goods at parent Consolidated Foods, has assumed the role of acting president, succeeding William Mahoney.

Additionally, Richard Sharoff, formerly director of planning for the frozen sweet goods group, has exchanged positions with David McSwain, previously Sara Lee's vp-retail marketing.

■ A spokesman for Consolidated said the changes were considered reassignments; Mr. Kahn "wants to learn that part of the business a little better," and Mr. McSwain and Mr. Sharoff were transferred in a "management development" process intended to "move people around to train them," he said.

Mr. Mahoney has moved to the corporate headquarters in Chicago, where he will undertake a special assignment, reporting to corporate president John Cardwell.

The move means Mr. Kahn, who already had responsibilities for Sara Lee, Chef Pierre and Popsicle Industries, will assume control of Sara Lee's domestic and international operations. As recently as last year, Sara Lee's worldwide and U.S. units were operated under two separate managements, with less direct control from the corporate office.

Sara Lee, which has been under pressure from the economy and the competition presented by Warner-Lambert's Entenmann's fresh baked goods, had flat sales in the first quarter, relative to last year, despite an increasing market share.

The company began testing fresh baked goods, produced and distributed by Campbell Taggart, in Chattanooga and Nashville this fall (AA, Sept. 14), but already has pulled out of Chattanooga tests. The spokesman said it is too early to determine the test results.

However, the company also has moved aggressively into a food service program to provide thaw-and-eat bakery products to supermarket in-store bakeries. The spokesman said Consolidated sees the national program, which permits Sara Lee products to be sold under private labels, as "an alternative way to go after the fresh [baked goods] market."#

Agency exec Clyne dies

GREENWICH, CONN.—C. Terence Clyne, 75, founder and chairman-chief executive officer of the former C.T. Clyne Co., New York, died Nov. 30 of a heart attack at his home here.

Before founding his agency, Mr. Clyne had been associated with McCann-Erickson, the old Biow Co. and Clyne-Maxon Inc. Mr. Clyne began his career in 1937 when he worked for Free & Peters radio reps. From 1946 to 1954 he was an exec at Biow Co. on the Bulova watch account, among others, before joining McCann-Erickson to head up the agency's radio-tv department. Bulova also went over to McCann during that time. While at McCann, he was involved with that shop's production of "Sky King" and "Death Valley Days" and brought many advertisers into tv.

Mr. Clyne left McCann in 1961 for Maxon Co., which later became Clyne-Maxon. In 1963, Mr. Clyne was promoted to chairman of the agency's executive committee and president-ceo a year later. Clyne-Maxon merged with BBDO in 1965. That same year, Mr. Clyne purchased a minority holding in WCIX-TV, South Miami. Later the Clyne/BBDO merger was dissolved and the agency then merged with Dusenberry Ruriani Kornhauser. Clyne Dusenberry then became C.T. Clyne Co. Mr. Clyne retired last year and key Clyne executives formed Kornhauser & Calene.#

Dep rolls new item

LOS ANGELES—Dep Corp. is introducing new unscented formula Pears soap for delicate skins. Magazine ad support is done in-house.

Author O'Toole

(Continued from Page 3)

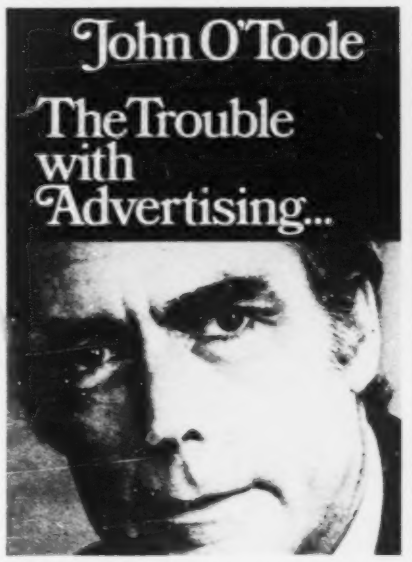
O'Toole envisions the contract would include a section that reads: "My advertising won't lie to you, and it will not deliberately try to mislead you. It won't bore the hell out of you or treat you as though you were a fool or embarrass you or your family. But remember, it's a salesman. Its purpose is to persuade you to trade your hard-earned cash for my product or service.

"In return for your putting up with all this, I'm going to support those newspapers and magazines and radio stations and tv programs you like so much. I'm going to pay for music, situation comedies, news, stories, movies, variety shows, football games, cartoon shows and reportage on every aspect of life you may be interested in . . .

"What do you say? Is it a deal? Great. I'm glad we understand each other."

Certainly, the problem Mr. O'Toole addresses is the fact that the public does not understand, nor necessarily trust, advertising. Partial blame can be placed with the violators of Mr. O'Toole's unwritten contract, false and misleading ads, impersonations of ads and boring ads.

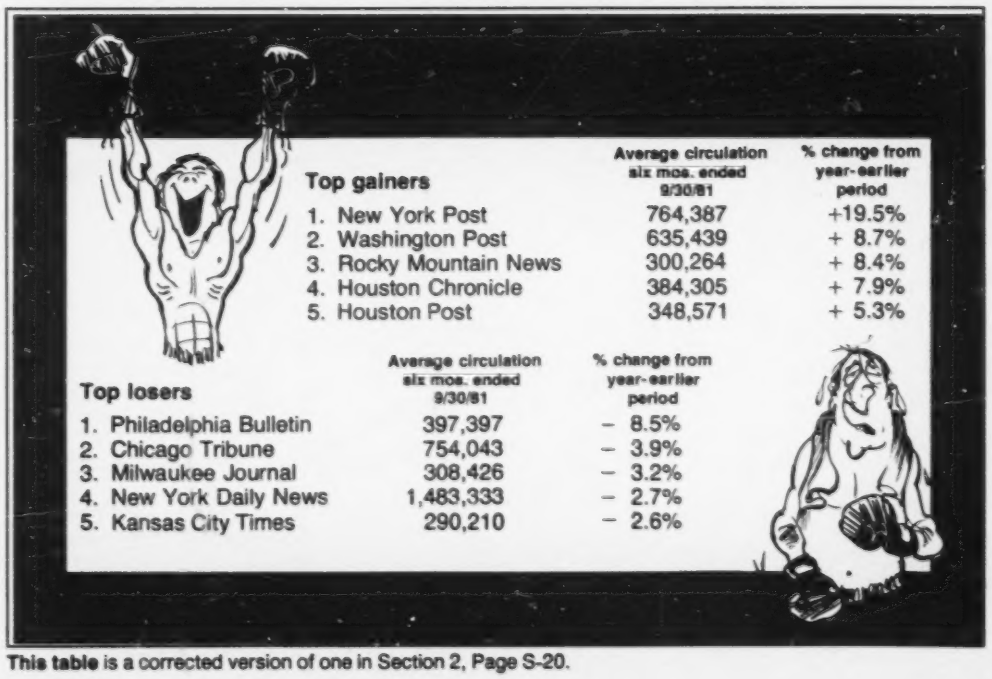
Mr. O'Toole explains the basics of advertising, advertising people, and advertising agencies. He carefully details the entire creative process in a section titled, "Making better advertising while making advertising better." Mr. O'Toole also offers advice on developing strategy, ideas and executions. He includes the fundamental questions to be asked when creating advertising, and also provides a thinking/feeling grid system for figuring out a category's potential.



FCB's John O'Toole joins the ranks of authors writing about the advertising business with this insider's look. Published by Chelsea House, "The Trouble with Advertising" contains material of interest to both outsiders and advertising practitioners.

■ "The Trouble with Advertising" addresses the problems of advertising, the forces that the author sees as adding to the problems (*i.e.*, some government regulation), even the perpetrators of advertising's false image (he's not a big fan of another adman-author, Jerry Della Femina). Mr. O'Toole, like many in advertising, has heard all the grousing about the business. In fact, he heard from yet another critic recently when he was in Chicago for a book-signing.

"A woman walked by, saw the title and said, 'Advertising, that's all a pack of lies,'" Mr. O'Toole recounted. "At that moment, an old and dear friend of mine, John Coleman, came in. He does the weather for ABC in Chicago. He walked up and I said to the woman, 'If you think advertising is lies, I'd like to introduce you to the weatherman.' And I let her turn her wrath on someone else."#



Top gainers

	Average circulation six mos. ended 9/30/81	% change from year-earlier period
1. New York Post	764,387	+19.5%
2. Washington Post	635,439	+ 8.7%
3. Rocky Mountain News	300,264	+ 8.4%
4. Houston Chronicle	384,305	+ 7.9%
5. Houston Post	348,571	+ 5.3%

Top losers

	Average circulation six mos. ended 9/30/81	% change from year-earlier period
1. Philadelphia Bulletin	397,397	– 8.5%
2. Chicago Tribune	754,043	– 3.9%
3. Milwaukee Journal	308,426	– 3.2%
4. New York Daily News	1,483,333	– 2.7%
5. Kansas City Times	290,210	– 2.6%

This table is a corrected version of one in Section 2, Page S-20.

-/C2710-1

SECTION 2: CHINA – A FADING DREAM?

Advertising Age

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$1 a copy; $40 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | December 14, 1981

Watching discounts, shoplifters

Retail sales may rebound, but profits?

An Advertising Age roundup

As the Christmas countdown progresses, some retailers across the country indicate an uptick is under way. But with sales being generated through price promotions and other measures that affect the bottom line, fourth-quarter profits are expected to show little if any improvement over fourth-quarter 1980.

In fact, many retail profits will be less than expected, said Walter Loeb of Morgan Stanley. Along with other anaylsts, he is forecasting lowered earnings for more than a few stores.

Additionally, Mr. Loeb is predicting that shoplifting will exact a higher toll from retailers this year, given the fact that many consumers simply "don't have money right now" and that stores have cut back on personnel.

Said one exec from a Philadelphia department store, "There's no doubt that shoplifting is a great area of concern and it's on the rise. People are in a desperate mood. And stores did not hire as many extra salespeople this year as they have in the past."

According to the Business Council in Washington, retail "inventories are generally not considered to be in very bad shape, and retailers are responding quickly to their inventory problems. Therefore, we expect the inventory adjustment this time to be both shorter and milder than that which accompanied the 1980 recession."

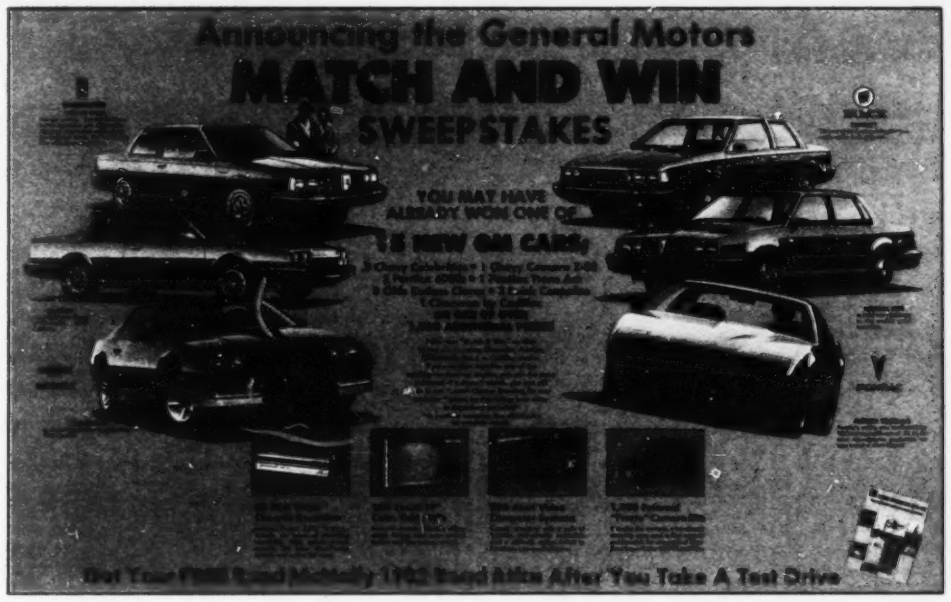
In Philadelphia, a major retailer resorted to a one-day, off-price spectacular earlier this month, exclusive of its post-Thanksgiving sales. This was a first for the store, and was deemed necessary because, as one exec put it, "People are very price conscious and worried about the economy."

From New York, B. Altman & Co.'s George Hanley, vp-sales promotion director, said, "The business is there, but you have to reach for it. It is not the year of the pet rock," a reference to a fad item of a freer-spending time.

Midwestern retail chains expect to follow a pattern that has emerged during the yuletide season over the last several years—soft sales in early December followed by heavy buying within the last two weeks before Christmas. But they, too, are attempting to lure customers with price-discounting promotions.

Major retailers are reluctant to predict the extent the Christmas

(Continued on Page 70)



Clean sweep

General Motors is turning to a sweepstakes promotion to bring in customers. The four-page color newspaper insert will run Jan. 10.

GM tries sweepstakes

By RALPH GRAY and JAY McCORMICK

DETROIT—General Motors coupon clippers, usually an elite set of investors, will be joined by some 2,000,000 others if all goes well in an upcoming GM "Match & Win" auto sweepstakes.

It's the first time the No. 1 auto maker has used such a promotion to stimulate the auto market, which has remained sluggish despite such inducements as rebates, interest rate ceilings and special sales.

The national new car sweepstakes is the most far-reaching dealer showroom traffic builder in GM's history. It was announced last week by company president F. James McDonald, a move that underscored its importance at GM headquarters.

GM is hoping for a 5% redemption rate for the 41,000,000 newspaper insert sweeps coupons that break Jan. 10 in 257 Sunday papers.

The promotion gives GM a healthy shot at the women's market, since women are the primary users of coupons. In some cities, the four-page insert will be the centerpiece of a larger coupon insert that includes coffee, cereal and pet food advertisers.

The coupon package was produced by George F. Valassis & Co., Livonia, Mich., which sends them out every two weeks to 135 cities. The GM insert

(Continued on Page 69)

last minute news

FTC refuses to order Barclay ad changes

WASHINGTON—FTC has refused to order changes in ads for B&W's Barclay cigaret, but it will qualify Barclay's 1mg tar rating in its new tar and nicotine report due shortly. The decision is unlikely to satisfy RJR and Philip Morris, who have complained that Barclay's filter design produces artificially low tar readings on FTC's cigaret testing machine.

PM suspends test of Northwind cigarets

NEW YORK—Philip Morris suspended testing of Northwind, a cigaret introduced last July in Cleveland, Houston and St. Louis. Northwind delivered a cool taste without traditional menthol flavoring (AA, Jan. 12). PM said it was undergoing a complete evaluation. Agency: Burnett, Chicago.

Libby sells canned fruit, vegetable business

CHICAGO—Libby, McNeill & Libby agreed in principle Friday to sell its canned vegetable operations to S.S. Pierce Co., Dundee, N.Y., and its canned fruit business to California Canners & Growers, San Francisco. Both buyers will be licensed to use Libby's trademark in the U.S. Surviv-

(Continued on Page 8)

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WASHINGTON DC 20014

SAYS IT'S 27TH LARGEST

D&C, Free shops join as $175 million agency

By FRED DANZIG

NEW YORK—A new agency, Laurence, Charles & Free, has been formed by the principals of 29-year-old Daniel & Charles Associates and F. William Free & Co., a 12-year-old agency.

The new entity, claiming 1982 billings at the $175,000,000 rate and the ranking of No. 27 on the roster of largest U.S. agencies, based on the latest agency chart compiled by ADVERTISING AGE, maintains a publicly held status. This is because Daniel & Charles is owned by Mickelberry Corp., New York, a public company active in the manufacture and marketing of meat specialty products and in agency ownership. (Mickelberry also owns Nadler & Larimer.)

On the client side, the new agency continues as a major Bristol-Myers agency with Ban, Bufferin and Comtrex, and Drackett's Mr. Muscle oven cleaner, Endust and Drano, all from Daniel & Charles. It also is Abbott Labs' agency for Murine and Selsun Blue, again via D&C.

■ American Brands is a shared client, with Tareyton and the revived Lucky Strike cigarets at D&C and Carlton handled by Free. Carlton, billing $28,000,000 in 1980, is Free's largest client. The merger, of course, carries the blessings of American Brands and Bristol-Myers.

But one client that is not surviving this get-together is D&C's Schenley Industries, with its estimated $5,500,000 in billings for such brands as Ancient Age, Canadian MacNaughton, DuBouchett cordials and other beverages. D&C had to resign the business because Free brings with it the $15,000,000 Heublein account, consisting of Black Velvet Canadian, Jose Cuervo tequila, McMasters Canadian, Black & White scotch and Irish Mist.

Other D&C clients are American Safety Razor, American Assn. of Retired Persons, Del Laboratories and General Mills' Gorton's food division. Free represents Adidas, Alfa Romeo and Coca-Cola Foods (for Active yogurt).

Laurence, Charles & Free, with 175 employes—50 from the Free agency—remains at 261 Madison Ave., where Daniel & Charles had earlier leased a third floor in order to accommodate its growth. This morning, as that floor fills with staffers from Free, the agency is still coping with a shortage of

(Continued on Page 74)

Holiday season slide

Nets warm up for 1st quarter

By COLBY COATES

New York—Sports and first-quarter sales tended to dominate talk last week as the tv networks slid into the rerun and specials-filled holiday season.

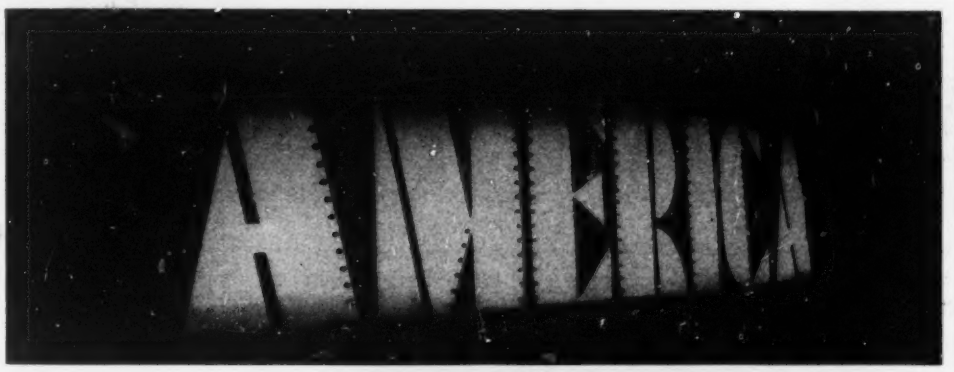
At this time of year both prices and viewing levels are traditionally at their lowest point, though the pace of activity within the network sales departments is quite fast. As noted earlier (AA, Nov.9), the networks are anticipating a robust first-quarter scatter market, especially in prime and daytime. What's made some network execs even more bullish is the recent but welcome trend of falling interest rates.

"You can't underestimate the importance of interest rates and the correlation between lower rates and the flow of ad dollars," said CBS-TV vp-sales Paul Isacsson. Another barometer of the marketplace, automotives, also is looking up, with Ford and Chevrolet recently having come in with substantial buys in both sports and prime time. Earlier in the year, some execs fretted that automotives were only spending at last year's levels and not adding on to keep pace with inflation. But the word now is that they are in the marketplace at levels that will surpass last year. Still, several agency buyers pointed out that all three networks have inventory in all dayparts, and felt confident that their scatter buys would be at prices not that much higher than the upfront marketplace.

With one eye on scatter, many buyers also are following developments in both college and professional football.

NBC has confirmed the it has given the College Football Assn., the breakaway group representing

(Continued on Page 74)



Helping make America work

United Automobile Workers Union is working on its sullied image by tying in with the Space Shuttle and other American successes. "Here's one of the latest models put together by the UAW," says one union member in a new tv commercial. The slogan: "The UAW wants to help make America work again." (See story on Page 71.)

Hardee's will try to convert Burger Chef

By RICHARD KREISMAN

The planned acquisition of General Foods' Burger Chef chain moves Hardee's Food Systems another step forward in its evolution from a southern regional chain to a national fast-food marketer.

The Rocky Mount, N.C., company said last week it will start a conversion test of an unspecified number of company-owned Burger Chef units to Hardee's in the first quarter of 1982, and soon after hopes to convince franchisees to move under the Hardee's banner.

While the $44,000,000 sale still awaits government approvals, it is expected to clear because the chains are not direct competitors. Hardee's operates about 1,400 restaurants in the Southeast, mid-Atlantic and upper Midwest. Indianapolis-based Burger Chef is strongest in Midwest markets such as St. Louis, Cincinnati, Detroit and Indianapolis.

■ "This is a logical step for Hardee's," said Breen Condon, vp-general counsel. "The acquisition will give us a bridge to connect the South and the North."

The sale takes General Foods out of the fast-food industry after almost a decade of painful losses with the Burger Chef chain, which it acquired in the late '60s in the hopes of developing a national chain. That never happened, but via a retrenchment the chain rebounded, revamping its menu, adding new products, refurbishing units and spending heavily to advertise the changes.

The 679-unit chain is expected to be profitable this year, according to Burger Chef execs, and industry observers said the Burger Chef turnaround, particularly in improved operations, was a key factor—as well as the price—in Hardee's decision to acquire the chain. Mr. Condon said Hardee's had previously slated several Burger Chef markets for its own expansion over the next few years. "The situation presented itself and it was too good to pass up," he said.

Even if Hardee's moves quickly on the conversion of Burger Chef's 259 company-owned restaurants, it is obligated under franchise contacts to provide marketing and support services to the chain's licensees. Mr. Condon said Hardee's "fully intends to live up to that contract," but will meet with franchisees early next year to propose the Hardee's conversion.

■ If the changes are made, the combined chain will most likely consolidate its ad account. Bo Batchelder, Hardee's senior vp-marketing, was not available for comment. Mr. Condon said no decision has been made regarding agencies —"I don't think it has been considered yet. It is too soon."

Benton & Bowles, New York, is agency of record for Hardee's. Ogilvy & Mather, Chicago, handles

(Continued on Page 70)

highlights

Monday, Dec. 14, 1981

Video Probe Index/Home Testing Institute will issue daily/weekly/monthly cume ratings three times a year for basic cable tv networks. *See Page 10.*

Dallas/Fort Worth cable tv viewers spend 45.9% of their time watching premium cable channels, a local sample for *Cable Plus* showed. *See Page 10.*

A former Lever Bros. exec recommended using sales promotion effectiveness to measure ad effectiveness at an Assn. of National Advertisers workshop. *See Page 12.*

Hearst/ABC plans to take advantage of cable tv viewers' "stumble pattern" in starting its Daytime. *See Page 12.*

CBS Radio readies its second network, RADIORADIO, for debut this spring. *See Page 20.*

Kellogg Co. is maintaining its enthusiasm for its Nutri-Grain cereal despite soft spots in the introduction. *See Page 26.*

The Boston Herald-American goes tabloid in an effort to save itself, as other struggling papers watch its progress. *See Page 64.*

After intense emphasis on new products, Johnson Products Co. is sitting back to see what happens. *See Page 67.*

CORPORATE CLOSEUP

Jerrico Inc. is enjoying fast growth with its Long John Silver's Seafood Shoppes fast-food chain, but management still takes things slowly and carefully. *See Page 4.*

FOLLOWUP

Finding life more relaxing out of the public eye, Gerald Rafshoon is in the midst of developing a script for a six-hour mini-series on Iran. *See Page 40.*

INTERNATIONAL

The recession in the U.K. has brought an upsurge of new generic products as major supermarket chains try to boost their sales by offering value-for-money goods. *See Page 28.*

After two years in test market in northern Italy, Procter & Gamble this fall hung out its Pampers disposable diaper on the national line. *See Page 68.*

MAGAZINE

In the second half of his first-hand account of the battle to save the Federal Trade Commission from the commission's viewpoint, Michael Pertschuk describes how the tide toward consumerism turned in the 1980s and the effect it had upon the commission. *See Page 43.*

Len Carlson, a pioneer in catalog mail order operations, offers 34 factors to consider when selecting direct response merchandise. *See Page 48.*

VIDEOTECH

"The Jazz Singer" becomes the latest hot vcr title, topping October sales. *See Page 52.*

Cable execs complain at the Western Cable Show that major tv audience measurement services are favoring broadcasters at the expense of cable in research. *See Page 56.*

section 2

CHINA

In recent years, advertisers and agencies in the U.S. were extremely optimistic about the potential market represented by China's 1 billion consumers. Some, such as McCann-Erickson and client Coca-Cola, still are. But many others feel that China was oversold, and that the Chinese government is putting consumer products at the bottom of its priority list. This week Section 2 looks at the future for consumerism in China—beginning opposite Page 40.

REGULAR FEATURES

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N.Y. catv sale is rumored

By ROBERT RAISSMAN and JAMES P. FORKAN

New York—Word that Teleprompter Manhattan Cable TV might be up for sale traveled fast through the catv and financial communities late last week.

At the same time, New York City's board of estimate officially awarded the non-Manhattan catv franchises.

During a q&a session at Paine Webber's "outlook for the media" conference, J. Richard Munro, president, Time Inc., told analysts, "Teleprompter would love to take a walk from Manhattan," where it has had one-half of the catv franchise since August, 1970. The reason, industry sources said, is the considerable expense that will be required to upgrade that system to match the state-of-the-art technology that will be installed in the other New York City boroughs.

Moreover, the Big Apple may find more than one system trying to leave. Mr. Munro also told the same meeting of security analysts that Time Inc. itself will "look twice" if the city "wants too large a pound of flesh" to modernize the

(Continued on Page 69)

Coen: '82 ad volume $68.5 billion

NEW YORK—Total advertising investment in U.S. media will be up 11.7% to $68.5 billion in 1982, according to Robert Coen, senior vp of McCann-Erickson U.S.A. His 1982 forecast for the industry is slightly more optimistic than his 1981 prognosis.

Speaking at the 1981 conference on the outlook for media staged annually by Paine Webber Mitchell Hutchens, Mr. Coen predicted national broadcast would be up 12% in 1982 to $11.5 billion, national print would be up 11% to $6.9 billion and other national media would be up 12% over a year earlier, to $19.3 billion.

■ Mr. Coen's 1981 predictions read: National broadcast up 9% to $10.15 billion, national print up 10% to $6.13 billion and other national up 10% to $17.1 billion. The 1981 overall spending figure predicted by Mr. Coen was up 10.8% to $60.8 billion.

The biggest gains in national advertising revenues this year will be experienced by newspapers, up 16% to $2.7 billion, as opposed to $2.35 billion rung up in 1980. The second largest is radio, up 14% to $1.08 billion. Spot tv was predicted to be up 13% to $3.7 billion, other media up 12% and magazines up 11% in 1981, according to Mr. Coen's tally. Network tv shows the smallest gain, up 8% to $5.54 billion from $5.1 billion in 1980.

In various product categories, Mr. Coen tracked the greatest increased spending by wine advertisers, up 77.4% in the first nine months of 1981. Radio, tv and hi-fi advertisers increased spending by 21.7%; airline advertising was up 17.4%; food advertising was up 16.3%; automobile advertising was up 15.8%; pet foods up 15.6%; drug/remedy marketers up 3.5%, and toiletries and soaps/cleaners up a mere 0.8% and 0.3%, respectively.

In national newspaper expenditures, the greatest gain was in industrial advertising, up 44%. Tobacco ad spending was up 27% and hotels/resorts up 25%. The smallest gains were in publishing and media newspaper expenditures, up a slight 6%.

The top product category changes for magazines for the first nine months of 1981 came in automobiles, up 28% over the first nine months of 1980, and in toiletries, up 15%. Alcoholic beverages showed the least gain, up 1%.

(Continued on Page 72)

National advertising 1981 vs.'80

	1980 ($000,000)	1981 ($000,000)	CHANGE (PERCENT)
Network TV	$ 5,130	$ 5,540	8%
Spot TV	3,269	3,700	13
Radio	954	1,085	14
Magazines	3,149	3,500	11
Newspapers	2,363	2,730	16
Other Media	15,430	17,325	12
TOTAL	$ 30,285	$ 33,880	11.9%

The outlook for 1982

	CHANGE OVER 1981	1982 FORECAST ($000,000)
National Broadcast	12%	$ 11,545
National Print	11	6,915
Other National	12	19,360
Total National	11.6	37,820
Total Local	11.9	30,670
GRAND TOTAL	11.7%	$ 68,490

LOOKING FOR NEW OUTLETS

Big media prices a turnoff

NEW YORK—The cost of advertising in media has escalated to a point where advertisers are starting to turn away from traditional uses of national media, according to Herb Maneloveg, senior vp-partner and director of media marketing services, Della Femina, Travisano & Partners.

"There is more concern by advertisers on where and how they purchase [media]," Mr. Maneloveg said at the media outlook seminar orchestrated by Paine Webber Mitchell Hutchens. "Bigness is no longer a guarantee of advertiser interest, especially if bigness brings a huge price tag with it," he said.

Elaborating on his theme, Mr. Maneloveg noted that while *Sports Illustrated* was doing well, *Golf Digest* and *Tennis* were doing better; where *"Time* and *Newsweek* are standing still, *Forbes* and the *Wall Street Journal* are going gangbusters," and that *Esquire* was resurgent in its category.

Big names in magazines carrying big price tags, he said, were *McCall's, Reader's Digest,* Time and *TV Guide,* whose four-color page costs are $65,000, $89,000, $75,000 and $76,000, respectively. And a 30-second prime time tv spot costs about twice as much as those magazine full-page ads, he said.

■ At those prices, Mr. Maneloveg stressed, advertisers must find new outlets for their messages, such as early news shows, as well as specialized magazines. Noting that the basis of national advertising efficiency involves both reach and frequency, Mr. Maneloveg pointed out that national rates are making audience reach and frequency difficult. At the same meeting, Lawrence Grossberg, vp, J. Walter Thompson Co., predicted average network ratings would be on the decline as a result of the growth of cable and pay tv. But he added that the amount cable snares will not be as great as many network doomsayers have predicted.#

world news roundup

LONDON—BNRR Needham Ltd. has taken on one of Britain's single biggest brand accounts with the $9,500,000 United Biscuits McVitie's line. Needham, which won the account from Saatchi & Saatchi, already had $3,800,000 of McVitie's business.

HAMBURG—Team/BBDO, still smarting from loss of billings due to the breakaway last summer of Scholz & Friends, is getting back on a winning track again with the gain of a $4,000,000-plus account from Schwarzkopf of Hamburg, one of Germany's top haircare and grooming marketers.

TORONTO—Equal, the aspartame-based tabletop sugar substitute currently in two small U.S. test markets, is scheduled for national rollout in Canada in January.

BUENOS AIRES—Argentina has arranged to lease six of the 24 transponders for Brazil's twin communications satellite as a stopgap measure until it builds its own, not before 1983.

SAO PAULO—J. Walter Thompson Co. will open another office here in early 1982 to further expansion aims in Brazil and handle possible account conflicts. The new agency's first account is Kellogg's baby cereals. JWT already handles Nestle baby foods.

Air appliances clean up holiday sales

By GAY JERVEY

NEW YORK—One Christmas it was Water Pic. Then came hair curlers, blow dryers and multifaceted makeup mirrors. This year, consumers are letting their noses do the shopping, and the result is a holiday business bonanza for air-freshener appliance marketers.

Until recently, such appliances have been a well-kept secret. However, growing environmental concerns and the antismoking clamor have led more people to become skittish about pollutants, inside and out. Thus, these small filters, which clean, deodorize and recirculate indoor air have come of age and are being offered by a growing number of companies.

Like any new category, this one is rife with intramural backtalk about who got there first and whose product reigns superior. One thing that is certain, however, is that at a time when "flat, flat, flat" is nearly all one hears about most businesses' growth expectations, air fresheners are galloping ahead. An estimated 3,600,000 to 4,000,000 units will be shipped this year, up from 1,000,000 last year, with 1982 projections anywhere from 5,000,000 to 8,000,000.

The category currently is dominated by three brands: Norelco, Pollenex and Rush-Hampton, which together account for at least 80% of the business. Exactly how many other contenders there are remains uncertain, with estimates ranging from 10 to 20, and fewer than 10 advertising in a big way. New contenders, particularly those hoping to cash in on the Christmas rush, seem to arrive on the market every day.

At the moment, Norelco leads the pack, with an estimated 56% share, according to "Flynn Reports," a publication of Flynn Audits, New Canaan, Conn., which periodically tracks the appliance business. Pollenex follows with 22%, and Rush-Hampton is just a whisper away at 19%. The remaining 3% is left to the smaller marketers. At press time, however, a more recent Flynn report was due. Commenting on its probable findings, Ron Wahra, account supervisor on the Norelco account at McCaffrey & McCall, New York, demurred that Norelco's lead was likely to slip, if only a bit. He maintained that it's difficult to hold on to that kind of margin even in the best of times, much less with competition getting hotter every day.

North American Philips Corp.'s consumer products division, Stamford, Conn., was the first contender to advertise heavily nationally, backing its line of Norelco clean air machines introduced in May, 1980. Initially, the company confined itself to print, with ads

(Continued on Page 69)

Class snack

Classy gold packages are used by Nabisco for its new five-item line of dessert cookies, now being introduced into the Northeast (AA, Dec. 7). Print ads like this, from William Esty Co., support the launch.

MUCH TO ANPA'S DELIGHT

House calls for AT&T curb

WASHINGTON—With Senate action completed, a House subcommittee has launched its version of telephone industry deregulation to cheering from the American Newspaper Publishers Assn.

The publishers are delighted because the bill introduced last week by House telecommunications subcommittee chairman Timothy Wirth (D., Colo.) tightly curbs the role American Telephone & Telegraph can play in the market for future electronic information services. Rep. Wirth promised hearings would begin early next year.

ANPA chairman and president Katharine Graham, chairman of the Washington Post Co., greeted introduction of the Wirth bill with a statement predicting that "if these provisions are enacted into law, the American public will be the beneficiary of the rapid development of electronic information services offering an unprecedented diversity of sources." AT&T had no immediate comment.

After intensive publisher lobbying, the Senate amended its bill with language prohibiting AT&T from selling its own "mass media services" to telephone subscribers in its monopoly markets (AA, July 13 *et seq.*). The House bill is even broader, barring AT&T from offering its own "information publishing services" over its Bell lines.

Wirth aides said their bill goes beyond mass media and would keep Bell from assembling and marketing its own data bank services over its own transmission lines. Unlike the Senate bill, it would require all major phone companies to deal on an equal basis with all electronic publishers seeking access to the telephone system.

AT&T had complained bitterly that the restrictions prevent it from offering an electronic version of its print Yellow Pages while other print media are free to exploit electronic transmission for their information. ANPA argued that AT&T would be in position to discriminate against other electronic information suppliers who would need access to Bell telephone lines in order to compete.#

Outlook for '82

(Continued from Page 3)

"We could end up with another significant year for advertising," Mr. Coen said.

Some of the other reports at the Paine Webber conference:

Magazines

Following a year in which magazine ad revenues increased on target—up about 10% over 1980—industry experts are forecasting that 1982 will bring a gain of between 8% and 12% over the $3.3 billion in ad revenues recorded in 1981.

At the Paine Webber conference, Arthur Karlan, vp, Newsweek Inc., said that he was basing this projection on planned rate increases by most magazines, the same standard that he said accurately predicted 1981's revenue gains.

Beyond 1982, Mr. Karlan is optimistic about the future of magazines. He dismissed arguments that the print media will be hurt by the growth in cable and video technology, arguing that "the public needs time to assess information being thrust at them." He said the so-called information explosion "will underscore the basic health of magazines."

He added that the magazine industry will also be helped in the coming decade by changing demographics of the U.S. population.

Although the total adult population is expected to grow only about 12% by 1990, Mr. Karlan said that census figures project a 21% increase in the 18-to-44 age group, a 42% increase in college-educated persons, a 74% increase in homes with an income of more than $25,000 a year and a 17% increase in working women. All of these groups are higher-than-average magazine readers, Mr. Karlan said.

Mr. Karlan's optimism is shared by John Scott, president of Times Mirror Magazines. He said 1982 "should be the best in history for the magazine industry."

Mr. Scott agreed that the industry should experience a 10% to 12% increase in revenues, with a typical magazine in the country's top 100 earning a net profit that will be around 4% of its 1982 revenues.

Newspapers

The recession and its effects on newspapers notwithstanding, execs at some of the largest U.S. papers are confident about their industry as they look ahead to '82.

This last year, despite some drops in advertising, held up better than most analysts had initially thought, and it is expected that 1982 will be at least as good a year as 1981.

For all of 1981, ad revenues are expected to increase by 13%, with linage up about 1%, according to Newspaper Advertising Bureau estimates. The revenue gains break down into a 14% increase in retail, a 10% increase in classified and a 16% gain in general advertising.

For 1982, revenues will probably increase 12%, predicts Edward Parmalee, vp-marketing, Knight-Ridder. Most of those gains will come from increased spending in retail and national advertising, mostly due to what Mr. Parmalee said will be rate increases of around 11% at most major newspapers. Classified linage will continue to be depressed by the economy, particularly in the year's first quarter, but should pick up by the end of the year, Mr. Parmalee said.

Although advertising-to-sales ratios declined last year among many retailers, Mr. Parmalee said these should bounce back as the economy starts to improve later in the year and as store shoppers experience the full benefit of the 1982 tax cut. He predicted that retail sales will be up 9% next year—as opposed to a 7% increase in 1981—and the increase should translate into heavier advertising by retailers.

Newspapers are becoming increasingly efficient in targeting certain of their editions, Mr. Parmalee added, explaining that while full-run editions will only increase about 1% in linage next year, partial runs will show an increase of about 10%.

State, local and national elections will also boost advertising spending, he said.

National advertising in newspapers has become increasingly important to the bottom line, Mr. Parmalee said, pointing out that national ad revenues increased 17% in the past year and that newspapers now have a market share of about 7% in national advertising.

Fred Harris, vp-finance, Dow Jones, predicted that newspaper linage would be "flat to down" in the first half of 1982 and "flat to up" in the last half of the year. Over-all, he thought political advertising would help boost the yearly linage total to about 1% to 2% higher than this year, with revenues increasing by 12%.

Newspaper earnings are being helped by more aggressive pricing of the product, Mr. Harris said, explaining that 32% of all papers now sell for 25 cents, compared to only 8% of the papers in 1979.#

Time tries cable clusters

NEW YORK—J. Richard Munro, chairman of Time Inc., said the company has embarked on a strategy of clustering its American Television & Communications Corp.'s basic cable systems to prepare for inevitable ad revenues.

"We are looking toward markets where we will have the coverage and clout to serve advertisers, who in five to 10 years will be knee-deep in cable tv with important dollars," Mr. Munro told analysts at a media outlook conference here sponsored by Paine Webber Mitchell Hutchens. He said ATC already has begun to trade off certain cable systems that do not fit into the cluster concept. "It [ATC] is emphasizing contiguous growth, accelerating the buildout of systems in major ATC cities or in regions where it has established more than an isolated presence."

ATC, he added, was in no hurry to rebuild or upgrade existing systems because most franchises don't come up for renewal for about five years. He said that as renewals approach, the market will dictate how a system is to be changed.

By clustering systems, Mr. Munro said, ATC could be the leading cable operator in specific chosen markets rather than a minor operator in scattered ones. "We see those markets as profit centers from advertising," he said.

Although the situation parallels the one tv stations are in today, ATC would have two sources of revenue—subscribers and advertisers.

According to Mr. Munro, ATC will have added nearly 500,000 new subscribers by the end of this year, bringing it to almost 1,800,000 homes. He said ATC ranks No. 1 in subscribers among all basic systems.

Time Inc.'s other video subsidiary, Home Box Office, will close 1981 with 8,000,000 subscribers, more than twice as many as the nearest competitor, Mr. Munro said. He noted that the entry of Spotlight, Times Mirror's movie channel, would not affect HBO but could have some bearing on Cinemax, a companion service of HBO.

In 1982, he said, nearly one-third of HBO's movies will be exclusive because of prebuys. He added that HBO will enter into exclusivity agreements with studios for feature films. However, he said the duration of the agreements would not be "forever" and would not affect HBO's profit margins.#

'Business Week' to try series

By ROBERT RAISSMAN

NEW YORK—McGraw-Hill is planning to enter the burgeoning business tv market with a weekly half-hour program based on *Business Week* magazine.

Although the project is still in preliminary stages, Don Rubin, vp-public affairs at McGraw-Hill, said the show could be put into syndication some time in 1982.

"Like most ventures, we are proceeding in stages," Mr. Rubin said.

The first stage, a treatment of the show, has already been produced. It met with approvals and a go-ahead was given for production of a pilot. The pilot is being produced by personnel from *Business Week* and the company's broadcast division.

Mr. Rubin said the show's format, still being shaped, will rely heavily on *BW* contents.

"We have an idea and it's being looked at," he said. "There isn't even a title for the show, so to suggest any kind of format now would be premature."

Joseph L. Dionne, president-chief operating officer at McGraw-Hill, said the program could be the first step in taking the company's publications to specialized markets through television.

Mr. Dionne said the second step in the plan could be production of business news briefs to be inserted in local newscasts. He didn't rule out the possibility of also extending some of the programing to cable.

If the McGraw-Hill project is successful, the show will join a number of new entries. In October, "The Nightly Business Report" premiered as television's first national business news program. The show debuted initially as a 15-minute show on WPBT, the Miami public tv station. Other new entries are the Financial News Network, which began last month on 15 cable and broadcast channels and "Moneyline," which runs nightly on the Cable News Network. Dow Jones & Co., which has been syndicating its *Wall Street Journal* news briefs to commercial tv stations, also is offering its Dow Jones Cable News to catv systems.#

Perfect score for 'Time Z'

NEW YORK—The computer has given Time Inc. new sales ammunition for *Time Z*, the special demographic edition of *Time* that goes to upscale households.

Previously boasting 97% of its 1,200,000 circulation among households with incomes of $40,000 or more, *Time Z* as of Jan. 1 will provide 100% of its circulation in that rarefied category. This was achieved as PRIZM, the syndicated service that defines 10 cluster groups in demographic and life style terms, found upscale readers residing in Zip codes that are not considered upscale. PRIZM tags four of its 10 groups as "magazine dominant." Three are considered "tv dominant" and the rest are dual usage groups. The four magazine dominant groups selected by *Time Z* are said to account for the largest volume of usage in such key product categories as foreign airline travel, table wines, business travel, air travel cards, 35mm cameras, etc.

The stepup in PRIZM coverage coincides with a previously announced rate hike for *Time* and its various editions.#

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Dailies show gain in Sept. ad totals

NEW YORK—Expenditures for newspaper advertising in September totaled $1.506 billion, a gain of 15.6% over the same month a year ago, according to preliminary volume figures that are prepared by the Newspaper Advertising Bureau for ADVERTISING AGE.

For the first time this year, the retail category had the largest monthly growth percentage, increasing 21% to $838,300,000. National advertising expenditures for the month were $229,600,000, a gain of 13%. Classified rose 8% to $438,300,000.

For the first three quarters of 1981, ad spending in newspapers totaled $12.828 billion, a 16% gain over the first nine months of 1980.

Retail advertising for the period was $6.828 billion, up 16%; classified advertising was $3.920 billion, up 14%; national was $2.080 billion, up 23%.

The bureau's estimates are based on measurements by Media Records Inc. in 63 index cities, plus other data.

■ In individual categories followed by Media Records, ad spending for headache remedies and sedatives showed the largest gain over the same period a year ago, with a 195% increase to $18,978. Following close behind was spending on coffee and tea, up 155%. Third-largest gain was made by soft drinks, up 127%.

Only two of the 16 categories measured were down in September. Spending on cigarets declined 10% to $6,790,500, while publishing and media categories dropped 3% to $8,534,000.#

FLASH REPORT: Newspaper advertising investment for November

SEPTEMBER 1981 CATEGORIES	YEAR	DOLLARS 1981	DOLLARS 1980	CHANGE ACTUAL $ G OR L	CHANGE % G OR L
Department stores	1981	$56,688,077	$46,413,436	+10,274,641	+ 22.1
	1980				
Food stores	1981	18,123,540	14,419,992	+3,703,548	+ 25.7
	1980				
Radio, tv, phonographs, records	1981	7,184,078	5,384,042	+1,800,036	+ 33.4
	1980				
Alcoholic beverages	1981	1,675,595	1,546,910	+ 128,685	+ 8.3
	1980				
Cameras, photo supplies & services	1981	275,022	272,406	+ 2,616	+ 1.0
	1980				
Beverages: coffee and tea	1981	236,653	92,848	+ 143,805	+154.9
	1980				
Beverages: soft drinks, diet/non diet	1981	301,106	132,427	+ 168,679	+127.4
	1980				
Soaps, cleaners & polishes	1981	108,684	101,412	+ 7,272	+ 7.2
	1980				
Cold, cough & sinus remedies	1981	990	0	+ 990	—
	1980				
Headache remedies & sedatives	1981	18,978	6,426	+ 12,552	+195.3
	1980				
Publishing & media	1981	8,534,049	8,846,771	312,722	3.5
	1980				
Sporting & Leisure time equipment	1981	178,682	128,919	+ 49,763	+ 38.6
	1980				
Cigarettes	1981	6,790,523	7,546,226	755,703	10.0
	1980				
Cosmetics, makeup & manicure products	1981	128,315	80,401	+ 47,914	+ 59.6
	1980				
Airlines	1981	8,733,963	5,709,440	+3,024,523	+ 53.0
	1980				
Passenger cars-new	1981	6,874,413	5,790,155	+1,084,258	+ 18.7
	1980				

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The *Washington Star* ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

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media people

Meagher resigns at Penthouse

NEW YORK—Mark J. Meagher has resigned as president-chief operating officer, Penthouse International Ltd., effective Dec. 31. Mr. Meagher, former president of the Washington Post Co., joined Penthouse, publisher of *Penthouse* and *Omni*, last April. With his departure, the title of president reverts to publisher Robert C. Guccione. David J. Myerson, exec vp, becomes chief operating officer. Mr. Meagher, together with Sash A. Spencer, chairman, Holding Capital Management Corp., have completed their plan to open Meagher-Spencer Associates, New York-based company that will seek to acquire companies for private investment purposes. Their company will begin operations on Jan. 12.

Other people moving:

C. Robert Brooks to West Coast advertising manager at *TV Guide*, succeeding **Richard Cook**, who is retiring. Mr. Brooks, a member of the Los Angeles sales staff since 1973, was named Los Angeles ad manager a year ago.

Donald Kilmartin to New York ad manager, *House & Garden*, a new post, from sales rep. Also at *House & Garden*: **Timothy Knipe** to national manager, design and decorating, a new post, from international business manager.

Thom Ferro to national sales manager, Westwood One radio syndication, Culver City, Cal., from regional sales manager.

Robert Pittman to senior vp-programming, Warner Amex Satellite Entertainment Co., New York, from vp-programing. Besides MTV: Music Television and The Movie Channel, he will oversee program development.

Ernest Vitucci to administrative assistant to the director of display advertising, *Los Angeles Times*, from administrative assistant to the retail advertising manager. He succeeds **John Gail**, who retired.

Lynn M. Ingham to associate advertising director, *San Francisco*, from supervisor of fashion accounts. She succeeds **Dan Obst**, who left. **Susan Cohen Strange**, former editorial production manager, *Inside Sports*, succeeds Ms. Ingham.

Robert Netupski to vp-marketing, a new title, *New Britian* (Conn.) *Herald*, from marketing director.

Edward J. Murphy, corporate vp, Jackson Newspapers, New Haven, Conn., adds vacant title of assistant general manager.

David P. Sifford to president, Comworld International, Nashville, new sydication division of Comworld Group, from president, Osmond TV Sales.

Julie Osler to director of pr, RCTV's Entertainment Channel, New York, from a similar post at Showtime Entertainment, succeeding **Lisa Getman**, now director of marketing support services.

Rick Rosencrans to the new post of director of affiliate relations, Cable Networks Inc., New York, from programing coordinator, UA-Columbia Cablevision.

George Cooney to chairman of the newly formed videotape duplication and post-production joint venture of Columbia Pictures Industries and Bell & Howell Co., while remaining New York-based general manager, Columbia's EUE/Screen Gems tv commercial production division. **Robert Pfannkuch** to Northbrook, Ill.-based president of the joint venture, from president, Bell & Howell's video group.

James G. Chapman to publisher, *Energy User News*, published by Fairchild Publications, New York, a Capital Cities Communications company. Mr. Chapman fills a post now being relinquished by **Daniel Newman**, named Fairchild president in 1980. Mr. Chapman also will continue to serve as ad director of *EUN*.

Nory LeBrun to the new post of vp-cable sales and marketing, Turner Broadcasting Sales, Atlanta, from general manager of cable sales. He will coordinate sales and marketing of Cable News Network, CNN2 and superstation WTBS.

Joseph G. Antelo to exec vp, WGN Continental Productions Co., Chicago, from vp-director of sales, WGN Continental Broadcasting Co., succeeding **Jack Jacobson**, who joined Sportsvision as vp-operations. **John Suder**, marketing director at parent company Tribune Co. Broadcasting, acts as WGN's general sales manager until a replacement is named.

Harold J. Silver to exec director of advertising, a new post, Encyclopaedia Britannica-USA, Chicago, from director of advertising. Also, **Alan B. Boyer** to director, direct mail and special list advertising, a new post, from direct mail manager, and **Marguerita Weiss** to the new post of creative director of mail order new products and direct mail lead advertising from director of new products.

Also:

Leslie Walker to the new post of marketing manager, United Cable Television, Grand Junction, Colo. . . . **Lane Saunders** to general manager, KMBY, Billings, Mont., a Peoria Journal Star station, from KOOK . . . **Susan Brumett** to promotion manager, Century Communications, Skokie, Ill. . . . **Vaughn E. Rockhold** to national sales manager, *Government Product News*, a Penton/IPC publication, Cleveland.

ELECTED VPs:

Robert O. Southard, WFRV Television, a newly formed subsidiary of Midwest Radio-Television, Minneapolis . . . **Thomas M. Drape**, Universal Press Syndicate, Fairway, Kan.#

P&G's Wehling elected chairman of PMAA

CHICAGO—Robert L. Wehling, division manager, general advertising, Procter & Gamble Co., has been elected chairman of the Promotion Marketing Assn. of America. Elected vice-chairman was Robert J. Evans, manager-promotion services, Gillette Co.

Elected vps were: Nicholas A. Rago, vp-marketing, Armour & Co.; David M. Levi, director of promotion services, General Mills; Daniel O. Haas, manager-promotion services, Coca-Cola Co.; John C. Young, director of promotion, Scott Paper Co. Robert L. Callahan, general counsel, Coca-Cola Co., was elected secretary and Thomas J. Conlon, president, D.L. Blair Corp., was elected treasurer.

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NBC grid bid fumbled; who will recover?

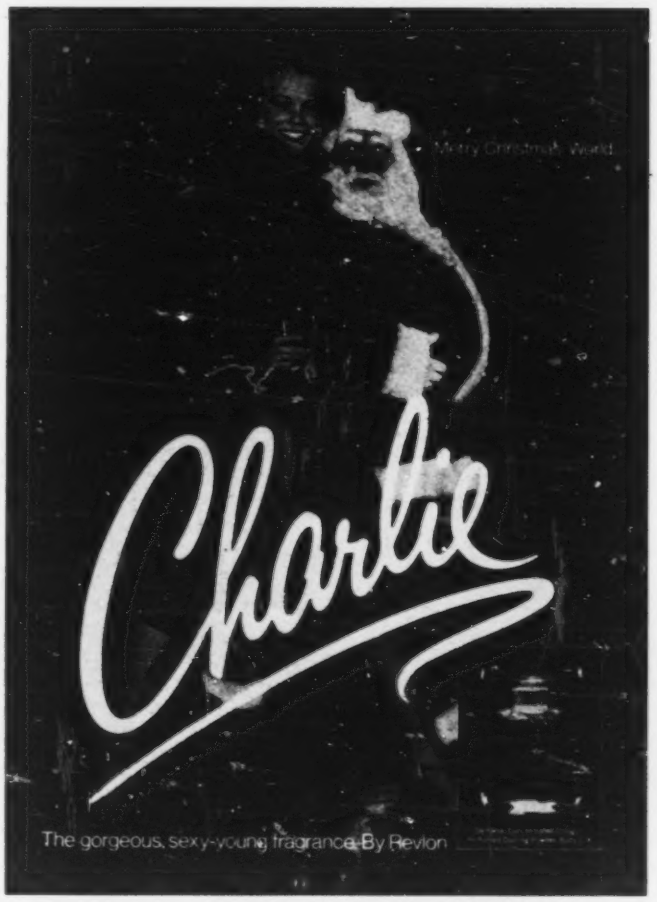
By JAMES P. FORKAN

NEW YORK—Although NBC Sports president Arthur Watson may feel as frustrated as Charlie Brown when Lucy yanks away the football as he starts to kick off, some squeals of delight were heard elsewhere at the apparent collapse of NBC's $180,000,000 College Football Assn. deal.

NBC Sports execs were sorely disappointed when most of the 61 CFA colleges voted against the proposed four-year NBC contract, partly out of fear of expulsion and other reprisals from the National Collegiate Athletic Assn. Big-time football schools had looked to CFA to get more tv exposure, and with it much-needed funds. The network stood to land the most powerful campus grid teams as a prime time attraction.

But, as Yogi Berra used to say, "It ain't over till it's over." The official word at NBC Sports is that the CFA deal is finis, but a spokesman hedged a bit by saying, "It's dead for now." A court case in Oklahoma City still is going on to decide whether the NCAA could punish CFA rebels, it was pointed out. The judge's ruling is expected in early February.

(Continued on Page 51)



Merry Charlie

Charlie model Shelly Hack and Santa Claus step off together in a bright red, Merry Christmas-message print ad from Revlon. In-house 50th Floor Workshop is the agency. The other message: Charlie is "the gorgeous, sexy-young fragrance."

GANNETT SETS '82 LAUNCH

Ad industry skeptical on national daily

WASHINGTON—Gannett Co.'s announcement last week that it was going ahead with its national newspaper, *USA Today*, produced a standing ovation from Gannett execs at the annual corporate gathering here, but few people outside the company seem to be cheering the paper's chances for success.

"We remain skeptical," said John Morton, newspaper industry analyst for Lynch, Jones & Ryan, a Washington securities firm. "We still haven't sensed any appetite for a national newspaper beyond the *Wall Street Journal* and, to a limited extent, the *New York Times*. And we haven't found any [non-Gannett] newspaper executives who think it's a good idea."

"I really don't see any need for the paper," added Frank McDonald, senior vp-director of marketing and media services for Cunningham & Walsh, New York. "The local newspapers, not to mention tv, do such a good job with national news that why should people turn to a national paper such as this?" Mr. McDonald predicted that Gannett would be "disappointed" with the paper's performance.

Industry execs and followers interviewed by ADVERTISING AGE unanimously conceded, however, that Gannett has researched the idea exhaustively and is probably the one company that could make a general national newspaper a success. "One thing about Gannett—they are not dumbbells," Mr. Morton said. "Maybe they have discovered or identified an audience . . . not readily apparent to the rest of us."

Indeed, Gannett officials said last week the company and its ad agency, Young & Rubicam, have met with no fewer than 51 national advertisers and ad agencies since last summer to sift reaction to the idea, and apparently found little to dissuade them from proceeding. And in announcing the decision to Gannett execs, Allen Neuharth, Gannett chief executive officer, said that the company's previously announced goals for *USA Today* of a circulation of 1,000,000 to 2,000,000, annual revenues of at least $250,000,000 and profitability in three to five years "are not only achievable but exceedable." In the

(Continued on Page 46)

last minute news

Republic's $20 million account goes to C-M

MINNEAPOLIS—Republic Airlines has named Campbell-Mithun here to handle its estimated $20,000,000 passenger advertising account, which had been at Hoffman, York & Compton. The carrier will be on-air with new creative by late January and is exploring the possibility of using network tv. C-M chairman George Gruenwald had no comment when asked whether the agency's Chicago office will resign Air Chicago, set to start service in the spring (AA, Aug. 8). Air Chicago president Bruce Edmondson said late last week the airline will "most likely" leave C-M.

Harte-Hanks, Belo name C&W in Dallas

DALLAS—Harte-Hanks Communications, San Antonio, and Belo Information Systems, Dallas, named Cunningham & Walsh/Dallas as agency. Both were at KCBN, which becomes Arnold Harwell & McLain Jan. 1 following the move of Harve Chapman from KCBN to president of C&W/Dallas (AA, Nov. 16). H-H budget: $1,000,000-plus.

B.A.T. eyeing Barclay-like cigaret in Britain

LONDON—British American Tobacco is believed to be ready to launch a third major cigaret in Britain, possibly based on the technology of the successful Barclay brand in the U.S. *(see related story on Page 3).* B.A.T. refuses to comment, but three unnamed agencies have been called in to

(Continued on Page 8)

NEWSPAPER

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'Times,' NBC talk cable

By MAURINE CHRISTOPHER and COLBY COATES

NEW YORK—The cable industry constantly buzzes with reports of incipient co-ventures, teaming up assorted communications giants.

Currently cablecasters are watching to see whether a "good exploratory meeting" between NBC/RCA and the *New York Times* will lead to some action on the new video front. NBC sources said this was just one of scores of similar meetings on possible programing projects for cable, and said no further meetings were set with the *Times*.

But their recent meeting is bound to attract attention—if for no other reason than the level of the people in attendance. From the *Times*, there was publisher Arthur Ochs Sulzberger, as well as Sam Summerlin, president of the New York Times Syndication Sales Corp. and head of cable r&d for the company, and Ted Harbert, New York Times Productions vp.

In the RCA/NBC contingent were Herb Schlosser, RCA exec vp for SelectaVision and its liaison with RCTV; Irwin Segelstein, NBC vice-chairman, and Kathryn Pelgrift, NBC vp-corporate planning.

Mr. Summerlin at the *Times* has heard from numerous would-be partners who would like to get one of America's best known newspapers into cable programing.

Reeves Cable Productions, for

(Continued on Page 46)

'N.Y. News' up for sale

NEW YORK—Acknowledging what some industry followers had said was inevitable, Chicago-based Tribune Co. has abandoned its efforts to revive the *New York Daily News* and is trying to sell the nation's largest-circulation general newspaper.

Industry speculation on a possible buyer focused immediately on Rupert Murdoch, publisher of the rival *New York Post*, which has been gaining circulation while the *Daily News* has been losing circulation. A source close to Mr. Murdoch acknowledged that the possible purchase of the *News* has been discussed internally. He also said that *Post* employes planned to drink champagne after the Tribune Co. announcement Friday, in what amounted to a victory celebration for the *Post*.

The *Daily News* has a daily circulation of 1,500,000, up in recent months but down substantially from its peak of 2,000,000 in the early 1970s. Last August, when the a.m. *News* folded its afternoon edition, *Tonight*, publisher Robert Hunt said the *News* would lose $11,000,000 this year. A Tribune Co. spokesman said the estimated loss remains "in that ballpark."

The spokesman said the company is optimistic it will find a buyer for the paper, but declined to say who might buy it and for how much. In its announcement, the company said it has been approached "on a number of occasions in the recent past" by prospective buyers but has always declined to negotiate. "Today we are saying that we would now be receptive to serious offers," Stanton R. Cook, Tribune Co. president and

(Continued on Page 8)

Nestle adds Quik syrup to stem Hershey's flow

By NANCY GIGES

The growth of liquid milk amplifiers has prompted the leader of the powder category, Nestle Quik, to begin testing a chocolate syrup as a line extension.

White Plains, N.Y.-based Nestle Co. will enter areas of New England, the metropolitan Washington market and Florida in February with the new Quik entry. The syrup will compete directly with Hershey Foods' chocolate syrup, which began taking business from Nestle Quik powder when it was introduced in a squeeze bottle several years ago. Until then, Hershey syrup in a can was used primarily as an ice cream topping.

Within the past three years, the syrup category has grown to about $45,000,000 at retail, more than doubling its size. The powder segment, dominated by Nestle Quik, totals about $125,00,000 at retail. These figures from Nestle are somewhat lower than those from other industry sources, who estimate the total market (powder and liquid) at $250,000,000 at the wholesale level, with syrups accounting for about one-third and powders about two-thirds.

According to W. Rufus Jones, Nestle group vp-chocolate and culinary division, the syrup will be positioned as offering the same "irresistible milk chocolate flavor" as Nestle Quik powder. He said the Hershey flavor profile is much different from that of Nestle's. With more of a bitter chocolate flavor, it is better suited as a topping than as a milk additive, he said. But, he added, Nestle realized that when the Hershey syrup was repackaged in a plastic squeeze bottle, it began to appeal more to children. Hershey invests about $2,500,000 annually in advertising its entry.

The exec said that in a taste test among children who use syrup in milk, the Nestle product was preferred 2-to-1 over Hershey. "The overwhelming taste preference was no surprise to us since we formulated Nestle Quik syrup for milk use, whereas the established brand was originally formulated for topping use." However, the Nestle syrup scored at parity with Hershey as a topping, he said.

Nestle plans to spend at about a $2,000,000 national rate to support the new syrup. Its tv campaign will be separate from the Nestle Quik powder tv effort. The dry product is supported with about $5,000,000 annually. McCann-Erickson, New York, is agency for both.

Although advertising plans for the new entry are not yet final, Mr. Jones indicated that Nestle would probably call on the successful

(Continued on Page 51)

Lu and behold

France's Generale Biscuits, which acquired the Burry division of Quaker Oats and formed Burry-Lu Inc., based in Elizabeth, N.J., is testing imported cookies and crackers under its Lu label in Hartford. Sunday supplement ads support, with tv. Agency is Altschiller Reitzfeld Solin/NCK.

Videodiscs, popcorn—$300

By ROBERT RAISSMAN

The tired cliche, "You can't tell the players without a scorecard," has become the battle cry of consumers trying to follow the latest maneuvers by retailers and marketers of the enigmatic videodisc player.

In efforts to spark disappointing sales, the number of rebates, giveaways and sales schemes grows each week. A St. Louis retailer is giving away a $20 popcorn popper with every purchase and, in reverse logic, a retailer in Atlanta is giving away RCA SelectaVision machines with each purchase of a "big screen" tv receiver.

As the Christmas selling season winds down, both Toshiba and Hitachi have encouraged retailers to sell their players for around $300.

Toshiba has recommended that dealers slash the price from $549 to $349—including a hand-held remote control unit—in a six-week promotional sale. The player can be purchased for $300 without the remote control device. Hitachi is allowing dealers to go as low as $299.95 and $349.95 with the hand-held remote. Hitachi's player was originally priced at $499.95.

Where does all this leave RCA, the company that

(Continued on Page 51)

world news roundup

London—Levi Strauss, brand leader in the U.K., will double its 1982 ad outlay to $3,000,000, via McCann-Erickson, to recoup market share lost to designer jeans, which doubled their market share to 10% last year.

Antwerp—De Beers, which controls 85% of the world's diamond sales, will launch a $90,000,000 U.S. campaign, promoting diamond jewelry as, not just a girl's best friend, but chic for men, too.

Stockholm—Wasabroed Co., the world's largest producer of hard bread, is being bought by the Swiss multinational Sandoz A.G. for an undisclosed sum. Wasabroed has 87% of the Scandinavian market.

London—Benton & Bowles is looking to buy a second London agency before the end of 1982.

highlights

Monday, Dec. 21, 1981

Despite France's politics, U.S. companies are investing in France more than ever, lured by less red tape and as much aid as possible. *See Page 6.*

National Advertising Division finds misleading aspects in Pepsi Challenge soft drink advertising. *See Page 10.*

Larry Light, Bates' exec vp, sees middle-price products caught in squeeze between low and high ends. See Page 12.

The Chicago Mercantile Exchange is making an early bid for the new Eurodollars time deposit futures contracts. *See Page 18.*

Ed Asner, activist president of the Screen Actors Guild, said he is not predisposed to following striking tv commercial producers to the picket lines. *See Page 20.*

Here's Johnny—in the U.K. at least until March, an extension that has dumbfounded some of the critics of his show there. *See Page 37.*

Action for Children's Television is trying to force the Federal Trade Commission to act on two toy commercials. *See Page 37.*

The Ranger is Ford's only domestic-built compact truck although additional models will follow. *See Page 43.*

Dodge challenges the truck market with two new wagons. *See Page 43.*

National Urban League launches a campaign to promote jobs for minorities. *See Page 43.*

Parade leads off a new competition fight between the *Dallas Morning News* and the *Dallas Times Herald*. *See Page 44.*

Dow Jones has bought the publisher of *American Demographics* for an undisclosed sum. *See Page 45.*

Prime time, late night and the Rev. Donald Wildmon make tv news. *See Page 46.*

International Dairy Queen wants a bigger lick of the franchise food service market after 41 years in the soft-serve ice cream business. *See Page 48.*

MCI Communications Corp.'s acquisition of WUI Inc. could lead to new overseas telephone link. *See Page 48.*

Ogilvy & Mather staffers caught a Broadway show and a farewell speech from their chairman Jock Elliott last week. *See Page 48.*

Home Box Office makes network buys on CBS and NBC, but ABC rejects pay service's ads. *See Page 51.*

NBC-TV's campus football plans have been scrapped—or have they? *See Page 51.*

CORPORATE CLOSEUP

San Francisco-based MJB Co. is trying to expand through a new course into noncoffee products. *See Page 4.*

MAGAZINE

Do foreign auto makers produce better cars than their U.S. counterparts, or is the foreign auto makers' advertising better? John Blumenthal looks at advertising of U.S. and foreign auto makers to see how each fares. *See Page 29.*

Can you remember a time when there were more than a bare handful of creative people in advertising? William D. Tyler gives his observations for the lack of great creative leaders today and reviews 10 ads for December. *See Page 33.*

Ed Meyer presents his observations on the use of sales promotion in today's marketplace. *See Page 35.*

section 2

ATLANTA

Atlanta began as a terminus, the end of the line for two railroad systems. From this inauspicious beginning, the city today is making its mark in such areas as communications, architecture, race relations, transportation and downtown growth. Section 2/Atlanta explores why this Sunbelt city is aglow, beginning opposite Page 26.

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ADVERTISING PAGES IN DECEMBER
CONSUMER PUBLICATIONS 39

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Coke is silent on 'light'

By NANCY GIGES

Despite Coca-Cola Co.'s frequent denials that it has any thought of leaving its major agency, McCann-Erickson, reports continue to circulate that other agencies are gearing up to go after the Coke business and that the Atlanta-based company has already assigned a new product to SSC&B.

Asked to respond to soft drink industry reports that have Coca-Cola considering a "light" version of its flagship brand and that the assignment will be given to SSC&B, now a sister agency of McCann within the Interpublic Group, a company spokesman said the whole area of new products is so competitive that, "as a matter of policy we do not comment in any speculation dealing with the subject."

Execs at other Coca-Cola agencies, however, said they knew of a soft drink assignment that was given to SSC&B in 1980, but they were not aware of the nature of the assignment. John Bergin, who heads the worldwide Coca-Cola account at McCann, served for many years at SSC&B before moving

(Continued on Page 51)

Advertising pages in December consumer publications

Current and December '80 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	Dec. 1981	Dec. 1980	Jan.-Dec. 1981	Jan.-Dec. 1980
Women's				
†§Bride's Magazine	—	—	1,592.5	1,534.2
▲Co-ed	16.8	19.7	360.9	308.4
§Cosmopolitan	184.7	191.9	2,361.1	2,417.6
Essence	81.0	91.0	970.0	983.0
§Family Circle	137.8	130.9	1,669.2	1,592.7
§Good Housekeeping	169.3	192.3	2,063.7	2,002.0
▲Health	—	—	305.5	270.5
Ladies' Home Journal	73.1	84.0	1,028.1	1,220.0
Lady's Circle	7.5	13.9	113.4	119.2
McCall's	82.4	98.7	1,158.5	1,227.9
McCall's Working Mother	66.4	—	702.8	469.3
†Modern Bride	—	—	1,301.7	1,227.3
Ms.	47.2	51.7	496.5	524.3
○New Woman	59.5	49.0	288.4	232.5
§Parents Magazine	59.5	62.4	825.3	761.5
Playgirl	49.2	43.9	533.0	505.9
Redbook	86.2	101.0	1,145.4	1,367.5
Self	62.5	49.9	801.1	705.2
Seventeen	77.0	81.9	1,329.3	1,330.7
'Teen Magazine	27.9	34.4	547.0	534.9
§True Story	58.5	66.9	681.6	639.8
§Woman's Day	95.5	94.6	1,474.4	1,613.7
▲The Workbasket	—	—	381.5	327.4
Working Woman	65.5	52.5	763.2	554.8
Total Group	1,507.5	1,510.6	22,894.1	22,470.3
***% Change '81 vs. '80	−0.2%		+1.9%	
General				
▲A.D. Magazine	11.0	13.0	150.2	169.6
Air Progress	20.7	22.5	189.8	247.5
▲American Film	31.2	30.5	265.7	226.7
American Forests	12.7	12.6	169.8	190.6
American Legion	20.9	21.5	313.8	324.5
American Photographer	46.8	34.6	513.8	415.8
○Americana	32.0	36.0	195.7	187.3
§Architectural Digest	209.3	135.8	1,647.8	1,369.8
§The Atlantic	24.4	34.7	307.9	366.9
○Audubon Magazine	—	—	189.8	185.8
§Bon Appetit	124.3	112.9	1,127.7	925.7
Book Digest	17.8	51.7	292.8	375.3
Changing Times	34.3	30.0	365.1	287.3
Christian Herald	35.8	47.7	468.3	509.3
Christian Life	30.0	35.3	324.6	349.4
☆Christianity Today	40.5	47.8	803.5	736.4
Circus	44.8	18.0	291.3	181.2
Complete Men's Group	23.0	23.0	266.9	285.8
Country Journal	44.9	45.7	549.5	598.1
Creative Computing	202.2	117.8	1,588.8	1,074.5
▲Cuisine Magazine	65.7	53.0	482.4	447.4
Dance Magazine	60.2	53.5	715.2	693.2
Ebony	102.0	97.5	1,113.1	1,109.1
▲Elks Magazine	—	—	214.0	247.9
§Esquire	76.0	42.5	508.0	451.8
Fifty Plus	22.7	31.0	355.2	407.3
Flying	50.0	45.5	594.3	621.8
F. Food & Wine	44.2	11.1	336.1	60.9
○Games	—	—	144.3	146.4
§Gentlemen's Quarterly	157.1	135.2	1,337.1	1,172.7
Golf Digest	82.7	72.8	857.8	822.2
§Golf Magazine	58.2	62.1	820.2	759.3
Gourmet	110.6	77.4	830.4	691.6
§Harper's Magazine	23.8	25.1	287.4	351.0
High Fidelity	58.1	54.4	529.8	668.2
High Technology	—	—	95.8	—
Income Opportunities	49.5	51.3	500.0	561.3
#Inside	76.5	66.8	283.3	248.4
Kiwanis Magazine	—	—	163.9	188.8
Let's Live	76.9	85.5	1,013.9	1,072.4
Life	96.3	89.7	713.0	660.5
Lion	5.0	5.5	62.9	58.1
Modern Photography	140.7	135.0	1,396.0	1,398.4
§Money	116.6	90.4	1,179.6	968.3
Moneysworth	11.8	12.3	181.1	210.1
Moody Monthly	44.2	64.0	616.2	596.0
Moose Magazine	22.0	19.0	231.0	251.0
○Mother Earth News	63.3	62.3	390.6	373.2
○Museum	46.7	36.3	230.0	119.3
National Geographic	39.1	32.1	387.9	390.1
National Jewish Monthly	29.9	23.5	249.4	286.7
National Lampoon	44.5	34.9	368.7	373.8
Natural History	32.5	23.1	439.8	451.2
§Omni	72.1	65.3	687.3	611.4
§Oui	24.0	24.0	—	—
§Penthouse	86.1	90.0	783.1	833.7
Petersen's Photographic	53.4	51.5	560.0	551.4
Playbill	69.3	65.6	678.3	584.4
§Playboy	167.4	174.5	1,363.6	1,408.9
Popular Photography	146.1	139.9	1,692.4	1,693.3
Prevention	64.3	79.5	997.5	1,062.0
Prime Time	—	—	154.0	226.0
Psychology Today	51.0	64.4	554.1	681.5
§Reader's Digest	149.3	122.2	1,169.2	1,155.0
Rotarian	12.6	17.2	182.0	266.9
††Saturday Evening Post	47.6	40.6	407.3	412.1
D. Saturday Review	45.4	26.3	410.6	455.5
Science 81	35.1	20.0	386.3	216.8
Scientific American	102.7	147.3	1,134.4	1,188.3
Signature	50.8	41.4	686.4	559.2
Smithsonian	95.5	90.6	1,040.9	997.9
Stereo Review	79.7	82.6	730.0	802.4
Success	20.5	24.5	370.4	262.0
Technology Illustrated	37.8	—	74.3	—
Tennis	60.4	59.0	770.2	786.6
Town & Country	238.0	232.7	1,796.2	1,503.7
Travel/Holiday	34.5	31.6	547.0	537.6
Travel & Leisure	99.1	87.6	1,160.4	1,031.2
▲V.F.W.	—	—	261.7	283.0
Venture	38.1	39.2	468.7	344.8
Video	61.8	59.0	313.8	422.6
Video Review	68.8	44.2	636.4	299.5
Weight Watchers	19.6	20.7	281.9	265.5
World Tennis	26.6	40.0	516.5	575.4
Writers Digest	21.8	20.8	255.9	252.7
Yankee	81.5	82.8	1,084.4	1,161.6
Total Group	4,974.3	4,561.2	50,126.4	47,240.4
***% Change '81 vs. '80	+8.2%		+6.0%	
Fashion & service				
Glamour	141.6	139.5	2,085.5	1,943.3
Harper's Bazaar	123.8	124.9	1,331.3	1,117.5
Mademoiselle	104.6	98.2	1,527.0	1,511.5
Vogue	199.1	202.0	2,718.1	2,325.0
Total Group	569.7	564.6	7,661.9	6,897.3
***% Change '81 vs. '80	+0.9%		+11.1%	
Arts & antiques				
American Artist	41.4	43.4	637.8	603.8
Antiques	142.2	140.2	1,894.6	1,754.8
○Art & Antiques	—	—	359.7	329.0
▲Art in America	100.0	110.0	1,164.4	999.5
▲Artnews	110.0	116.1	1,219.0	1,177.0
○Portfolio	—	—	269.0	229.0
Southwest Art	126.0	81.0	1,464.0	990.0
Total Group	529.6	480.7	7,008.5	6,083.1
***% Change '81 vs. '80	+10.2%		+15.2%	
Home				
§Better Homes & Gardens	115.8	100.1	1,462.7	1,525.3
○Colonial Homes	—	—	394.8	329.9
Dallas-Fort Worth Home/Garden	69.2	47.2	566.0	573.7
§▲Family Handyman	42.3	38.5	601.5	603.5
○Flower & Garden	40.1	38.7	255.3	188.3
†Homeowner's How-To	24.9	27.3	181.2	161.6
Horticulture	38.0	24.9	299.9	316.8
House Beautiful	74.7	82.8	1,099.1	1,152.3
House & Garden	87.7	95.5	1,259.6	1,420.3
Houston Home/Garden	130.2	113.5	1,265.4	1,286.3
Hudson Home Magazine	23.6	32.7	407.4	479.5
Living:				
○Dallas	—	—	719.6	705.1
○Houston	—	—	594.7	587.8
○Denver	—	—	570.0	535.3
○Austin	39.8	42.6	294.4	193.4
○San Antonio	38.6	56.0	327.7	158.4
○Phoenix	37.7	36.5	230.0	208.9
○Florida Gulf Coast	19.5	20.4	130.5	152.1
○South Florida	—	—	80.7	—
Metropolitan Home	75.3	77.4	756.0	670.9
††New Shelter	—	—	387.6	319.0
1001 Home Ideas	31.2	—	317.5	306.9
Orange County Home/Garden	69.3	47.5	221.0	178.0
Organic Gardening	66.8	74.0	858.4	946.5
C. Phoenix Home/Garden	50.0	18.5	417.0	41.1
San Diego Home/Garden	39.8	50.6	520.8	644.8
#Southern Accents	—	—	340.0	329.4
Southern Living	118.2	101.5	1,479.3	1,459.2
§Sunset Magazine	142.6	114.1	1,693.6	1,583.3
▲Texas Homes	93.1	85.1	892.4	802.7
○Workbench	—	—	376.1	371.2
Total Group	1,468.4	1,322.4	19,008.2	18,231.5
***% Change '81 vs. '80	+8.7%		+3.8%	
In-flight & other passenger				
#Aboard Group (7)	—	—	2,506.0	2,004.0
Air California	54.3	60.3	698.0	699.8
○Atlas Group (9)	450.0	420.0	2,214.0	2,097.0
Alaskafest	41.5	39.9	477.4	450.3
American Way	60.0	53.5	767.7	815.8
East/West Network:				
Amtrak Express	36.8	—	425.9	—
Continental Extra	51.3	60.0	613.3	712.7
Eastern Review	76.3	67.9	927.5	871.2
Ozark Flightime	40.2	41.5	533.4	555.5
PSA Magazine	88.5	102.0	1,062.3	1,136.5
Republic Scene East	46.5	39.0	658.5	366.0
Republic Scene West	50.5	60.3	619.9	784.0
Texas International/-The Texas Flyer	58.5	56.7	705.8	639.0
United Mainliner	70.5	66.7	901.4	1,059.4
Halsey Publications:				
Braniff's Flying Colors	36.0	36.0	417.0	474.0
Delta Sky	46.3	37.0	551.3	504.0
○Skylite	—	—	63.0	—
Hawaii	25.7	—	317.5	—
○Pace	—	—	230.8	183.0
Pan Am Clipper	52.8	57.1	688.5	623.5
Southwest Airlines	86.6	66.6	956.8	789.0
Spirit of Aloha	25.2	26.9	318.8	318.8
U.S.Air	42.7	35.3	580.2	537.1
Webb Publications:				
Frontier	38.9	—	435.2	268.5
Passages	40.2	20.4	389.7	333.7
TWA Ambassador	43.2	36.3	602.1	622.4
Total Group	1,562.5	1,383.4	18,662.0	16,845.2
***% Change '81 vs. '80	+5.6%		+6.0%	
Metropolitan				
○Aloha	33.8	20.0	163.8	118.1
Atlanta	84.5	97.3	987.9	1,024.5
Baltimore	99.3	70.2	873.1	865.5
Birmingham	41.5	30.3	338.6	497.6
Boston	195.7	174.3	1,600.2	1,436.2
Brown's Guide to Georgia	69.0	57.7	786.1	603.8
California	94.0	135.9	803.7	1,284.6
Chicago	215.3	203.9	1,795.1	1,764.6
Chicago's North Shore	87.6	84.9	770.1	643.7
Cincinnati	60.1	59.1	678.6	747.7
Cleveland	109.5	114.9	908.2	869.0
Coast	68.0	60.3	2,957.1	2,618.1
Columbus Monthly	109.7	109.0	1,148.2	1,082.6
Connecticut	72.0	72.0	820.3	836.0
D/Magazine,Dallas/Fort Worth	162.6	139.9	1,489.8	1,367.5
Denver	56.1	52.8	570.0	477.9
Monthly Detroit	77.0	77.6	609.7	639.8
Exclusively Yours Wisconsin	81.5	95.8	1,047.3	962.1
Grand Rapids	46.3	37.0	533.0	430.0
††Gulfshore Life	77.0	60.0	620.5	461.5
Honolulu	90.9	81.7	944.9	926.1
Houston City	120.0	63.3	948.7	518.4
Indianapolis	57.9	39.0	596.8	466.2
Kansas City	37.8	31.0	—	—
Lansing	35.3	32.0	288.1	354.4
Los Angeles	292.0	269.2	2,500.0	2,359.0
Louisiana Life	—	—	186.8	—
Miami	120.2	104.8	1,026.3	791.4
Milwaukee	45.3	44.4	338.3	405.3
Mpls./St. Paul	110.7	98.6	999.5	886.4
Monterey Life	60.0	45.8	611.1	449.4
Nashville!	51.7	42.7	484.2	417.0
New Jersey Monthly	62.2	77.1	766.3	668.7
New Mexico	30.4	37.4	318.1	372.1
New Orleans	62.8	52.3	582.8	525.0
Ohio	45.8	39.5	441.9	374.6
Omaha	31.2	20.5	258.8	241.6
Oregon	33.9	33.1	300.4	260.2
Orlando	61.0	64.7	874.8	803.6
▲Pacific Northwest	36.5	10.5	230.0	124.2
Palm Beach Life	131.5	97.0	944.0	670.7
Palm Springs Life	143.0	154.3	1,574.0	1,532.0
Philadelphia	164.6	173.5	1,699.8	1,699.9
Phoenix	116.7	101.9	1,088.0	1,219.5
Pittsburgh	55.0	53.1	530.2	517.6
Roanoker	42.0	66.0	450.8	249.2
Sacramento	36.0	42.3	362.2	404.4
St. Louis	101.6	101.5	908.6	1,001.7
San Diego	154.7	178.6	1,743.6	1,747.7
San Francisco	75.6	81.4	775.1	781.8
○San Francisco Bay Views	48.8	54.5	399.6	418.0
San Francisco Focus	43.1	45.8	460.1	450.4
†Shenandoah Valley	—	—	180.2	137.3
Spokane	24.0	33.5	414.2	425.6
Tampa	33.6	27.5	33.6	331.4
Tampa Bay	43.5	52.8	570.8	673.4
Texas Monthly	197.1	197.0	1,795.2	1,614.4
Tucson	39.3	80.0	406.8	687.3
Twin Cities	71.7	67.5	641.7	557.7
Washington Dossier	65.7	58.0	572.7	551.0
The Washingtonian	160.5	147.0	1,629.8	1,409.0
Westchester	41.7	49.5	447.8	516.0
Westchester Illustrated	41.0	43.5	442.3	507.9
Wichitan	53.0	56.2	598.1	569.8
Total Group	5,112.5	4,901.9	50,871.0	48,565.1
***% Change '81 vs. '80	+4.3%		+4.4%	
Movie-romance-radio-tv				
○Complete Women's Group	—	24.0	112.9	145.9
Ideal Women's Group:				
Daytime Stars	—	26.2	235.0	311.9
Intimate Story	—	30.1	214.9	342.4
Personal Romances	—	30.1	214.9	342.4
Soap Opera	—	26.2	235.0	311.9
Macfadden's Women's Group:				
Modern Romances	26.1	39.5	328.3	359.8
Secrets	26.1	39.5	328.3	359.8
True Confessions	25.6	39.8	344.7	368.7
True Experience	26.1	39.5	328.3	359.8
True Love	26.1	39.5	328.3	359.8
True Romance	26.1	39.5	328.3	359.8
Sterling Women's Group:				
Daytime TV	30.3	31.3	377.2	377.8
Modern Screen	33.3	32.8	262.8	388.7
○Movie Mirror	—	—	226.9	193.5
Photo Screen	33.3	32.8	191.7	162.8
Soap Opera Stars	25.3	32.3	332.3	115.5
TV Movie Screen	—	—	194.9	193.5
TV Picture Life	—	32.8	163.5	195.4
○Teen Bag	—	—	50.0	51.5
Total Group	278.3	535.9	4,798.2	5,300.9
***% Change '81 vs. '80	−24.1%		−9.5%	
Youth				
Boys' Life	19.4	13.6	259.8	250.5
Campus Life	33.4	32.3	448.1	476.3
Total Group	52.8	45.9	707.9	726.8
***% Change '81 vs. '80	+15.0%		−2.6%	
Mechanics & science				
§Mechanix Illustrated	68.7	65.9	822.2	929.7
Popular Electronics	60.2	71.8	705.1	746.9
Popular Mechanics	104.1	84.7	1,271.1	1,347.6
§Popular Science	80.8	82.3	925.0	1,061.0
Total Group	313.8	304.7	3,723.4	4,085.2
***% Change '81 vs. '80	+7.0%		−8.9%	
Boating & yachting				
Boating	87.8	72.6	1,294.2	1,246.2
Chesapeake Bay	17.4	19.3	279.9	307.3
Cruising World	78.7	74.0	1,502.7	1,369.4
Lakeland Boating	35.7	39.0	546.6	378.1
Motor Boating & Sailing	90.9	94.7	1,489.1	1,435.9
B. Rudder	27.9	17.8	288.1	50.6
Sail	81.5	77.7	1,621.1	1,496.1
A. Sea & Pacific Skipper	60.3	71.8	928.1	159.2
Trailer Boats	14.4	11.4	255.3	261.8
Yachting	144.3	127.9	2,201.5	2,012.0
Total Group	638.9	606.2	10,406.6	8,716.6
***% Change '81 vs. '80	+5.4%		+19.4%	
Automotive & recreational vehicles				
Car & Driver	92.8	88.5	977.2	940.2

***% Change figured ONLY from magazines with comparable issues 1981 AND 1980. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. +Affiliated with Sunday Mag/Net. A. Nov. & Dec. '80 only. B. Nov. & Dec. '80 only. C. Nov. & Dec. '80 only. D. 12 issues vs. 16. E. Combined unduplicated regional ads. F. 5 issues '80.

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Advertising pages in December consumer publications

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November

Business

	Pages Dec. 1981	Dec. 1980	Jan.-Dec. 1981	Jan.-Dec. 1980
Car Collector & Car Classics	27.6	20.1	284.9	257.7
Car Craft	51.5	43.5	725.2	626.9
Cycle	66.1	49.6	952.2	957.2
Cycle Guide	45.6	28.6	653.4	495.5
Cycle World	58.2	42.5	780.0	824.6
Dirt Bike	49.0	20.1	335.6	272.2
Dune Buggies & Hot VWs	43.5	38.0	506.2	450.3
Family Motor Coaching	63.4	43.2	757.1	667.2
4 Wheel & Offroad	39.4	29.1	464.7	341.3
Four Wheeler	31.4	36.4	324.5	308.7
Hot Rod	42.9	39.9	604.8	607.1
Motocross Action	72.2	36.8	534.0	365.9
Motorcyclist	34.7	24.4	577.1	440.5
Motor Trend	51.3	54.5	614.7	549.0
††Motorhome Life	—	—	483.3	363.9
Pickup, Van & 4 WD	28.7	38.9	355.2	463.1
Road & Track	96.9	105.3	1,100.7	1,197.6
Trailer Life	84.0	74.9	1,115.1	955.4
Total Group	979.4	814.3	12,146.1	11,084.3
***% Change '81 vs. '80	+20.3%		+9.6%	

Outdoor & sport

Alaska	60.4	51.0	500.2	521.7
○The American Handgunner	41.8	41.0	244.1	234.5
American Hunter	12.9	10.0	171.9	199.8
American Rifleman	38.7	24.9	377.6	365.8
○Backpacker	36.8	34.9	249.1	269.0
▼§Bass Master	—	—	323.7	355.2
††Bicycling	—	—	644.5	515.1
Field & Stream	70.1	64.0	925.0	988.0
Fins and Feathers	13.8	7.8	328.4	252.5
○Fishing World	—	—	183.2	176.1
Florida Sportsman	51.4	52.3	734.5	700.9
‡‡Fly Fisherman	—	—	281.8	387.3
Fur-Fish-Game	31.2	31.2	321.6	324.6
Guns	40.0	37.6	452.6	441.3
Guns & Ammo	42.9	40.4	592.6	589.6
Horseman	27.2	31.0	393.6	413.5
Inside Sports	36.0	35.2	356.0	267.2
Outdoor Life	63.9	56.4	825.1	871.3
Petersen's Hunting	36.8	20.8	420.4	330.1
The Runner	23.5	26.3	310.3	351.8
Runner's World	30.2	33.0	535.6	493.1
Salt Water Sportsman	35.1	29.5	651.7	597.8
Shooting Times	34.1	32.6	433.4	457.3
††§Ski	106.1	117.2	637.4	676.3
††Skiing	126.0	121.3	700.0	711.2
Skin Diver	55.6	44.0	707.2	615.9
‡‡Southern Outdoors	—	—	343.9	323.4
§Sport	42.3	41.1	448.4	507.0
Sports Afield	84.3	68.0	1,014.8	1,020.1
▲Spray	34.5	53.6	433.4	493.6
#Swim Swim	—	—	—	—
▲Western Outdoors	—	—	315.1	302.0
Total Group	1,175.6	1,105.3	14,857.1	14,733.0
***% Change '81 vs. '80	+6.4%		+0.8%	

Comics

○Archie Comic Group	10.0	10.0	60.0	60.0
DC Comics	7.0	9.0	77.0	99.0
Harvey Comics Group	8.0	8.0	96.0	96.0
Marvel Comics Group	13.0	10.5	127.5	146.0
Total Group	38.0	37.5	360.5	401.0
***% Change '81 vs. '80	+1.3%		−10.1%	

Newspaper Sunday magazines/national

§Family Weekly	57.1	66.9	1,009.0	983.9
Parade	50.2	54.1	845.6	821.5
Total Group	107.3	121.0	1,854.6	1,805.4
***% Change '81 vs. '80	+11.3%		+2.2%	

Canadian national weekend magazines

B. Perspectives	47.9	41.1	510.0	492.5
§Today	57.5	40.2	623.1	586.4
Total Group	105.5	81.3	1,133.1	1,078.9
***% Change '81 vs. '80	+29.8%		+5.0%	

Canadian

L'Actualite	86.8	64.3	736.2	585.8
Chatelaine:				
§English Edition	103.6	100.6	1,134.0	1,036.0
French Edition	95.7	82.7	991.1	906.7
§Financial Post Magazine	—	—	528.8	481.0
§Flare	37.8	53.5	623.2	659.4
▲§Homemaker's Magazine:				
English Edition	84.6	88.8	918.1	978.2
French Edition	56.3	58.2	735.3	722.7
§Macleans	96.9	104.5	1,265.6	1,085.3
▼§Quest Magazine	61.7	55.9	480.3	375.6
§Reader's Digest:				
Canada-English	91.6	106.5	1,089.8	1,115.3
Canada-French	84.0	99.9	1,005.6	995.8
Saturday Night	26.1	33.4	342.2	265.4
▲Toronto Life	134.0	156.0	1,256.0	1,281.0
Total Group	959.1	1,004.3	11,108.2	10,488.2
***% Change '81 vs. '80	−4.5%		+5.9%	

Newspaper Sunday magazines/local

+Arizona Republic	157.2	179.0	1,498.6	1,520.4
+Boston Globe	311.4	286.5	1,982.2	1,700.3
+Chicago Tribune	208.7	221.0	1,319.3	1,383.0
+Cincinnati Enquirer	145.5	196.2	1,102.3	1,211.6
+Cleveland Plain Dealer	135.5	195.6	1,117.0	1,502.1
+Columbus Dispatch	127.7	159.1	972.6	1,081.8
+Dallas Morning News Scene	157.0	170.9	1,081.6	1,119.7
+Dallas Times Herald	108.8	126.4	1,011.6	804.1
+Denver Post	256.7	341.7	2,043.9	2,200.1
+Detroit News	147.5	179.8	1,497.6	1,645.6
Los Angeles Times Home	162.0	204.0	1,243.9	1,436.0
+Louisville Courier-Journal	202.0	183.6	1,143.8	1,180.9
+Miami Herald	108.6	130.0	932.2	926.1
+New York News	135.4	166.8	1,096.8	1,265.5
New York Times Magazine	572.8	577.8	4,136.8	4,018.0
+Philadelphia Inquirer	102.4	110.8	842.7	882.5
+Toledo Blade Magazine	77.1	101.6	663.7	767.5
+Washington Post	172.4	201.9	1,499.6	1,488.4
Total Group	3,288.7	3,732.7	25,186.2	26,133.6
***% Change '81 vs. '80	−11.9%		−3.6%	

Weeklies, bi-weeklies, semi-monthlies

The Advocate	81.8	71.2	818.0	714.0
§Army Times Military Group:				
Air Force Times	196.7	156.5	1,628.1	1,636.1
Army Times	192.0	156.6	1,602.0	1,632.2
Navy Times	228.6	166.8	1,877.1	1,787.2
The Times Magazine	14.3	20.6	191.1	228.8
AutoWeek	160.4	96.8	1,429.5	1,145.4
The Blood Horse	713.6	408.7	5,261.8	4,607.5
Capper's Weekly	19.4	20.5	233.5	260.2
Commonweal	13.4	10.4	89.5	78.2
Golf World	49.4	46.4	740.8	718.5
§Grit	41.9	34.9	308.4	352.9
National Review	37.2	26.8	312.6	311.0
New Republic	27.0	30.2	240.6	221.7
New York Magazine	279.9	232.0	2,032.5	1,937.4
New Yorker	681.6	566.6	3,910.9	3,776.3
§Newsweek	322.3	414.8	2,889.7	2,912.8
People	470.7	334.3	3,248.7	3,124.3
Rolling Stone	108.0	83.3	1,025.1	867.6
Sporting News	44.4	39.4	516.4	549.3
§Sports Illustrated	376.8	271.3	2,660.3	2,407.2
§Time	438.5	305.0	2,680.3	2,565.8
E. Travelhost	2,840.0	1,661.3	21,710.1	14,773.4
§TV Guide	375.7	457.3	3,337.1	3,466.7
▶Us Magazine	47.5	50.0	401.3	504.9
§U.S. News & World Report	237.8	241.9	1,657.5	1,804.4
Total Group	7,998.9	5,903.6	60,802.9	52,383.8
***% Change '81 vs. '80	+35.5%		+16.1%	

Foreign

Buenhogar:				
Ecuador	21.5	25.0	117.2	131.0
Chile	5.5	3.0	30.5	34.5
Mexico	119.0	105.2	855.8	722.2
Puerto Rico	28.3	32.5	238.2	258.3
Venezuela	90.7	66.0	523.2	490.5
Colombia	91.3	116.3	628.2	673.7
Peru	53.2	37.8	426.7	241.2
Central America	7.5	9.8	76.8	101.5
U.S.	12.0	9.5	93.0	85.3
Dominican Republic	8.0	18.8	120.7	167.5
Coqueta:				
Mexico	10.0	12.0	103.0	94.5
Puerto Rico	2.0	—	18.5	31.5
Venezuela	11.0	9.0	88.5	77.5
Colombia	2.5	1.0	24.0	41.5
Peru	—	4.0	—	25.0
Central America	—	—	1.0	0.5
Fascinacion:				
Mexico	12.5	13.3	91.3	101.7
Puerto Rico	5.0	2.0	19.0	26.3
Venezuela	18.8	11.3	110.5	80.8
Colombia	14.5	14.5	113.7	89.0
Central America	—	—	1.0	—
Geomundo:				
Chile	13.7	8.0	78.5	62.0
Mexico	28.5	34.5	195.5	177.8
Ecuador	10.0	7.0	54.5	55.0
Venezuela	39.8	23.5	172.2	152.8
Colombia	22.5	20.5	152.5	133.5
Peru	18.0	15.0	123.5	102.0
Puerto Rico	12.7	9.5	66.0	67.0
Central America	11.7	8.0	64.0	66.0
Hombre De Mundo:				
Dominican Republic	—	5.2	17.0	55.3
Mexico	59.3	41.5	322.3	245.3
Chile	13.7	10.0	80.8	65.7
Puerto Rico	19.7	17.7	139.0	134.0
Ecuador	11.7	10.2	77.3	63.5
Venezuela	47.8	43.2	230.5	210.8
Colombia	28.8	31.3	187.7	169.7
Peru	15.7	11.0	123.3	68.0
Central America	12.7	10.0	87.8	80.8
Ideas Para Su Hogar:				
Dominican Republic	—	2.0	16.0	18.8
Mexico	35.7	18.5	263.7	152.8
Chile	1.0	2.0	13.5	13.0
Puerto Rico	5.3	5.3	39.2	31.0
Ecuador	3.5	0.5	28.2	2.8
Venezuela	51.3	24.8	242.5	197.5
Colombia	66.0	37.5	364.3	263.0
Peru	26.0	8.5	171.0	87.3
Central America	1.0	1.5	9.7	7.2
Intimidades:				
Chile	—	—	2.0	—
Mexico	6.0	11.5	63.0	66.2
Puerto Rico	3.0	2.5	34.5	44.5
Venezuela	12.0	17.0	120.5	135.5
Colombia	1.0	0.5	18.5	37.5
Central America	1.0	0.5	19.0	14.5
Mecanica Popular:				
Mexico	37.5	32.8	324.5	316.2
Puerto Rico	23.2	26.2	229.2	227.5
Venezuela	37.0	38.8	325.0	318.0
Colombia	31.7	31.2	301.7	287.2
Peru	35.0	36.8	322.7	314.2
Central America	24.7	26.2	237.0	229.2
Chile	9.2	8.0	72.7	71.0
Argentina	11.2	19.0	150.3	153.3
The Ring en Espanol:				
Mexico	3.0	2.0	22.0	28.8
Puerto Rico	3.5	2.0	27.5	28.0
Venezuela	6.0	1.0	34.0	14.0
Colombia	1.0	—	2.0	1.5
Central America	1.0	—	2.0	—
U.S.	3.0	2.0	25.0	31.0
Vanidades Continental:				
Dominican Republic	35.3	39.2	268.0	271.0
Mexico	269.2	219.3	1,636.2	1,374.7
Chile	35.0	24.0	207.8	143.3
Puerto Rico	79.7	83.3	610.2	579.7
Venezuela	147.8	132.2	892.3	856.7
Colombia	159.7	164.0	1,037.5	969.3
Peru	75.8	56.5	525.8	341.5
Central America	34.8	44.2	277.5	317.3
Ecuador	34.7	32.5	264.8	206.7
U.S.	65.2	55.2	464.3	381.2
Cosmopolitan Foreign Editions:				
Australia	92.2	109.3	675.2	758.4
Brazil	87.0	77.0	472.1	459.2
France	117.5	115.8	1,016.5	929.2
Germany	24.0	14.0	155.0	27.0
Great Britain	175.0	177.0	1,366.0	1,528.0
Greece	80.0	52.0	497.0	278.0
Italy	115.5	99.2	781.9	608.9
Japan	43.0	—	349.3	182.3
Cosmopolitan en Espanol:				
Central America	3.2	7.8	55.8	77.7
Colombia	37.8	45.2	234.5	288.8
Ecuador	1.8	4.8	25.0	31.2
Mexico	124.5	119.5	827.7	715.8
Peru	13.3	17.5	158.8	89.2
Puerto Rico	42.3	42.3	382.0	360.3
U.S. (Spanish language)	22.2	20.7	170.5	153.8
Venezuela	50.0	44.8	312.8	339.3
International Communications:				
African Business	42.7	21.7	348.4	335.9
The Middle East	27.2	82.0	283.6	420.5
New African	25.3	33.1	261.4	330.6
Al-Iktissad Al Arabi	11.0	41.6	113.4	192.1
International Herald Tribune	117.4	88.2	1,014.2	930.4
International Management:				
Africa	18.2	23.8	151.8	209.0
Europe	49.7	60.3	478.2	453.3
Latin America	19.0	23.5	151.3	216.3
Arabic	21.3	49.5	215.5	339.8
Pacific	17.2	21.8	191.8	192.0
Johnston International:				
Alam Attijarat	76.5	84.0	793.4	859.7
Modern Africa	39.8	35.2	233.1	200.8
Modern Asia	66.7	88.2	548.7	592.3
§Newsweek International:				
Atlantic	144.3	170.0	543.1	516.5
Latin America	52.1	63.8	205.4	246.4
Pacific	122.4	127.1	429.6	446.1
††Progreso	16.5	27.0	159.8	204.8
Reader's Digest:				
Arabic	18.0	17.5	211.0	135.5
*Asian	305.0	386.5	2,129.2	2,710.0
Australian	118.2	111.2	904.6	889.2
Belgian-Flemish	157.0	138.0	976.0	897.5
Belgian-French	125.5	117.0	800.5	802.5
British	100.0	110.3	702.2	809.6
*Chinese	138.0	165.5	1,182.3	1,378.0
Danish	51.0	51.7	562.4	447.1
Dutch	94.5	90.5	574.3	687.5
Finnish	53.0	57.8	550.1	562.1
French	84.1	121.7	783.6	822.2
German	105.9	113.5	812.5	855.1
Iberian	65.5	57.5	473.8	435.4
Indian	107.0	106.0	969.5	1,055.2
Italian	88.0	111.5	620.5	730.0
Japanese	56.6	67.3	562.4	570.1
Korean	20.5	23.5	195.5	210.0
Latin America:				
Argentina	30.0	39.0	312.0	360.5
Brazil	26.0	35.5	99.8	157.6
Central America	29.0	20.5	219.0	202.0
Chile	54.0	37.0	362.0	301.5
Colombia	93.5	61.5	566.5	496.0
Ecuador	21.5	18.0	173.0	129.0
Mexico	129.6	84.2	699.1	549.5
Peru	23.0	19.0	171.5	94.5
Puerto Rico	17.0	11.0	119.0	113.3
U.P.B.	32.0	26.5	262.0	228.5
U.S. Spanish	27.5	22.5	199.0	173.5
Venezuela	35.0	33.0	251.5	261.5
Portugal	58.6	52.0	471.3	444.0
New Zealand	108.5	98.5	700.3	793.7
Norwegian	71.3	70.3	535.8	486.2
South African	191.4	126.0	1,093.9	883.5
Swedish	40.5	39.5	296.6	267.0
Swiss-French	57.0	41.0	416.0	352.6
Swiss-German	64.0	61.0	475.2	469.0
Canada-English	138.5	185.3	998.2	1,008.8
Canada-French	140.0	167.2	921.6	895.9
Total	3,075.8	3,098.5	22,373.7	22,667.1
Time International:				
Time-Asia	149.3	188.5	1,094.0	1,108.6
Time-Atlantic	185.2	205.6	1,228.0	1,293.9
Time-Canada	322.3	235.2	1,732.4	1,431.2
Time-Latin America	143.5	129.1	927.6	842.0
Time-South Pacific	229.8	243.5	1,748.7	1,679.1
**Visao	175.2	183.5	1,450.5	1,483.0
▶§Vision/Latin America	60.4	79.6	498.6	536.3
Total Group	8,474.5	8,317.6	60,522.1	60,450.9
***% Change '81 vs. '80	+1.9%		+0.1%	

A career in advertising? Mid-career change? Magazine & Section 2

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Advertising Age

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CABLE AGAIN THE BIG ISSUE

Sponsors, SAG far apart as contract talks near

By BOB MARICH

LOS ANGELES—The growth of cable tv, which precipitated strikes by movie and tv program actors and writers in the past two years, is likely to again emerge as a key negotiations area for the actors' tv/radio commercial contract that expires Feb. 7.

Chief negotiators from both sides appear to have little common ground on at least two cable tv issues as they prepare for talks that will start this month.

Whether cable tv should be classified as the same as or distinctly different from free tv, thus requiring additional compensation for actors, is a dividing philosophical issue.

John McGuinn, a Washington attorney and the advertising industry's chief negotiator, said once advertisers pay either national, regional or local broadcast tv rates for a commercial there "shouldn't be an additional cost for cable tv use."

New Screen Actors Guild national executive secretary Kendall Orsatti, the actors' union's chief negotiator, takes the position that cable tv is "separate and apart," apparently requiring special, extra compensation, although he declined to elaborate on this position.

This larger issue spills over into the so-called "interim cable commercials contract" negotiated last spring that provides for a sliding extra compensation scale for network broadcast tv ads placed on national cable tv networks.

The interim contract "has not been satisfactory as far as the advertisers are concerned," Mr. McGuinn said. "It costs too much for the kind of delivery that we're getting. We'll be looking to change that."

Taking the opposite position, Mr. Orsatti said actors find the interim agreement "is working quite well" and should simply be updated in the next contract.

Joining Mr. Orsatti as the actors' negotiators will be Stanford I. Wolff, American Federation of TV

(Continued on Page 52)

United goes hard after business traveler

Eastern gets aggressive

By ROBERT RAISSMAN and RICHARD KREISMAN

New campaigns for Eastern Air Lines and United Airlines took to the air last week, with the Eastern effort cutting back on the flying time of spokesman/president-chairman Frank Borman and the United effort putting other-company chief execs into the friendly skies for the first time.

Campbell-Ewald's first work for its new Eastern account is taking a more "positive" approach than the previous "We have to earn our wings every day" theme, apparently because some company officials had come to believe the old theme was too apologetic in nature.

While the campaign, which broke Jan. 1, features Mr. Borman in some spots, it concentrates on Eastern employes and the pride they take in the airline. Thus, the workers are shown urging travelers to "give us a try," as the overall theme proclaims Eastern to be "America's favorite way to fly." Although "earning our wings" has been replaced, a variation of it is still being used as Mr. Borman utters the line in some of the new spots.

C-E and Eastern are focusing on the fact that the airline carries more passengers than any other airline in the free world. The agency's approach to Eastern's marketing problems centers on a more aggressive role for the airline in making superiority claims.

Eastern bases its No. 1 status on the amount of passengers it has boarded. In 1980, the airline boarded 39,000,000 passengers and expects to nearly meet that figure when the 1981 totals are in.

"When your people have worked as hard as ours have to attain No. 1 status, you can't help but puff up and do a little good-hearted bragging about it," said Russell L. Ray Jr., senior-vp marketing at Eastern.

(Continued on Page 49)

last minute news

Braniff 'going your way' with new campaign

DALLAS—Braniff International will launch its 1982 campaign this week with the theme, "Braniff is going your way." It's the first major drive for the Bloom Agency, which was named to succeed WRG last October.

No Pest flea spray to roll out in spring

GREENVILLE, S.C.—Texize in the spring will roll out its four formulas of No Pest flea spray. Texize is telling the trade it will be supported heavily with tv, magazines and couponing breaking in April, via Henderson.

Ozark returns to tv to pitch Florida routes

ST. LOUIS—Ozark Airlines is launching its first tv campaign in four years to sell its discounted flights from its midwestern cities to Florida. The

(Continued on Page 8)

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DC2001ACONGLI FMJF M
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4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Forecast & Review

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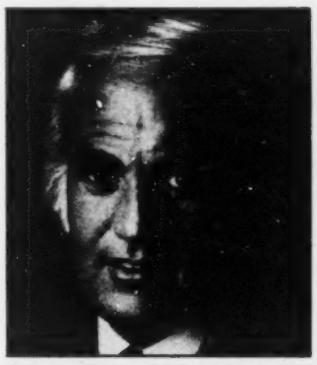
- Cohen projects, humorously—Page 12

Builds tv-linked conglomerate

Warner's Ross selected as '81 Adman of Year

By JAMES P. FORKAN

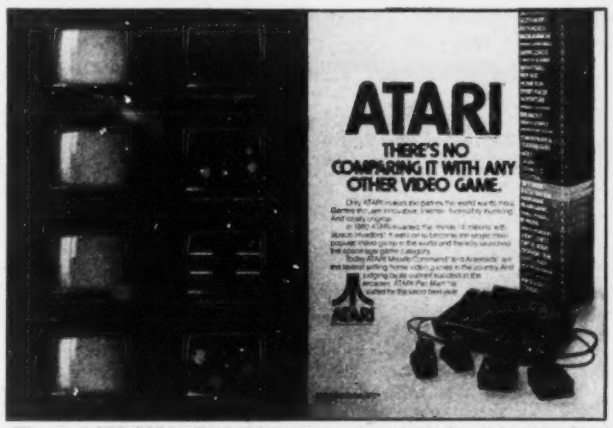


Steven Ross: "Creativity is the common thread."

For such cable tv programing innovations as Music TV and, more importantly, two-way interactive Qube; for the successful marketing of Warner Amex Cable Communications to potentially lucrative metropolitan franchises, and for the phenomenon of Atari videogames, Warner Communications' Steven J. Ross has been named 1981 Adman of the Year by ADVERTISING AGE.

Although it is an entertainment conglomerate whose financial health is based on the popularity of the likes of Superman, Bugs Bunny, the Dukes of Hazzard and Space Invaders, the $3 billion Warner Communications Inc. takes its fun-and-games very seriously.

The white-haired, dapperly-dressed Mr. Ross sees WCI linked to the television set for years to come. Consumers can see films as they move from theaters to pay cable to videocassettes to commercial tv; tv series and cartoons, first on the networks, then in syndication. Through interactive cable services, consumers will be able to shop at



Three 1,000,000-selling videogames are singled cut in this Atari magazine spread by Young & Rubicam.

home for Franklin Mint collectibles and perhaps even for cosmetics, books and records—all the above bearing Warner's "W" logo.

And if, as some forecasters maintain, viewers tire of tv fare, Warner should still generate profits from the home screen, as consumers turn to videogames and home computers.

Warner properties will, indeed already do, cut across all those lines, pulling in revenues at each step along the way. Superman, for instance (a character which WCI acquired with its 1968 buy of National Periodical Publications), has translated its comics book stardom into tv cartoons and a series of live-action motion pictures. The first film, after becoming a box office blockbuster worldwide, has made millions more since then from licensing to pay cable and network tv, from retail sales in vcr form and from various promotional and merchandising tie-ins negotiated by Warner's Licensing Corp. of America unit.

Another Warner property, the Nielsen ratings hit "Dukes of Hazzard," has been racing to its own multifaceted bonanza. In addition to $100,000,000-plus of tie-in merchandise sold during 1981 alone, including several toys made by WCI's own Knickerbocker Toy unit,

(Continued on Page 44)

SOME CATEGORIES HOT, OTHERS NOT

Marketers view '82

An Advertising Age roundup

Millions of people recognized it. The media recognized it. Finally, late in the year, the government recognized it: The U.S. economy had slipped into an economic recession.

So, for the first time in a few years, business prognosticators can begin from a base of admitted fact. And they have. Recession shades the reports compiled by Advertising Age reporters for our second annual category-by-category forecasts.

What seems surprising is that not all these predictions are gloom and doom. Some businesses expect good years. The industries expecting "positive" results include snack foods, office systems, sporting goods and vitamins.

The predictions of a year or two ago seem to be coming true. There appears to be a market for high-quality, higher-priced items. There is a market for lesser quality, lower-priced-items, in categories such as cosmetics, paper goods, rental cars and pet foods. The middle ground is losing ground.

In all, however, the competitive pressure will be great. Some observers point out that their categories will find more "taking away from the other guy" in the push for new business.

Following are the key findings of these AA industry surveys:

Fast-food/restaurants

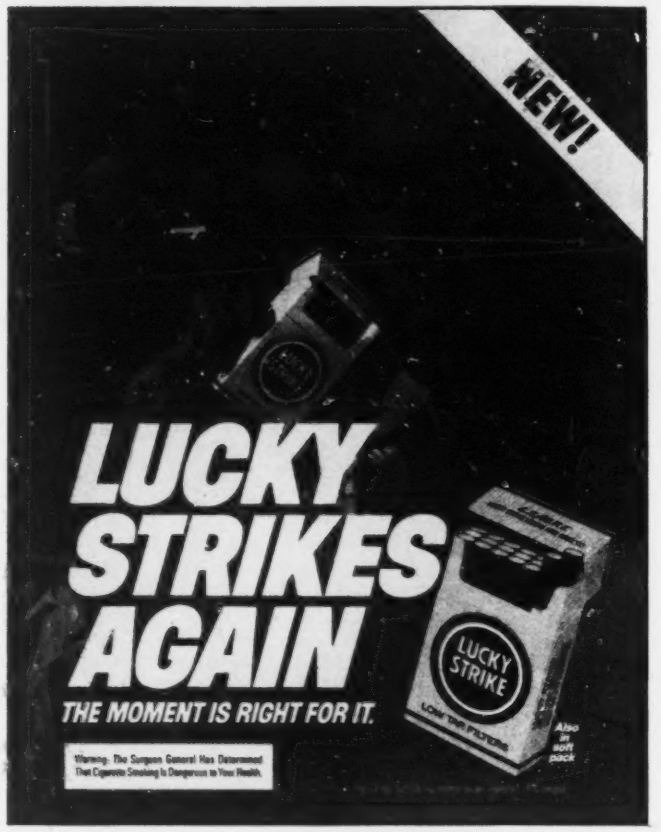
Because the fast-food and restaurant industry is so closely tied to disposable income, the nation's economic health in 1982 will be the most critical factor in the recovery of the foodservice business, which dipped late last year along with the economy. However, with the food supply projected to be plentiful, stable beef prices and the lack of a minimum wage increase this year, fast-food chains should be able to hold price hikes, making eating out an attractive value for consumers.

Real growth in most segments will be hard to find, predict industry observers, who blame continuing high interest rates for the slowdown in unit expansions that has fueled industry growth in the past. Technomic Consultants, Chicago, is forecasting a real growth rate of 0.7% for the total foodservice market. The estimated $82 billion commercial segments (full-service restaurants, fast-food, hotel/motel, retail and recreation) will grow at a slightly higher rate of 1% in 1982.

"Eating out is still one of life's little luxuries," said Ron Paul, Technomic's president. "I think it will be a good year, particularly for fast-food, which can capitalize instantaneously on any economic recovery. The tax cut, for instance, should help give consumers a psychological boost."

Some are not as optimistic, predicting a continuing shakeout of marginal chains and operators. For the chains that hang on, many will try new formats, concepts and menu items to revive sales. Major hamburger chains, including

(Continued on Page 46)


NEW!
LUCKY STRIKES AGAIN
THE MOMENT IS RIGHT FOR IT.
LUCKY STRIKE
Also in soft pack
Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

Revival

American Tobacco gives Lucky Strike a new try, via Laurence, Charles & Free, in ads that will appear in markets—Spokane, Wash., and Binghamton, N.Y.—where the revival effort is being tested (AA, Sept. 28).

New drive set for February

Some spurn NRA ads

Tulsa—The 1982 National Rifle Assn. campaign will break in February in some national consumer magazines, but others turned it down as too controversial.

Bearing the theme "I'm the NRA," the estimated $1,000,000 campaign begins with four testimonial ads featuring former astronaut Wally Schirra; Janice Schuler, an 18-year-old member of the U.S. Shooting Team; Noma McCullough, a rifle shooting champion, and Bryan Hardin, a second-grade student.

"The primary message of the campaign is to convey that the NRA consists of 2,000,000 people from all walks of life, with one common interest of shooting as a sport," said Coy Hobbs, vp of Ackerman & McQueen, Tulsa, agency for the NRA.

"We believe that people not familiar with the NRA tend to stereotype the association as a group of backwoods hicks, which is totally wrong," he said. "We have to work to change that image, as well as recruit members."

NRA plans include placement of ads in women's magazines to reach "the surprising number of women involved in competitive shooting and home defense programs," Mr. Hobbs said. The NRA's activities opposing gun control legislation have been the main focus of attack on the group in recent years.

Magazines that rejected the ads, he said, include *California, National Geographic, San Francisco, Sunset, The New Yorker* and *Texas Monthly.*

The campaign will run in *Better Homes & Gardens, Boys' Life, Esquire, Field & Stream, Life, MNI-Chicago, McCall's, National 4-H News, Outdoor Life, People, Sports Illustrated* and *U.S. News & World Report.*#

Bates, Brower, Fitz-Gibbon join Ad Hall of Fame

Washington—Two former ad agency chairmen and a woman who is credited with revolutionizing retail advertising have been selected as the newest members of the American Advertising Federation's Advertising Hall of Fame.

They are Ted Bates, founder of Ted Bates Worldwide; Charles Brower, former chairman of BBDO, and Bernice Fitz-Gibbon, who operated her own retail agency after a distinguished career at Macy's, Wanamakers and Gimbel's.

The selections from among 75 nominees were made by a 26-member council of judges under the chairmanship of Jock Elliott, chairman of Ogilvy & Mather.

With the new additions, 87 have been selected for the Hall of Fame since it was founded in 1949. Members receive a "Golden Ladder" trophy inscribed: "If we can see further it is because we stand on the rungs of a ladder built by those who came before us." Their photos are permanently exhibited at AAF headquarters in Washington.

Mr. Bates, who died in 1972, was described by the judges as "a soft-spoken, private man" who earned his agency a reputation as a pioneer of the hard-sell television commercial. He was involved in the creative activities of the agency, and is personally identified with such campaigns as the Palmolive "14 Day Beauty Plan" and the Wonder bread slogan, "Helps build strong bodies 12 ways."

He began his career in advertising as manager of the Chase Bank soon after earning his bachelor's degree at Yale in 1924. Before starting his own agency in 1940 he held various positions at the George Batten Co. and Benton & Bowles.

Under his leadership, the agency became one of the five largest in the world. He also was deeply involved in public service work through the Advertising Council. He resented the industry's critics, and once said advertising was a "convenient whipping boy for people who are suspicious of the entire free enterprise system." He is the

(Continued on Page 52)

highlights

Monday, Jan. 4, 1982

H.J. Heinz Co.'s Ore-Ida Foods division, already the leader in the frozen potatoes market, is sprouting a new marketing effort to hold its position. *See Page 6.*

Carter-Wallace has been ordered to stop advertising that Nair depilatory with baby oil acts as a moisturizer in place of other products. *See Page 6.*

Desserts sweetened the number of new product introductions in December. *See Page 14.*

Eager to cut costs, airlines are launching a $2,000,000 campaign to boost the Universal Air Travel Card, a direct billing system for business travelers. *See Page 49.*

Faberge revamps its Farrah Fawcett haircare line with new packaging, pricing and advertising. *See Page 54.*

CORPORATE CLOSEUP

Del Monte is attempting to transform itself from a commodities-oriented organization to an international marketer of value-added convenience products. *See Page 4.*

MAGAZINE

In a lecture recently at the University of Illinois at Champaign-Urbana, Advertising Age Washington editor Stanley Cohen looked at advertising in an era of national reevaluation. Excerpts of his lecture on the similarities and differences between advertising and journalism, consumerism and product development reforms in this new era are presented. *See Page 29.*

Louis J. Haugh looks at promotion trends for the year ahead and beyond. *See Page 32.*

section 2

JOB HUNTING

Entry-level jobs in marketing and advertising are practically nonexistent. The demographics of the baby boom generation are putting the squeeze on midmanagement jobs. Is there any good news? Section 2/Job Hunting takes a look at the problems (and a few solutions) facing middle-management and midlife career seekers and changers, starting opposite Page 28.

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world news roundup

Auckland—New Zealand's High Court has granted SSC&B:Lintas an unusual injunction preventing two of its former senior executives from contacting any Lintas clients until the matter comes before the court again. The agency also has filed for damages against the two officials and is making a report to the Australian Federation of Advertising Agencies.

Paris—Foucher, France's leading chocolate marketer, last week said it will form its first U.S. company in 1982. The company already has 400 outlets in Japan.

Toronto—Warner-Lambert has hired Harrison, Young, Personen to help J. Walter Thompson Co. and Ted Bates & Co. in placing a $10,000,000 media budget. HYP provides a similar service for PepsiCo Canada, another JWT client.

White collar jobs holding their own

BY JACK MCGUIRE

Given the parlous state of the economy, you might assume the nation's executive recruiters are wringing their hands in despair. Not so.

Survey some of the top headhunters across the country, most of whom specialize in marketing/advertising personnel, and the picture is not all that grim.

It depends, of course, on whom you talk to and where. There are some rough spots and sometimes the focus is blurred by local conditions. But, for the most part, and particularly in the high-salary brackets, the business is hanging in there, holding its own.

It's difficult to find concurrence on all aspects of the job market, current and future, as you skip from one area to another, but on one point there is universal agreement. The blue collar sector is not only soft, it's frayed.

The white collar segment, on the other hand, is doing well, with only scattered signs of wilting. If there's a ring around that collar, the place where it can be detected is in the depressed industries.

With the exception of top-level jobs, relocation, for all practical purposes has become cost prohibitive.

Agencies and corporate marketing departments are becoming more selective in placing candidates. They want seasoned personnel, preferably those who can wear several hats.

As for entry level jobs, the recruiter's report they simply no longer exist.

Other generalizations? Listen for yourself.

Gene Judd, president, Judd-Falk, New York

Since we deal heavily in the consumer goods area—foods, drugs and cosmetics—we're a bellwether of what's happening with the general economy.

Right now it's rather strange out there. Many companies are not making any strong commitment. One shoe has dropped and they're waiting for the other one to fall.

Another barometer of what the economy is doing is in the supportive areas of market research and sales promotion, especially on the new product side. They were once very active but they have been falling off. Many of the companies seem to be assuming those jobs themselves.

We're still seeing plenty of action in the top-level executive positions, but the mid-management business has shrunken. In many ways the situation today is not unlike the recession of '73. A lot of companies have taken the attitude, "let's wait and see."

Ted Chaloner, personnel consultant, marketing/communications, Rogers & Sands, Boston

Things aren't that great at the top and bottom levels, but in the middle, it's not that bad. Most of the agencies seem to be saying "maybe later," but balancing that off, on the corporate side they're looking for people, especially with agency experience.

Many of the jobs in communications in Washington are drying up. A lot of people in public relations in the capital are finding the scope of their position has narrowed and they'd like to get into the private sector. But where? There's not much going in the agencies and broadcasting has slowed from a walk to almost a complete halt.

On the entry level this is a tough market. There are about 52 colleges in the area dispensing hundreds of thousands of graduates each year.

John Kurdziel, vp-executive search, Fox Morris Inc., Philadelphia

There's still a demand for well qualified people. The industrial companies are cutting back, but the major consumer product companies are still strong and hiring. The computer industry is showing great strength. While many industries may not be expanding, they are hiring replacements.

Flexibility is the key word in adapting to the economy and the marketplace and identifying the hot areas.

When it comes to our immediate areas, figures released by the government are somewhat misleading. The greatest impact of the recession has been felt primarily by the blue collar sector.

We're a broad-based company, not tied to any one industry and we've just wrapped up the best year in our 29-year history.

Alan Schonberg, president, Management Recruiters International, Cleveland

The sales and marketing areas are booming. Demand is up all across the country. The only problem is finding qualified people.

While there may have been a slight downturn in the lower level positions, on the top end the demand has increased.

Where the biggest change has occurred is in the type of candidates the agencies and companies are looking for. They want seasoned personnel, preferably those who can wear several hats; people with managerial abilities to go along with their basic skills.

Richard Orleskit, president, Omni Executive Search, Atlanta

We're a national agency, primarily in the food and consumer packaging field, with only a modest percentage of our business placed locally.

Right now it's a company-by-company situation with many of them adopting a wait-and-see attitude and a freeze on hiring. There's plenty of good talent available here, but with housing $10,000 less than it is in New York, the problem is how to get them to move.

On the agency side it's difficult to lure top people from New York or Chicago into the area. The big agencies bring some in, but when they find that upward movement is slow, they jump ship for one of the smaller agencies. But imports rarely leave. They're only recycled around the market.

Verne Kelley, senior vp, marketing, Victor Paul & Associates, Chicago

Upward movement, the promotion rate, particularly on the agency side is rather slow. It started to get that way about a year ago and it hasn't changed.

A lot of people said, "Wait until after the election." Well we waited and nothing happened. There was no big turnaround.

The mid-management level is extremely tight right now. I know of some marketing managers who have been out of work for six months and on up to a year. And every time a good spot opens up, there seems to be a hundred applicant's vying for it.

Chicago has been pretty hard hit but when you attempt to move someone out of here to the Coast, forget it. The housing there is three or four times higher than Chicago, which isn't low. It's okay if the person is a "single" renter. But for a "family" homeowner—no go.

Walt Walker, president, Walker Executive Recruitment, Minneapolis

Things are relatively quiet, a reflection of the times. The companies are being very cautious about who they hire. They're checking over the prospects thoroughly, looking for quality. It's definitely a buyer's market.

One of the biggest factors hindering any mass movement is the high cost of relocation. For a $50,000 job it takes half that much again to pay for the move.

On the consumer side not much is happening in spite of the fact that there are all kinds of spots open for high technology jobs. I think it will be mid-82 before we start to see any real improvement.

Samuel Skeegan, president, Roth Young Personnel of Detroit, Southfield, Mich.

We aren't seeing much expansion in the advertising and marketing areas. But at the same time, there hasn't been any drastic cutbacks.

Detroit is admittedly a depressed area, but those that have been most adversely affected are the blue collar ranks. But our business isn't based on local placement. We work for local firms, but we also move a lot of people out.

Last year may have been a downer, but as far as we're concerned we registered our best year in a decade.

There are still plenty of good jobs for good people right here in the Detroit area.

The automotive companies cut back on marketing personnel during the recession of the mid-70s but kept the accountants and engineers on board. Now they're beefing up their marketing departments again.

On the agency side there's no great demand for people on the account supervisor level, but they are looking for copywriters, art directors and good people in the creative area.

Con P. Curran III, president, Michael Latas & Associates of Colorado, Vail, Colo.

There's plenty of action if you know where to look. Our business

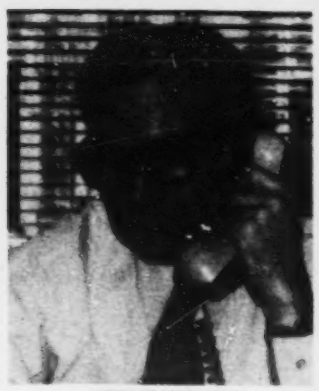
(Continued on Page S-5)

Jack McGuire is a business writer in Chicago who contributes frequently to Crain Communications Inc. publications.

GENE JUDD

JOHN KURDZIEL

ALAN SCHONBERG



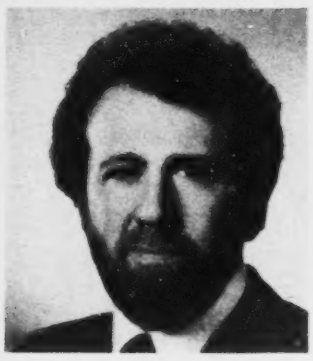
VERNE KELLEY

Annual salaries for marketing positions

Figures represent nationwide data

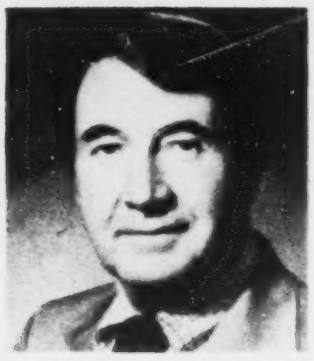
	Low	Median	High
Marketing research analyst	$16,000-$18,000	$19,000-23,000	$25,000-29,000
Marketing research manager	23,000-25,000	26,000-32,000	35,000-43,000
Group marketing research manager	30,000-34,000	35,000-39,000	42,000-48,000
Field marketing manager	18,000-21,000	22,000-26,000	29,000-31,000
Assistant product (brand) manager	21,000-24,000	25,000-28,000	30,000-34,000
Product (brand) manager	25,000-31,000	29,000-38,000	37,000-42,000
Group product (brand) manager	27,000-35,000	33,000-46,000	45,000-55,000
Director of marketing	34,000-42,000	41,000-48,000	50,000-60,000+
International marketing manager	31,000-37,000	39,000-43,000	50,000+
Sales promotion manager	24,000-26,000	27,000-31,000	36,000-42,000
Director, packaging design	31,000-34,000	38,000-41,000	43,000+
Junior copywriter	9,000-12,000	13,000-15,000	16,000-18,000
Copywriter	18,000-22,000	24,000-29,000	31,000-41,000+
Copy director	25,000-29,000	31,000-39,000	42,000-48,000
Creative director	24,000-28,000	31,000-39,000	43,000+
Artist	13,000-15,000	15,000-21,000	24,000-30,000+
Art director	22,000-26,000	27,000-33,000	37,000+
Media buyer	16,000-19,000	20,000-26,000	31,000+
Media director	21,000-25,000	27,000-32,000	37,000+
Junior account executive	18,000-21,000	22,000-27,000	31,000+
Account executive	21,000-25,000	27,000-31,000	33,000-41,000
Account supervisor	26,000-29,000	31,000-39,000	42,000-46,000+
Director of public relations	26,000-30,000	32,000-36,000	41,000-46,000+
Production manager	23,000-27,000	28,000-35,000	42,000+
Sales promotion manager	21,000-25,000	27,000-32,000	35,000-42,000
Advertising manager	25,000-28,000	30,000-36,000	38,000-43,000
Director of advertising	28,000-32,000	34,000-39,000	43,000-58,000

Source: Roth Young



WALTER WALKER

SAMUEL SKEEGAN



HOPKINS COLMANT

Job survey

(Continued from Page S-2)

is split 50-50 between corporate and agency jobs. And in the agency area, good account people are really hard to find.

The hot spot, and where we are doing most of our placement is in the Sunbelt states. Texas, and Dallas in particular, is very active.

There's fast tempo, a new frontier in these glamor markets. And when I say "frontier" I don't mean California. We're taking them out of there by the carload. The cost-of-living there is out of sight.

What the up-and-coming companies want, are innovative, aggressive people to match their own fast-moving style.

What recession? We doubled our sales last year.

Bob Kopulos, president, Rand-Curtis Resources, Phoenix

How's the job situation? It depends on what business you're talking about. In the pharmaceutical field we have more job orders than we can possibly fill.

The fast-foods area was good in '80 and even better in 1981. There's plenty of movement in the middle to upper positions. But I'm not talking about the immediate area.

Except for San Francisco, Los Angeles and Washington, Phoenix has the toughest housing market in the country. A tract house can set you back for $350,000. When we place someone here, we're talking about moving them out.

Helen Edwards, Helen Edwards & Staff Agency, Los Angeles

We've been in business for 46 years, through good times and bad. Right now we're feeling the effects of the recession and people are holding on to their jobs for dear life.

It has been a quiet year that has just passed, and things probably won't open up until the middle of this year.

We work with people already in the market since the agencies won't pay for relocation.

Hopkins Colmant, president, Advertising Careers Agency, San Francisco

There's not much stirring in San Francisco. We're just starting to see the effects of the recession slowly moving into the West. With 80% of our business on the agency level and the rest corporate, we're getting some activity at the top and bottom but not much is happening in the mid-level.

We rarely bring anyone in from the East or the Midwest; 95% of our business is right here in the Bay area. This is the most expensive housing market in the country, so if they aren't already here, the agencies don't want to talk to them.

On the pr side, about 10% of our agency business, the field is saturated. The best advice we have for any new person entering the field, is don't head West.#

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Source: ABC Publisher's Statement, 9/30, 1981.
*Computed by Houston Post Research Department from ABC Publishers' Statements
** 1981 Houston Market Study by RICI

A NEW ERA

(Continued from Page 30)

one is sensitive to these dangers, unless someone is willing to speak up, serious, unnecessary, unintended harm can be done.

One person can make a difference. Like the young woman of my acquaintance who was in her first week in the art department of an advertising agency. She was working on an important ad the creative director himself had written. She read the headline, which went something like this: "Is this one of those days when you feel like going home and kicking one of the kids?" And she said to herself. "My God, what kind of a business have I gotten into?"

She sulked for a day and finally took her misgivings to the creative director. "Is there a message here that kicking a kid is an acceptable form of behavior? Considering the child abuse problem in our community, do we want to say this?"

The creative director was shocked, but agreed to think it over. The next day he told the young woman: "I don't believe my copy does what you say. But if some people will read it that way, then we shouldn't use it." This young woman had spoken up for what she believed. It made a difference in how her associates felt about her, and how she felt about herself and her career.

In summary, I believe it comes down to this: How will advertising people see themselves? Will they limit their concerns to the sales curve? Or will they recognize that pursuit of the sales curve must be reconciled with some greater cause.

Advertising's destiny in the new era will rest with leaders who can look beyond the short range, who understand that what is good for advertising can also be good for society.

But only if the advertising is created by people who are sensitive to the world around them, and who make sure that advertising is part of the solution instead of part of the problem. #

PROMOTION TRENDS

A look ahead: What's hot and what's not

BY LOUIS J. HAUGH

Because this column is about promotion trends and we are now on top of a new year, it seems appropriate to look at what may happen in this business this year.

Over the last eight years, expenditures in promotion grew at an average of 11% per year. The growth rate is higher than average in each of the last four years.

There were changes within the promotion part of the marketing mix. Dollars invested in trade allowances tended to slip while consumer promotion activity commanded an increasing share of the marketing pie. It is almost an article of faith that consumer and trade promotion expenditures now top advertising outlays for most companies.

There is an additional factor to consider in the process of predicting what may happen in sales promotion this year and beyond. Since the 1960s, promotion expenditures tended to rise in periods of recession more than the average. Promotion outlays seem to be more recession-proof than advertising investment. This seems to follow by intuition alone because promotion tactics are essentially short-term in nature and during a recession, most companies are looking for quick sales fixes.

However, we believe that growth in promotion will be tempered somewhat in this current period of economic distress. Many marketers are unable or unwilling to wean themselves from the short-term event. For example, look at the heady growth in couponing over the last few years.

It would appear that a number of forces, including retailers, agencies and media groups, are marshaling their resources against the growing use of couponing as a marketing panacea. There are a number of reasons. Here are a few.

- The trade wants more allowance monies and perceives coupons as a threat to its share of the pie.
- Agencies believe that they have seen billings drift away in cents-off coupons, sweepstakes or premium offers, taking away dollars that were earmarked for ad schedules. Print media appear to be particularly sensitive to this change in the face of various co-op programs such as those in freestanding inserts and newspapers on best food day.
- Companies are realizing that in some cases a coupon is only a short-term fix and that it may be short-sighted to rely excessively on only one promotion tactic. General Foods Corp., the largest couponer, is reportedly cutting back on its cents-off efforts.

In an earlier column (AA, June 8, P. 58) Vince Johnson of Independent Marketing Observer, St. Simons Island, Ga., said he was "convinced couponing is no longer a healthy marketing strategy." He said he had doubts about couponing's long-term impact for a brand; that couponing costs are often understated; that misredemption is not properly taken into account and that it's next to impossible to track coupons to the store where they were redeemed. This makes tracking the effectiveness of coupons quite difficult, he said.

As he puts it, the "staggering volume of coupons is more than most retailers can handle." He predicted that the 7¢ handling charge will be increased to 9¢, citing several companies that have increased the handling charge on some coupon drops.

Spokesmen for magazines are not particularly enamored with coupons either. William Joseffer, marketing director for grocery products, *Better Homes & Gardens*, was quoted recently as saying that he believed the coupon trend is not a good one. "I think it's gotten out of hand. My conversations with a lot of food people indicate they'll try to reduce coupon frequency because it doesn't build anything and only erodes their profits."

Jay Burzon, associate publisher/advertising, *Woman's Day*, predicted that promotional activity in magazines has peaked. "It's a pendulum. It was happening for a six to eight month period and I think we've been through it. I've spoken to major companies that feel that coupons are too costly. They're worried about the high redemption numbers that cut into their profits."

ESTIMATED PROMOTION INVESTMENT BY TYPE

CATEGORY	$1981*	% Total	$1982*	% Total	% Dif. '81 to '82
Meetings/Conventions	$15.4	26.2%	$16.8	26.1%	9.1%
Premiums/Incentives	10.8	18.4	12.0	18.6	11.1
Direct Response	9.0	15.3	9.9	15.4	10.0
Display, POS	6.4	10.9	7.1	11.0	10.9
Promo Ads	5.0	8.5	5.4	8.4	8.0
Collateral	4.9	8.3	5.3	8.2	8.2
Trade Shows	3.4	5.9	3.7	5.7	8.8
Coupon/Refund	1.9	3.2	2.1	3.3	10.5
Specialties	1.1	1.9	1.2	1.9	9.0
All Other	.8	1.4	.9	1.4	12.5
TOTAL	$58.7	100%	$64.4	100%	9.7%

Source: Westport Marketing Group, Inc.
*Dollars in billions

Of course not everyone in print media feels the same way, but there is a growing concern about the proliferation of promotion ads. This review and introspection suggests promotion, generally, and couponing, in particular, may face a more conservative growth curve over the near term.

And while promotion growth has burgeoned in recent times, we do not expect these expenditures to grow as rapidly this year. It is estimated that $58.7 billion was invested in promotion in 1981, compared to $54 billion the year before. For last year advertising outlays are put at less than $40 billion. Although promotion expenditures will top $60 billion in 1982, up about 10%, we do not expect the growth to be in the 12% to 15% range of the previous four years in spite of a recessionary economy. This does not include the estimated $50 billion-plus that manufacturers invest each year in allowance money.

There will be changes in the promotion mix, however. Our chart depicts estimated investment by promotion type for 1981 and 1982, based upon sources in companies, industry trade associations and business publications.

The chart shows 1982 outlays will be up 9.7% over 1981, a conservative estimate in light of the 10% average growth rate promotion has experienced since 1970.

However, a principal focus of interest for 1982 will be how these funds are allocated. It has been suggested that coupon activity may not keep pace with previous years. Here are some educated guesses about the future of several major types.

Couponing: There are likely to be more intra-company and intercompany co-op events. Face values will remain static below retail price increases over-all. Look for magazines, Sunday supplements and other lower redeeming distribution vehicles to gain in share of the coupon distribution as companies attempt to show the trade support for the brand but not necessarily fund the high redemption nut. The trend away from best food day to Sunday is likely to continue as well. The day of coupon-only promotions is just about gone. More coupon events include large space overlays to accommodate brand-sell advertising, a premium or a sweepstakes. Promotion ads are becoming stridently competitive.

Refunds: This promotion has changed dramatically as redemption rates skyrocketed. It is now possible to estimate liability for such events with some degree of confidence. The "official rules" of refunds are now better understood by consumers, thanks to concerted efforts by the Promotion Marketing Assn. of America and others. More brands are requiring higher numbers of proofs for higher face values. While "slippage" does occur, clearly the number of consumers who stay involved with the refund makes this tactic an important promotion tool.

Premiums: More brands are using high-value premiums to reinforce the brand position and other brands look for free-in-the-mail or near-pack premiums.

These lower-priced items, with broad appeal, can move goods at retail as consumers save multiple proofs to complete the offer. Some promotions now offer a free premium for multiple proofs but include a "can't wait" feature of fewer proofs and some money. We are not in favor of "free" premium offers that require 50¢ or more for "postage and handling." Too many of these events are for items that can be regarded as marginal in value and the fee covers postage, handling and the premium cost.

Sweepstakes: We have seen one report that indicates sweepstakes events increased 300% from a few years ago. There is clutter in this category, and unless the prize structure builds on a copy platform for the brand or increase awareness, a sweepstakes can be a mistake.

In-pack game events seem likely to continue to proliferate. Consumers respond to them, and we have heard of impressive sales increases. There are some adverse rumblings over preseeded winner events. Some of these promotions require the consumer to match a UPC number in the ad with the number on the product in the store. Some of these have not made it clear that the variable is the playing piece, not on the brand.

Further, there are some events that capitalize on consumer ennui and award only claimed prizes. While this is within the intent of the law, some industry sources fear adverse reaction when all prizes are not awarded. The category is returning to the levels of activity it achieved a decade ago when the government cracked down on some disreputable practices.

Promotion management: The biggest change is likely to be evolutionary rather than revolutionary. Because of increased awareness of expenditures in promotion, more companies are taking a closer look at how these funds are managed and invested.

There will be greater emphasis on training. There will be greater emphasis on promotion evaluation. The "art of promotion" is inevitably giving way to the "science of promotion." Creativity is still required but companies are demanding proof of effectiveness too. #

Louis J. Haugh is managing partner, Westport Marketing Group, Westport, Conn.

A look into the Procter & Gamble history book—See Magazine

Advertising Age

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$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *January 11, 1982*

Appealing

Model Christy Brinkley helps draw attention to new Max Slim Lights 100mm regular and menthol cigarets from Lorillard. The new 12mg-tar line extension is about to test in Portland, Ore., and Phoenix. Ads break next month, via Foote, Cone & Belding.

Bud Light rolls via NH&S

By ROBERT REED

The light beer war will escalate this year as Anheuser-Busch prepares to grapple with segment leader Lite from Miller Brewing by expanding the distribution of Budweiser Light.

Bud Light's first hurdle toward expansion was cleared last week as the leading brewer named Chicago-based Needham, Harper & Steers over D'Arcy-MacManus & Masius, St. Louis, to handle its advertising. The two shops had been competing for the estimated $35,000,000 account since the beer's test market introduction last summer.

A-B execs are looking to California as the next Bud Light outpost and are also considering an expansion into other parts of Texas, one of the test states. Those states are hotly contested beer markets with both Miller and A-B becoming the dominant factors at the expense of the nation's second-tier brewers.

But the movement will not be confined to the Sunbelt since wholesalers throughout the country have voiced a growing interest in the first light beer to carry the flagship Budweiser label, said Michael Roarty, vp-marketing.

A-B is undergoing a capital expenditure plan to increase its brewing capacity from an estimated 57,000,000 bbls. to 70,000,000 bbls.—a factor that will provide the brewer with enough flexibility

(Continued on Page 82)

NEXT BIG REVENUE SOURCE?

Pay-per-view cable tv test set for Conn.

By SUSAN SPILLMAN

NEW YORK—Teleprompter, the second-largest multiple systems operator (mso), will launch one of the first continuous pay-per-view cable experiments this March in Middletown, Conn.

Middletown subscribers, who already have the option of purchasing Home Box Office, Showtime, The Movie Channel and Prism, will be able to pay $3 a shot for individual movies not yet released to the traditional pay networks, plus sports events and Italian-language films.

Having proven that consumers will subscribe to more than one pay tv service, the cable industry is now looking toward pay-per-view as a next major revenue source. Cable industry newsletter king Paul Kagan estimates the industry will generate $2.5 billion from pay-per-view in 1990.

Pay-per-view's potential has been realized on a sporadic basis by the handful of cable systems and over-the-air subscription tv operations (stv) that have offered major boxing bouts and, most recently, the Rolling Stones concert on a pay-per-view basis.

The Teleprompter test, however, represents a new phase in that it devotes a fulltime channel to individual programing viewers can selectively pay for. The channel will feature five different events repeated 12 times each month. Included will be major films shown one to six months before their play on traditional pay networks; Italian-language films catering to Middletown's blue-collar Italian-American population and sports events, primarily boxing.

(Continued on Page 87)

last minute news

Improved Bayer intrcduced; U.S. rollout seen

NEW YORK—Sterling Drug's Glenbrook Labs has introduced an improved Bayer aspirin on the West Coast, in what is believed to be the beginning of a national rollout. Ads describe the improvement as a "revolutionary micro-thin, extra-smooth coating. . .designed to prevent the tablet from coming apart in your mouth and protect you from that acidy, bitter taste It just slides right down." Tv and print support, via SSC&B.

Jovan plans 'Star Wars' toiletries line for kids

CHICAGO—Jovan this summer will expand into children's toiletries with a 12-item "Star Wars" line from its new OMNI subsidiary. Eight varieties of bubblebath and shampoo, in the shape of characters Luke Skywalker, Princess Leia, Darth Vader, Chewbacca, Yoda and R2-D2, will be positioned as toys as well as cleaners. Four kinds of bar soap carry characters in relief. Network tv breaks in July via JWT.

Caird resigns vp-marketing post at HBO

NEW YORK—Robert N. Caird has resigned as HBO's vp-marketing. His duties will be assumed by other staffers. He will continue as consultant.

Active Markets buys 'Inside Sports,' eyes cuts

NEW YORK—Expect a leaner *Inside Sports* under new owner Active Markets Inc., according to Phil Syrdal, chief exec of the Bellevue,

(Continued on Page 8)

NEWSPAPER

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Continental unsure it will keep agency

Pan Am hops to Wells, Rich

By ROBERT RAISSMAN

NEW YORK—Pan American World Airways, searching for a formula to stop its financial slide, has moved its $35,000,000 account for the second time in seven months, this time to Wells, Rich, Greene from Doyle Dane Bernbach.

The move stunned DDB officials, who were informed only one-half hour after the decision was made. "Obviously, we are surprised and disappointed," said Neil Austrian, DDB president-chief executive officer. "We weren't given a reason," he said. "We know, and they know, that the advertising was working. Right now, we just want to get our heads together."

The day the decision was made, Joseph R. Daly, DDB chairman-chief executive, lunched with a Pan Am official. "Everything is fine with Pan Am," Mr. Daly told ADVERTISING AGE last Friday afternoon after the lunch. "The phone has been ringing off the hook [for Pan Am reservations] and it's all because of the advertising."

The switch also surprised some execs at Continental Airlines, which is handled by WRG's Los Angeles office. WRG said it would continue to handle the $16,000,000 Continental account. However, Warren Rucker, director of advertising for Continental, said "there's absolutely no way they can do that," after being told of the switch. "It's a joke, Continental is in direct competition with Pan Am."

But after it was learned that, according to WRG, Continental president George Warde gave the deal

(Continued on Page 82)

Curtis readies Finesse bow

By JENNIFER ALTER

CHICAGO—Helene Curtis Industries this spring will attempt to enter the premium end of the haircare spectrum with the national launch of new Finesse conditioner.

Curtis is planning to put "major marketing support" behind the new product, according to director of marketing services Margaret Bertrand. The company is telling trade accounts it will spend $10,000,000 in advertising to introduce Finesse, which is called "a variable conditioner for the changing needs of your hair."

■ Network tv and print ads in eight women's books are scheduled to break March 15, using the theme, "Works a little, works a lot." The copy suggests Finesse can be used in a few seconds for a little conditioning and up to five minutes for deep conditioning, explaining, "Cause Monday you need a little Finesse and Tuesday you need a lot."

Backer & Spielvogel, New York, is the agency.

Curtis also is planning to distribute 30,500,000 samples in April, followed by 38,000,000 freestanding inserts and 24,000,000 coupons via the mails.

The positioning of Finesse as a product with variable uses might be viewed as an attempt to meet trends from two directions, one industry source suggested. While the

(Continued on Page 82)

DISPUTE OVER FORD ADS, SHOP REVIEW

BBDO splits with Avis

By ROBERT RAISSMAN

NEW YORK—BBDO has resigned the $8,000,000 Avis Rent A Car Systems account because the company extended invitations to several agencies to make presentations. The invites came even after the incumbent had offered to start work on a new campaign that would eliminate the car rental company's new effort featuring veteran actor Glenn Ford.

BBDO president Allen G. Rosenshine would not comment on his agency's offer to create a new campaign, but did say, "As far back as three weeks ago I made it clear to Avis that we would not be part of a competition with other agencies."

William Schecter, a spokesman for Avis, said the company had extended invitations to "several" agencies. He declined to say which agencies were contacted or why Avis wanted to make the switch.

Apparently in the running: Young & Rubicam; N W Ayer; Ogilvy & Mather; Ted Bates & Co.; Avrett, Free & Fischer, and Grey.

Sources close to Avis said that David Mahoney, chairman-chief executive officer of the company's parent, Norton Simon Inc., was unhappy with the Glenn Ford campaign from its inception; it began airing in October. It marked the first time Avis has used a celebrity in its ads, and the commercials have drawn many comments over the actor's use of his hands (*see*

(Continued on Page 87)

'Phil. Bulletin' up for sale

By STUART EMMRICH

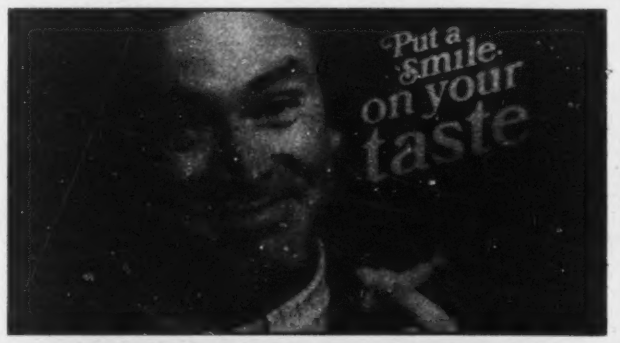
Five months after the owner of the *Philadelphia Bulletin* wrangled union concessions and in return promised to pump $30,000,000 into the struggling afternoon daily, the Charter Co.-owned newspaper has been put up for sale.

The announcement last week by Charter Co., Jacksonville, Fla., that it had all but given up on saving the 400,000-circulation paper was not unexpected in newspaper circles. Analysts had predicted that the last-ditch effort to turn the paper around would not work, and for weeks local newspaper people had been predicting that the paper would fold in late January.

Analysts also are pessimistic about the chances of the paper finding a new owner, a situation that would leave Philadelphia, until last month the only major U.S. city with four daily newspapers, a two-newspaper town. Last month, the *Philadelphia Journal* closed. The two other city papers, the *Philadelphia Inquirer* and the *Philadelphia Daily News*, are both owned by Knight-Ridder.

But the auctioning of the Bulletin should have ramifications beyond Philadelphia. It now increases to two the number of financially troubled major newspapers looking for new owners, a fact

(Continued on Page 87)



Smilin' good

Long John Silver's Seafood Shoppes' new campaign (AA, Dec. 14) emphasizes in-store ambience and food quality. Radio and newspaper support, via Jordan, Case & McGrath.

CBS non-bowls 'em over in prime time

By COLBY COATES

NEW YORK—Though some observers might quibble and call CBS' six-plus ratings point win in the prime time season's 13th week "atypical," CBS Entertainment president Bud Grant is having none of that.

"As far as I'm concerned a win is a win," he said, laughing off charges that the special holiday programing on all three nets reduced the significance of the wide-margin victory.

CBS' programing maestro also found it amusing that some tv watchers found unusual the network's strategy of running an intact Friday night lineup against the Sugar (ABC) and Orange (NBC) Bowls. "There was never any question of taking 'Dukes,' 'Dallas' or 'Falcon Crest' off. We knew the two football games would split that audience," he said, adding, "The decision to leave them on was really a nondecision." For the record, CBS had a 26.1 rating and 40 share New Year's night; ABC an 11.2 and 17, and NBC, an 18 rating and 28 share.

Looking over the prime time week and CBS' ratings performance so far this season, Mr. Grant rejected the notion that CBS' ratings wins were too dependent on the blockbuster performances of just two nights, Friday and Sunday. "I don't know of any network that wins all seven nights every week."

But he said CBS will begin regularly to add Monday night to the win column now that ABC's pro football advantage has run its course, also noting that with the addition of "Disney" to a Saturday night movie, "there is a remarkable difference between our ratings this year and last."

He was similarly enthusiastic over the network's Thursday lineup of "Magnum," "Knots Landing" and "Nurse," suggesting the best numbers were ahead for "these relatively new shows."

About Tuesday and Wednesday nights, however, the Entertainment boss said, "Sure, we have problems." But he thinks the coming switch of half-hour comedies on Wednesday and Monday will help somewhat. The new lineup

(Continued on Page 86)

highlights

Monday, Jan. 11, 1982

Michael Pertschuk tells the Utah Advertising Federation that things are going badly at the Federal Trade Commission for advertisers and the public. *See Page 6.*

Alaska is going after tourists with a big push, jumping from 12th to No. 1 on the list of travel promotion spenders. *See Page 10.*

Volvo made a right turn when it signed as Grand Prix and Masters tennis sponsor. *See Page 12.*

Braniff has settled with a long-range strategy under the theme "Braniff is going your way." *See Page 14.*

The world's first dog juice is being served. *See Page 32.*

Mexico's Actimart S.A. is planning an entry into the U.S. cordial/liqueur market. *See Page 42.*

Detroit has a new auto idea: Cars whose roofs go down so that people can drive in fresh air and sunshine. *See Page 45.*

After 13 years of supplying blank tapes to other companies, Loranger Manufacturing Co. is coming out with its own line. *See Page 70.*

Working women should be attracting marketers of traditional male categories, according to a Young & Rubicam study. *See Page 76.*

Marriott's Roy Rogers is ready to move if its bid for rival Gino's Inc. goes through. *See Page 78.*

A chance remark at a birthday party started the controversial sale of *Attenzione*. *See Page 86.*

CORPORATE CLOSEUP

Binney & Smith is diversifying and using a more lively, creative approach as it moves out of its crayon image. *See Page 4.*

MAGAZINE

Procter & Gamble Co. has completed almost one full year under new chief executive officer John G. Smale, a homegrown executive who one P&G watcher likens to Howard J. Morgens, P&G's chief exec from 1957 to 1974. If that observation is accurate, then excerpts from Oscar Schisgall's "Eyes on Tomorrow," which looks at events from the career of Mr. Morgens, may provide insight into P&G under Mr. Smale. *See Page 47.*

Can promotions build trust? According to Barbara Mahany, some purchases, such as appliances, are bought on a consumer's trust of the dealer—especially in emergency purchases. Can a promotion build trust and loyalty to a brand? *See Page 55.*

John Siddall, a member of ADVERTISING AGE's Small Agency Panel, looks at how the small agency can produce great creative work. *See Page 58.*

Walter P. Margulies looks at what corporate communications say about companies and offers a checklist to evaluate current communications programs. *See Page 60.*

What is the key to success? According to Dick Wasserman, much of it has to do with luck, plus a few attributes that a person can control. *See Page 62.*

VIDEOTECH

The big question hanging over the advent of morning tv in Britain is what it will look like. *See Page 64.*

A new tv syndication company is putting together a network of ad agencies to act as subdistributors. *See Page 66.*

section 2

DETROIT

The current woes of the auto industry and the general uncertain economic state have put extra burdens on Detroit and its plans for the '80s. How are the various segments coping and what do they see for their city's future? Section 2/Detroit examines this auto town's attempts to keep its "renaissance" going, starting opposite Page 44.

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AD PAGES IN FARM PUBLICATIONS FOR 12 MONTHS—1981-1980 88

Vol. 53, No. 2—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the third week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices.

AA names new editor in features

CHICAGO—Robert Goldsborough has joined the editorial staff of ADVERTISING AGE as executive editor with responsibility for the weekly newspaper's feature sections.

Mr. Goldsborough, formerly editor of the weekly *Chicago Tribune Magazine*, initially will direct the launch of AD AGE's Magazine/Section 2, a redesigned and expanded successor to the present Section 2 and Magazine sections. The merged Magazine will continue as a pull-out center section of AA. Scheduled for introduction early this year, it will incorporate all of the theme and feature material currently contained in the separate Section 2 and Magazine sections, along with new features.

R. Goldsborough

■ "Bob's strong background in magazine, features and news administration will be a major asset for AD AGE as he directs this significant advance for our publication," said Todd Fandell, editor of AA, in

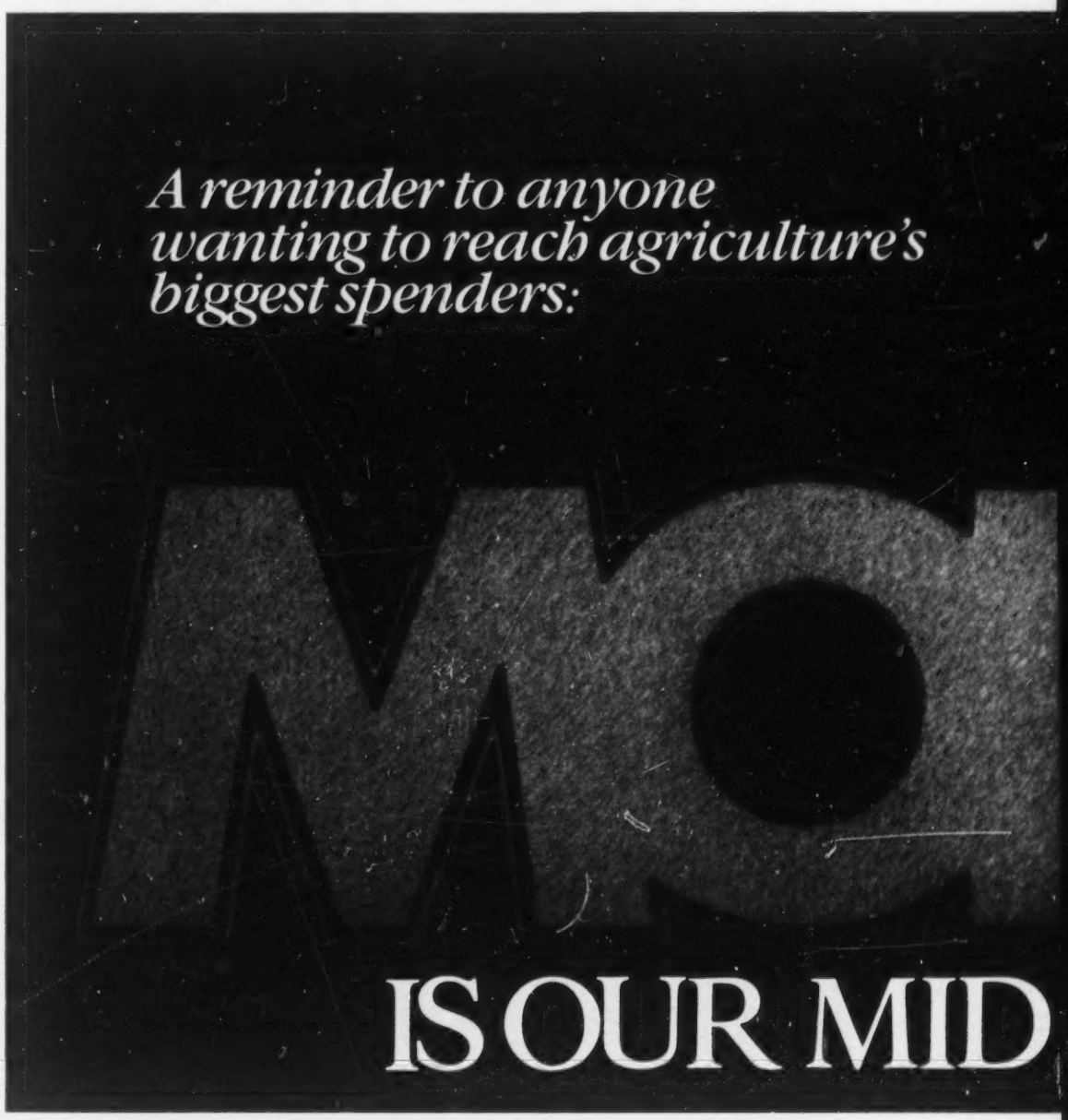
(Continued on Page 87)

Ad pages in farm publications for 12 months, 1981-1980

Fourth-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

Key: (mon)-monthly; (sm)-semi-monthly; (bm)-bi-monthly; (bw)-bi-weekly; (w)-weekly; (d)-daily; (q)-quarterly

	Pages			
	Oct.-Dec. 1981	Oct.-Dec. 1980	Jan.-Dec. 1981	Jan.-Dec. 1980
General Farm Publications				
American Agriculturist	99.2	98.4	437.1	487.1
Measured in lines	75,188	74,763	332,200	370,135
†§California Farmer (sm)	181.7	154.8	791.9	726.9
Measured in lines	138,140	117,638	601,905	552,364
Cotton Farmer (mon)	18.1	9.5	282.8	241.8
Measured in Lines	7,602	3,990	118,776	101,556
§Farm Futures	56.0	56.6	264.4	256.8
Measured in lines	24,027	24,307	113,431	110,167
Farm Industry News	99.0	142.0	401.0	474.0
Measured in lines	75,383	107,671	304,925	360,450
Farm Journal	193.9	168.4	787.4	754.7
Measured in lines	83,178	72,261	337,741	323,761
Farm Money Management	25.7	25.9	116.5	40.1
Measured in lines	10,777	10,878	48,916	16,825
The Farmer	274.8	270.1	1,411.1	1,428.9
Measured in lines	208,847	205,296	1,072,433	1,085,995
Farmer-Stockman Unit: (mon)				
Oklahoma Farmer-Stockman	35.9	34.7	175.4	172.1
Measured in lines	27,290	26,429	133,314	130,798
Texas Farmer-Stockman	31.3	30.0	157.1	163.1
Measured in lines	23,801	22,839	119,418	124,002
*Harvest Publishing Unit: (sm)				
Kansas Farmer	136.0	145.5	743.5	777.2
Measured in lines	103,431	110,608	565,074	590,643
Michigan Farmer	181.9	158.2	773.0	770.5
Measured in lines	138,224	120,238	587,481	585,560
Missouri Ruralist	163.8	189.0	829.0	900.2
Measured in lines	124,523	143,633	630,029	684,116
Ohio Farmer	231.6	215.6	1,094.0	1,099.5
Measured in lines	176,048	163,841	831,429	835,610
Pennsylvania Farmer	129.4	107.8	649.5	693.2
Measured in lines	91,532	81,963	493,611	526,641
High Plains Journal (w)				
Eastern Kansas	521.9	512.7	2,328.3	2,217.7
Measured in lines	584,556	574,266	2,607,724	2,483,796
Colorado	517.8	505.8	2,321.5	2,194.5
Measured in lines	579,894	566,440	2,600,024	2,457,910
Nebraska	507.0	505.8	2,281.1	2,194.6
Measured in lines	567,798	566,440	2,554,776	2,457,910
Oklahoma-Texas	517.6	510.9	2,322.8	2,242.5
Measured in lines	579,726	572,250	2,601,522	2,511,642
Western Kansas	579.5	566.9	2,539.6	2,421.3
Measured in lines	649,040	635,026	2,844,366	2,711,856
§Irrigation Age	64.0	54.1	347.4	357.9
Measured in lines	27,464	23,230	149,023	153,542
Kentucky Farmer (mon)	64.8	62.8	310.3	375.4
Measured in lines	49,265	47,782	235,891	285,320
Lancaster Farming (w)	1,125.8	1,180.0	4,881.6	5,012.2
Measured in lines	1,765,190	1,586,004	7,321,066	6,736,596
Midwest Farm Paper Unit: (sm)				
Nebraska Farmer	349.3	308.7	1,626.6	1,548.5
Measured in lines	265,450	234,620	1,236,183	1,176,874
§Prairie Farmer:				
#Illinois Edition	326.7	307.7	1,694.2	1,422.6
#Indiana Edition	327.1	222.3	1,573.7	1,327.4
Average 2 Editions	326.9	314.2	1,634.0	1,424.7
Measured in lines	248,466	238,826	1,241,821	1,082,783
§Wallaces Farmer	296.5	302.8	1,319.6	1,842.7
Measured in lines	225,359	230,090	1,002,921	1,400,419
Wisconsin Agriculturist	200.6	203.2	970.3	1,065.9
Measured in lines	152,448	154,473	737,417	810,101
▲Pecan South	15.9	14.6	91.0	106.9
Measured in lines	6,678	6,132	38,220	44,898
§Progressive Farmer	194.1	175.8	814.7	788.1
Measured in lines	81,861	73,851	342,177	331,019
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	31.0	23.3	169.8	175.6
Measured in lines	13,184	9,926	72,313	74,806
Peanut Farmer	—	—	131.4	127.2
Measured in lines	—	—	55,993	54,136
§Successful Farming (mon)	193.0	180.2	811.1	771.7
Measured in lines	82,791	77,297	347,951	331,047
Tennessee Farmer (mon)	32.3	30.9	158.5	174.1
Measured in lines	24,569	23,496	120,494	132,313
Western Unit Farm Magazines: (mon)				
Arizona Farmer-Ranchman	104.6	107.0	492.5	443.9
Measured in lines	79,512	81,283	374,311	337,397
Colorado Rancher & Farmer	94.4	109.3	466.7	495.8
Measured in lines	71,760	83,073	354,667	376,838
Northwest Unit Farm Magazines:				
Idaho Farmer-Stockman	127.2	120.3	729.4	708.5
Measured in lines	96,667	91,412	554,377	538,422
Montana Farmer-Stockman	212.4	191.1	1,058.3	1,013.4
Measured in lines	161,414	145,249	804,293	770,156
Oregon Farmer-Stockman	113.9	109.3	595.6	588.4
Measured in lines	86,599	83,049	452,634	447,164
Utah Farmer-Stockman	85.5	92.0	515.4	497.2
Measured in lines	65,013	69,948	391,667	377,903
Washington Farmer-Stockman	116.9	105.3	635.9	596.6
Measured in lines	90,397	80,061	483,299	453,401
Wyoming Stockman-Farmer	94.2	—	337.5	—
Measured in lines	81,598	—	286,884	—
Total Group	8,347.4	8,093.5	38,884.6	38,371.4
Dairy & Livestock				
§Beef Magazine	155.5	141.4	268.8	505.9
The Cattleman (mon)	391.8	343.6	1,465.8	1,346.1
Dairy Herd Management	152.4	186.6	541.9	634.5
§Drovers Journal	308.0	319.7	1,223.4	1,374.8
Farm Progress Hog Producer	23.9	—	103.1	—
Feedlot Management	102.8	112.2	343.9	331.2
Florida Cattleman (mon)	275.3	354.8	933.0	996.6
§Hoards Dairyman (sm)	209.9	204.1	951.1	949.5
Hog Farm Management	163.6	175.8	727.4	632.3
†Livestock Breeder Journal (mon)	129.9	235.9	1,030.8	1,138.1
National Hog Farmer	193.5	187.4	711.9	758.0
Pig American	105.3	73.1	351.5	313.5
Southern Beef Producer	50.5	56.0	321.2	284.5
**Southern Hog Producer	37.9	39.1	140.0	142.3
○Sunbelt Dairyman (mon)	14.3	65.9	107.6	161.8
Dairy: (mon)				
Full Edition	52.2	22.6	200.7	132.5
Western Edition	106.6	82.1	425.9	382.2
Western Livestock Journal Monthly:				
Central Edition	129.1	109.3	422.5	449.0
Western Edition	1,236.2	110.5	522.4	527.0



Farm Money Management talks to the people in agriculture who mean business. Big business. Among our readers are 45,000 producers, each with farm commodity cash receipts in excess of $250,000. Plus 15,000 farm managers, bankers, and consultants whose job is to keep America's biggest green thumbs in black ink.

These people care what *Farm Money Management* has to say, because our articles and editorials are aimed directly at them. Lending and borrowing, taxes, estate planning, land costs, and investments are just a few of the topics we deal with in each quarterly issue. No other publication addresses itself so specifically toward the large-scale producer and the agri-business community. Consequently, no other publication can match our circulation among this unique and highly desirable segment of the market.

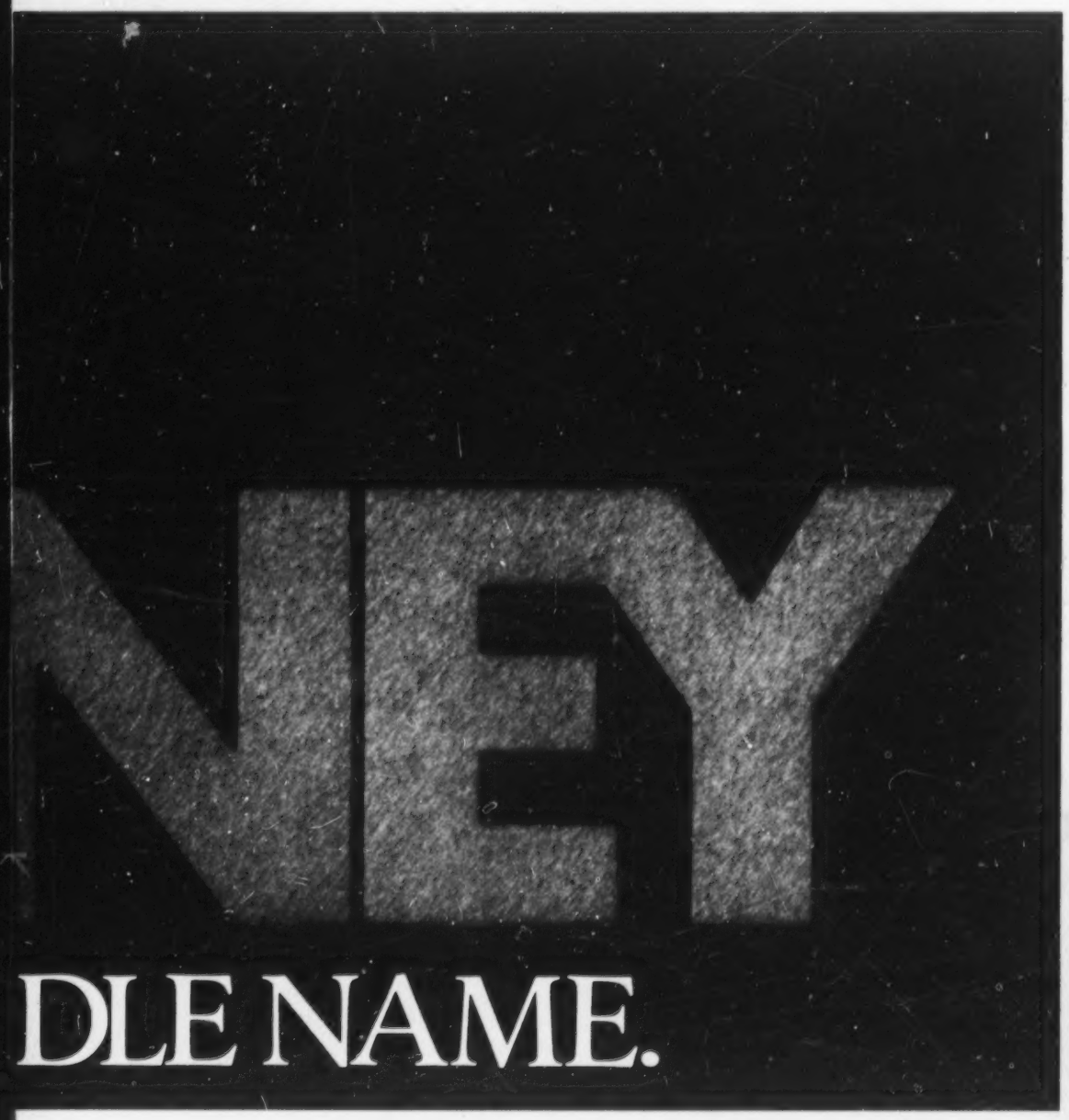
Ad pages in farm publications for 12 months, 1981-1980

Fourth-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

Key: (mon)-monthly; (sm)-semi-monthly; (bm)-bi-monthly; (bw)-bi-weekly; (w)-weekly; (d)-daily; (q)-quarterly

	Pages			
	Oct.-Dec. 1981	Oct.-Dec. 1980	Jan.-Dec. 1981	Jan.-Dec. 1980
Southern Edition	94.1	89.5	298.3	339.9
Western Livestock Journal Weekly:				
Central Edition	107.0	98.7	503.2	487.7
Western Edition	144.3	158.0	656.5	684.8
Western Livestock Reporter/-Montwyo News (w)	466.9	440.0	1,085.5	1,137.4
Total Group	3,551.0	3,606.5	13,336.4	13,709.6
†Excludes state editions.				
Fruit & Vegetable				
American Fruit Grower (mon)	105.0	115.7	534.7	477.8
American Vegetable Grower (mon)	139.2	119.4	622.5	589.2
Citrus & Vegetable				
Magazine	125.0	107.4	492.5	418.1
Florida Grower & Rancher	44.7	39.2	181.3	164.7
Total Group	413.9	381.7	1,831.0	1,649.8
Poultry				
Broiler Industry	145.5	144.4	578.6	616.7
Poultry & Egg News	34.4	40.3	150.3	142.2
Poultry Digest	61.3	66.3	326.1	315.1
Poultry Times	184.0	202.8	1,028.7	1,139.7
Poultry Tribune	76.0	100.6	387.9	421.1
Total Group	501.2	554.4	2,471.6	2,634.8
Canadian				
Country Guide: (mon)				
#Eastern Edition	133.3	95.7	596.6	520.3
#National Edition	204.7	148.7	985.3	898.0
#Western Edition	145.3	102.8	703.9	641.5
Average 3 Editions	161.1	115.7	762.6	686.6
Le Bulletin des Agriculteurs (mon)	187.0	171.0	851.0	825.0
Total Group	348.1	286.7	1,613.6	1,511.6

§Sectional linage included but prorated to circulation of regional editions. †Published twice a month except June, July and Dec. monthly. ▲Published six times a year. ◇Published 11 times a year. #Not included in totals. ○Published ten times a year. **Published seven times a year.



Many magazines enable you to tell your message to a general farm audience. But if that isn't exactly your target, why waste your media dollars? Especially when you can bypass those you don't really need to reach and get to those you do.

The opportunity is yours. Four times a year. In *Farm Money Management.*

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Farm Money Management
The Miller Publishing Company
P.O. Box 67, Minneapolis, MN 55440
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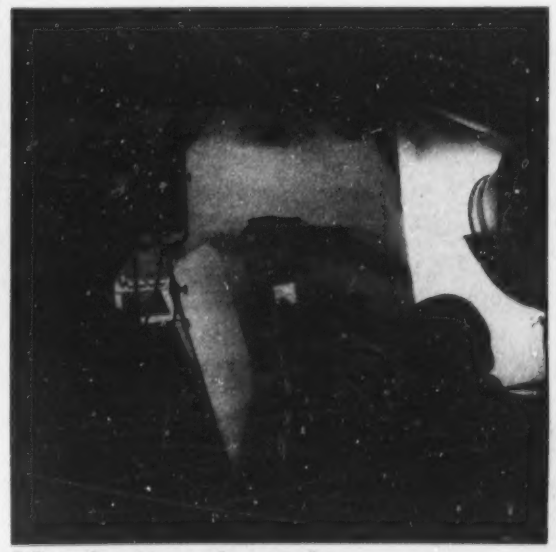
FARM MONEY

New Approach

Bohn A/C & R, a division of Gulf & Western, departs from the hardware concept, long a staple of air conditioning and refrigeration industries, in this four-color ad by Josephson, Cuffari & Co., Montclair, N.J.



Manhattan beach

The commercials will look like they were shot on a hot beach somewhere, but a studio is the actual setting for Plough Inc.'s For Faces Only tanning cream tv campaign due next summer. Fucci Productions used a wind machine, sand, beach umbrellas and a lifeguard stand to transform its Manhattan studio into a beach for Plough and agency Warwick, Welsh & Miller.

-/ C2710-1

A visit to Fred's Place, Main St., Cincinnati

Advertising Age

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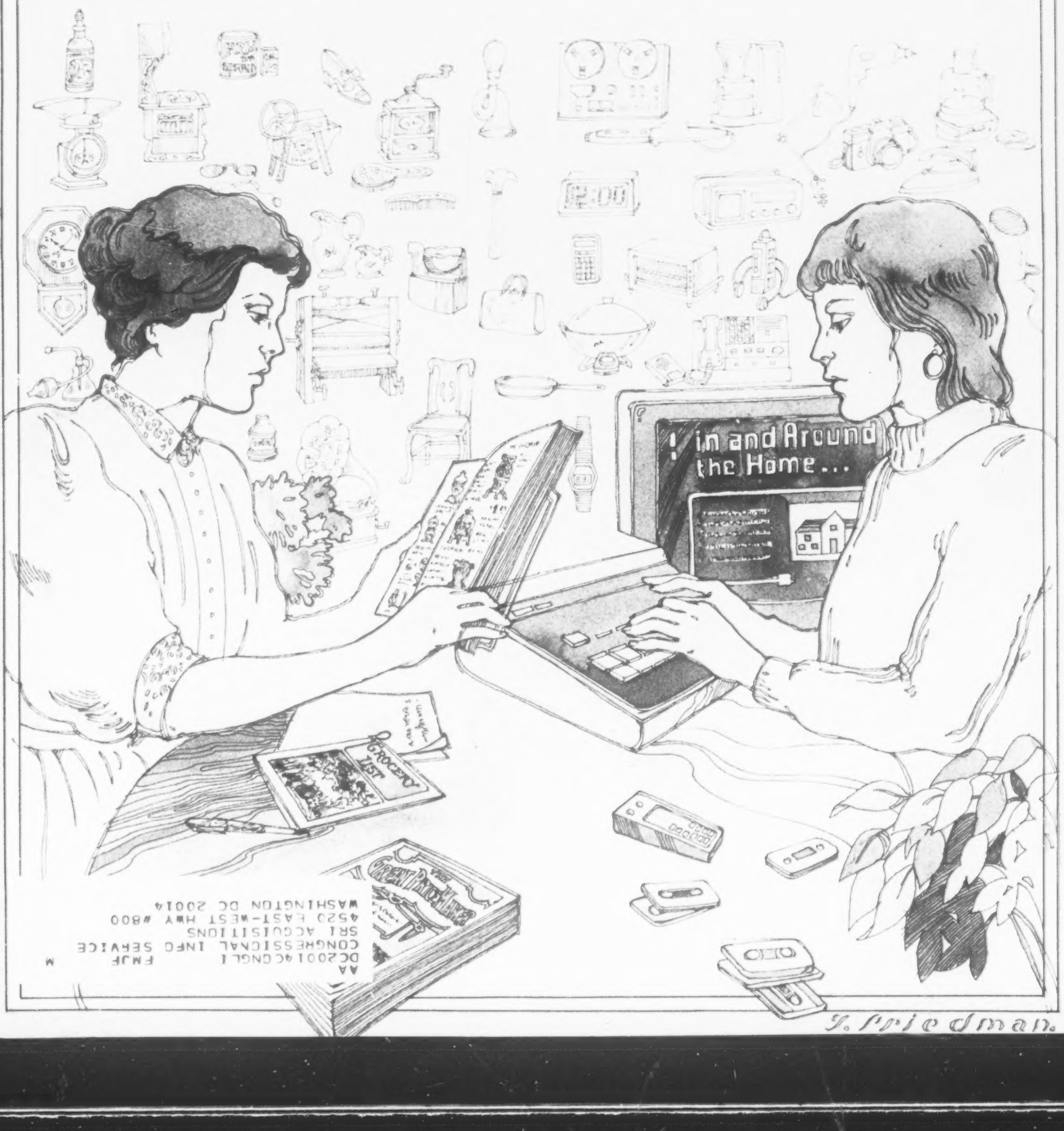
$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *January 18, 1982*

DIRECT MARKETING

The changing tools of the trade—See Section II



J. Friedman.

NEWSPAPER

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DC2001 4CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
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4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Networks begin Feb. sweeps shuffle

High Court rejects NFL

By JAMES P. FORKAN

NEW YORK—Football and February were very much on the minds of tv network and advertising execs last week.

The February sweeps period was the focal point of a good deal of schedule juggling and the subject of a CBS-TV "February fireworks" promotion push. Although the official sweeps span is Feb. 4 through March 3, sources felt that Feb. 1-3 would also be important since they would serve to build ratings momentum for the latter part of the week.

Aside from Super Bowl XVI, football got top-of-mind awareness thanks to the U.S. Supreme Court decision allowing catv systems to continue importing distant tv signals containing National Football League coverage.

■ In rejecting the NFL's challenge on distant signals, the Supreme Court upheld the Federal Communications Commission's 1980 repeal of catv restrictions, which allows catv systems to carry more such signals of tv network and station programing. The NFL lawyers had argued that this means "a cable system could. . .bring into an NFL team's home territory, when the team is playing a home game on a Sunday, every NFL game being played that day."

The NFL's director of broadcast, Val Pinchbeck Jr., called the decision "disappointing" but not surprising. The NFL has had to cope with the relaxed rules for nearly two years already, he said, but continues to maintain that it is "very concerned about overexposure."

Turning to the NFL rights situation for fall 1982 and beyond, Mr. Pinchbeck said serious discussions with the three commercial tv giants have yet to start and added that the NFL for now is not very interested in cable network connections.

■ "We have had contacts" occasionally about NFL coverage from catv nets that carry sports, Mr.

(Continued on Page 88)

DING
DING
DING
$1.39
Are you still driving a car that was built when gas was 60¢?
Until March 31, American Motors will pay you up to $500 to get rid of it.
1977-78 $300
1975-76 $400
1974 or older $500
American Motors wants you to have a new car.

The older the better

American Motors' new campaign attacks the tendency of motorists to hold on to their cars longer by offering rebates that increase in value with the age of the car being traded in (AA, Jan. 11). Ad stresses the idea that older cars also tend to be gas-guzzlers.

world news roundup

LONDON—Gillette U.K. and Wilkinson Sword are both making an aggressive bid to break the four-year dominance of French company Biro-Bic in the growing disposable sector (now more than 50%) of the $680,000,000 U.K. razor and blades market. The Gillette account will be worth nearly $10,000,000 to Benton & Bowles and Saatchi & Saatchi this year, while Wilkinson's expenditure through Michael Bungey DFS will jump to nearly $8,500,000. Bic has 15% of the disposables market, while Gillette holds 12.5% and Wilkinson 7%.

GENEVA—Grey Advertising has strengthened its European network by buying a major interest in Geneva's Creative Collaborations S.A., billing $7,235,800, which in turn gets a network to service its multinational accounts, such as Du Pont Europe, Exxon Office Systems and Philip Morris Inc.

MONTREAL—Irwin Toy is appealing last week's Superior Court decision that Quebec's law banning tv advertising to children is constitutionally within the province's powers.

FRANKFURT—Sunbeam subsidiary Rowenta is moving its $4,000,000 lighter and small appliance account to Durana Ketchum here from Benton & Bowles.

LONDON—BBDO looks set to hang on to Avis outside the U.S., with local management in Europe, Asia/Pacific, Canada and South America requesting that the agency be retained on the vehicle rental company account. European billings tally $5,500,000, with advertising coordinated by SJIP/BBDO in London.

Home communications seen big growth area

Where's AT&T headed?

By ROBERT RAISSMAN

NEW YORK—The agreement reached between the Justice Department and the American Telephone & Telegraph Co. will open new product lanes to the company in the race for communications dollars, but it is still unclear how many slots the giant corporation will fill.

Will it be computers, cable, electronic advertising, office information, home information services? All, or a combination of a few? Each expert in communications has an opinion, and the agreement, as it stands now, places little restriction on the Bell.

The agreement requires AT&T to give up its 22 wholly owned local telephone subsidiaries but allows the company to enter fields that were previously restricted, including data processing, communications between computers and the sale of telephone and computer terminal equipment. Under the agreement, the company also retains its long distance (Long Lines) service.

The telephone subsidiaries are worth $80 billion, or two-thirds of the company's assets.

The settlement hit a snag last week when U.S. district court Judge Harold Greene in Washington said the settlement must undergo judicial review and also be exposed to public comment. The two parties must resolve the procedural problems by Jan. 18 or they could be forced to resume the trial.

If the decision stands, industry observers believe AT&T won't drastically alter its advertising and marketing machinery to sell new products.

Louis T. Hagopian, chairman of N W Ayer, agency for AT&T corporate and Long Lines, explained that all AT&T's associated companies had separate agencies. "As the company changes, the advertising might," he said, "but in terms of basic character, AT&T remains intact."

It was apparent before the settlement that AT&T was going to be able to enter new businesses either partially, under an order from the Federal Communications Commission that allowed Bell to set up a subsidiary that would not be subsidized by local telephone rates, or radically under a settlement with the Justice Department.

K.W. Weihe, advertising director-business at AT&T, said in an interview before the settlement that although the company was always developing new products it was hard to plan ahead because Bell didn't know when those prod-

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highlights

Monday, Jan. 18, 1982

National Basketball Assn. is negotiating catv rights with three major entities. *See Page 6.*

Murjani selects Doyle Dane Bernbach in its search to enhance its image. *See Page 6.*

NAD December Report: Colgate-Palmolive agrees to modify ad claims for Ajax Gold dishwashing liquid. *See Page 10.*

France's new government has complicated things for Dancer Fitzgerald Sample's affiliate there. *See Page 12.*

Lean Cuisine rollout by Stouffer Foods may bring a marketing countermove from Weight Watchers. *See Page 14.*

Buster Brown Textiles breaking a new campaign as its takes on Health-tex and Carter's. *See Page 34.*

Promotion Marketing Assn. of America chairman Robert Wehling wants the organization to be known as the primary resource for the industry. *See Page 34.*

Special ad supplements are proliferating in Europe despite some criticism. *See Page 39.*

Aspertame-sweetened products will begin appearing this spring. *See Page 47.*

An antigas remedy is under new review by the government. *See Page 79.*

NoRMA newspaper ad award winners were topped by B. Altman & Co., New York. *See Page 86.*

Old Grand-Dad bourbon is 100 years old and in the news because of a record-setting flight by a jet bearing its ad slogan. *See Page 89.*

Ocean Spray Cranberries rolls into New York and Philadelphia with juices and drinks in paper bottles. *See Page 90.*

Norton Simon chief David Mahoney's role in finding an Avis spokesperson. *See Page 90.*

Cover illustration by Judith Friedman.

CORPORATE CLOSEUP

Godfather's Pizza, which has enjoyed tremendous growth in recent years, has pulled its franchises together for a stronger marketing push. *See Page 4.*

MAGAZINE

Are you from Lever? AA visits Fred Cianciolo, a Cincinnati grocer who probably knows as much about Procter & Gamble's new products as anyone outside P&G itself. *See Page 49.*

The second installment of AA's excerpts from Oscar Schisgall's "Eyes on Tomorrow" looks at P&G's Pampers—a paper breakthrough that literally created a $1 billion-plus market in the U.S. alone. *See Page 50.*

William D. Tyler presents his picks for the best print ad campaigns of the year. This time he presents nine and asks readers to submit their picks for a 10th. *See Page 52.*

Bob Stone interviews C. Rose Harper, president of The Kleid Co. and first woman to chair the Direct Mail/Marketing Assn. *See Page 57.*

According to Hooper White, the production of broadcast advertising is like a moving stream—you never dip into the same water twice. Mr. White discusses some new techniques. *See Page 60.*

VIDEOTECH

"Stir Crazy" topped November's vcr best-seller survey. *See Page 69.*

section 2

DIRECT MARKETING

What effects are the more recent electronics developments having on the direct marketing field? Direct marketers are nibbling, and some are being soundly hooked, by the new electronics systems. To find out what is here to stay and what is hearsay, turn to direct marketing, opposite Page 46.

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Totino's tv spots draw Jeno's ire

By JANET NEIMAN

Jeno's Inc. last week warned tv stations nationally that they will be subject to a lawsuit if they run either of two spots for Pillsbury's Totino's brand frozen pizza.

The advice came in publicized criticism of Totino's tv spots, created by Paragon Cos., Minneapolis, which Duluth, Minn.-based Jeno's says contain "depictions and statements that are false, deceptive, unfairly disparaging of the industry and unsuitable for broadcasting."

Jeno's issued to the press a statement and copies of a letter it said were sent Jan. 11 to more than 300 tv stations around the country, but several major network affiliates contacted late last Wednesday said their stations had not received copies of the letter. Officials of CBS declined to comment on Jeno's statement that the network rejected Totino's ads because the copy "denigrates the frozen pizza industry and this is unacceptable."

In the criticism, Jeno's took issue with Totino's 30-second commercials for its Classic and Single Serve pizzas, which claim, respectively, that people don't like most frozen pizza because "the crust

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CONTINENTAL MULLS 'NOVEL' PLAN

WRG flies the way Pan Am wants to fly

By ROBERT RAISSMAN

NEW YORK—Joseph R. Daly, chairman-chief executive officer of Doyle Dane Bernbach, says it was simply a matter of friendship that caused his agency to lose the $35,000,000 Pan American World Airways account to Wells, Rich, Greene.

The friendship Mr. Daly referred to is between Pan Am chairman C. Edward Acker and former Braniff International chief Harding L. Lawrence. Mr. Lawrence, the husband of WRG chairman Mary Wells Lawrence, is now a WRG consultant.

"The whole thing is very simple," Mr. Daly said, "Mr. Acker and Harding Lawrence are buddies from way back. We were not conscious of the relationship at first, but even if we were, so what? What could we do about it?"

In addressing the eastern conference of the American Assn. of Advertising Agencies, Mrs. Lawrence tried to squelch the idea of friendship as playing a role in the account change. She said Pan Am respected the job WRG did when the agency handled TWA.

She said no other agency had the international expertise of WRG and that was of prime concern to Pan Am. "A few executives with Pan Am—including Mr. Acker—worked with us when we had Braniff," she continued. "They

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Daily Airline Derby

Rank	Carrier	Est. '81 Billings	Current agency	Had account since:	Status of account
1	United	$60,000,000	Leo Burnett U.S.A.	October, 1965	Long relationship viewed as firm, loyal unless red ink mounts
2	TWA	55,000,000	Ogilvy & Mather	April, 1979	Good, company officials say relationship has been growing stronger
3	Eastern	54,000,000	Campbell-Ewald	October, 1981	Too early to tell—first campaign just broke but friendship between C-E's Thomas B. Adams and Eastern's Frank Borman should promote stability
4	American	45,000,000	B&J/Southwest	June, 1981	Rumored to be shaky; solid according to client and agency
5	Delta	42,000,000	Burke Dowling Adams (BBDO)	May, 1945	Good, long-term relationship that builds as Delta continues to be the healthiest major U.S. carrier
6	Pan American	35,000,000	Wells, Rich, Greene	January, 1982	It's a new account and too early to tell but the word "stability" does not seem to exist in the vocabulary of Pan Am chief C. Edward Acker
7	Northwest	23,000,000	Grey Advertising	February, 1981	Shift to Grey seen as signal that formerly somnambulent carrier preparing for battle
8	Republic	20,000,000	Campbell-Mithun	December, 1981	Went with C-M as former longtime Northwest agency
9	Continental	16,000,000	Wells, Rich, Greene	December, 1981	WRG proposing "separate mechanisms" to keep it and Pan Am; Continental's answer due soon
10	Western	14,000,000	McCann-Erickson	January, 1980	Agency has weathered severe storm front, may be in clear
11	Braniff	12,000,000	Bloom Agency	October, 1981	All smiles with new marketing strategy ad campaign
12	Southwest	3,500,000	GSD&M	October, 1981	Solid with major strategy shift under way

Airline derby chart shows how the major trunk lines and some of the smaller carriers have switched agencies in recent years. Status comments are based on AD AGE reporting.

Republic Air strives for national image

By RICHARD KREISMAN

Eighteen working days after moving its $20,000,000 account to Campbell-Mithun, Republic Airlines is taking to the air with a new campaign and heavier-than-ever ad doses prescribed to cure the carrier's continuing image as a collection of small airlines.

The new approach includes the first-time use of network tv for the Minneapolis company, and an ad theme, "Nobody serves our republic like Republic," touting the airline's size and 204 destinations.

The sense of urgency and the need for short-term solutions stems from Republic's mounting losses—$52,700,000 through November, 1981.

Republic execs said Campbell-Mithun won the account in December because it proposed immediate changes, including the speedy ad campaign, which the agency began working on the day it got the account.

The carrier's financial situation is more precarious because of the heavy debt it took on when it acquired troubled Hughes Airwest in 1980. Republic itself was born in 1979 when North Central and Southern Airlines merged.

The three-month campaign, featuring network and spot tv, radio, newspaper and outdoor, is aimed at increasing the airline's awareness levels in core markets and off-line cities. Spots breaking today in hub markets show Republic destinations, ranging from Seattle, Wash. to Washington, D.C. Radio spots ask, "Where would you like to go today?" and list a number of Republic destinations.

Network tv starts the week of Jan. 24 when Republic co-sponsors ABC-TV's "F.D.R." retrospective with David Brinkley and later branches out into news and late-night programing. John Harty, director of advertising and sales promotion, said network tv would help increase awareness and presell the Republic name.

Last week Minneapolis agency Kolesar & Hartwell announced it had been awarded Republic's cargo advertising. Hoffman York & Compton had been the agency. Advertising manager John Temple, however, said a decision had not yet been made.

The $1,000,000 assignment would include cargo media, sales promotion and market testing of expanded support for V.I.P. small package delivery service.#

DENTURE BREATH?
FINALLY, A BREATH FRESHENER MADE JUST FOR YOU.
BrethGard
BrethGard is the first and only long-lasting denture breath freshener cream.
BrethGard is not just another mint, spray or mouthwash made for bad breath—it's a specially formulated, long-lasting cream made just for denture wearers. Simply apply BrethGard to your dentures. Then moisture activates its unique long-lasting mint formula, freshening your breath for hours. And hours.
30¢
30¢

Special protection

Carter-Wallace is testing BrethGard, a denture breath freshener cream, in Peoria. Ads from Avrett, Free & Fischer note it is "specially formulated. . .just for denture wearers."

Orange juice processors assess situation

Freeze freezes Fla. fruit ads

LAKELAND, FLA.—The damage to Florida's citrus crop caused by last week's freezing temperatures will result in advertising and promotional cutbacks, a sales embargo and some price increases.

As much as 84% of the state's crop was damaged, marking the second consecutive year that the vulnerable trees were hit by cold. The Florida Citrus Commission placed a 10-day embargo on the shipment and sale of fresh fruit, as the industry assesses the situation.

In addition, about $1,000,000 in scheduled advertising will be cut from the commission's $20,000,000 annual budget. About 40 newspapers in the North and Midwest were the first to feel the freeze in citrus advertising; ads scheduled to run in the next 30 to 90 days were immediately canceled.

A "Fresh Orange Sweepstakes" also was planned to be advertised in upcoming editions of several women's books, including *Better Homes & Gardens, Good Housekeeping* and *Redbook*. The commission is negotiating to cancel these insertions.

All of the advertising that has been canceled is for fresh fruit, which constitutes about 10% of the orange crop and about 30% of the grapefruit crop. The rest of the crops go into juice, Florida's main citrus product. Fruit still on the trees and destined for juice processing is not affected by the embargo.

There is no estimate yet as to the dollar volume of the damage. The record-shattering low temperatures striking the citrus belt last week are being compared to the freezes in January of 1977 and

(Continued on Page 84)

Kodak flashes instant threat

By GAY JERVEY

While the world awaits Eastman Kodak's Feb. 3 introduction of its landmark film disc camera, the company last week trotted out something more familiar: An improved Kodamatic line of instant cameras. With them, Kodak hopes to inflict more damage on rival Polaroid's instant camera line than its earlier entries have done.

They had better. Ever since the colossus of Rochester, N. Y., entered the instant camera market with Colorburst in 1976, its share has hovered around 30% of the $1.5 billion instant photography market—and that share was earned early on. Some analysts place Colorburst's current share at only 25%—and, like instant profits, going nowhere fast. According to analysts, who say the instants' bottom line looks redder all the time, Polaroid's tenacity coupled with the Colorburst's basically "me-too" nature, apparently forced Kodak off its plateau and into some nasty price wars with its Cambridge, Mass.-based rival.

But neither they nor ad budgets of at least $13,000,000 annually have helped. To further darken Kodak's instant picture, Polaroid last May rolled out a high speed 600 instant photo system, the Sun camera, which has met with favorable technological reviews and mounting sales success.

Kodak's answer to the Sun comes in the form of four new Kodamatic models and a high-velocity instant film. Three of the models fold up and have a built-in flash that automatically adjusts to either indoor or outdoor light.

Kodak says its new light system will, by blending shadows and honing colors, improve the poor

(Continued on Page 83)

'News' sales data upbeat

By STUART EMMRICH

NEW YORK—Bolstered by a prospectus that shows recent gains in circulation and earnings at the *New York Daily News*, Tribune Co. execs are beginning to hold serious talks with potential buyers of the paper.

For the first time in a month since the Tribune Co. announced that the paper was up for sale, the parent company is able to provide interested parties with hard figures about the paper's finances and educated guesses about its future.

■ Those figures reportedly show that the *News*, which lost an estimated $11,000,000 in 1981, was earning up to $1,000,000 a month during the latter part of the year and that circulation was showing an impressive climb to a daily figure of 1,567,000, and a Sunday circulation climb to the 2,000,000 mark.

Although spokesmen for the Tribune Co. and Salomon Bros., the brokerage firm that is handling the sale, refuse to discuss who the company is talking to or its timetable, they acknowledge that earnest negotiations have begun.

"We are actively discussing the possibility of the sale with a number of parties that go across the spectrum of industries," said Jay Higgins of the merger and acquisitions department in the Salomon Bros.' New York office.

While the confidential release of the prospectus has hardened the negotiation process, it has also prompted a call from the paper's unions that the Tribune Co. reconsider selling the paper. The unions are arguing that because the financial condition of the paper seems to be improving, the Tribune Co. should hold on to the *Daily News*.

If a buyer does materialize for the *News*, insiders are betting that it will not be a publishing company but a conglomerate outside the newspaper business.

Knowledgeable sources say that Gannett and Newhouse have taken a quick look at the paper and decided they are not interested. Other newspaper chains have said from the beginning they are not in the market for the *News*.

Los Angeles-based Times Mirror has shown some interest in the *News*' Brooklyn printing plant, which could be modernized and used to push expansion of its Long Island-based *Newsday* into Queens if the *News* folds.

But Tribune Co. execs are adamant: Any deal will have to include the paper; that's their first priority.

■ The real estate associated with the *Daily News* is reportedly one of the key reasons Warner Communications, the only company to publicly show interest in the paper, was willing to talk to the Tribune Co. about the sale. But insiders say that interest is now waning. Warner execs are downplaying the company's interest in the paper and other observers say that chairman Steve Ross took a quick look at the paper and by now has pretty much decided to stay clear.

Meanwhile, other interest has come from some slightly surprising quarters.

News World Communications, the newspaper publisher associated with the Rev. Sun Myung Moon, has contacted the Tribune Co., but a spokesman for News World said the visit was a "sightseeing trip" that may or may not develop further.

■ *News* staffers, though, are preparing for any development. Strains of Hare Krishna chants could be heard in the paper's hallways last week.

Also, Michael Goldstein, founder and former publisher of *Soho Weekly News* and the defunct *Wall Street Final* is letting people know he would like to return to New York newspaper circles as publisher of the *News*.

He is making initial contact with several companies thought to be interested in any package deal offered by the Tribune Co., telling them they can take the real estate and hire him to run the paper as publisher.#

WRG flying Pan Am's way

(Continued from Page 3)

know what they can expect and they feel secure with us at a time they need to feel secure," she said.

Security has not been a feeling generated between major airlines and their agencies over the past months. Last June, DDB dropped American to take Pan Am which, in turn, let N W Ayer have the axe. Bozell & Jacobs quickly grabbed American. In October, Campbell-Ewald moved in to take the $54,000,000 Eastern Air Lines account from Young & Rubicam, breaking up a 17-year relationship.

Close personal ties played a role in that move.

Los Angeles-based Continental Airlines, meanwhile, has not had much chance to work up a personal relationship with WRG, having named the shop just this past December (when WRG dropped Braniff). Continental late last week was trying to decide whether to keep or split with WRG/West because of its new Pan Am account. Mrs. Lawrence has put forth a proposal to set up a subsidiary agency to handle Continental's $16,000,000 billings.

While the subsidiary approach was considered novel by most adpeople contacted, a Continental source called that proposal only one of a couple of "interesting ideas" presented by the agency to resolve the conflict problem. Earlier last week, WRG presented a new campaign to the carrier, and consideration of this was understood to be part of the reason why Continental could make no quick decision.

In contact with Continental and watching developments closely are Benton & Bowles, which had the account whisked away from it by WRG; DDB, and Needham, Harper & Steers, which preceded B&B on the business.

Back in New York, DDB's Mr. Daly said, "We knew other agencies were trying to woo them [Pan Am] away but, frankly, we didn't think about Wells, Rich, Greene."

Mr. Daly said Pan Am seemed pleased with DDB's work. Only two days before the agency was fired, he said, there was a staff meeting at which he was told the ads were working well. At 3:30 p.m. on Jan. 8, William Bernbach, chairman of DDB's executive committee, and Neil R. Austrian, DDB's president-chief operating officer, were called to a meeting with William H. Waltrip, Pan Am's president-chief operating officer. At that meeting they were told DDB was no longer the airline's agency.

"We had absolutely no advance warning," Mr. Daly said. He said he was convinced that the decision was made by Mr. Acker.

The relationship between Messrs. Acker and Lawrence dates back to the early 1960s. Mr. Acker came to Braniff as a senior vp-planning in 1965 from the Dallas-based Greatamerica Corp., a miniconglomerate that also was a subsidiary of LTV Corp., then known as Ling-Temco-Vought. Greatamerica had acquired 57.5% of Braniff in 1964, and sources said Mr. Acker was brought in to help protect Greatamerica's interest.

In 1970, Mr. Acker was named president-chief operating officer in charge of Braniff's day-to-day operations. "They [Lawrence and Acker] were pretty close, obviously," said an LTV exec, who declined to be identified.

But some airline industry execs said a rift developed between Mr. Acker and Mr. Lawrence. During the Watergate years, Braniff was charged—as were a variety of companies—with creating a slush fund for the purpose of making contributions to the 1972 presidential campaign of Richard Nixon. Mr. Acker left Braniff in 1975, and industry sources said the timing of his release cast him as the "fall guy" in the affair in the eyes of the airline industry.

"Ed Acker is a tough, independent-minded businessman," said one airline exec. "He has a lot of airline industry advertising experience and there is a purpose behind what he does."

Commenting on the change, a Pan Am spokesman said WRG was chosen because they suited the airline's needs. "What more can we say and we're not going to say anymore," the spokesman said.

For his part, Mr Daly said the airline industry has become a peculiar business. "I don't think most marketing organizations do business on the basis of friendship," he said. "I have to make a judgment that the airline industry does [place heavy emphasis on friendships], on the basis of what has happened over the past year or so."

Despite its peculiarities, Mr. Daly said DDB has a wealth of airline experience and would not hesitate to get back into the airline business.#

'Coke is it' set to air

ATLANTA—"Coke is it" is the new theme for Coca-Cola Co.'s flagship brand, according to sources at McCann-Erickson, the Coke agency.

The campaign is expected to break within several weeks. Agency execs are making the rounds of local media now to set up buys.

In November, Sergio Zyman, vp-marketing operations, said the company would test several new themes before deciding on a new one. Another exec, Brian Dyson, Coca-Cola USA president, acknowledged that "Coke is it" was one of those under consideration (AA, Nov. 30).

Sources say Coca-Cola management was misled by false reasoning when it moved to "Have a Coke and a smile" in 1979. At the time, those close to the company said management wanted to suggest that consumers drink the cola instead of simply positioning it, for example, as "the real thing."

Management apparently got "hung up" on promoting the end benefit, said one source, but now seems to have returned to the old philosophy of positioning the product as one element contributing to Americans enjoying themselves and their lives.#

for the record

NEW YORK ATTORNEY GENERAL Robert Abrams has proposed legislation to protect cable tv subscribers from the exploitation of personal information gathered by interactive cable systems. The bill would forbid cable companies from disclosing any subscriber information on file without consent. Warner Amex Cable earlier issued its own privacy code.

WARNER AMEX Satellite Entertainment Co. has restructured its marketing unit. Andrew H. Orgel, formerly vp-affiliate relations, is now vp responsible for regional offices. Fred Seibert, formerly vp-on air promotion and production, has been named vp-creative services. Jordan A. Rost, vp-research and previously reporting to Robert G. McGroarty, senior vp-marketing and sales, will now report to John A. Lack, WASEC exec vp.

BIDS FOR CONSTRUCTION of the nation's first direct broadcast satellites were sought last week by COMSAT's Satellite Television Corp. STC said it hopes to begin the three-year project after federal approval.

CURTIS PUBLISHING has sold *The Saturday Evening Post* to Benjamin Franklin Literary & Medical Society, Indianapolis, for $4,500,000. It also is negotiating for the acquisition of the now-defunct *Quest*.

ANHEUSER-BUSCH, St. Louis, remains kingpin of the beer industry with a 29.5% share of the market. A-B's sales increased 8.6% in 1981, selling 54,500,000 bbls., compared with '80. Miller Brewing Co. remains a solid No. 2 with a 22% share. Sales rose 8% to 40,300,000 bbls.

UNITED PRESS INTERNATIONAL has drawn the interest of National Public Radio. NPR has contacted UPI owner E.W. Scripps about an unusual plan to turn UPI over to the NPR as a tax deduction, with NPR then running the wire service as a tax-paying subsidiary.

STIMPSON ASSOCIATES and Solkover Group, both Seattle, have merged to create a $10,000,000 agency. The Stimpson name will be retained and Stimpson's John A. King will be president.

DIAL is offering its advertisers a chance to pick up two new markets through an agreement it has reached with two regional public tv publications, *Focus*, San Francisco, and *Vision*, Dallas.

CAMPBELL SOUP, Camden, N.J., responding to a formal inquiry of the New York Stock Exchange, said it is not aware of any unusual developments that would account for the increased activity of its stock. One rumor was that PepsiCo was interested in acquiring the soup company, but a PepsiCo spokesman denied any interest or contact.

ESPN, Bristol, Conn., booked Tampax (Esty) as a new client and renewed Exxon (McCaffrey & McCall) and Owens-Corning (O&M) to six-figure buys, for a combined $1,250,000 in 1982 commitments.

MARTIN LANDEY, former deputy chairman of Geers Gross, New York, has formed Martin Landey Associates, which will specialize in marketing communications and is located at 747 Third Ave., 10017.

FERBER, JANKLOW & ASSOCIATES, New York, has merged with Chimbel & Bender to form Ferber, Janklow, Chimbel, Bender, with an estimated $5,500,000 in billings. The address is 1790 Broadway, 10019.

VITT MEDIA INTERNATIONAL has closed its Los Angeles branch, with Jim Barker, manager, among those who were dismissed. Vitt execs explained the move made economic sense.

GENERAL FOODS, White Plains, N.Y., said it has not had any contact with ITT concerning possible acquisition of that company's Continental Baking Co. subsidiary.

ACCOUNT ACTIVITY: **Charmglow Products** division of Beatrice Foods, Bristol, Wis., moved its estimated $2,000,000-plus account to **Stern Walters/Earle Ludgin**, Chicago, from Creamer Inc. A national tv, radio and print campaign for Charmglow products is planned. . .**WLS-TV**, Chicago, has split with N W Ayer. A selection is expected by April for the $2,000,000 account. . .**CHANGING TIMES** to **Bradley, Dimmock & Hungerford**, New York, for trade advertising and promotion, succeeding Avrett, Free & Fischer. A new campaign will break in the spring.

Kodak debuts new instant

(Continued from Page 3)

picture quality generally associated with instant photography. Kodak also feels that because its flash regenerates in one to two seconds for pictures taken within five feet, its system has gained a leg up on Sun, which takes five seconds.

■ The cheapest of the new Kodak cameras, the Champ, has a list price of $29.95 and no automatic flash. Increasing in price are the 960L, 970L and 980L, which will cost $114.95 and is the first Kodak automatic focus instant. Kodak's new film, $10.95 per pack, has a film speed of ASA 320, faster than before, but not as fast as Polaroid's 600 ASA.

Shipments to dealers will begin April 19, according to Kodak. In May, it will begin what it promises will be its largest ad campaign ever for an instant, up about 35% from current spending. Magician David Copperfield will present the new products in tv commercials by Young & Rubicam themed "Capture all the magic in an instant."

Kodak is keeping mum about the ad budget but is making it very clear that media choices for the rollout go way beyond the company's traditional buys. Kodak—presumably upon the urging of Y&R, one of cable's biggest agency fans—will enter this medium in a big way and will use at least eight cable networks, including ESPN, Cable News Network, WTBS and Black Entertainment Network.

Kodak also will do its normal network push, appearing heavily on prime time and such proven sports bonanzas as All-Star baseball. Daytime will also be used to snag women, whom Richard McCoy, director-advertising and sales promotion, describes as "prime purchasers." Spot tv will also be used in 20 to 23 markets, with b&w and color ads running in a wide variety of national, regional and special interest magazines, plus newspapers.#

Two-way tv screening out the bugs

BY THEODORE J. GAGE

Until a few years ago, the people who spoke of talkback tv as a realistic direct marketing tool got a firsthand sense of how Leonardo da Vinci might have felt when he spoke of flying machines in the 15th Century.

Today, two-way tv, although practical, is still highly experimental. Individuals and companies that fostered the concept a decade or two ago are seeing the affordable, advanced technical equipment coming on the market that will allow them to realize their ideas.

But because there are only a few companies that have endowed their cable systems with the potential to handle viewer response, it is, as yet, too early for anyone to tell whether the home tv and keyboard will become the center for shopping, banking and entertainment. But in certain homes throughout the U.S., it is happening now.

Comp-U-Card of America

Working in conjunction with parent Times Mirror Co., Comp-U-Card, based in Stamford, Conn., has developed one of the nation's most elaborate viewer-response and input cable systems in the country.

With the Comp-U-Card system, a consumer can get facts and details about a wide range of products by using a keyboard to input various product-oriented questions. Ask, for example, about a tv set and the home tv screen will flash an assortment of questions to get more specifics from you. After the central computer gathers all the viewer's specifications, it will present a selection of tv sets that meet those criteria.

Technically, the system approaches what is seen as the ultimate in two-way (or interactive) tv —where the viewer can communicate with the tv almost as if it were a sales person. But the Comp-U-Card system, like all other systems existing today, has some definite drawbacks.

■ In Comp-U-Card's case, the major problem is the lack of a still or moving picture capability. All information consists of text or simple, animated "computer pictures." Consumers cannot see a true-to-life reproduction of the particular tv set he or she may wish to purchase.

"We are installing alpha numeric systems like these but with video capability in stores," said Walter Forbes, chief executive officer of Comp-U-Card of America. "Frankly, to have both, this alpha numeric capacity and the video, demands more technology at a higher cost than people can afford in their homes."

Such systems, however, are coming, he said. While consumers can order directly through their tv sets using Comp-U-Card, Mr. Forbes conceded that they will hesitate to buy certain products they don't have a chance to see. In a great many cases, though, he said people have shown they're willing to order sight unseen as long as they have the facts before them.

If customers decide to order immediately—they don't have to order, but can choose to examine the products only—the system then offers them about 10 different ways to pay for the purchase. Then the material is shipped to the destination of the individual customer's choice. The 50,000 people nationwide who currently have access to the system pay a monthly membership fee for the shop-at-home privilege.

Subscribers can work a setup either through a two-way cable hookup or through telephone lines. Many cable systems, Times Mirror's included, are building all new cable setups with the two-way capability, even if it isn't immediately put to use.

■ There is a dearth of statistics that might show just how popular such two-way systems are with consumers. Comp-U-Card's system was implemented seven years ago and over the past three years has been gaining speed. Nontheless, much of the system is still experimental. But Mr. Forbes doubts there will be anything but growth.

"By 1990, we [the U.S.] could have 20% of all sales done by this electronic method," he predicted. "Interactive cable lets a consumer ask for information and that's something direct mail can never provide. With fewer sales people who know what they're talking about, this system could, in many ways, be more attractive than stores.

"You also have to consider high costs of gas and parking, plus time. But to succeed, the system has to be interactive. Anyone who thinks people will sit in front of a tv while product descriptions and pictures from a Sears catalog roll past is dreaming. Consumers need to get the information on the product wanted quickly."

Qube

If there is any company that has promoted and supported interactive tv with relish, it is Warner Amex Cable Communications, the jointly owned interest of Warner Communications and American Express Co. The company's Qube, most firmly established in Columbus, O., is rapidly improving its interactive services to subscribers in that city and a variety of locations where Qube cable is being installed.

One of the biggest breakthroughs for Qube came recently with a development that allows the viewer to punch in a wider variety of responses than before on a hand-held unit Previously, the viewer had only five response options on the "response panel."

■ Until now, Qube's interactive capability has been especially useful in two ways: Obtaining viewer opinions and offering educational courses.

But with the advent of the new season, Warner Amex can begin to offer services traditionally reserved for stores and direct mail marketers.

Although some of the older Qube systems, especially in Columbus, require telephone lines to complete the two-way linkup, the newer cable systems include two-way capability using tv, not the telephone, a move that should eventually accommodate moving picture capability.

"Marketers can put on shows and display their products, then get immediate response from people in their homes," said Gustave M. Hauser, chairman of Warner Amex. "I'm sure that in time, it will make mailed catalogs obsolete because it's less expensive and commands a faster response." For a while, though, the two will probably work together.

Like Comp-U-Card, the older Qube systems are limited because they depend on phone lines, which cannot transmit visual images, only text and animated pictures.

Mr. Hauser agrees with Mr. Forbes that no one yet knows just how interactive tv will affect consumers and the marketing mix. Mr. Forbes said it is bound to dramatically alter the direct mail catalog business and have some kind of impact on traditional instore shopping. He said that in five years, interactive tv "will be a lot more compelling than direct mail."

■ While Mr. Hauser was cautious about making any predictions, he said the two big advantages interactive tv will enjoy over both direct mail and instore shopping are cost and time savings.

Currently, the biggest obstacle to a real boom in two-way tv, said Mr. Hauser, is the cost of the necessary equipment for inhome use and the need for more cable systems capable of handling two-way audio and visual communication.

To find out just how and where interactive will fit in, Warner Amex is willing to experiment with almost anything.

"Right now, we're not thinking of profitability or success in terms of large viewership for our interactive," said Mr. Hauser. "It's a matter of learning, of seeing how people respond to various offerings. We're finding out what they like and want and what they don't."

Qube hasn't hired market researchers to estimate what will succeed and what will not because only actual experimentation will yield suitable statistics. And Qube, added Mr. Hauser, is not overly concerned at the moment by how many people use the interactive system when it's offered. The company is tracking the responses of those who do.

"Warner exaggerates sometimes when they talk about the response to various interactive shows," said an industry observer. "They may

(Continued on Page S-6)

Theodore J. Gage is an Evanston, Ill.-based business writer who frequently contributes to Section 2.

Videotex/teletext trials and programing (Existing or proposed)

Owner	Name	Media	Subscribers	Format	Location	Date
ABC/CBS/NBC	Captioning for the deaf	Broadcast Tv.	30,000	Tv, VBI	National	1971
Alternate Media Center and PBS	WETA-TV	Broadcast	64	Telidon	Washington	mid-1981
American Telephone & Telegraph	Electronic Yellow Pages	Phone	75		Albany, N.Y.	1979
	Viewtron	Cable Phone	100 64	Viewdata	Coral Gables, Fla.	July 1980 January 1981
	Electronic Information Services	Phone	740		Austin, Tex.	
A. H. Belo	Park Cities	Cable	200	Computer	Dallas	1980
CBS/PBS	KNXT/KCET	Broadcast	100	Antiope	Los Angeles	1981
CompuServ	MicroNet	Phone	10,000	Computer	Columbus	November 1979
Cox Cable	INDAX	Cable	300	TV	San Diego	1981
Dow Jones	News/retrieval	Phone	18,000	Computer	National	1980
	Park Cities—	Cable	200	Computer	Dallas	1980
	Park Cities—	Cable		Antiope	Danbury, Conn.	1981
WFLD/Field Enterprises		Broadcast	100	Ceefax	Washington	1981
Knight-Ridder	Viewtron	Tv Phone	160-Tv 84—phone	Viewdata	Coral Gables, Fla.	July 1980 January 1981
KSL-TV		Broadcast Tv		Teletext	Salt Lake City	June 1978
OCLC	Project 2000	TV Phone	200		Columbus, O.	1980
ProFarmers of America	Instant update	Computer Phone			Cedar Falls, Ia.	1980
Telecomputing Source Teleprompt	The Source	Phone	10,000	Computer	McLean, Va.	June 1979
Time Inc.		Satellite Cable	100 200	Telidon Telidon	Albany, N.Y. Orlando, Fla.	Late 1981 Late 1981
Times Mirror		Cable Phone		Tv	Los Angeles	1981
		Cable Phone	200	Telidon	Los Angeles	1981 Orange County
University of Kentucky	Project Green Thumb	CRT/Phone	200		Kentucky	1980
Warner-Amex	QUBE		10,000	Tv	Columbus, O.	1977

Source: International Resource Development

Interactive tv: Wave of future?

(Continued from Page S-2)
talk about a good response and talk in percentages. What they don't always say is those percentages are sometimes based on 20 or 30 viewers."

Mr. Hauser reiterates that Qube would like to see enthusiastic responses to all two-way offerings.

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The experimental nature of the program assures that some offerings will succeed and some will flop. "It's all part of the learning process we are committed to," he said.

Viewtron

Offered by Viewdata Corp. of America, a subsidiary of Knight-Ridder Newspapers, Viewtron is another home information service giving viewers in selected areas the chance to communicate and retrieve information through their tv sets. For the Viewtron tests in Coral Gables, Fla., American Telephone & Telegraph Co. teamed up with Knight-Ridder. Other companies, including CBS Inc., acted as information providers.

This system uses telephone lines, therefore, also has no moving visual capability. All such systems today, said Morton Goldstrom, marketing director of Viewdata Corp, have visual reproduction "only slightly superior to Legoblocks."

In a limited test, Viewtron offered a variety of informational services using the tv and phone lines, and viewers could respond by using a hand-held device similar to a pocket calculator in conjunction with a keyboard.

With 30 homes at a time being tested, Viewtron services went into 204 strategically chosen Coral Gables homes until the 6-month test ended in September, 1981.

Mr. Goldstrom said Viewdata Corp. officials agreed the testing warranted a bigger program. By 1983, 5,000 homes in south Florida should have Viewtron interactive service. Although primitive in some ways—no sound, stylized graphics instead of moving pictures—the system allowed viewers to call up information from Viewtron's data base, which included the equivalent of about 18,000 pages, or screenfuls, of information ranging from microwaves for sale to instructions on boating safety.

Mr. Goldstrom said that because the audio and visual capabilities of the system were so limited, the fact-providing service had to be fast-paced and interesting. That, and the interactive function, made Viewtron stand out from cable systems that offer rolling text.

"This is information search where you can get exactly what you want immediately," he explained. "You don't have to wade through a mountain of information because you can ask for what you want.

The Viewtron system offered advertising, but it was not of the traditional type. It was fact-packed and informational, much like Qube's concept of the infomercial.

Viewers would not put up with traditional tv commercials, said Mr. Goldstrom, but instead wanted commercial messages that educated and informed.

In fact, he added, Viewtron was more advertising-oriented than any similar system. Advertisers included companies like Eastern Airlines, B. Dalton Co., Sears, Roebuck & Co. and Merrill Lynch.

While it is too early to tell the ramifications of such an information system, Mr. Goldstrom said that it not only could provide a stiff challenge to direct mail marketing, but could become a major source for up-to-the-minute news and information. A major advantage would be that viewers could request news categories or specific stories that interested them.

He said information services will be the most attractive in the short term because of the limitations that exist in transmitting pictures. "Frankly, how many things will you buy without at least being able to see a picture of it?" he asked.

But with test results encouraging enough to prompt the company to launch a more expansive test and to attract the interest of news and information providers like CBS, Dow Jones & Co. and the New York Times Co., Mr. Goldstrom said it looks like Viewtron is on the way to success.

Interactive marketing may be here to stay, and whether such marketing works over the telephone remains to be seen. But Gary Arlen, publisher of "International Videotex Teltext News" and "Teleservices Report", said two-way tv will work. But before it becomes a major marketing force, it must offer full audio and visual to make it attractive to a large number of consumers.#

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Standard Rate and Data Service, Inc.

Advertisers face buyers' caution

(Continued from Page S-10)

with orders. Telemart received 23,000 orders in two weeks. The issue seems to be "inadequate" technology (and management), not a consumer "aversion" to at-home shopping via interactive systems.

HBR also argues that consumers won't want to give up the "personal touch" of store shopping. But creatives counter by saying that consumers would welcome the change.

Interactive tv would give the ever-larger numbers of working people more time and save them gas money, says Mr. Waites. Emily Soell maintains that an encounter between customer and sales clerks in today's crowded stores is often dishearteningly impersonal, with clerks often underinformed and overworked.

And creatives join together in asserting that the hardware itself won't be a turn-off. Mike Fabian, president of McCann-Erickson March, sees anyone under, say 50, as "untraumatized by technology" and welcoming it.

Ms. Soell comments that everybody has a calculator these days, and electronic games have "caught on like wildfire."

■ Although most agency creatives see the new two-way electronics as having great potential as selling tools, they also agree that certain problems must be overcome before the consumer will be equally enthusiastic.

"A basic problem, especially compared with regular tv, is that text and primitive graphics are currently all that can be displayed," says Mr. Waites.

"Tv today communicates in an emotional way; this is not available in videotex or viewdata." Until picture relay improves, the "critical areas" of creative response, says Mr. Waites, will be: To make selection from the information "menu" simpler, more direct and more responsive, and to make "key words" (meant to call up information) more evocative and appropriate.

■ Creatives can use their experience in personalizing to transform these "electronic laundry lists" into products and services that meet somebody's needs.

"There are real challenges there," says Mr. Kobs, who shares Mr. Waites' concern over the lack of powerful graphics. He calls the present system a kind of electronic classified advertising; "You wouldn't buy a dress from the viewdata system; you'd have to see it first.

Tv's obvious advantage is its demonstrability," he says.

But Mr. Kobs does see a promising way to get the selling message across despite present-day limitations. He and Mr. Beauchamp both cite the "infomercial" as providing cable entertainment—a potential advertiser's dream.

This one-half hour format would consist entirely of selling time—through entertainment and product information, as well as the marketers' commercial message. Explains Mr. Kobs: "The viewer would object to a one-half hour commercial, but if he's interested in the subject of say, cake decorating or woodworking, he wouldn't object to a program on these." The idea is to entertain.

Interactive systems test results seem promising. In September, Viewdata Corp. of America (a subsidiary of Knight-Ridder) wrapped up a study begun in July, 1980, in more than 200 Coral Gables, Fla., homes.

■ "Results were overwhelmingly favorable," says marketing director Mort Goldstrom. "Usage was very high, and in follow-up interviews consumers said they liked the service and would pay for it."

He adds carefully that "there's no indication that it's viable, but no indication that it isn't."

Knight-Ridder, Affiliated Publications and Capital Cities Communications are targeting a joint launch in 1983 of a paid-service videotex product in Florida.

Bruce Sanderson, vp-business development for Cox Cable's Indax, predicts "widespread acceptance" of interactive cable by 1983 or 1985, while cautioning that exact predictions are difficult because there's no precedent for the service. All Indax systems are "in the testing mode now" and users are not charged. The system will be commercially available in Omaha, Neb., in the first quarter of 1982. Other systems will follow "shortly thereafter," says Mr. Sanderson.

Predicting the future has always been risky. And if past "predictions" are as correct as they turned out to be, the new media have a sterling future:

"If God had intended that man should fly, He would have given him wings . . . the airship business is a 'fake' . . . ."

—Rear Admiral George W. Melville, Chief Engineer of U.S. Navy, 1901

"The ordinary 'horseless carriage' . . . will never, of course, come into as common use as the bicycle."

***—Literary Digest* Oct. 14, 1899#**

Sales volume of leading direct marketers, 1981

(Estimated figures)

Company	Sales volume (in millions)
Sears, Roebuck & Co.	$1,646
J.C. Penney Co.	1,537
Montgomery Ward & Co. (Mobil)	1,231
Time Life Books	400
Spiegel (Otto Versand)	387
Franklin Mint Corp.	375
Fingerhut Corp. (American Can Co.)	300
Ardens (Wickes Corp.)	260
Signature Financial Marketing (Wards)	200
Columbia Record Club	195
Publishers Clearing House	170
American Express Co.	140
Grolier	135
L.L. Bean	132
Heath Co. (Zenith Corp.)	115
Avon Fashions	100
RCA Music Service	100
Herrschner, Brookstone & Joseph Bank (Quaker Oats)	100
Hanover House Industries	100
Spencer Gifts (MCA)	85
Current Inc. (Looart)	70
Dreyfus Corp.	60
Book-of-the-Month Club (Time Inc.)	60
Swiss Colony	53
Roaman's	50
Eddie Bauer (General Mills)	43
Miles Kimball	40
Lillian Vernon Corp.	40
Horchow	40
Lee Wards (General Mills)	35
Figi's (American Can Co.)	35
Harry & David	35

Source: Direct Mail/Marketing Assn.

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Fast growth sends admen on talent hunt

BY WILLIAM GLASS

The direct marketing agency has made a recent and dramatic arrival on Madison Avenue. Since 1979, Benton & Bowles, Grey Advertising, Ted Bates & Co., J. Walter Thompson USA, Doremus & Co., McCaffrey & McCall and McCann-Erickson have all entered the field with divisions or subsidiaries.

The less recent acquisitions (or creations) of direct marketing arms by Young & Rubicam Co. (Wunderman, Ricotta & Kline, Stone & Adler, Chapman Direct); Doyle Dane Bernbach (Rapp & Collins); Ogilvy & Mather (Ogilvy & Mather Direct Response), and Compton (Compton Direct Marketing) have all occurred since 1970.

Such explosive growth has created a demand for talent that far outstrips the supply. On the one hand, this means that career opportunities in direct marketing are extraordinary. As Gary Andrews, director of client services with Wunderman, Ricotta & Kline, puts it: "The opportunity in a direct marketing agency is one light year ahead of the opportunity in a general agency, any way you want to cut it; financially, power base, eventual responsibility or potential."

On the other hand, it means that any agency not wishing to suffer because of inadequate staff had better plan for the future.

One of the reasons for the talent shortage is, of course, the rapid growth of direct marketing.

Why has this growth occurred? The reasons usually given fall into three categories. The first includes changing social conditions: The growing number of women in the work force; rude or incompetant sales people; safety; access to a wide variety of products through direct marketing, and the cost of gasoline.

■ The second group concerns the increasing attractiveness of direct marketing to the advertiser. The No. 1 reason is that because the number of sales resulting from a given direct marketing piece can be figured out, the advertiser can ascertain the exact contribution to profit made by each advertising dollar. Direct response advertising is growing because the rising costs of sales calls make the ability to qualify leads increasingly valuable.

The third reason for direct marketing's growth is probably the most important: The movement from mass marketing to targeted marketing. At the heart of the trend is the computer and its ability to process an enormous quantity of data quickly and cheaply. This permits the advertiser to develop products for and distribute products to narrowly targeted market segments.

Direct mail and special interest magazines traditionally have been the obvious media to reach such audiences. Cable tv, however, promises to bring narrowly targeted offers to the broadcast media. With cable operators talking about having the capacities of an extraordinary number of channels, it is reasonable to imagine the evolution of tv designed for mass audiences into tv designed for special audiences. This would parallel the breakup of mass magazines into special interest publications.

■ And what in particular is causing the growth of the direct marketing agencies? Two reasons are generally given. The first is the entry into the field of nontraditional direct marketers such as Procter & Gamble, Digital Equipment Corp. and the Marine Midland Bank.

The second reason for agency growth is the discovery of tv as an effective direct response medium for a wider variety of products than anyone had ever dreamed.

In 1973, for example, Wunderman, Ricotta & Kline billed under $3,000,000 in tv. In 1981 it billed more than $50,000,000.

■ The changes of the past few years all demand new skills and new styles from those who create the strategies, campaigns and ads.

Account managers, for one, must combine a knowledge of direct marketing with a knowledge of strategic market planning. Says Ed Nash, exec vp of Rapp & Collins, whose book "Direct Marketing" was recently published by McGraw-Hill, "Today there is room—even a demand—for individuals with some kind of package goods background but with talent and a genuine interest in direct marketing. This stems from the increasing need to communicate with clients that are primarily package good companies."

Bill Morissey, exec vp of Ogilvy & Mather Direct Response, distinguishes the new direct marketing person from the old by his concern for positioning and brand image. Account management must now concern itself with broadcast. Even the corporate style that is the hallmark of the large general agency is, more and more, becoming a requirement of the direct marketing agency.

This is not to say that there are no differences between direct marketing and general advertising. As Mike Slosberg, president of Wunderman, Ricotta & Kline, has observed: "The account executive at

(Continued on Page S-16)

To cope with the talent shortage agencies have been forced to recruit from the limited supply of direct marketing professionals, both on the agency and the client side.

William Glass is managing director of the direct marketing division of Rex Associates, New York, an executive search company specializing in advertising and marketing.

Gross billings of top direct marketing agencies (Total in millions)

Agency	Billings 1980	1981
Wunderman, Ricotta & Kline	$ 98.7	$ 109.5
Ogilvy & Mather Direct	38.7	55.6
Stone & Adler	30.5	38.7
Rapp & Collins	27.4	36.5
Compton Direct Marketing	20.0	23.5
Smith, Hemmings, Gosden	20.9	22.7
Kobs & Brady Advertising	18.7	21.5
DR Group	14.6	20.5
Soskin/Thompson	9.8	19.6
Chapman DM	12.8	18.5
Ayer Direct	9.3	17.7
MARCOA	12.0	13.0
Grey Direct	7.2	11.2
Ketchum, MacLeod & Grove	5.0	7.0
Throckmorton/Zolfo	3.5	4.5
J.W. Prendergast	2.8	3.2

Note: List is not comprehensive; several large agencies did not release data.
Source: Direct Mail/Marketing Assn.

Amazing!

See page S11

PORTRAIT OF A DIRECT MARKETING EXPERT.

"As a direct marketing firm, we help our clients translate their objectives in terms of a direct marketing strategy. And we do a lot of work in the dealer direct mail area where national distribution is aimed at business prospects.

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"When we want full national coverage and good current lists, NBL usually ends up being the best choice."

We used NBL for a builder supplier (distributor) mailing program at Frigidaire. And we mailed to 92,000 prospects three times to achieve market penetration. According to the Housing and Industry Sales Division, they had over 10,000 customer inquiries. So we had an accumulative response rate in excess of 10% and an average response rate of 3.3%.

We've also used NBL for Litton Microwave Cooking, Toshiba America, and Wickes Corporation.

When we want full national coverage and good current lists for a dealer direct mail program, NBL usually ends up being the best choice. And we back that up with the fact that we've had continued good experience using NBL lists."

Mark Morris, Chief Executive of Mark Morris & Company, Inc., a direct marketing firm.

To find out what we have for you, send $1 for the 58-page NBL List Directory with over 1,000 market classifications, representing 10,000,000 names and addresses.

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FOLLOW THE LEADER.

Talent shuffle

(Continued from Page S-13)

WRK is probably more deeply involved in the profit responsibility of his client than a management supervisor in a general agency because profit and accountability are the business they are in. They are working hand in glove with their client to get a bottom line."

This means that an individual in the field must *want* to be judged by results. As Jim Stetler, exec vp of WRK notes, everyone might not enjoy "having the calipers applied each week."

The same is true in creative. A subjective response or even a Burke score is less interesting than whether or not the ad pulled. A creative person must be prepared for a straightforward presentation's out-pulling a more "imaginative" one.

To cope with the talent shortage, agencies have been forced to recruit from the limited supply of direct marketing professionals, both on the agency and the client side. The result has been a bidding war, and a realignment of salaries.

■ Eighteen months ago direct marketing personnel lagged behind their general agency counterparts in earnings. Now they often earn more. Direct marketing agencies also promote quickly—as soon as competence is demonstrated. But direct marketers alone have not been able to supply the needs of the direct marketing agencies, and the latter have been courting the general agencies in order to find talent.

Although by nature this results in something of a compromise, it also can be mutually beneficial. For example, general agency account people bring experience in strategic planning, and the agency creative people bring experience with tv.

In fact, the near impossibility of finding talented men and women with specific experience has led Wunderman, Ricotta & Kline—for one—to focus primarily on pure talent.

What has actually happened, however, is a readjustment of qualifications needed because of the dearth of the specific direct marketing skills available. In fact, the near impossibility of finding talented men and women with highly specific experience has led WRK—for one—to focus primarily on pure talent.

The agency's Mr. Stetler, compares the search for direct marketing talent to the professional football teams entering the college draft looking not to fill a specific position but for the best available athlete.

■ Inevitably, faced with people whose experience is incomplete, agencies are developing training programs to help fill in the pieces. Ogilvy & Mather Direct Response already has a training program for account execs and now is developing one at the supervisory level. George Wiedemann, president of Grey Direct, has developed the Career Development Program for the Direct Mail/Marketing Assn. and uses it in his own agency.

WRK is putting together a variety of programs relating to staff development. So is Benton & Bowles Direct and Stone & Adler.

In addition to programs developed by the agencies themselves, the DMMA has put together a number of introductory and advanced instructional programs.

The demand for the programs, which are supported in large part by course fees, can be measured by the growth of departmental budget. Dante Zacavish, senior vp of the DMMA, reports that in 1978 the total program budget was about $160,000. Today, it is close to $900,000.

■ Long term, the problems of obtaining personnel are two-fold: Lack of entry-level positions and lack of education (both in teaching the new skills necessary and making the availability of direct marketing positions known through educational institutions.)

As to the first, direct marketing companies traditionally have regarded themselves as entrepreneurial operations and have had little interest in staff development. Therefore, there has been no normal recruiting at the entry level.

This is changing slowly as agencies are coming to realize the seriousness of the deepening shortage and as they pass on this concern to those with the power to do something about it.

Education is the second large concern. Those in the industry constantly talk about the need for the industry to publicize itself. The DMMA Educational Foundation, headed by Dick Montesi, runs two programs designed to address this concern.

The DMMA Educational Foundation has developed a number of successful programs to reach the university student. The best known is the Collegiate Institute, offered twice annually, in which 35 carefully selected college seniors spend a week in seminars exploring the various facets of direct marketing.

Companies interested in recruiting at the entry level are invited to interview them. About 35% to 40% of the attendees find work in direct marketing, and the foundation boasts a list of some 125 professionals who are recent Institute graduates. The foundation also sponsors an eight-week summer internship for racial minorities. Of the 15 students who interned, three were offered permanent positions immediately and others were invited to interview after they completed school.

■ The No. 1 priority of the foundation is to increase the number of direct marketing courses taught in universities.

To this end the foundation has created "Professor Institutes," which bring together a group of 35 professors for three or four days to learn direct marketing. The first institute, held in Chicago last May, resulted in the addition of eight direct marketing courses to college curriculums.

The results of the second istitute —held this past November—are not yet in.

If both it and the two planned for 1982 succeed, they could be the single most important thing being done to assure a steady flow of fresh blood into the industry.

Despite growing pains, the direct marketing industry—and the agency business in particular—will continue its rapid expansion.

Managing the growth will be a difficult and delicate task, but how it is handled will determine which agencies are the most successful.

For some years to come, the critical challenge will be to identify and develop the brains and talent required.#

HOW TO PUT YOUR DIRECT RESPONSE PACKAGES TO THE TEST BEFORE YOU PUT THEM IN THE MAIL.

The ultimate test of any direct response package is what it does in the mail. But considering what's happening to the cost of in-the-mail testing, it's also a measurable test of your nerves. And your budget.

Does that mean we're against in-the-mail testing? Hardly. But we're very much against in-the-mail wasting.

We believe it's not always necessary to drop a mailing to determine if you should drop the token from control. We believe you can discover if a 4-page letter is more effective than a 2-page letter before you mail it. We believe talking, prior to mailing, can provide you with a wealth of information about products, prices, offers, premiums, response devices, personalization techniques, copy appeals and graphics. And we believe utilization of this information can dramatically increase response when you do go in the mail.

Yes, we believe. In research. In primary research. And we're making believers of more and more direct response professionals every day.

They realize the challenge facing the direct response industry in the 1980's lies not in merely trying to cope with higher mailing costs, nor in meeting the increasing number of mailing restrictions. The challenge is doing everything possible to create the most effective, most cost-efficient direct response packages before they're mailed—even before they're tested in the mail.

Primary Research can help you meet that challenge.

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SPECIALISTS IN CREATIVE LASER IMAGING

Rodale

(Continued from Page S-35)

"natural" world in general were the best means to health, happiness and longevity. Those are the themes that make up a large part of the *raison d'etre* for all Rodale publications and that served the company's founder until his death at age 72 in 1971.

Both *Organic Farming and Gardening* and *Prevention* became successful and paved the way for more success.

Organic Gardening (as it is now called) currently has a subscription base of some 1,250,000; *Prevention*, some 2,750,000.

The two have been joined by *The New Farm* (an offshoot of *Organic Farming and Gardening*), *Bicycling* and *New Shelter*, which have 100,000, 200,000, and 625,000 subscribers respectively. The company also publishes the "Executive Fitness Newsletter", which goes to 70,000 subscribers. Rodale's magazine business is nearly 100% subscription, although the company is in the midst of an expanded single-copy sales program.

Rodale also spreads its philosophy via Rodale Press Books, which publishes approximately 30 new volumes a year and lists some 160 titles.

In addition, Rodale has made the plunge into cable tv programing with its eight-part "Home Dynamics" series, introduced last fall in Providence, R.I. A second series is in the works.

The company is not a stranger to tv. It began using tv direct response ads for *Prevention* eight years ago, launched New Shelter with tv direct and at the time of this writing was in Florida shooting shots for the kick-off of Spring, the new women's magazine Rodale plans to introduce in April. All of the Pennsylvania publisher's tv spots include the use of 800 dialing. Plant expansion and computerization have kept pace with all of this growth.

■ Rodale handles all of its customer transactions—some 6,000,000 annually—in its 43,000 sq. ft., solar-heated Operations Center. Five years ago, the company made the conversion from manual to computer systems when it began using scannable documents for invoices and early renewal efforts. Rodale also uses its inhouse computer ability to run regression analysis and other multivariate systems to find and mail to the most responsive segments of its house lists. It is also testing this analysis on outside lists.

Yet despite the modernization and growth that has turned Rodale from a small, alternative curiosity into a major publisher that logged $100,000,000 in sales during its Aug. 1, 1980-July 31, 1981, fiscal year, the company is still frequently thought of as a small, family business where people work at rolltop desks and live in communes, Mr. Teufel cheerfully acknowledges.

The Rodale Press president figures one reason customers feel that way is that they know Rodale researchers generate a lot of the material that appears in the company's publications.

For example, "Fitness House," Rodale's executive dining quarters, started out as the test kitchen for the recipes that appear in its books and magazines. And, in addition to a small experimental garden on the nearby Rodale homestead, the company operates a 305-acre Organic Gardening and Farming Research Center in Maxatawny, Pa., where researchers develop new farming methods, foods and food technology and animal and plant breeding programs geared toward discovering new, low-energy resources.

■ On top of that, says Mr. Teufel, many Rodale employes, including board chairman Robert Rodale, J.I.'s son, actually live the Rodale life.

"People know we're involved in research as well as publishing," Mr. Teufel says. "And we know people depend on the information we print, so we take great care to doublecheck every fact, test every product and recipe we develop and make certain that all of our endeavors contribute to society. For us, this comes naturally, because most of the Rodale family of employes are actively involved in the way of life we write about. We all have a personal stake in our ideas."

What this means, adds Mr. Teufel, is that Rodale's sense of "mission" makes the company "more than a business."

In fact, even the almighty advertising dollar has failed to crack the Rodale way in some cases.

In spite of a move to attract mainstream advertisers in recent years, Rodale will not accept ads for any commercially prepared foods, alcoholic beverages or cigarets. The company also turns its back on certain other commercial items, including some household appliances and toiletries it believes do more harm than good.

If anything, Mr. Teufel says, technology has only helped Rodale maintain the personal ambiance it shares with its customers.

—*M.McC.E.*

Cable services and shopping on catalog programs (Existing or proposed)

Owner	Show	Equipment	Subscribers	Format	Location
Times-Mirror Satellite Programing/CompuCard	Home Shopping Channel	Six pilot systems		Half-hour comparison shopping program. $18 subscriber fee. Times-Mirror/CompuCard gets 3% to 5% commission on products sold.	Louisville, Ky. Hartford, Conn. Orange City, Cal. Springfield, Ill. Newark, O.
Modern Satellite Cable Systems with Washburn & Associates	Home Shopping Show	Cable (MSN)	465 cable systems	Tuesday afternoon shopping demo. Advertisers pay for program. 800 telphone used.	All over U.S.
Teleconcepts	Shoppers Magazine	Manhattan Cable	Testing	Half-hour catalog shopping	New York
North American Videotime	Catalog and shopping programs	Satellite Programming Network (SPN)	1982 proposed 900,000 subscribers	Similar to Home Shopping Show.	All over U.S.
American National Cable Communications	Consumers Direct Catalog Showroom (Video Shopper)	Access station	200,000		Long Island Westchester Northern New Jersey
HomeServ	Catalog Shopping show	Cox Cable (INDAX)	212,000		San Diego

Source: International Resource Development

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Learn how we help our clients' distributors, dealers and salesmen

How to get more sales per dollar.

Discover how we can help you reduce your selling costs . . . increase your sales and market share . . . without eroding your advertising budget. Place the burden of proof on us. Clip this ad, attach your business card and mail. Or call (612) 872-1616 and ask for a copy of our folder "You've been doing it . . ." Learn how a cooperative direct marketing program can get results for you. Do it now.

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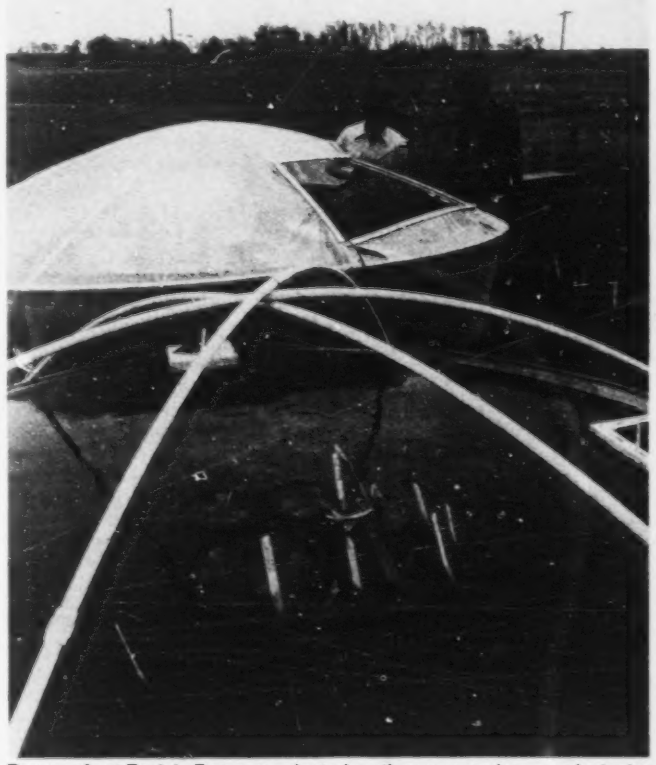


Research at Rodale Press, conducted on the company's grounds, looks at various methods of organic farming, including aquaculture.

OUT or IN, dialing delivers dollars

BY GARY WEST

The Dreyfus lion stalks out of a subway exit and prowls Wall St. while an off-screen voice intones the virtues of mutual funds. An 800 number holds on the screen and throughout America thousands of hands reach for the convenience of their telephone to respond.

Every minute, during the peak month of January, approximately 700 people are dialing an 800 number in response to a tv commercial to order products or request information. But tv direct response constitutes only a fraction of the entire 800 toll-free industry, which American Telephone & Telegraph Co. estimates will make or take 1.6 billion calls in 1981, about 22% over 1980. And the telemarketing industry as a whole is so large that $9.845 billion was spent last year just on the cost of telephone calls, exclusive of labor, media buys or profit.

As immense as these figures are, there is currently no way to fully conceive of the total size of the industry.

Previously the bargain basement of advertising, telemarketing in the last five years has attracted, in addition to Dreyfus Fund, such well known national names as Brown & Williamson Tobacco Co., Time-Life, *Wall Street Journal*, Citicorp and Ford Motor Co.

■ For many people in the traditional ad community, however, there is still quite a bit of confusion as to what telemarketing is, what it can do and where it is positioned in the total marketing picture.

Telemarketing, generically, describes a system of placing or receiving telephone calls to capture orders, generate leads or provide services to existing customers through a scripted message; the purpose is to make or increase sales in a measurable and cost-effective manner. There are two methods used to achieve these purposes: IN WATS (Wide Area Telecommunications System) and OUT WATS.

IN WATS uses the familiar 800 toll-free number to receive order calls from direct response ad campaigns, mail order ads and direct mail. It also collects self-qualified leads (in which a person, answering an 800 number, identifies certain characteristics about him or herself) for future information, brochures and sales calls from consumers and business people.

IN WATS is performed both inhouse and by toll-free answering services; the choice depends on the volume and duration of the campaign and the amount of interaction between operator and caller.

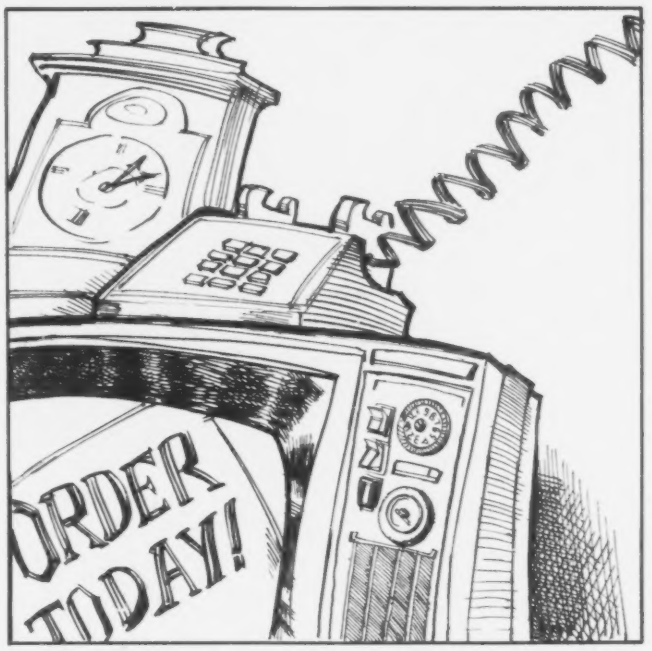
OUT WATS makes sales and research calls, primarily, but not exclusively, on WATS lines to consumers and business contacts to sell products, service accounts and develop leads.

Once again, this is handled both inhouse and through service companies.

■ The telemarketing industry serves eight basic functions: It provides for order capture and lead generation; provides for direct sales and lead generation (OUT WATS); receives calls for such institutions as Runaway Hotlines, Medical Information (IN WATS), and receives orders for catalogs and dealer locator programs (IN WATS), although increasingly it is used as OUT WATS to follow up direct mailings for such companies as Montgomery Ward & Co. and Bloomingdale's.

It also provides for hotel, car and airline reservations (IN WATS); credit card authorizations (IN WATS), and promotion, sweepstakes and product information (IN WATS). It also helps in product introduction.

Possibly the most exciting growth areas are order capture and lead generation, OUT WATS sales and research and product introduction.



In order capture and lead generation, the consumer is prompted by tv, print or radio advertising—along with direct mail—to call an 800 toll-free number at the instant of motivation to order the advertised product or to ask for more information. Operators capture the order for cash on delivery or credit card sale or obtain needed demographic information to qualify the lead.

In some cases, the operator verifies the credit card number, compares the address to the Zip code to prevent errors or "upsells" the caller by making suggestions for multiple orders, increased length subscriptions or the like. Increasingly, the toll-free service company is being required to process the data and deliver the information to the client through daily electronic transmission.

■ Why are order capture and lead generation such growth areas?

Inflation has increased pressure on marketers to make their advertising results measurable; what better way than a medium where, at the end of the day, you know how many *actual* orders you have taken, on specifically which stations and for an exact amount of money per order?

Also, media buyers can now obtain extraordinary research data on the type of audiences, the amount of appeal and viability of different media sources—all at little or no cost as part of the order capture.

Moreover, the marketplace is different. Two paycheck families may have more money but less time to spend it; they understand product value more and enjoy the convenience, speed and use of credit cards. They are becoming more accustomed to telephone sales. Many enjoy the personal contact of a voice at the other end of the phone.

■ As direct response has shown itself to be quite cost-effective in selling products, its value as a source of self-qualified leads has opened the market to mutual fund sales, banks, gym equipment, regional travel authorities, and insurance companies that earlier had shunned the field. (A self-qualified lead refers to a person responding to a toll-free number for more information, for, say, energy saving devices. By responding to the ad, the person automatically identifies himself as being interested in the product and possibly being in the market in the future for something similar.)

Rather than randomly mail to potential consumers, a lead generation campaign that offers free information can yield both valuable demographic data and an avenue for sales of high priced items. For example, the Texas Tourism Office found that while 52% of coupon clippers who asked for a guide to the state visited the area, 63% of those who called for information left their vacation dollars in the Lone Star State.

The bottom-line is cost per order acquisition (CPOA). Such a figure can be determined by dividing the sum of the costs that go to make a sale—commercial products time buys, toll-free answering service, fulfillment—by the actual number of orders. It isn't the cost per thousand but the CPOA that determines the success of a direct response campaign.

Often a service company, through its ability to take more accurate and a larger number of calls per hour, can make the crucial difference. Its ability to "upsell" the

(Continued on Page S-41)

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AA 152

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TCMA represents 600 companies and charitable organizations who use third class mail. Our counsel, ex-Postmaster General J. Edward Day and our Executive Director, William G. Mullen, will represent you in Washington. Regular TCMA bulletins and letters give you an inside track on postal developments—allow time for you to take steps to save your company money.

• Why should you join TCMA now?

Because tomorrow may be too late. Right now, moves are under way to raise rates and change postal classifications—moves that vitally affect your company! Your help is needed NOW.

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Easy. Send in the coupon below and full details on a special introductory membership rate will be sent to you.

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With your membership information, we will include the latest TCMA bulletin, bringing you up to date on postal affairs in Washington.

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COMPANY_____
STREET_____
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STATE_____
ZIP_____

Dial power

(Continued from Page S-39)

caller also helps. If other costs are the same, more orders means a lower cost per order acquisition.

Still, the increased volume in tv direct response has created some problems. Inflation and demand have raised spot costs dramatically, although insurance companies and merchandisers of expensive items are willing to pay more for lead generation programs since their payback has been much higher through the years.

■ Says John Marsh, president of RM Marketing, King of Prussia, Pa., one of the largest buyers of direct response tv time in the U.S.: "Five years ago, this was an easy field to enter. Today, it's harder for new players to purchase the needed time; media sales reps know the market and have established relationships to whom they can sell most of their time. Consequently, it's a higher risk game now for new companies using television direct response."

The future may be even more spectacular, as technology makes the almost impossible real. For example, WATS Marketing of America and National Data Corp. soon will be able to directly authorize the use of credit cards. Someone ordering a product would at the moment a call is made have the funds taken from his account and placed into the advertiser's.

Also, combined time share computer systems will allow direct marketers companies to control their inventories directly from the orders taken by the service companies.

Through computer software, order taking speed will increase radically; a drop of only four seconds on a one-minute order capture would result in a sales increase of 6.7% at no extra labor cost.

By this spring, computers are expected to automatically compare the given address to the Zip code stored in memory and tell the operator if there is an error in the order. Soon, they may be able to compare both items against a stored telephone number, allowing almost foolproof ordering.

George Smith, director of marketing with Avis toll-free services, predicts greatly enhanced 800 service to Canada and Mexico; he also sees a shakedown from the current 25 national service companies to 10 in the coming years. "The industry will be stronger and the quality higher as the demand for responsible order capture forces the less mature companies out of the business," he says.

■ One other area of great interest lately has been OUT WATS sales and research. Today, OUT WATS constitutes less than 10% of the telemarketing industry; it could reach the size of IN WATS in the next decade. The factors for its rise are, once again, economic.

In the last decade, the cost of a sales call and the cost of bulk rate mail both increased by 70%, with first class itself going up by 55%. According to some observers, a single sales call costs nearly $200, with 4.3 sales visits necessary to close a single industrial sale. Add to that equation the results of research concluding that OUT WATS telemarketing, combined with direct mail, yields 2.5 to 7 times the positive response of mail alone, and the conclusion is that telemarketing must be tried.

OUT WATS marketers agree that there are enormous opportunities in the future for them; they do not all agree where that future is. Ernan Roman, vp, business development for Campaign Communications, anticipates that interactive systems, including teletext and viewdata will be a viable force in the 1990s, if the consumer acceptance and cost factors are successfully resolved.

Another possible trend being sparked by AT&T is the perception of telemarketing as a medium, rather than as a service. James Mahood, brand manager of AT&T Long Lines, sees business to business OUT WATS as performing many of the same functions as traditional advertising—creating brand loyalty and identification, stimulating demand and trial and selling against competition. "Telemarketing's lcountability, cost-effectiveness and functions make it a media cost, part of an integrated campaign to raise awareness and sales."

Meanwhile, product introductions through telemarketing is one of the most exciting trends to appear recently.

Telephone expenditures for telemarketing

(Estimated figures)

	(In millions) 1980	1976
Residential originated local calls	$ 569	$ 232
Residential originated toll calls	689	269
Business originated local calls	4,144	3,045
Business originated toll, WATS, 800 calls	4,443	2,502
Total	9,845	6,048

Statistics were prepared by James M. Mahood, brand manager-telemarketing, AT&T Long Lines. The figures were published recently in the "DMMA Fact Book on Direct Marketing."

Because product trial and repeat sales are the keys to the establishment of new brands, it is crucial in today's competitive environment, to get a product into a consumer's hands as quickly and as positively as possible.

A good example is Brown & Williamson's introduction of Barclay cigarets in early 1981. After testing in three markets, B&W rolled out a national campaign that promoted the brand with a strong, simple appeal: "The pleasure is back."

Rather than just spotlight the brand's appeal, additional double full-page spreads encouraged the readers to call a toll-free number for a coupon worth a free carton of Barclay.

According to published reports, Barclay has achieved close to two market share points in an industry where one point is a remarkable success for a newly introduced brand.#

Why would any New Yorker in his right mind use a list broker in California?

Mr. Larry Chait, past president of Direct Mail Marketing Association. An Infomat customer and a New Yorker who is definitely in his right mind.

By count most of the nation's major list houses are in the East. Manhattan alone has enough brokers to bury every mailbox in America under a pile of mail three feet deep.

If that's the case, then why are major clients defecting in flocks to Infomat? Why are they coming 3,000 miles to rent our lists when they can get the same names at the same price from someone down the street?

After all, tradition has it that if you want good list service and good advertising, you go to New York. California has always been the graveyard of ambitious list brokers. No one had ever grown very big out there. Until Infomat came along, that is.

We Changed It All

Infomat has changed that. Not only are we No. 1 in the West, in growth rate we're probably No. 1 nationally, too, having more than doubled in volume in each recent year. In fact, over 60 major ad agencies and ten direct mail consulting firms have come to us for their list mix. Many of our clients—manufacturers, publishers and fund raisers—are so loyal you couldn't pry them away from us with a crowbar.

Our Secret

There's one good reason why New Yorkers and other Easterners are beating a 3,000 mile path to our door: *money.*

We produce exceptional results for them because our list mixes pull better. This may sound like puffery, but in our case it's gospel.

There are other reasons, too:

1. We're very, very cautious. We select mailing lists with the kind of care ordinarily reserved for tiptoeing through minefields. You needn't worry about getting a careless choice.
2. Our decisions are based on careful record keeping. Sad to say, only a handful of the country's 126 brokers do the sort of research that Infomat does.
3. As an Infomat client, you can afford to forget about your list worries once you've hired us. Our total, conscientious care frees you to think about other things.
4. We don't pay our list AE's commissions, which discourages careless choices. Some of our largest competitors do.
5. We're list *consultants,* not list peddlers. We work just as hard to find ways to save you money as you would yourself. For instance, we constantly look for opportunities to do special selections or locate obscure lists.
6. No matter where you are in the U.S., you get the most personal, friendly service you ever had. Just like you lived next door to us.

Success Stories

Relying heavily on Infomat's list selections, an expensive investment newsletter went from zero to 72,000 paid subscriptions in only 21 months.

A West Coast non-profit group consistently gets twice as good a response with Infomat's lists than from any other consultant. For two months, its staff literally could not handle the contriioutions that came in.

An expensive mail order product went from zero to 60,000 units sold in only 18 months using Infomat's list selections.

A very expensive opportunity seekers' publication, using Infomat list selections, went from 1,000 to 48,000 subscriptions.

A $400 seminar had to turn away over 200 people because of too much response!

We introduced a product from South Africa into the U.S. Even with a price tag twice as high as the competition, in less than two months the promotion surpassed the initial response goal by 210%.

The test mailing for another happy client broke even in just 2½ weeks from the mail date, and had paid back all creative and production costs and produced a 400% profit on the initial investment by the eighth week. Subsequent rollouts did almost as well.

The Zipmarket Principle

We have been able to build booming businesses for one customer after another for one main reason: we understand better than most the basic law of direct mail. We call it the Zipmarket Principle. Briefly, it is this:

"Good lists beat good packages."

More specifically:

Even the most brilliant package will fail if mailed to poor lists, but any decent package will pull well if mailed to quality lists.

We call it the Zipmarket Principle because the more you ignore it, the faster your share of the market approaches "zip."

If you have ever used direct mail and got weak results, chances are it was your list mix that was at fault. We know of hundreds of mailers who struggle on year after year, testing mail package after mail package, spending thousands of dollars on mailings that only break even, at best.

They are ignoring the fact that no package is going to change a person's mind if he's just plain not interested in responding to anything in the mail. But if a person *likes* to buy through the mails and has *proven* it by buying other things, he'll probably respond to you, too—even if you send him just an average package.

We hasten to add the obvious corollary to the Zipmarket Principle:

"Good packages help."

That's why Infomat is one of the few list brokers with an in-house creative agency, Infomat Marketing. Specializing in high-response direct mail, it offers you full-service, state-of-the-art package design, printing and lettershop.

How good is Infomat Marketing? Well, it produced this ad. Judge for yourself.

What They Are Saying

"Your ideas increased my response by about 50%." —**Murray Norris**

"What am I going to do with all these checks?" —**Ed Rankin**

"If it hadn't been for your lists I don't believe we would have even broken even." —**M.S., Atlanta, GA**

"Your list selections have produced thousands of dollars of additional income for my clients. Even their test mailings make money when they follow Infomat's advice. You're the best." —**M.E., Marketing Consultant**

"I've been using Infomat for 3 years—I'm extremely pleased. Our circulation for *Gold Newsletter* is constantly increased—thanks to Infomat." —**James U. Blanchard III, National Committee for Monetary Research**

Discover Infomat Now

If you're really serious about getting higher response and opening up new markets for yourself, pick up the phone and call Janie Thompson or Anna Sternberg:

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(collect is fine)

Tell them what you've been doing and what your goals are. They'll tell you how we can get to your goals. They'll send you all our mailing list bulletins related to your firm.

If you like, you can send them a sample of your more recent mail package and, at no charge, our creative agency, Infomat Marketing, will analyze it for effectiveness.

Then they'll dig and dig through the 40,000 lists on the market until they find the ones that you'll be delighted with. They will include lists that you may not have heard about or thought of. And in a few days they'll recommend a specific list mix for you based on a careful analysis of your needs—with no obligation.

Call them at Infomat, today. It won't cost you a cent. And you could add a new chapter to your company's history.

Very truly yours,
Craig A. Huey
Craig A. Huey
President

Infomat Inc.
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P.S. We also serve a few Westerners now and then. Plus people in Hong Kong, Europe and South Africa!

DIRECT MARKETING

A conversation with DMMA's Rose Harper

BY BOB STONE

"C. Rose Harper, president, The Kleid Co., is the first woman to be elected chairman of the Direct Mail/Marketing Assn." These are the bare facts as they might appear in a current issue of "Who's Who."

But Rose Harper is much more than the president of one of the most professional list marketing consulting companies in the country and the chairman of a major association. Rose Harper is one of the most knowledgeable figures in direct marketing, recognized for her innovations and breakthroughs in the area of list marketing and analysis.

In an interview for ADVERTISING AGE I was able to take some of the measure of this unique person's wisdom and knowledge.

Stone: Please tell us something about DMMA membership.

Harper: Today DMMA has 2,700 member companies, represented by 4,600 individuals. We estimate that this membership accounts for anywhere from 55% to 65% of the total of goods and services sold via direct marketing methods. And for 1981 we expect total volume to reach $120 billion.

Stone: How does DMMA define direct marketing?

Harper: The definition that will be used in the new edition of DMMA's "Fact Book" is: Direct marketing is an interactive system of marketing that uses one or more advertising media to effect a measurable response and/or transaction at any location.

Stone: Aside from the annual spring and fall conferences, what other activities does DMMA sponsor?

Harper: DMMA will sponsor a total of 35 seminars, covering about 82 days of intensive learning, in 1982. Subjects are varied: Catalogs, telephone marketing, magazine marketing, fulfillment, math and finance, copy and art and many more.

Stone: How does the growth of direct marketing compare with retail?

Harper: In 1981 retail sales volume in the U.S. grew 7% over 1979. For the same period, direct marketing sales volume grew 11%. It appears that current growth rates for direct marketing will continue through this decade with possibly a slower growth rate after the mid-1980s.

Stone: How do you feel the new media will affect direct mail usage?

Harper: There is no doubt the new electronic media will affect direct mail volume. But I do not see electronic communications entirely replacing written communications. It is possible the new media and direct mail will, out of necessity, become interactive and mutually supportive.

Stone: Do you know of any direct marketing success stories in the sale of goods and services via cable television?

Harper: DMMA used cable tv for its "Great Catalog Guide." This was intended to communicate the benefit of shopping by mail and the catalog listed more than 550 consumer catalogs in 27 product categories. It was estimated that 2,000 requests would be generated. Actually, more than 7,000 called during the two-week period the commercial was aired to request the "Catalog Guide."

It now appears that a very small percentage of cable tv advertising is focused on a direct sale. It hasn't quite yet reached a high point of interactivity. However, it's hard to believe it won't be successful. It will take time to influence consumers to change their buying habits. Not everyone is attuned to the wired society—yet.

Stone: How do expenditures break down among various media used by direct marketers?

Harper: Here are the figures for 1980 vs. 1979:

	(In Millions $) 1980	1979
Direct mail (postage, paper & production)	9,998.7	8,876.7
Telephone	9,845.0	8,555.6
Newspaper preprints	2,032.4	1,779.5
Television	253.0	217.0
Magazines (mail order merchandise only)	135.0	123.0
Coupons	84.2	72.0
Newspapers	60.6	54.4
Business magazines (industrial products only)	53.0	47.0
Radio	26.0	23.0
Total	$22,487.9	$19,748.2

Stone: What is DMMA doing to educate college students on the disciplines of direct marketing?

Harper: DMMA, through its independent, separately incorporated foundation, has several major programs for college students and professors.

One of the most effective programs is the "Collegiate Institute," run twice a year for a week, introducing 70 college seniors to the basics of direct marketing.

Another program is the "Institute for College and University Professors." Of 60 professors who attended two institutes in 1980, 11 started direct marketing courses.

Three other noteworthy programs include the summer student internship program for undergraduate students, who work a total of eight weeks in DMMA member companies and agencies in New York City; "Career Days" at spring and fall conferences, attracting more than 300 students each, and the first textbook in direct marketing for the college audience—"The Elements of Direct Marketing," being written by Martin Baier, vice-president-marketing, Old American Insurance Co., and professor at the University of Missouri/Kansas City.

When this book on direct marketing is published, we expect a quantum jump in the number of students studying direct marketing.

Stone: What does DMMA expect in postage rates over the next five years?

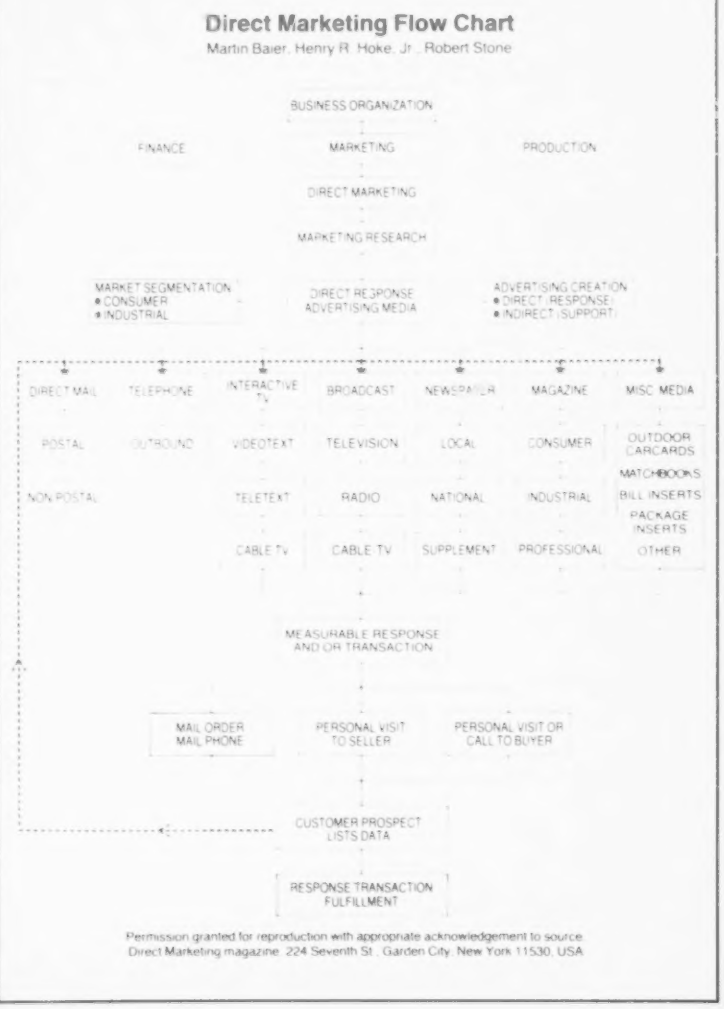
Harper: The postmaster general stated strongly he will do his best not to have another rate increase for two years (roughly October, 1983). If this holds, we can probably expect two increases in the next five years. How much is difficult to estimate.

Within the next five years, all public service subsidies to the Postal Service will cease and nonprofit subsidies will be substantially reduced.

If service cuts or other economies are not made, the money will have to generate from the rate structure. #

Bob Stone is chairman of Stone & Adler, Chicago.

This direct marketing flow chart depicts marketing functions and media options available to direct marketers



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Direct Marketing magazine 224 Seventh St., Garden City, New York 11530, USA

Advertising pages in January consumer publications

Current and January '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages Jan. 1982	Pages Jan. 1981
Women's		
†§Bride's Magazine	421.2	428.3
§Cosmopolitan	142.7	133.0
Essence	59.0	71.1
§Family Circle	59.3	61.3
§Good Housekeeping	111.5	115.8
▲Health	31.7	30.8
Ladies' Home Journal	49.5	64.7
Lady's Circle	6.2	11.1
McCall's	53.6	78.4
McCall's Working Mother	42.0	96.0
†Modern Bride	428.4	363.1
Ms.	25.5	30.0
○New Woman	40.0	36.6
§Parents Magazine	57.0	36.0
Playgirl	40.9	42.6
Redbook	70.6	70.5
Self	48.9	40.2
Seventeen	65.2	67.9
'Teen Magazine	28.0	28.8
§True Story	35.5	36.1
c. §Woman's Day	67.5	79.5
▲The Workbasket	45.7	36.2
Working Woman	48.5	34.1
Total Group	1,978.4	1,992.1
****% change '82 vs. '81	−0.7%	
General		
▲A.D. Magazine	11.1	15.3
Air Progress	16.0	20.7
▲American Film	25.3	29.5
American Forests	14.1	16.1
American Legion	36.7	35.9
American Photographer	39.0	37.5
○Americana	23.7	29.7
§Architectural Digest	75.2	79.6
§The Atlantic	21.1	20.1
○Audubon Magazine	25.1	22.9
§Bon Appetit	56.0	46.4
Book Digest	22.0	33.7
Changing Times	24.9	24.3
Christian Herald	32.8	40.5
Christian Life	27.3	23.1
☆Christianity Today	61.0	62.4
Circus	29.0	14.8
Complete Men's Group	23.0	21.0
Creative Computing	130.2	92.6
D. Cuisine Magazine	32.1	38.1
Dance Magazine	59.9	57.7
Ebony	66.0	64.4
▲Elks Magazine	25.7	31.2
§Esquire	40.8	21.7
Fifty Plus	22.5	30.7
Flying	37.5	36.5
○Games	26.3	18.6
§Gentlemen's Quarterly	49.4	45.7
Golf Digest	53.1	56.9
§Golf Magazine	121.5	112.7
Gourmet	45.3	28.8
§Harper's Magazine	15.0	14.8
High Fidelity	42.7	47.8
High Technology	29.7	—
#Inside	—	—
Kiwanis Magazine	20.9	19.3
Let's Live	72.5	89.6
Life	69.3	52.5
Lion	5.0	5.5
§Money	76.0	63.0
Moneysworth	15.3	18.4
Moody Monthly	47.4	54.3
○Mother Earth News	53.9	69.3
○Museum	35.2	36.5
National Geographic	20.8	13.3
National Jewish Monthly	22.5	19.1
Natural History	31.7	34.8
§Omni	48.3	39.4
§Oui	21.6	17.8
§Penthouse	55.3	63.5
Petersen's Photographic	39.3	37.3
Playbill	48.3	45.2
§Playboy	119.1	115.7
Popular Photography	131.6	124.2
Prevention	69.4	89.3
Psychology Today	39.7	36.7
§Reader's Digest	69.2	59.4
Rotarian	19.1	19.1
††Saturday Evening Post	47.2	43.8
Saturday Review	33.6	33.0
Science 81	46.2	34.4
Scientific American	86.3	86.0
Signature	47.3	31.7
Smithsonian	63.8	60.6
Stereo Review	60.5	52.0
Success	34.5	34.8
Technology Illustrated	35.3	—
Tennis	34.9	37.4
Town & Country	63.7	53.0
Travel/Holiday	39.5	43.0
Travel & Leisure	49.9	48.5
Video	49.3	42.5
Weight Watchers	18.0	28.3
World Tennis	22.2	37.0
Writers Digest	23.8	20.8
Yankee	82.0	83.6
Total Group	3,330.4	3,165.3
****% change '82 vs. '81	+3.2%	
Fashion & service		
Glamour	83.6	97.1
Harper's Bazaar	62.4	47.0
Mademoiselle	75.6	77.9
Vogue	102.8	77.9
Total Group	324.4	297.4
****% change '82 vs. '81	+9.1%	
Art & antiques		
American Artist	41.7	42.0
Antiques	207.0	117.7
○Art & Antiques	65.2	49.9
▲Art in America	113.4	88.6
▲Artnews	97.3	95.3
○Portfolio	49.0	45.0
Southwest Art	101.3	80.0
Total Group	674.9	518.5
****% change '82 vs. '81	+30.2%	
Home		
Early American Life	39.5	38.2
§Better Homes & Gardens	73.8	74.3
○Colonial Homes	60.0	41.6
Dallas-Ft. Worth Home/Garden	47.1	27.4
▲Family Handyman	62.3	62.8
○Flower & Garden	—	—
Home	36.7	24.2
†Homeowner's How-To	27.8	29.2
Horticulture	52.3	37.6
House Beautiful	61.1	64.6
House & Garden	71.5	77.7
Houston Home/Garden	86.8	79.1
Living:		
○Dallas	66.0	127.7
○Houston	83.0	87.1
○Denver	74.3	89.7
○Austin	—	—
○San Antonio	—	—
○Phoenix	—	—
○Florida Gulf Coast	—	—
○South Florida	40.2	—
Metropolitan Home	45.3	59.0
††New Shelter	42.8	45.7
1,001 Home/-Decorating Ideas	32.3	29.3
Organic Gardening	93.8	88.1
Phoenix Home/Garden	48.8	24.8
San Diego Home/Garden	45.5	39.3
#Southern Accents	—	—
Southern Living	70.9	73.7
§Sunset Magazine	72.7	69.0
▲Texas Homes	126.8	98.0
○Workbench	66.0	69.7
Total Group	1,527.3	1,457.8
****% change '82 vs. '81	+2.0%	
In-flight & other passenger		
#Aboard Group (7)	616.0	480.0
○Alas Group (9)	—	—
Alaskafest	34.3	34.3
American Way	44.6	42.6
East/West Network:		
Amtrak Express	29.3	31.6
Continental Extra	40.2	44.3
Eastern Review	61.2	68.2
Ozark Flightime	30.7	41.0
PSA Magazine	59.7	66.8
Republic Scene East	42.5	39.0
Republic Scene West	44.5	47.5
Texas International/-The Texas Flyer	40.8	48.3
United Mainliner	50.3	65.7
Halsey Publications:		
Braniff's Flying Colors	21.7	24.0
Delta Sky	40.2	40.0
○Skylite	8.2	—
Hawaii	22.9	28.3
○Pace	28.2	59.9
Pan Am Clipper	35.0	55.0
Southwest Airlines	80.0	64.5
Spirit of Aloha	23.8	29.8
USAir	32.9	30.0
Webb Publications:		
Frontier	43.8	31.7
Passages	29.5	22.3
TWA Ambassador	34.2	34.9
Total Group	1,494.5	1,429.7
****% change '82 vs. '81	+4.0%	
Metropolitan		
○Aloha	—	—
Atlanta	68.5	71.6
Baltimore	51.3	50.2
Boston	112.3	108.8
California	42.6	32.4
○Charlotte	—	—
Chicago	106.0	103.7
Chicago's North Shore	63.5	64.8
Cincinnati	55.6	55.9
Cleveland	41.2	79.7
Coast	114.0	60.3
Columbus Monthly	54.5	66.8
Connecticut	86.2	82.4
D/Magazine, Dallas/Fort Worth	91.4	94.4
Denver	22.5	39.1
Monthly Detroit	45.7	27.7
Grand Rapids	40.7	34.6
††Gulfshore Life	75.5	74.0
Honolulu	57.3	61.5
Houston City	52.3	42.6
Indianapolis	76.9	35.9
Kansas City	22.3	16.5
Lansing	18.0	20.8
Los Angeles	159.0	158.0
○Louisiana Life	48.0	—
Miami	106.4	92.5
Milwaukee	28.3	25.3
Nashville!	35.8	—
New Jersey Monthly	54.2	67.1
Ohio	36.3	23.8
Omaha	—	—
Oregon	16.7	16.3
Orlando	68.3	63.3
▲Pacific Northwest	—	—
Palm Beach Life	121.1	117.6
Palm Springs Life	171.5	176.7
Philadelphia	98.7	109.5
Phoenix	85.6	95.8
Pittsburgh	35.7	38.1
Roanoker	21.5	53.0
St. Louis	48.3	68.3
San Diego	127.8	157.3
San Francisco	43.6	47.0
San Francisco Bay Views	62.0	—
San Francisco Focus	28.6	30.8
†Shenandoah Valley	30.4	19.2
Spokane	21.2	34.0
Tampa	30.4	29.5
Tampa Bay	41.1	52.4
Texas Monthly	76.9	80.1
Tucson	33.6	34.1
Twin Cities	38.0	33.6
Washington Dossier	—	—
The Washingtonian	93.0	93.0
Westchester	29.0	26.5
Westchester Illustrated	41.0	30.1
Wichitan	43.0	45.8
Total Group	—	—
****% change '82 vs. '81	−0.5%	
Movie-romance radio-tv		
○Complete Women's Group	22.3	24.0
Ideal Women's Group:		
Daytime Stars	—	28.0
Intimate Story	—	27.3
Personal Romances	—	27.3
Soap Opera	—	—
Macfadden's Women's Group:		
Modern Romances	22.2	21.7
Secrets	22.2	21.7
True Confessions	22.7	21.4
True Experience	22.2	21.7
True Love	22.2	21.7
True Romance	22.2	21.7
Sterling Women's Group:		
Daytime TV	29.3	31.5
Modern Screen	—	32.2
○Movie Mirror	—	32.2
Photo Screen	32.3	—
Soap Opera Stars	25.3	—
TV Movie Screen	—	32.2
TV Picture Life	32.3	—
○Teen Bag	5.0	6.6
Total Group	280.2	371.2
****% change '82 vs. '81	−0.9%	
Youth		
Boys' Life	17.9	18.4
Campus Life	61.4	55.3
Total Group	79.3	73.7
****% change '82 vs. '81	+7.6%	
Mechanics & science		
§Mechanix Illustrated	61.7	64.6
Popular Electronics	48.0	61.6
Popular Mechanics	80.3	90.9
§Popular Science	62.6	68.5
Total Group	252.6	285.6
****% change '82 vs. '81	−11.6%	
Boating & yachting		
Boating	140.1	140.1
Chesapeake Bay	20.6	27.6
Cruising World	126.0	118.0
Lakeland Boating	43.8	41.3
Motor Boating & Sailing	132.9	139.0
Rudder	20.6	21.3
Sail	161.1	155.8
Sea & Pacific Skipper	78.2	78.2
Trailer Boats	23.8	21.8
Yachting	269.1	274.1
Total Group	1,016.2	1,017.2
****% change '82 vs. '81	−0.1%	
Automotive & recreational vehicles		
Car & Driver	55.3	63.7
Car Collector & Car Classics	24.7	22.3
Car Craft	39.2	36.2
Cycle	54.2	47.5
Cycle World	46.7	51.1
Dirt Bike	33.3	28.1
Dune Buggies & Hot VWs	43.1	37.5
Family Motor Coaching	102.9	66.9
4 Wheel & Offroad	32.1	22.6
Four Wheeler	25.0	24.1
Hot Rod	26.0	28.9
Motocross Action	59.8	47.7
Motorcyclist	38.2	22.7
Motor Trend	33.9	43.2
††Motorhome Life	60.1	40.2
Pickup, Van & 4 WD	26.9	19.0
Road & Track	65.9	73.8
Trailer Life	62.3	66.7
Total Group	829.6	742.2
****% change '82 vs. '81	−11.8%	
Outdoor & sport		
Alaska	40.2	34.6
○The American Handgunner	33.6	33.3
American Hunter	10.0	9.9
American Rifleman	26.6	30.6
○Backpacker	—	—
▲§Bass Master	57.3	41.6
††Bicycling	66.3	60.4
Field & Stream	51.5	56.4
Fins and Feathers	22.0	19.1
○Fishing World	33.8	30.0
Florida Sportsman	62.7	65.0
‡‡Fly Fisherman	48.0	60.5
Fur-Fish-Game	27.1	27.7
Guns	33.0	36.3
Guns & Ammo	33.2	29.5
Inside Sports	13.3	22.3
Outdoor Life	47.7	60.3
Petersen's Hunting	28.6	21.6
The Runner	38.1	18.3
Runner's World	25.5	32.3
Shooting Times	26.8	26.0
‡‡§Ski	86.3	76.3
‡‡Skiing	82.3	72.7
Skin Diver	60.6	58.5
‡‡Southern Outdoors	34.2	32.4
§Sport	33.2	27.7
Sports Afield	67.9	60.5
▲Spray	—	—
#Swim Swim	31.5	17.4
Total Group	1,038.9	1,039.6
****% change '82 vs. '81	−0.1%	
Comics		
○Archie Comic Group	—	—
DC Comics	7.0	9.0
Harvey Comic Group	8.0	8.0
Marvel Comic Group	10.0	10.5
Total Group	25.0	27.5
****% change '82 vs. '81	−9.1%	
Newspaper Sunday magazines/national		
§Family Weekly	93.1	84.9
Parade	76.5	65.2
Total Group	169.6	150.1
****% change '82 vs. '81	+13.0%	
Canadian national weekend magazines		
B. Perspectives	36.2	40.2
§Today	48.4	55.3
Total Group	84.6	95.5
****% change '82 vs. '81	−11.4%	
Canadian		
L'Actualite	33.8	25.7
Chatelaine:		
§English Edition	53.0	49.3
French Edition	44.4	38.7
§Financial Post Magazine	26.6	—
§Flare	47.6	50.0
▲§Homemaker's Magazine:		
English Edition	88.3	87.9
French Edition	61.0	58.3
§Macleans	71.0	59.8
▼§Quest Magazine	—	—
§Reader's Digest:		
Canada-English	33.9	20.0
Canada-French	34.0	40.0
Saturday Night	18.9	14.3
▲Toronto Life	64.3	75.0
Total Group	576.8	519.0
****% change '82 vs. '81	+6.0%	

****% Change figured ONLY from magazines with comparable issues 1982 AND 1981, 1981 AND 1980. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ►Published every two weeks. -Affiliated with Sunday Mag/Net. A. Combined unduplicated regional ads. B. Preprinted inserts included. C. Adjusted 1981 figure. D. Monthly as of Jan., 1982. E. 3 issues in Dec., 1981 vs. 4 issues in Dec., 1980.

(Continued on Page 74)

Advertising pages in January consumer publications

Current and January '80 figures for U.S., Canadian and foreign publications reporting to Advertising Age

(Continued from Page 73)

December pages

	Pages Dec. 1981	Dec. 1980	Jan.-Dec. 1981	Jan.-Dec. 1980
Business				
Atlanta Business Chronicle	22.4	34.3	351.5	319.3
Barron's	140.1	182.0	2,216.7	2,308.4
§Business Week	349.3	413.1	4,845.9	4,960.2
California Business	50.1	55.8	859.3	692.4
Corporate Report/Kansas City	44.0	43.7	575.8	467.2
Corporate Report/Minnesota	74.1	67.4	996.1	929.0
E. Crain's Chicago Business	67.5	79.8	1,109.5	849.5
Dallas/Fort Worth Business	41.0	44.4	544.1	384.1
Dun's Business Month.	73.0	76.2	914.7	1,021.3
☆Financial World.	52.4	47.3	950.1	928.5
Florida Trend	64.0	54.3	822.6	684.5
▶Forbes	197.6	166.6	2,765.9	2,671.3
▶§Fortune	179.3	205.3	2,738.4	2,304.7
Hawaii Business	39.4	44.5	612.4	680.9
Houston Business Journal	118.5	136.5	1,854.3	1,542.0
§Inc. Magazine	70.9	47.4	994.3	772.0
F. Indianapolis Business Journal	45.0	42.8	674.6	268.8
▶§Industry Week	75.3	70.1	1,663.8	1,593.4
§Nation's Business	36.0	30.2	512.5	480.7
*New England Business	22.3	20.5	559.5	547.8
G. St. Louis Business Journal	57.5	47.0	914.6	153.5
Texas Business	57.2	42.1	595.0	483.1
Venture	38.1	39.2	468.7	344.8
Total Group	1,915.0	1,910.7	28,540.3	25,387.4
***% change '81 vs. '80	−0.2%		+12.4%	
Newspaper Sunday magazines/local				
+Arizona Republic	227.3	254.5	1,725.9	1,774.9
+Chicago Tribune	148.5	162.7	1,467.7	1,545.8
+Cincinnati Enquirer	116.0	134.2	1,218.3	1,656.2
+Cleveland Plain Dealer	115.3	110.8	1,232.3	2,109.0
+Columbus Dispatch	82.6	71.6	1,055.2	1,153.4
+Dallas Morning News Scene	118.4	111.1	1,200.1	1,230.8
+Denver Post	177.1	158.8	2,256.6	2,391.0
+Detroit News	126.6	142.8	1,624.2	1,788.3
Los Angeles Times Home Magazine	136.0	129.7	1,379.9	1,565.7
+Louisville Courier-Journal	109.7	119.3	1,253.5	1,300.2
Miami Herald	97.5	95.1	1,029.7	1,021.2
+New York News	102.3	132.2	1,199.1	1,397.6
New York Times Magazine	374.8	379.0	4,511.6	4,397.0
+Toledo Blade Magazine	51.4	71.3	715.1	838.8
+Washington Post	123.3	148.5	1,622.9	1,636.9
Total Group	2,106.8	2,228.6	23,492.1	25,812.8
***% change '81 vs. '80	-/- 5.2%		−9.0%	
Weeklies, bi-weeklies, semi-monthlies				
§Army Times Military Group:				
Air Force Times	124.6	150.6	1,752.7	1,786.7
Army Times	124.7	148.3	1,726.7	1,780.6
Navy Times	149.7	164.9	2,026.8	1,952.2
The Times Magazine	15.3	16.6	206.4	245.4
AutoWeek	122.3	122.0	1,551.7	1,267.4
The Blood Horse	528.3	425.2	5,790.1	5,032.7
Capper's Weekly	11.4	12.3	244.9	272.5
Commonweal	9.0	7.6	99.0	85.8
Golf World	46.5	36.3	787.3	756.8
§Grit	27.7	13.3	336.1	366.3
National Review	27.4	37.8	340.0	348.8
New York Magazine	303.0	287.4	2,335.5	2,224.8
New Yorker	395.4	483.9	4,306.3	4,221.7
§Newsweek	237.9	204.6	3,127.6	3,116.9
People	355.0	388.6	3,603.7	3,430.8
Rolling Stone	74.0	80.4	1,099.2	984.9
Sporting News	43.1	42.2	559.5	591.5
§Sports Illustrated	224.3	240.2	2,884.8	2,646.8
§Time	225.1	283.4	2,905.4	2,849.2
A. Travelhost	2,459.2	1,347.6	24,169.3	16,121.0
§TV Guide	226.8	280.2	3,563.9	3,746.8
▶Us Magazine	52.2	44.8	453.5	549.7
§U.S. News & World Report	136.4	128.0	1,793.9	1,932.4
Total Group	5,919.3	4,948.2	65,665.4	56,311.7
***% change '81 vs. '80	+19.6%		+16.6%	
Foreign				
Buenhogar:				
Ecuador	20.5	25.5	137.7	156.2
Chile	8.0	5.0	38.5	39.5
Mexico	119.2	134.5	975.0	856.7
Puerto Rico	28.8	44.2	267.0	302.5
Venezuela	79.5	84.5	602.7	575.0
Colombia	81.7	90.2	709.8	763.8
Peru	60.7	44.7	487.3	285.8
Central America	10.5	22.0	87.3	123.5
U.S.	11.0	9.0	104.0	94.3
Dominican Republic	24.5	26.2	145.2	193.7
Coqueta:				
Mexico	13.0	11.0	116.0	105.5
Puerto Rico	4.0	1.0	22.5	32.5
Venezuela	7.5	5.0	96.0	82.5
Colombia	5.5	—	29.5	41.5
Peru	—	4.0	—	29.0
Central America	—	—	1.0	0.5
Fascinacion:				
Mexico	10.0	11.5	101.3	113.2
Puerto Rico	3.0	2.0	22.0	28.3
Venezuela	31.0	16.5	141.5	97.3
Colombia	18.5	17.7	132.2	106.7
Central America	—	—	1.0	—
Geomundo:				
Chile	14.7	9.5	93.2	71.5
Mexico	34.5	39.5	230.0	217.3
Ecuador	9.0	8.0	63.5	63.0
Venezuela	31.7	22.0	203.8	174.8
Colombia	27.5	17.0	180.0	150.5
Peru	20.0	19.0	143.5	121.0
Puerto Rico	11.7	11.0	77.7	78.0
Central America	12.7	10.0	76.7	76.0
Hombre De Mundo:				
Dominican Republic	—	9.0	17.0	64.3
Mexico	64.2	50.8	386.5	296.2
Chile	14.7	10.0	95.5	75.7
Puerto Rico	23.7	26.0	162.7	160.0
Ecuador	14.7	13.0	92.0	76.5
Venezuela	54.7	36.2	285.2	247.0
Colombia	35.3	31.3	223.0	201.0
Peru	18.7	15.0	142.0	83.0
Central America	13.7	16.0	101.5	96.8
Ideas Para Su Hogar:				
Dominican Republic	—	2.0	16.0	20.8
Mexico	34.5	27.5	298.2	180.3
Chile	1.0	2.0	14.5	15.0
Puerto Rico	3.2	4.0	42.3	35.0
Ecuador	3.5	0.5	31.7	3.3
Venezuela	33.3	31.7	275.8	229.2
Colombia	45.5	43.5	409.8	306.5
Peru	20.5	15.5	191.5	102.8
Central America	—	0.5	9.7	7.7
Intimidades:				
Mexico	5.0	9.5	68.0	75.7
Puerto Rico	4.0	4.0	38.5	48.5
Venezuela	8.5	11.5	129.0	147.0
Colombia	1.0	1.0	19.5	38.5
Central America	1.0	1.0	20.0	15.5
Mecanica Popular:				
Mexico	40.5	41.5	365.0	357.7
Puerto Rico	21.8	22.5	251.0	250.0
Venezuela	42.8	35.0	367.8	353.0
Colombia	34.8	28.0	336.5	315.2
Peru	39.3	40.2	362.0	354.3
Central America	25.8	22.5	262.8	251.7
Chile	10.2	9.7	82.8	80.7
Argentina	16.7	18.5	172.3	171.8
The Ring en Espanol:				
Mexico	3.0	2.0	25.0	28.8
Puerto Rico	0.5	3.0	28.0	31.0
Venezuela	3.0	1.0	37.0	15.0
Columbia	—	—	2.0	1.5
Central America	—	—	2.0	—
U.S.	2.0	4.0	27.0	35.0
Vanidades Continental:				
Dominican Republic	34.2	39.3	302.2	310.3
Mexico	224.2	207.3	1,860.3	1,582.0
Chile	26.3	21.0	234.2	164.3
Puerto Rico	79.7	71.5	689.8	651.2
Venezuela	123.3	111.0	1,015.7	967.7
Colombia	138.5	140.7	1,176.0	1,110.0
Peru	87.0	54.7	612.8	396.2
Central America	33.3	36.7	310.8	354.0
U.S.	62.8	54.0	527.2	435.2
Cosmopolitan Foreign Editions:				
Australia	107.8	99.0	783.0	857.4
Brazil	46.0	46.0	318.1	505.2
France	96.3	85.5	1,112.8	1,014.7
Germany	17.0	13.0	172.0	40.0
Great Britain	140.0	146.0	1,506.0	1,674.0
Greece	95.0	72.0	592.0	250.0
Italy	115.5	103.7	897.4	712.6
Japan	53.0	46.7	402.3	229.0
Cosmopolitan en Espanol:				
Central America	7.5	12.2	63.3	89.8
Colombia	49.5	54.2	284.0	323.0
Ecuador	4.2	5.2	29.2	36.3
Mexico	142.5	132.5	970.2	848.3
Peru	25.3	21.3	184.2	110.5
Puerto Rico	61.8	57.2	443.8	417.5
U.S. (Spanish language)	20.7	18.0	191.2	171.8
Venezuela	50.0	50.8	362.8	390.2
International Communications:				
African Business	34.5	40.6	382.9	376.5
The Middle East	21.4	36.0	335.0	450.0
New African	35.0	31.0	295.7	360.0
Al-Iktissad Al Arabi	16.0	26.0	259.4	220.1
International Herald Tribune	88.9	82.4	1,103.0	1,012.8
International Management:				
Africa	13.0	16.0	164.8	225.0
Europe	37.0	57.3	515.2	510.7
Latin America	7.7	19.3	159.0	235.7
Middle East	21.3	34.5	236.8	374.3
Pacific	13.0	18.0	204.8	210.0
Johnston International:				
Alam Attijarat	89.3	80.3	882.8	940.0
Modern Africa	39.8	35.2	233.1	200.8
Modern Asia	34.0	31.2	582.7	623.5
Near East Business	—	—	—	—
§Newsweek International:				
Atlantic	73.4	77.7	1,106.3	1,086.8
Latin America	25.7	30.7	406.3	451.5
Pacific	65.7	74.4	944.6	956.3
††Progreso	18.0	22.7	177.8	227.5
Reader's Digest:				
Arabic	11.5	16.0	222.5	151.5
*Asian	346.5	338.5	2,475.7	3,048.5
Australian	81.7	66.8	986.3	956.0
Belgian-Flemish	108.5	105.0	1,084.5	1,002.5
Belgian-French	89.5	80.0	890.0	882.5
British	63.0	72.0	765.2	881.6
*Chinese	143.0	126.0	1,325.3	1,504.0
Danish	28.5	36.5	590.9	483.6
Dutch	60.3	66.3	634.6	753.8
Finnish	33.8	33.3	583.9	595.4
French	47.8	61.6	831.4	883.8
German	87.1	76.3	899.6	931.4
Iberian	51.0	41.0	524.8	476.4
Indian	94.5	116.5	1,064.0	1,171.7
Italian	60.5	70.5	681.0	800.5
Japanese	53.8	59.2	616.2	629.3
Korean	17.5	18.5	213.0	228.5
Latin American:				
Argentina	32.0	48.0	344.0	408.5
Brazil	9.0	10.5	108.8	168.1
Central America	25.0	21.5	244.0	223.5
Chile	46.0	42.5	408.0	344.0
Colombia	77.0	62.0	663.5	560.0
Ecuador	25.0	28.5	198.0	157.5
Mexico	130.0	127.6	829.1	677.1
Peru	27.0	19.5	198.5	114.0
Puerto Rico	13.5	18.0	132.5	131.3
U.P.B.	35.0	46.5	297.0	275.0
U.S. Spanish	21.5	20.0	220.5	193.5
Venezuela	38.5	38.5	290.0	300.0
Portugal	96.0	81.5	567.3	525.5
New Zealand	68.5	83.0	768.8	876.7
Norwegian	43.0	52.3	578.8	538.5
South African	65.0	34.0	1,158.9	917.5
Swedish	20.8	42.0	317.4	309.0
Swiss-French	34.0	32.0	450.0	384.6
Swiss-German	46.0	44.0	521.2	513.0
Total	2,231.3	2,235.9	22,613.2	22,898.3
Time International:				
Time-Asia	93.1	129.8	1,187.2	1,238.5
Time-Atlantic	143.4	146.4	1,371.8	1,439.1
Time-Canada	132.3	156.5	1,864.8	1,586.9
Time-Latin America	69.0	125.7	996.6	967.2
Time-South Pacific	127.1	158.5	1,875.9	1,837.4
**Visao	136.3	153.4	1,586.8	1,636.9
▶§Vision/Latin America	76.9	61.6	575.6	599.9
Total Group	6,682.4	6,855.3	65,980.4	65,632.0
***% change '81 vs. '80	−2.5%		+0.5%	

***% Change figured ONLY from magazines with comparable issues 1982 AND 1981, 1981 AND 1980.§Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. + Affiliated with Sunday Mag/-Net. A. Combined unduplicated regional ads. B. Preprinted inserts included. C. Adjusted 1981 figure. D. Monthly as of Jan., 1982. E. 3 issues in Dec., 1981 vs. 4 issues in Dec., 1980. F. 52 issues, 1981 vs. 29 issues, 1980. G. 52 issues, 1981 vs. 13 issues, 1980.

Canada dailies periled: Report

By TONY THOMPSON

OTTAWA—Large Canadian daily newspapers are seen as modern-day dinosaurs of the media that could be toppled by even small changes in the economic context in which they exist, according to a research paper produced for a federal government inquiry into media ownership.

The report, published as a 110-page booklet, "An Industry in Transition," could make relevant reading for those watching the development, for example, of Gannett Co.'s *USA Today*, from the conclusion it draws of the progress by the *Globe & Mail*, Toronto, in becoming a national newspaper for Canada.

With satellite printing presses on line in Quebec, the Maritime Provinces, Alberta and British Columbia, the *G&M* is available in most major centers simultaneously. "Pride in this recent achievement still obscures the danger that it may pose for local newspapers, particularly if the *G&M* exploits its new potential to create distinctive editorial packages for regional audiences supported by regional advertising," the booklet notes.

■ But the biggest long-term threat to newspapers would come from video technology, although the impact perhaps may not be felt for decades. "Regardless of the timetable," the booklet states, "the threat to newspapers clearly is there and, perhaps, more lethal in its potential than the impact of radio and television has been."

Another report, "Newspapers and their Readers," contains 123 statistical tables and shows that Canadians have similar attitudes to those found in recent U.S. studies.

Of the 3,511 people sampled, the majority found tv to be "most influential, most up-to-date, most fair and unbiased," and "most essential to Canada." Newspapers, on the other hand, were found to be "most essential to the community" and to present the "widest range of opinion."

The inquiry was set up in 1980 following the same-day closure of the *Manitoba* (Alta.) *Tribune* and the *Ottawa Journal*, by Southam Inc. and Thomson Newspapers, respectively, leaving each with the only daily in town.#

C 2710-1

$1.4 billion changed agencies in 1981—See Page 3

Advertising Age

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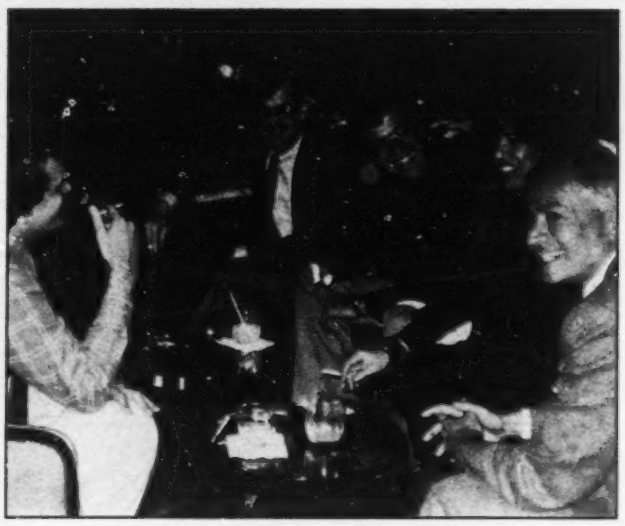

The Crown Center complex was center stage last week for the four top agencies competing for the Hallmark Cards account. Al Hampel (far right) led the creative delegation from incumbent FCB.

At Hallmark, 4 agencies present their very best

By JENNIFER ALTER

KANSAS CITY—When Joyce C. Hall decided in the mid-1930s it was time to develop a national advertising program for his greeting card business, he discovered that ad agencies did not look upon his company as a plum account.

"None of them were enthusiastic," recalls the founder of Hallmark Cards in his memoir, "When You Care Enough," "and a good many frankly said they were not even interested."

If the elderly Mr. Hall were to have come out of retirement last week and paid a visit to the modern Crown Center complex his company has spawned, he would have witnessed one of the most intense agency competitions in recent history. And Hallmark, with annual sales at about $1 billion, largely from the 10,000,000 greeting cards it sells each day, is the prize.

Whether the privately held

(Continued on Page 83)

COULD MEAN $50,000,000

ABC slotting prime time 60 for fall sales

By COLBY COATES

NEW YORK—In a move that could yield more than $50,000,000 in additional sales revenue, ABC-TV wants to add another minute of commercial time on all prime time nights with the exception of movie nights. To sweeten the deal, ABC affiliates will pick up four 30-second commercial breaks per week.

To stay within nonprogram guidelines established by the National Assn. of Broadcasters code board, ABC will run the two additional units instead of network promo time. This tactic is expected to head off any opposition on the ground that the two commercial units would add to clutter.

The plan was presented to affiliates last week, with a start date to coincide with the beginning of the 1982-83 season. But agency buyers will be negotiating for these units this summer when the upfront season starts.

No official word has come from its competitors yet, but there's not a tv man on Earth that thinks CBS and NBC won't follow ABC's lead.

The move is in response to network tv's two biggest enemies: Rising unit costs and spiraling Hollywood production costs, which are currently running far ahead of commercial cost increases.

ABC-TV sales vp Jake Keever said, "We need the expanded inventory. If we can't get it, we won't be able to maintain the caliber of our programs." Mr. Keever also feels the extra inventory "will tend to slow down unit cost hikes."

The initial reaction of the buying community is highly positive. "I'd love to see expanded commercial time as long as the networks cut back on their promotional time," said one major agency senior vp. His agency has already run the proposal by "six or seven key clients," and "they don't have any problems with it either," he said. "I think it's terrific," added another agency president, who also noted that in a buyer's market, the additional commercial inventory will give agencies a bit

(Continued on Page 78)

Phil. survivors move to fill 'Bulletin' gap

By STUART EMMRICH

The only two newspapers left in what was a four-newspaper town a month ago are moving swiftly to fill the void left in the Philadelphia market by last week's shutdown of the *Philadelphia Bulletin*.

The *Philadelphia Inquirer* and *Philadelphia Daily News*, both owned by Knight-Ridder Newspapers, have been working on contingency plans since Charter Co. announced on Jan. 6 that the the 134-year-old Bulletin was for sale. But both papers have been planning for what many predicted as the eventual closing of the once-formidable *Bulletin* since last August, when Charter announced the paper was in trouble.

Changes will be seen in both papers as early as this week following the *Bulletin's* closing on Friday. *(For coverage of the New York newspaper situation, see story on Page 3.)*

The *Daily News*, which had been hitting the newsstands at 9 a.m., started coming out with a 6:30 a.m edition today in an attempt to pick up more of the commuter traffic, according to paper spokesman Bill Broom. The paper also will start to become more of a "complete newspaper," beefing up its regular mix of sports and features with more syndicated services and more local news coverage, Mr. Broom said.

But the most extensive changes will be carried out at the *Inquirer*, the Pulitzer Prize-winning morning paper. Editors there plan to increase the paper's staff—picking up a number of *Bulletin* employes—and the news coverage substantially, with emphasis being placed on the suburban areas ringing Philadelphia, where the *Bulletin* was particularly strong. Spokesmen at the *Inquirer* say there soon will be an expansion of the suburban "zone" editions that now are limited to the Main Line area of Philadelphia and parts of southern New Jersey.

The paper also has started adding more people to the sales staff as it looks to increase its already

(Continued on Page 82)

Cobb to head GF pet food

WHITE PLAINS, N.Y.—Ralph L. Cobb has been named to head General Foods' ailing pet foods business as the company sets in motion plans to focus on profits instead of volume.

Mr. Cobb, corporate vp-group exec and formerly president of the foodservice division, succeeds Robert Sansone, earlier named general manager, beverage division.

GF's pet food business is under tremendous pressure since its strength, the soft-moist segment, has been suffering. GF's canned and dry entries have shown some share gains, but sources say the company has been losing money because it found it necessary to push with heavy deals and other promotional activities. The big winners through all this have been generics and private labels.

Some sources project GF's losses in pet foods for the fiscal year ending in March at close to $10,000,000. Because of the company's difficulties, there has been much talk among competitors, distributors and retailers about whether GF should consider getting out of the business altogether.

The company said the business is not for sale. GF thinks it can operate its pet food business profitably, and "plans are in place to do that," it added. The company is now introducing a five-flavor line of Gaines Gravy Train canned dog food (AA, Jan. 18).#

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last minute news

AHP moves $50 million of business to 3 shops

NEW YORK—American Home Products is moving creative on brands spending about $50,000,000 from Murray house shop to Rosenfeld, Sirowitz & Lawson, Esty and Kornhauser & Calene; all AHP agencies. Murray keeps buying. Assignments include Anacin and Preparation H.

GM launching 'go-it-alone' rebate program

DETROIT—General Motors will launch a "go-it-alone" rebate campaign following collapse of union negotiations *(see earlier story on Page 82)*. GM unilaterally will pass through givebacks by employes, dealers and suppliers (including ad agencies) for $500 to $2,000 rebates mainly on fwd cars and compact trucks. Page newspaper ads break this week via D'Arcy.

Public tv gets go-ahead to test advertising

WASHINGTON—Ten public tv stations were authorized Friday to sell or barter time for product and institutional ads by a special government

(Continued on Page 8)

CBTV ON ITS OWN, HIRES AGENCY

Boycott punch weakens

By JANET NEIMAN

The Moral Majority's decision last week to withdraw its support for a boycott of tv advertisers reinforces the general lack of concern expressed by marketers last week over renewed threats from the Coalition for Better Television.

With the organizational prowess and financial muscle of the Moral Majority eliminated from the issue, already-skeptical advertisers are even more likely to be unconvinced of the CBTV's ability to mobilize a band of consumers strong enough to influence their tv buying habits.

As originally reported in Advertising Age Jan. 25, the Coalition for Better Television has once more taken up the cause that was deferred last June when, according to the group's leader, Rev. Donald Wildmon, advertisers agreed to respond to the CBTV's objections to gratuitous sex, violence and profanity on tv by avoiding sponsorship of offensive programs.

Rev. Wildmon said last week that the boycott will begin March 2 with a press conference at which the names of an undisclosed number of boycott targets will be revealed. "Some programs are receiving generally better marks. . .[but] television over-all has not changed," he said.

Cal Thomas, a spokesman for the Moral Majority, said his group decided not to participate in the boycott because "after conversations and meetings with advertisers and network executives, we believe that improvement has been made in prime time programing in the areas we addressed—sex, profanity and violence. Certainly more could be done. But the application of a stick brought about a change, and now we're trying a carrot." He defined the "stick" as the boycott threat, the "carrot" as the lack of such a threat.

PTA stresses positive with tv program "seal." See Page 78.

Despite Rev. Wildmon's claim that the coalition's influence could extend to millions of consumers even without the Moral Majority, many advertisers, including some of those named as targets in the last go-round, are far less fearful and much more open about the pending boycott than they were last time.

"There was a lot of discussion [among advertisers] when the good Reverend made a lot of flurry about this last year," commented the media director for a major midwestern company. "A lot of them didn't know anything about [Rev. Wildmon] or the coalition; they didn't know who they were dealing with. There was a fear of the unknown. . .Now that they have gained knowledge on the issue, they're not as fearful."

Added a top exec of one Chicago ad agency, "I think a backlash is going on now [among advertisers] that's backfiring on the people creating [the pressure]. Most responsible clients would be prudent

(Continued on Page 78)

Simple as pie

Chesebrough-Pond's new Ragu Pizza Quick crust mix and sauce (AA, Dec. 21) are touted in tv spots by Waring & LaRosa as "homemade pizza, simple as pie."

Coming next week

Ad Age to debut new Magazine

The Feb. 8 issue of Advertising Age will contain some significant changes as we introduce the new weekly Advertising Age Magazine.

The new Magazine represents a merging of the former Section 2 theme material and the feature articles and columns that have run on the tan-colored pages designated as the former "Magazine" section. The combined product will contain more editorial space, greatly improved use of illustration and more of the kinds of useful and interesting features readers have told us they want.

As a distinct publication with its own identity, the new Magazine will have its own cover and be printed on a heavier grade of paper than the news sections of Advertising Age.

The new Magazine will incorporate in its own center the Section 2 theme material we have been presenting for several years. Next week's issue examining the increasing trend toward corporate involvement in recreational sports is typical.

The new format also will provide a vehicle to more effectively display marketing case studies, analysis of advertising strategies and in-depth personality and company profiles.

Our most popular columnist, James Brady, will be moving to a fixed position in the Magazine, and other new features and columns will be appearing regularly.#

COLA ENTRY

Seven-Up opens up Like test

St. Louis—Seven-Up Co., attempting to carve a slice of the soft drink industry's newest niche, will soon test market Like, a sugarless, caffeine-free cola.

The Philip Morris Inc. subsidiary will introduce the drink in five markets, including Madison, Wis., San Diego and Dayton, O., sources confirmed.

As yet, none of those markets has any media scheduled, but bottlers are said to expect the product and advertising support within the next few months. Backer & Spielvogel, New York, will handle Like (AA, Aug. 3).

Officials for Seven-Up would not comment on marketing plans for the beverage.

■ Like will be the second sugarless, caffeine-free beverage to hit the marketplace. Royal Crown was first with the introduction of RC 100. Since its rollout into 50 states in 1980, that entry has shown indications of being a successful trail blazer for the an emerging segment.

In 1980, RC 100 sold 6,000,000 cases and, in 1981, estimates tally at 15,000,000 cases, according to Manny Goldman, beverage analyst for Sanford C. Bernstein.

"It is crawling its way up to the 35,000,000 and 40,000,000 range," he said.

Industry observers add that Seven-Up is wise not butting heads with cola giants Coke and Pepsi.

What may also be in Like's favor is that it is part of a growing diet drink segment. Industry sources indicate sugarless soft drinks have grown at an 8% annual rate.

Bottlers and industry observers are quick to point out that no matter how popular Like becomes, it will not solve the company's floundering position in the soft drink market. An erosion of the mainstay 7UP brand has dropped the company into fourth place behind Dr Pepper with a 5.4% share.#

highlights

Monday, Feb. 1, 1982

No Nonsense's Ultra Sense may make plenty of marketing sense. *See Page 10.*

Opposite ends of the market are proving attractive to Chrysler marketers, who are pinning their early spring hopes on little sporty cars and big luxury ones. *See Page 12.*

American Express is trying a "Good Samaritan" approach to tie card usage to fund-raising needs. *See Page 14.*

Six in 10 Americans believe "things are getting worse for the nation," as concerns over recession and unemployment grow. *See Page 28.*

Benton & Bowles' next acquisition will be a smaller, more personalized agency to fill out its communications empire. *See Page 34.*

IHOP Corp. is trying out a U.S. version of its European Wienerwald restaurants. *See Page 64.*

ComputerLand, a personal computer distribution chain, is growing rapidly. *See Page 64.*

The Supreme Court has thrown out Missouri's rule that limits direct mail by lawyers. *See Page 67.*

Brewing a stronger ad campaign, the National Federation of Coffee Growers of Colombia is making the U.S. more aware of Colombian coffee. *See Page 73.*

Slow car sales are prompting top General Motors executives to criticize Chevrolet. *See Page 75.*

CORPORATE CLOSEUP

Hanes Corp.'s L'erin is embarking on a new marketing push to improve its position. *See Page 4.*

MAGAZINE

Shirley Polykoff, the first "living lady" to be elected to the American Advertising Federation's Hall of Fame and the writer of the first advertising for Clairol hair color—"Does she or doesn't she?"—tells of her years in the business and talks about the change in how clients view "fresh and different" advertising. *See Page 45.*

Is "easy twist-off cap" contradictory? What is "assembles in a jiffy" alluding to? Miranda Morse stalks such common slogans and tells what they *really* mean. *See Page 48.*

What would you do if your boss said, "You're fired!"? Thomas H. Schwarz offers some guidelines that may help turn what appears to be a tragic situation into an opportunity instead. *See Page 50.*

The Owl is back with another marketing fable—this time about an encounter with a "weasel" of a client. *See Page 50.*

Louis J. Haugh presents some methods in how the promotion function can be managed to parlay high costs into better and more cost-efficient promotions. *See Page 54.*

VIDEOTECH

Vitt Media is joining the trend toward installing financial executives as presidents. *See Page 58.*

USA Cable Network is celebrating the new year in a big way—with a $10,000,000 time buy complements of Levi Strauss. *See Page 60.*

section 2

TV SWEEPS

What do media buyers look for in the numbers they get from the rating services? This week's Tv Sweeps/Section 2 explores the buyers' side to find out what goes into their decisions and what information they would like to have to help make those decisions easier. The results of the November tv ratings race also are featured, with tables from data gathered by A.C. Nielsen, listing top stations in various categories in 150 U.S. markets, starting opposite Page 42.

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Transportation takes top honors

Record $1.4 billion changed hands in '81

By NANCY MILLMAN

When chief executives of publicly held advertising agencies meet with securities analysts to hawk their stock, they almost always endeavor to dispel the notion of the advertising business as, in the words of JWT Group's Don Johnston, "small-time, cyclical performers with no hard assets whose clients come and go through a rapidly revolving door."

The year 1981 may have made this image tougher than ever to shake, as a record $1.4 billion worth of advertising billings moved from one agency to another. This figure was compiled from Advertising Age reports of account changes over $500,000.

The total U.S. agency volume for 1981, according to the American Assn. of Advertising Agencies, was $24.4 billion in billings. So, although the percentage of total billings is not that large at 6%, the figure of $1.4 billion is a staggering one. In fact, it is double the total of changes five years ago—1977, the last year for which AA compiled this report.

Individual account changes have been well reported and analyzed in these pages during the year, but taken as a whole, patterns become evident.

The transportation category dominated the news because of the multitude of switches in the airline industry. Eastern, Pan Am, American, Continental, Braniff, Southwest, Northwest and Republic Airlines were the major carriers to switch.

Deregulation threw open the floodgates of change. New competition faced long-entrenched leaders. Re-

(Continued on Page 65)

Top account changes by industry

Transportation	$268,200,000
Food	$196,900,000
Health & beauty aids	$180,000,000
Fast-food	$130,550,000
Beer, wine and liquor	$ 86,800,000
Financial	$ 75,700,000
Clothing and jewelry	$ 75,250,000
Consumer electronics and cameras	$ 59,500,000
Appliances/hardware	$ 59,100,000
Hotels, tourist attractions	$ 50,600,000
Retail	$ 49,250,000
Entertainment and media	$ 45,450,000
Household products	$ 41,500,000
Computers/office equipment	$ 34,700,000
Automotive aftermarket	$ 33,000,000
Toys	$ 28,000,000
Miscellaneous	$ 70,350,000

American widens its appeal

By TOM BAYER

Dallas—In its first campaign for American Airlines, breaking on network tv and in newspapers and magazines this week, Bozell & Jacobs/Southwest has brought American's people to the fore to present the airline as warm, personal and caring.

That is how B&J's research said American is perceived by its passengers. That is not how the airline has been presented in previous advertising; claims of being No. 1 in Airline Passenger Assn. surveys of frequent travelers and pictures of glistening planes have been the hallmarks.

While American is dropping its earlier look for the people-oriented campaign, it is keeping the well-known theme "We're American Airlines, doing what we do best." Peter Finn, B&J/Southwest president, said American has substantial equity in the theme, which is being expanded in the 1982 campaign to position American as "giving you our best."

Mr. Finn said that rather than focus on specific market segments (which the No. 1 campaign did with the business traveler), the scope of the new campaign is broader, focusing on the specific service and standards sought by the various traveling publics.

American still feels it is No. 1 with the professional traveler, but a new APA survey to attest to that fact will not be released until early March, according to David O. Stamey, APA managing director. Mr. Finn said he did not know whether the survey results would be incorporated in any future versions of the campaign.

Price and destination definitely will be an integral part of the American campaign, though, with newspaper ads having been designed in a modular form to

(Continued on Page 78)

Biggest moves of '81

Eastern Air Lines $54,000,000	**Nestle** $21,700,000
McDonald's $53,000,000	**Republic Airlines** $20,000,000
American Airlines $45,000,000	**STP Corp.** $17,000,000
Pan Am $35,000,000	**Continental Air Lines** $16,000,000
Southland Corp. $25,000,000	**Minolta Cameras** $15,000,000

Super numbers score with advertisers

By COLBY COATES

New York—Super Bowl XVI was a super buy.

Playing to an all-time record Super Bowl viewing audience, the game scored a 49.1 rating and 73 share, which translates into a "rough" estimate of 105,000,000 people who watched all or part of it. On a household basis, the game delivered 40,020,000, nearly half of the 81,500,000 U.S. tv households.

Whether it was Anheuser-Busch, Pabst or Miller, or Toyota, Subaru or Ford, advertisers had to walk away from the game with smiles to match the one flashed by San Francisco quarterback Joe Montana, the game's most valuable player. It was Toyota, with a reported $2,000,000 commitment, that emerged as the Super Bowl's heaviest tv spender *(see editorial on Page 16)*.

Based on a rate card price of $345,000 per 30—that figure ranges somewhat depending on a several variables—advertisers came away from the most prestigious buy in tv paying a household cpm of about $8.60. The buy's key target, men aged 18 to 49, worked out to about a $13.20 cpm. For comparison purposes, a prime time cpm ranges anywhere from $5 to $6, with ABC's "Monday Night Football" priced around a $9 cpm against the men, 18-49 target.

It's hard to find a buyer that could knock those numbers, especially since Super Bowl XVI is the highest-rated live program in the history of tv, and third highest of all time, behind the "Who Shot J.R.?" episode of "Dallas" and the last episode of ABC's "Roots."

In retrospect, some adfolks could argue that the game was priced too cheaply, even though this year's unit cost of $345,000 was $70,000 more than buyers paid for SB XV on NBC. They also know one thing: SB XVII, in Los Angeles next year, should fetch a unit price tag in excess of $400,000, maybe even more than $425,000. And buyers will be happy to pay it.

CBS-TV sales vp Paul Isacsson said the network's unit asking price was a "good one" in view of the estimates going in. But he felt that despite the "hullabaloo" over the unit cost, the final numbers deserved an even higher price.

If there was any other loser besides the Cincinnati Bengals, it was those advertisers that purchased overtime. Overtime sales are usually made late in the week before the game. The seller gives each of the game's advertisers a chance at overtime space; if none wants it, they sell to the highest bidder. This year, overtime was reportedly sold at a rate in excess of $200,000.

Overtime generally sells at a cheaper rate than the game because, as one buyer put it, "There's no merchandising value to a maybe." If an advertiser is already in the game, an overtime buy is pure gravy. But if it is a client that

(Continued on Page 77)

world news roundup

London—Mars is celebrating its golden jubilee in the U.K. market with the launch of its biggest-ever Mars Bar—15% larger than the original bar, at no price increase. Mars is backing the launch, through D'Arcy-MacManus & Masius, with a substantially increased ad budget, including an extra $4,000,000 in the first quarter of 1982.

Toronto—Rogers Cablesystems, despite being strapped for cash and forecasting a loss during 1982, has earmarked $3,000,000 for lobbying to support its bid to acquire more U.S. cable franchises.

Duesseldorf—R.W. Eggert, the largest German-owned agency, announced a 14.3% increase in billings for 1981 ($53,500,000), set against an industrywide average increase of 3.6%. The launch of Henkel's new Liz liquid detergent was a key factor in the rise.

Milan—The Italian government will spend $324,400 on a good-nutrition advertising campaign to stop Italians from overeating. Recent studies show 13% of the country's schoolchildren are overweight.

Ottawa—Church leaders last week asked the Canadian Radio-television Telecommunications Commission to lift the 50-year-old ban on religious groups owning broadcasting outlets. In another move, the Canadian Broadcasting Corp. has refused to air antismoking ads for the Saskatchewan government, because they are "an attack on smokers."

London—Grey Advertising has been appointed to handle all corporate, retail and travelers cheque advertising for Bank of America in the U.K., to the tune of $3,000,000 to $6,000,000.

Top exec still 'confident'

'News' unions offer first aid

By STUART EMMRICH

New York—Robert Hunt, president of the *New York Daily News*, says he is "absolutely confident" that parent Tribune Co. will find a buyer for the paper, but employes at the paper still are scrambling to come up with alternatives to closing the paper, which they fear is Tribune Co.'s most likely action.

The Allied Printing Trades Council, representing all of the paper's unions, was planning to send a letter to the Tribune Co. late last week outlining a proposal under which an employe stock option plan (ESOP) would take over the *Daily News*, according to George McDonald, a spokesman for the unions. Mr. McDonald also spoke of union contract concessions possibly being made in an effort to keep the paper alive. Representatives of the Newspaper Guild also are trying to put together a plan involving employe-management ownership of the paper.

Meanwhile, execs at the *News* itself are denying that a timetable has been set for the paper's shutdown.

"We have set absolutely no dates to close down the *Daily News*, and we are out vigorously trying to sell the publication," Mr. Hunt told Advertising Age. "I'm absolutely confident we can sell it and we have prospective buyers."

But several developments at the paper continue to fuel speculation that potential buyers for the *News* are scarce.

Last week, management held a meeting for the paper's approximately 200 nonunion employes to spell out their severance privileges in the event of a closing. There had been no written policy prior to this.

Les Bridges, marketing director of the paper, said the meeting did not signify that the days of the *Daily News* were numbered, but was held to "ease concern among those people who are not under union contracts."

He emphasized that although he could not guarantee that the paper would not fold by the end of February, as has been suggested by insiders (AA, Jan. 25), "there has been no dictum on the part of the Tribune Co. that a date has been set" and that negotiations are continuing with potential buyers.

Union employes nonetheless are rushing to put together a package of their own. Representatives of the groups say they feel they have to work as quickly as possible to put together a proposal before it is too late.

"Time is fleeting," said Bob Carroll, a Newspaper Guild officer. "We are looking to make an approach to the Tribune Co. no later

(Continued on Page 82)

Accounts

(Continued from Page 3)
cession compounded the problem, shrinking load factors and forcing airlines to cut fares. Red ink became the motif on the balance sheets. From the red ink came top management changes at many of the airlines, or desperate leaders in those companies that did not alter their ranks.

Some airlines were ready to blame their longtime marketing allies for declining occupancy rates and profits, or to turn to close friends who ran agencies for the security they needed.

And the flock of new carriers created or helped by deregulation, and the smaller ones that emerged from their provincial cocoons, also made moves; Scandinavian Airlines, U.T.A. French Airlines, Jet America, Golden Gate, Pacific Southwest, Laker and Midway were some of the smaller carriers changing agencies.

The biggest switch of the year was in the airline category—the $54,000,000 Eastern account, which moved from Young & Rubicam to Campbell-Ewald. The agency that created "The Wings of Man" slogan was forsaken after 20 years in what was reported to be one of the year's many "friendship deals." The friendship is between Eastern's chairman Frank Borman and Campbell-Ewald's top man Thomas Adams. When other agencies heard that C-E was making a pitch for the ailing airline, which just last week reported a $29,400,000 loss in the final quarter of 1981 compared with a $6,900,000 profit the year before, they were anxious to participate in the "review" but were rebuffed. It then became clear to Y&R that the "review" was stacked against them.

The incumbent made several presentations within a week, all of which, sources said, impressed the client. Then C-E was called back in and given a chance to top Y&R. Despite all the other airlines switches, Y&R still has not landed another airline account.

Nor has Benton & Bowles, whose Los Angeles office was stricken by the loss of Continental, which was lured by Wells, Rich, Greene. WRG saw the writing on the wall with its Braniff account, and dropped that $12,000,000 piece of business to take on Continental, billing $16,000,000.

In the Midwest, the airline situation was no less volatile. Early in 1981, Campbell-Mithun, longtime agency for Northwest Airlines, lost the business. What would prove to be another recurring theme in 1981 account changes came into play during this move. As C-M chairman George Gruenwald said at the time, "When there are management changes, there are agency changes." The new regime at Northwest wanted an agency of its own selection and, after a review, chose Grey Advertising.

Agency executives were bombarded with the message: When your client says he's happy, it's not time to relax—especially if an agency with experience in that category suddenly becomes available.

When Campbell-Mithun lost Northwest, management sent a new business solicitation letter to Republic, which was handled by Hoffman-York. (Compton acquired Hoffman-York last year, and Republic was its largest account.) Jon Harty, the carrier's director of advertising and sales promotion, said last February, "We are happy with the excellent work of Hoffman-York." In December, Campbell-Mithun got the $20,000,000 Republic account.

It was product battles and the impact of generic products that made the food category the second largest in account moves.

Nestle moved $21,700,000 worth

(Continued on Page 66)

Independence 1982

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Accounts

(Continued from Page 65)

of its brands last year as dwindling shares in major product categories such as tea and coffee, as well as product introductions that were off the mark, put the parent company, Nestle S.A. in Switzerland, in a position to move. J. Walter Thompson Co. and McCann-Erickson were the primary beneficiaries as Nestle took Nescafe, Quik and Nestea from Leo Burnett Co., a total of $15,700,000 in billings.

Generics and private-label brands had hurt Nestea in the instant tea and iced tea segments. And Sunrise, an instant coffee product with chicory, which was launched by N W Ayer, did not reach expectations. Sunrise moved to JWT, as did Nestea, while Quik and Nescafe went to McCann.

A product battle in a major category cost BBDO a major chunk of its Hunt-Wesson business. Cooking oil was the arena as Hunt-Wesson rallied its forces to move aggressively against Procter & Gamble, which has Crisco oil, the leading product, and Puritan, a strong entry in the light oil category. BBDO had handled Wesson oil, for which the company spent $5,500,000 in advertising. Wesson was losing share points, and was at 20% of the market to Crisco's 25%. Hunt-Wesson's light oil entry Sunlite, a $8,500,000 piece of business, was neck-and-neck with Puritan, with about 11% share. Moving for a stronger position, the client placed Sunlite at Dailey & Associates and Botsford Ketchum got Wesson oil.

BBDO also was a victim of an "exploratory" creative test that turned into a major account move. The feisty Backer & Spielvogel shop was asked to test new approaches for Campbell Soup, a longtime resident at BBDO. The "Soup is good food" campaign reaped such good results in a West Coast test that Backer got the whole $12,000,000 kettleful. The agency also later picked up the company's $4,500,000 V-8 vegetable juice from Needham, Harper & Steers, due to a conflict that arose when Needham won Shasta.

In another interesting move in the food category, MCA Advertising won about $13,000,000 worth of Standard Brands (now Nabisco Brands) business in a consolidation move. Standard Brands had hired Marketing Corp. of America's consulting division in 1979 to supply marketing advice. The recommendation was to replace the brand management setup with a category management system and consolidate at one agency, to obtain more clout. The one agency turned out to be MCA's advertising subsidiary. Business moved from Wells, Rich, Greene; Doyle Dane Bernbach; D'Arcy-MacManus & Masius, and Lee King & Partners.

Banks figured prominently in the agency-switching scene last year. The merger of Shearson and American Express, and Sears, Roebuck & Co.'s moves to form a financial conglomerate, put banks in the position of having to be tremendously aggressive in luring the consumer's dollar.

This is exemplified in the Chase Manhattan Bank, which took its $6,000,000 retail account to Wells, Rich, Greene from Dancer Fitzgerald Sample. WRG earlier had picked up the wholesale portion of the bank's business.

A new category for account changes that emerged in 1981: Alternative tv programing. Showtime, Star pay tv, USA Cable Network, Warner Amex Satellite Entertainment, Super Time pay tv all named new agencies, as did Warner Home Video for videocassette rentals, and National Video, a franchise rental operation.

It was a game of musical agencies in the 35mm camera category as Minolta, Nikon, Vivitar and Konica each made a switch.

Many observers expected a domino effect when McDonald's Corp. made its sudden $53,000,000 move to Leo Burnett Co. from Needham, Harper & Steers. It was thought that other fast-food companies would quickly hook up with Needham's expertise in the category, but it hasn't happened yet. Needham execs have said that they have been approached, it is assumed by smaller chains, but they are waiting for the right one.

But the fast-food category was quite active, even without fallout from the McDonald's move. Wendy's International formed a new network of "super agencies" for its co-ops, moving a total of $18,500,000 in billings around the country to eight different agencies.

The regional Pizza Inn chain, billing $9,000,000, went to Stern/Monroe; Bozell & Jacobs got Sambo's from Geers Gross, a $10,000,000 account; Ponderosa left Doyle Dane Bernbach and put its $10,000,000 account at Avrett, Free & Fischer; Godfather's picked Bozell & Jacobs for its $5,000,000 pizza chain advertising, and Church's Fried Chicken went to BBDO, Chicago, from GSD&M, a $1,500,000 account, just to name a few.

What do the ceo's of those agencies say to all this? Foote, Cone & Belding's new chairman Norman Brown contends that, "over-all, advertising is a relatively stable, mature, professional business. Most solid, deeply experienced companies," Mr. Brown said, "continue with their policy of wonderful, long-term relationships."

In addition, Mr. Brown noted, "agencies are in their own cost/price freeze. Our costs go up about 10% each year, and often the increases in clients' budgets are not enough to cover those costs. It is possible that agencies under these conditions would increase their new business activity and shake loose relationships" that otherwise would have stuck together.

Alex Kroll, president of Y&R/USA, which lost the Eastern Air Lines account last year, said that although 1981 had "the coincidence of some spectacular changes," far more clients want "continuity" than they do "change for change's sake—the saddest line in all of advertising."

Research assistance was by editorial assistant Denise O'Neal.

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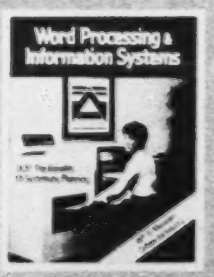

The magazine of automated business communications
Est. 1973

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Est. 1917

Liquor industry goes flat in '81

By JOHN C. MAXWELL JR.

As has been the case for the last two or three years, liquor industry volume in 1981-82 should be relatively flat. We attribute this to three factors. First, and most obvious, there is the weak economy.

Second, as we have previously noted, people appear to be moving away from alcoholic beverages as a whole. Some years ago, the wine industry was growing at 15% to 20% annually vs. the current level of about 6%; beer was growing around 5% to 6% vs. 2.5% to 3% currently, and the liquor industry was growing 6% to 7% vs. a current growth rate close to zero.

Last but not least, there is the industry's aggressive pricing. Increasingly, companies tell us that in essence they are going to use their liquor divisions as "cash cows" since they consider the industry somewhat mature and feel that its cash flow could probably be used better elsewhere. Therefore the industry will continue to prune brands actively, may lower or cease advertising on brands that show little or no long-term promise and will be aggressive on pricing.

In the liquor industry as a whole the only real 1981 volume growth appeared in the white goods and the brandy-liqueur-cordial group, with nonwhisky volume up about 3%. The whisky area was off almost 2.5%, with the only increases achieved for U.S. bottled Canadian (up 2.5%) and Irish (up about 2%). Vodka continues to have growth problems, and some observers suggest that people are moving away from this product and into white wine. Even rum, as a category, was up a mere 10% vs. substantially higher growth figures in the past.

Of the two major brands in the liquor industry, Bacardi rum was up and the slight drop for Heublein's Smirnoff vodka represented good improvement from its larger drop in 1980. Only a few vodkas showed gains; however, Nabisco Brands' Silhouette is off to a good start. Hiram Walker's Old Smuggler scotch jumped 45% in one of the industry's best unit gains. J&B scotch, down slightly, continues as the leading brand in that area, with Dewar's (up 4%) a close second and the only major scotch with an increase.

■ The recently introduced Beam 8 Star appears to be on its way to great success. Jim Beam continues in fifth place (up 5%) in the industry and is the best-selling bourbon. The Beam division of American Brands can claim gains for nearly its entire portfolio.

Other winners are Walker's Kahlua (up 3.9%), which went from 25th to 18th in over-all industry position, and Heublein's Black Velvet (up 2%), which jumped from 26th to 19th. It also is interesting to note that Baileys Irish Cream liqueur appears to be taking share away from some of the imported specialties, such as Glenmore's Amaretto di Saronno. Baileys' 150% unit growth in 1981 to 625,000 cases is one of the fastest gains we have seen in the industry.

Brown-Forman is continuing to post gains. Its Jack Daniel's had the best unit growth of the major products (up 24%), moving it from 10th to sixth position. Its Canadian Mist was up close to 7%, and Martell's cognac jumped almost 29%, although from a low base.#

1981 sales of top liquor brands

(brands selling 1,000,000 or more cases)

Rank '80	Rank '81	Brand	Company	3-Gallon Cases (000) '80	'81 (E)	Change
1	1	Bacardi	Bacardi	6,319	6,515	3.1%
2	2	Smirnoff	Heublein	5,873	5,810	(1.1)
3	3	7 Crown	Seagram	5,080	4,950	(2.6)
4	4	Canadian Club	Walker (GWL)	3,850	3,700	(3.9)
5	5	Jim Beam	James Beam (AB)	3,500	3,680	5.1
10	6	Jack Daniel's	Brown-Forman	2,519	3,123	24.0
6	7	V.O.	Seagram	3,065	3,000	(2.1)
8	8	Windsor Supreme	National	2,785	2,785	—
7	9	Popov	Heublein	3,002	2,691	(10.4)
13	10	Canadian Mist	Brown-Forman	2,421	2,581	6.6
11	11	Seagram's Gin	Seagram	2,520	2,550	1.2
9	12	Gordon's Gin	Gordon/Renfield	2,550	2,500	(2.0)
12	13	J&B Rare	Paddington (PC)	2,500	2,350	(6.0)
14	14	Dewar's	Schenley (RA)	2,115	2,200	4.0
16	15	Gilbey's Gin	National	2,145	2,145	—
15	16	Cutty Sark	Buckingham	1,850	1,700	(8.1)
15	17	Gordon's Vodka	Gordon/Renfield	1,670	1,690	1.2
25	18	Kahlua	Walker (GWL)	1,500	1,640	3.9
26	19	Black Velvet	Heublein	1,594	1,628	2.1
22	20	Gilbey's Vodka	National	1,535	1,600	4.2
25	20	Kamchatka	National	1,600	1,600	—
19	21	Johnnie Walker Red	Somerset (NS)	1,620	1,570	(3.1)
17	22	Ancient Age	Schenley (RA)	1,750	1,550	(8.9)
23	23	Christian Brothers	Fromm & Sichel	1,525	1,525	—
24	24	Beefeater	Kobrand	1,510	1,510	—
21	25	Ten High	Walker (GWL)	1,550	1,500	(3.2)
20	26	Early Times	Brown-Forman	1,546	1,477	(4.5)
27	27	Kessler	Calvert (S)	1,400	1,400	—
28	28	Walker Brandy	Walker (GWL)	1,300	1,350	3.8
31	29	Tanqueray	Somerset (NS)	1,070	1,100	2.8
29	29	Calvert Extra	Calvert (S)	1,160	1,100	(5.2)
33	30	Old Crow	National	970	1,020	5.2
32	31	Southern Comfort	Brown-Forman	1,047	1,017	(2.9)
30	32	Imperial	Walker (GWL)	1,100	1,000	(9.1)
34	33	Wolfschmidt	Seagram	955	1,000	4.7

E—estimated.
Key to parent corporations: (AB) American Brands; (G) Glenmore; (GWL) Gooderham & Worts Ltd.; (NS) Norton Simon; (PC) Paddington/Carillon; (RA) Rapid-American; (S) Seagram; (NB) Nabisco Brands.

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Film award deadline set

ELMHURST, ILL.—March 1 is the deadline for entries in the U.S. Industrial Film Festival's 15th awards competition.

Material to be entered in the contest is acceptable in forms including 16mm motion picture, 16mm and 35mm filmstrips, 35mm slides and ¾-in. videocassettes and videodiscs.

Information and entry forms can be obtained from 841 N. Addison Ave., 60126.

Advertising Age/Section 2

FEBRUARY 1, 1982

TV SWEEPS

ABC stations still on top . . . details inside

BY COLBY COATES

In the end there were few surprises in the November, 1981, sweeps.

As shown on the following pages, in tables that detail television shares in the top 150 markets, local network affiliates generally performed in sync with their network.

According to research prepared by a veteran broadcaster, ABC affiliates, as in the past, emerged as the top draw among the key 18 to 49-year-old viewer in major urban centers.

CBS affiliated stations generally duplicated their past track record and began to pick up strength in markets 25 through 50, gaining further momentum in markets 50 through 100.

More often than not, NBC affiliates trailed the competition in most of the key breakouts, although NBC stations were not without outright victories in some smaller markets. Additionally, NBC stations scored a number of strong second-place finishes in the medium to larger markets.

Using data from A.C. Nielsen Co., the tables contained in this section give station total shares for women and men, 18 to 49. The last three columns indicate DMA (designated market area) household shares for the full broadcast week, prime time and early fringe.

Colby Coates, senior editor of Advertising Age *in New York, coordinates coverage of the broadcasting industry.*

An analysis of the top 50 markets suggests an ever tightening race between ABC and CBS affiliated stations. In the second 50, the lead shifts in favor of CBS, with the remaining 50 more a result of other factors besides programing.

There was bad news for two NBC stations—KNBC in Los Angeles and KRON San Francisco. In the key 18 to 49 demographic, both trailed the network affiliates or network-owned-and-operated stations, as well as one independent station.

ABC stations were the demographic leaders in all of the top 10 markets, with CBS breaking ABC's stranglehold in markets 17 and 18, St. Louis and Tampa-St. Petersburg, Fla. After that, ABC maintained its demographic edge through most of the rest of the top 50.

In terms of the top 10 stations in the top 50 markets, WBRC, Birmingham, Ala., an ABC affiliate, was the biggest draw among women 18 to 49, notching an average 54 share.

Stations scoring the highest numbers with women viewers in markets 51 through 100 were more equally spread over the spectrum, with the majority of NBC's first and second place finishes coming in these markets.

CBS affiliates dominated the demographics in markets 100 through 150, though a station's performance in these smaller areas is sometimes less dependent on programs and more dependent on a station's signal. In Erie, Pa., for example, the dominant force is WICU, the NBC affiliate and lone vhf in the market.#

Illustration by John Sandford

TV'S TOP 150 MARKETS

Stations scramble for shares; Nielsen November sweeps keep score

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
NEW YORK (1)					
WABC-TV (A)	28	24	23	27	17
WCBS-TV (C)	19	19	18	25	15
WNBC-TV (N)	19	18	21	23	18
WNEW-TV	13	13	13	9	16
WPIX	11	12	10	7	16
WOR-TV	7	9	7	3	10
LOS ANGELES (2)					
KABC-TV (A)	26	24	24	27	21
KNXT (C)	16	18	18	24	15
KTLA	15	14	12	10	17
KNBC (N)	14	13	17	20	13
KCOP	8	8	9	7	10
KTTV	8	8	9	6	13
KMEX-TV	6	4	3	2	4
KHJ-TV	5	7	6	5	8
CHICAGO (3)					
WLS-TV (A)	30	25	26	29	19
WBBM-TV (C)	21	23	24	30	20
WGN-TV	20	22	14	10	20
WMAQ-TV (N)	15	14	19	24	18
WFLD-TV	10	11	11	6	20
PHILADELPHIA (4)					
WPVI-TV (A)	35	31	32	33	33
WCAU-TV (C)	25	25	24	28	33
KYW-TV (N)	16	16	16	20	10
WTAF-TV	8	11	8	5	13
WKBS-TV	8	9	8	4	10
WPHL-TV	5	6	5	4	9
SAN FRANCISCO (5)					
KGO-TV (A)	27	26	22	23	23
KPIX (C)	23	21	22	25	20
KTVU	18	20	13	13	20
KRON-TV (N)	15	16	15	18	10
KBHK-TV	8	8	7	4	10
KTZO	4	4	4	3	4
BOSTON (6)					
WCVB-TV (A)	30	25	26	28	23
WBZ-TV (N)	23	25	24	20	22
WNAC-TV (C)	21	19	19	26	17
WSBK-TV	11	15	7	7	10
WLVI-TV	10	10	8	5	12
WXNE-TV	3	3	3	2	5
DETROIT (7)					
WXYZ-TV (A)	35	32	32	31	26
WJBK-TV (C)	24	25	25	31	17
WDIV (N)	20	19	22	25	26
WKBD-TV	14	16	12	7	19
WXON-TV	3	5	3	1	7
WASHINGTON (8)					
WJLA-TV (A)	29	25	26	29	19
WDVM-TV (C)	24	26	25	29	24
WTTG	20	19	14	8	20
WRC-TV (N)	18	16	18	21	15
WDCA-TV	9	11	7	6	11
CLEVELAND (9)					
WEWS (A)	35	34	32	32	30
WJKW (C)	24	23	23	28	21
WKYC-TV (N)	22	23	22	25	14
WUAB-TV	15	17	12	7	23
WCLQ-TV	4	3	3	1	5

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
DALLAS-FORT WORTH (10)					
WFAA-TV (A)	31	29	28	31	19
KDFW-TV (C)	28	28	29	30	24
KXAS-TV (N)	18	18	22	23	20
KTVT	11	12	8	7	19
KXTX	5	5	4	2	8
KTXA-TV	3	4	3	—	5
HOUSTON (11)					
KTRK-TV (A)	36	34	33	33	25
KHOU-TV (C)	29	28	28	33	25
KPRC-TV (N)	19	20	20	23	17
KRIV-TV	8	9	8	3	18
KHTV	7	9	7	5	11
PITTSBURGH (12)					
WTAE-TV (A)	37	39	27	30	28
KDKA-TV (C)	30	26	29	29	34
WPXI (N)	21	21	18	19	11
WPGH-TV	8	10	7	4	11
MIAMI (13)					
WPLG (A)	32	33	27	28	18
WTVJ (C)	25	26	26	29	33
WCKT (N)	18	20	22	21	20
WCIX-TV	14	14	11	8	17
WLTV	7	5	5	5	6
SEATTLE (14)					
KOMO-TV (A)	32	30	28	30	24
KING-TV (N)	22	22	22	23	17
KIRO-TV (C)	19	20	20	22	24
KSTW-TV	15	16	13	9	18
KCPQ-TV	8	8	7	6	8
MINNEAPOLIS-ST. PAUL (15)					
KSTP-TV (A)	33	33	29	33	20
WCCO-TV (C)	32	32	31	33	28
WTCN-TV	17	17	17	19	19
KMSP-TV (N)	15	15	16	10	27
ATLANTA (16)					
WSB-TV (A)	35	35	32	32	30
WAGA-TV (C)	28	30	28	32	26
WXIA-TV (N)	21	19	21	23	18
WTBS	12	13	9	4	13
WANX-TV	4	3	4	2	8
ST. LOUIS (17)					
KMOX-TV (C)	32	29	29	33	25
KTVI (A)	29	30	26	30	23
KSDK (N)	18	17	21	23	20
KPLR-TV	13	15	13	8	17
KDNL-TV	6	6	5	3	10
TAMPA-ST. PETERSBURG, FLA. (18)					
WTVT (C)	34	34	32	33	36
WTSP-TV (A)	27	26	22	25	15
WFLA-TV (N)	22	21	25	25	15
WTOG-TV	15	18	10	5	14
WXLT-TV (A) (Sarasota)	—	—	3	3	2
DENVER (19)					
KBTV (A)	35	35	33	35	28
KOA-TV (N)	26	26	24	22	17
KMGH-TV (C)	22	22	22	28	20
KWGN	14	15	13	7	24
BALTIMORE (20)					
WJZ-TV (A)	37	35	30	31	28
WBAL-TV (C)	29	32	24	28	25
WMAR-TV (N)	25	25	23	25	25
WBFF-TV	7	7	6	4	7
WTTG	—	—	5	3	6
WDVM (C) (Washington)	—	—	3	3	2
WDCA	—	—	3	2	4
SACRAMENTO-STOCKTON, CAL. (21)					
KOVR (A)	31	28	23	27	16
KCRA-TV (N)	23	25	24	20	29
KXTV (C)	20	21	18	25	11
KTXL	19	20	11	8	15
KRBK-TV	4	5	5	2	9
INDIANAPOLIS (22)					
WRTV (A)	29	30	27	28	26
WTHR (N)	28	29	25	26	24
WISH-TV (C)	28	25	24	30	20
WTTV	15	14	13	6	20
PORTLAND, ORE. (23)					
KATV (A)	30	30	28	28	25
KOIN-TV (C)	27	27	25	28	27
KGW-TV (N)	22	20	22	24	19
KPTV	20	21	17	11	22
PHOENIX, ARIZ. (24)					
KTVR (A)	29	28	25	30	16
KOOL-TV (C)	23	23	23	27	24
KPHO-TV	22	22	20	12	30
KPNX-TV (N)	19	20	12	22	20
KNXV	3	5	3	1	5
HARTFORD-NEW HAVEN, CONN. (25)					
WTNH-TV (A)	46	41	27	27	26
WFSB-TV (C)	39	41	27	29	30
WVIT (N)	11	12	11	11	11
WNEW-TV (New York)	—	—	5	3	7
WNBC-TV (N) (New York)	—	—	4	4	3
WCBS-TV (N) (New York)	—	—	3	4	3
WPIX (New York)	—	—	3	2	5
WGGB-TV (A) (Springfield-Hartford)	—	—	3	3	2

These tables show the commercial tv stations in each of the top 150 markets. The first two columns rank shares for women and men age 18 through 49, as reported in the Nielsen November, 1981, sweeps covering the full telecast day. The last three columns show household shares for the full telecast day, early fringe and prime time. They are based on homes in Nielsen's designated market area (DMA).

These figures were compiled for Advertising Age from the Nielsen books by a veteran tv researcher.

Initials in parentheses indicate network affiliation (ABC, CBS, NBC); stations without initials are independents. Prime time is 8 p.m. to 11 p.m. Eastern Standard Time Monday to Saturday combined with 7 p.m. to 11 p.m. EST Sunday.

These lists include local network affiliates and share runners-up in each market, whether local indies or distant stations, affiliated or independent. Not all stations are listed. Stations appear only if they drew a minimum of 3 household share sign-on to sign-off. A blank under any column indicates not reported. The DMA as defined by Nielsen does not include distant satellite or microwave coverage.

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
CINCINNATI (26)					
WKRC-TV (A)	31	28	26	28	17
WCPO-TV (C)	27	28	27	33	30
WLWT-TV (N)	20	22	23	24	18
WXIX-TV	17	19	11	5	19
SAN DIEGO (27)					
KGTV (A)	36	32	26	27	28
KFMB-TV (C)	29	30	24	26	29
KCST-TV (N)	22	23	17	16	10
XETV (Tia Juana)	12	13	9	8	11
KTLA (Los Angeles)	—	—	4	3	5
KTTV (Los Angeles)	—	—	3	2	3
KANSAS CITY, MO. (28)					
KMBC-TV (A)	36	35	29	31	26
KCMO-TV (C)	30	27	28	30	22
WDAF-TV (N)	18	20	23	25	25
KSHB-TV	15	17	11	6	18
MILWAUKEE (29)					
WISN-TV (A)	36	35	30	31	26
WITI-TV (C)	29	29	25	30	15
WTMJ-TV (N)	20	20	23	24	27
WVTV	10	12	10	7	18
NASHVILLE, TENN. (30)					
WTVF (C)	36	34	30	35	31
WNGE (A)	29	30	23	24	20
WSMV-TV (N)	29	28	28	30	28
WZTV	6	5	5	2	9
WBKO (A) (Bowling Green)	—	—	4	4	3
CHARLOTTE, N.C. (31)					
WBTV (C)	40	40	36	37	41
WSOC-TV (A)	31	37	29	29	25
WPCQ-TV (N)	11	12	9	12	5
WCCB	12	12	8	5	14
BUFFALO, N.Y. (32)					
WKBW-TV (A)	39	38	31	31	30
WIVB (C)	30	30	26	29	30
WGR-TV (N)	25	26	22	23	15
WUTV	4	4	4	2	8
PROVIDENCE, R.I.-NEW BEDFORD, CONN. (33)					
WPRI-TV (A)	39	37	25	28	30
WJAR-TV (N)	38	37	27	25	26
WLNE (C)	22	26	14	20	9
WNAC-TV (C) (Boston)	—	—	6	8	5
WLVI-TV (Cambridge)	—	—	6	3	8
WBZ-TV (N) (Boston)	—	—	5	4	5
WSBK-TV (Boston)	—	—	4	2	5
WCVB-TV (A) (Boston)	—	—	3	3	3
ORLANDO-DAYTONA BEACH, FLA. (34)					
WFTV (A)	35	32	32	31	31
WDBO-TV (C)	27	27	24	28	24
WESH-TV (N)	24	25	24	25	19
WOFL	11	8	9	5	14
NEW ORLEANS (35)					
WWL-TV (C)	40	38	38	35	35
WVUE (A)	28	29	25	29	23
WDSU-TV (N)	19	19	19	21	15
WGNO-TV	10	12	10	8	19

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
MEMPHIS, TENN. (36)					
WREG-TV (C)	33	33	27	31	24
WHBQ-TV (A)	32	31	25	26	20
WMC-TV (N)	25	27	25	26	28
WPTY-TV	9	9	7	5	14
COLUMBUS, O. (37)					
WBNS-TV (C)	38	35	30	32	38
WTVN-TV (A)	36	35	30	30	25
WCMH-TV (N)	25	26	24	26	18
WUAB-TV	—	—	3	2	4
GREENVILLE-SPARTANBURG, S.C.-ASHEVILLE, N.C. (38)					
WLOS-TV (A)	36	35	26	24	27
WFBC-TV (N)	35	32	32	31	30
WSPA-TV (C)	33	33	29	32	28
GRAND RAPIDS-KALAMAZOO-BATTLE CREEK, MICH. (39)					
WZZM-TV (A)	32	27	22	20	24
WKZO-TV (C)	28	32	26	28	25
WOTV-TV (N)	26	23	24	24	25
WUHQ-TV	14	16	9	10	8
BIRMINGHAM, ALA. (40)					
WBRC-TV (A)	54	53	44	35	45
WVTM-TV (N)	29	33	26	30	30
WBMG-TV (C)	12	10	10	15	5
WCFT-TV (C) (Tuscaloosa)	4	4	3	3	2
WHMA-TV (C) (Anniston)	—	—	3	4	2
WTBS (Atlanta)	—	—	3	1	5
RALEIGH-DURHAM, N.C. (41)					
WRAL-TV (A)	48	49	35	31	39
WTVD (C)	41	37	30	31	27
WPTF-TV (N)	8	8	7	8	5
OKLAHOMA CITY (42)					
KOCO-TV (A)	36	35	28	24	24
KWTV (C)	27	26	22	26	17
KTVY (N)	23	23	23	25	22
KOKH-TV	7	9	6	5	6
KGMC	5	5	5	4	13
LOUISVILLE, KY. (43)					
WHAS-TV (C)	34	34	29	33	30
WAVE-TV (N)	29	26	27	29	23
WLKY-TV (A)	27	26	22	23	17
WDRB-TV	10	12	10	5	18
SALT LAKE CITY (44)					
KTVX (A)	35	30	27	31	17
KSL-TV (C)	32	33	31	34	36
KUTV (N)	23	26	23	23	24
KSTU	7	9	8	5	15
SAN ANTONIO, TEX. (45)					
KSAT-TV (A)	40	35	32	33	29
KENS-TV (C)	33	35	32	32	31
KMOL-TV (N)	19	22	20	22	16
KWEX-TV	6	6	7	6	9
CHARLESTON-HUNTINGTON, W. VA. (46)					
WSAZ-TV (N)	41	42	36	33	39
WOWK-TV (A)	31	30	22	24	18
WCHS-TV (C)	27	26	21	27	20
WTBS (Atlanta)	—	—	4	2	6
WOAY-TV (A) (Oak Hill)	—	—	3	3	2

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
NORFOLK-PORTSMOUTH-NEWPORT NEWS, VA. (47)					
WTKR-TV (C)	33	30	31	34	30
WVEC-TV (A)	32	33	27	31	24
WAVY-TV (N)	21	22	20	23	18
WTVZ	8	9	7	4	10
WYAH-TV	8	7	7	2	12
HARRISBURG-LANCASTER-LEBANON-YORK, PA. (48)					
WGAL-TV (N)	37	34	30	27	30
WHTM (A)	35	32	22	24	18
WHP-TV (C)	15	16	13	15	15
WLYH-TV (C)	10	11	6	6	4
WSBA-TV (C)	2	3	3	4	2
WBAL-TV (C) (Baltimore)	—	—	3	3	4
WJZ-TV (A) (Baltimore)	—	—	3	3	2
WTAF-TV (Philadelphia)	—	—	3	2	4
WILKES-BARRE-SCRANTON, PA. (49)					
WNEP-TV (A)	48	50	31	29	32
WBRE-TV (N)	30	25	22	25	21
WDAU-TV (C)	17	19	16	20	14
WNEW-TV	—	—	3	2	3
WPIX	—	—	3	2	5
ALBANY-SCHENECTADY-TROY (50)					
WTEN (A)	41	40	31	30	32
WRGB (C-N)	34	30	26	29	28
WNYT-TV (C-N)	24	23	21	23	17
WPIX 5 (New York)		—	—	3	2
WSBK-TV (Boston)	—	—	3	2	3
DAYTON (51)					
WHIO-TV (C)	48	44	35	34	47
WDTN (A)	36	36	25	29	15
WKEF (N)	19	24	17	20	13
WXIX-TV (Cincinnati)	—	—	4	2	6
GREENSBORO-HIGH POINT-WINSTON-SALEM, N.C. (52)					
WFMY (C)	38	35	33	33	34
WGHP (A)	29	27	24	26	24
WXII (N)	22	20	21	21	20
WGGT	7	8	5	4	8
WJTM	4	6	4	4	4
SYRACUSE-ELMIRA, N.Y. (53)					
WSTM (N)	37	32	25	25	22
WTVN (C)	35	37	25	25	32
WIXT (A)	27	26	17	18	15
WPIX (New York)	—	—	8	8	5
FLINT-SAGINAW-BAY CITY, MICH. (54)					
WJRT (A)	41	40	29	29	23
WNEM (N)	35	37	30	29	37
WEYI (C)	18	20	13	17	11
WKBD (Detroit)	—	—	5	2	8
WJIM (C) (Lansing)	—	—	4	5	2
WXYZ (A) (Detroit)	—	—	3	2	3
RICHMOND-PETERSBURG, VA. (55)					
WTVR (C)	39	32	34	33	26
WXEX (A)	31	32	28	29	25
WWBT (N)	29	32	23	24	34

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
LITTLE ROCK-PINE BLUFF, ARK. (56)					
KATV (A)	43	47	40	33	26
KTHV (C)	33	37	25	31	23
KARK (N)	24	21	22	29	34
SHREVEPORT, LA. (57)					
KTBS (A)	43	41	29	28	26
KSLA (C)	39	38	34	33	32
KTAL (N)	20	22	18	22	18
TULSA, OKLA. (58)					
KOTV (C)	38	23	25	28	23
KTUL (A)	31	38	27	31	27
KJRH (N)	23	15	21	22	18
KOKI	8	8	5	4	12
WICHITA-HUTCHINSON, KAN. (59)					
KAKE (A)	35	37	27	27	27
KARD (N)	32	33	28	28	28
KTVH (C)	30	27	24	27	18
KSHB (Kansas City)	—	—	4	2	7
WTBS (Atlanta)	—	—	3	2	8
TOLEDO, O. (60)					
WTOL (C)	43	39	30	31	35
WTVG (N)	28	31	26	27	26
WDHO (A)	28	28	20	23	9
WKBD (Detroit)	—	—	5	2	8
KNOXVILLE, TENN. (61)					
WBIR (C)	45	45	34	35	39
WATE (A)	34	37	28	29	26
WTVK (N)	19	15	19	18	17
MOBILE, ALA.-PENSACOLA, FLA. (62)					
WKRG (C)	39	43	31	34	30
WEAR (A)	37	35	29	29	28
WALA (N)	24	24	21	23	20

TO BE WATCHED, YOU'VE GOT TO MAKE YOURSELF HEARD.

A broadcasting company can't expect people to tune in to its television station automatically. After all, there are too many other stations to turn to.

To grab viewers, a television station has got to grab people's attention. At Gaylord Broadcasting, we know that means more than making a lot of noise. We've got to be innovative. And we've got to introduce programming that suits every market we serve.

In sports conscious cities like Cleveland, Milwaukee and Seattle, that means broadcasting major league baseball games. And in Tampa/St. Petersburg, where weather plays a vital role in the economy, it means having our very own satellite terminal . . . so we can have direct, 24-hour access to satellite weather pictures.

These are just two of the many ways we're making a name for ourselves at Gaylord. Because we know if we make ourselves heard, more and more people are going to be watching.

GB

Gaylord Broadcasting
We're making ourselves heard.

KTVT Dallas/Ft. Worth • WTVT Tampa/St. Petersburg • KSTW-TV Seattle/Tacoma • WUAB-TV Cleveland/Lorain
KHTV Houston • WVUE-TV New Orleans • WVTV Milwaukee • WKY Oklahoma City • KYTE/KLLB Portland

Represented nationally by TELEREP

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
JACKSONVILLE, FLA. (63)					
WJXT (C)	39	36	32	30	38
WTLV (A)	26	31	23	25	18
WJKS (N)	17	17	15	18	12
WAWS	13	14	10	8	11
WXAO	2	3	3	2	5
FRESNO, CAL. (64)					
KJEO (A)	28	24	20	24	15
KFSN (C)	26	27	25	29	25
KMPH	22	24	18	9	25
KSEE (N)	17	19	18	21	18
KFTV	7	5	4	3	5
ROANOKE-LYNCHBURG, VA. (65)					
WDBJ (C)	44	42	35	36	41
WSET (A)	28	29	20	22	20
WSLS (N)	28	26	24	25	20
ALBUQUERQUE, N.M. (66)					
KGGM (C)	39	51	36	22	21
KOB (N)	22	27	25	22	23
KOAT (A)	22	12	14	32	28
KGSW	10	8	6	5	8
KLKK	5	2	4	4	5
4					
5					
GREEN BAY, WIS. (67)					
WLUK (A)	35	36	27	29	24
WBAY (C)	33	35	31	30	33
WFRV (N)	28	27	28	30	25
WEST PALM BEACH-FORT PIERCE, FLA. (68)					
WPTV (N)	44	41	30	25	35
WPEC (A)	37	35	18	19	13
WTVX (C)	19	24	12	16	10
WTVJ (C) (Miami)	—	—	11	13	12
WPLG (A) (Miami)	—	—	8	9	6
WCKT (N) (Miami)	—	—	7	4	11
WTBS (Atlanta)	—	—	3	2	5
DES MOINES-AMES, IA. (69)					
KCCI (C)	40	36	33	34	35
WOI (A)	31	32	26	26	20
WHO (N)	29	29	27	28	29
OMAHA, NEB. (70)					
KETV (A)	45	44	34	33	23
WOWT (C)	30	29	30	33	33
KMTV (N)	26	26	25	26	31
ROCHESTER (71)					
WOKR (A)	32	31	28	29	23
WHEC (C)	32	28	27	27	32
WROC (N)	22	24	20	21	17
WUHF	11	17	10	9	13
SPOKANE, WASH. (72)					
KXLY (A)	40	38	29	27	21
KREM (C)	31	34	24	27	24
KHQ (N)	29	28	25	25	34
KSTW	—	—	3	2	4
PORTLAND-POLAND SPRING, ME. (73)					
WCSH (N)	34	32	27	26	22
WMTW (A)	34	32	21	23	17
WGAN (C)	28	32	26	25	38
WLVI (Boston)	—	—	4	3	6
WSBK (Boston)	—	—	3	2	3

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
DAVENPORT, IA.-ROCK ISLAND-MOLINE, ILL. (74)					
WQAD (A)	39	40	27	27	24
WOC (N)	33	32	28	29	29
WHBF (C)	30	28	24	29	21
WGN (Chicago)	- -	—	3	2	7
CHAMPAIGN-SPRINGFIELD-DECATUR, ILL. (75)					
WCIA (C)	40	41	30	29	22
WAND (A)	31	30	23	24	27
WICS (N)	29	26	23	26	23
WGN (Chicago)	—	—	4	3	6
KPLR (St. Louis)	—	—	3	2	5

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
CEDAR RAPIDS-WATERLOO, IA. (76)					
KCRG (A)	36	36	27	27	29
KCAN (C)	30	32	26	26	26
KWWL (N)	30	28	26	28	26
KDUB	—	—	3	3	2
JOHNSTOWN-ALTOONA, PA. (77)					
WJAC (N)	53	54	31	31	29
WTAJ (C)	44	42	29	30	29
WTAE (A)	—	—	12	15	9
KDKA (C) (Pittsburgh)	—	—	5	5	9
WPGH (Pittsburgh)	—	—	3	1	3

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But we not only give viewers a reason to respond. We give them a way to respond, too. With a highly sophisticated computerized telephone network that can

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
HONOLULU (78)					
KITV (A)	34	37	31	34	30
KGMB (C)	34	32	30	33	26
KHON (N)	26	26	24	23	25
KIKU	5	3	7	4	11
PADUCAH, KY.-CAPE GIRARDEAU, MO.-HARRISBURG, ILL. (79)					
KFVS (C)	46	46	36	35	38
WPSD (N)	34	29	32	30	34
WSIL (A)	20	21	13	16	8
CHATTANOOGA, TENN. (80)					
WTVC (A)	36	38	32	29	27
WDEF (C)	32	31	27	30	28
WRCB (N)	27	31	25	28	26
WTBS (Atlanta)	—	—	3	1	6
SOUTH BEND-ELKHART, IND. (81)					
WNDU (N)	33	36	26	27	28
WSBT (C)	33	32	29	32	28
WSJV (A)	31	28	25	27	19
WFLD (Chicago)	—	—	4	2	6
WGN (Chicago)	—	—	4	3	5
BRISTOL-JOHNSON CITY-KINGSPORT, TENN. (82)					
WCYB (N)	44	43	37	35	37
WJHL (C)	38	43	32	32	35
WKPT (A)	15	18	12	18	9
LEXINGTON, KY. (83)					
WKVT (C)	42	40	31	34	37
WTVQ (A)	31	28	21	23	13
WLEX (N)	28	28	28	28	24
SPRINGFIELD, MO. (84)					
KYTV (N)	46	43	42	36	47
KOLR (C)	36	38	30	34	24
KMTC (A)	11	14	12	15	12
JACKSON, MISS. (85)					
WLBT (N)	49	39	36	33	43
WJTV (C)	29	30	26	29	18
WAPT (A)	20	30	19	21	18
LINCOLN-HASTINGS-KEARNEY, NEB. (86)					
KOLN (C)	50	53	35	35	37
KHGI (A)	35	33	19	19	17
KHAS (N)	15	13	11	13	9
KETV (A) (Omaha)	—	—	11	11	5
KMTV (N) (Omaha)	—	—	7	7	8
WOWT (C) (Omaha)	—	—	3	2	4
TUCSON, ARIZ. (87)					
KGUN (A)	41	39	29	31	22
KOLD (C)	24	26	25	26	25
KVOA (N)	24	22	26	25	29
KZAZ	10	9	8	6	11
EVANSVILLE, IND. (88)					
WTVW (A)	43	45	34	31	29
WFIE (N)	26	30	25	25	23
WEHT (C)	23	20	21	25	26
WTBS (Atlanta)	—	—	3	1	5
AUSTIN, TEX. (89)					
KTBC (C)	42	40	36	36	36
KVUE (A)	39	36	30	31	29
KTVV (N)	19	20	20	22	17
KTVT	—	—	3	2	4
HUNTSVILLE, ALA.-DECATUR, GA. (90)					
WAAY (A)	41	38	29	27	28
WHNT (C)	35	38	30	33	26
WAPF (N)	21	23	18	20	18
WBRC (A) (Birmingham)	—	—	5	3	5
WTBS (Atlanta)	—	—	4	2	6
WOWL (N) (Florence)	—	—	3	3	4
BATON ROUGE, LA. (91)					
WBRZ (A)	44	43	36	36	38
WAFB (C)	37	37	33	37	31
WRBT (N)	17	17	18	19	13
WTBS (Atlanta)	—	—	3	1	4
YOUNGSTOWN, O. (92)					
WKBN (C)	34	39	28	31	30
WYTV (A)	34	30	24	24	20
WFMJ (N)	28	26	23	25	18
WEWS (A) (Cleveland)	—	—	4	3	5
WUAB (Cleveland)	—	—	4	2	8
WJKW (C) (Cleveland)	—	—	3	3	3
WKYC (N) (Cleveland)	—	—	3	3	3

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	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
FORT WAYNE, IND. (93)					
WPTA (A)	37	41	28	28	30
WANE (C)	27	23	24	28	20
WKJC (N)	20	18	20	24	16
WFFT	13	18	11	5	17
COLUMBIA, S.C. (94)					
WIS (N)	50	52	41	35	39
WOLO (A)	26	28	20	23	16
WLTX (C)	24	24	20	24	19
SPRINGFIELD-HOLYOKE, MASS. (95)					
WGGB (A)	55	53	29	29	22
WWLP (N)	40	40	27	23	32
WFSB (C)	—	—	21	28	16
WSBK (Boston)	—	—	4	3	7
WVIT (N) (New Britain)	—	—	3	2	5
BURLINGTON, VT.-PLATTSBURGH, N.Y. (96)					
WCAX (C)	59	56	38	36	37
WPTZ (N)	27	25	19	21	19
WEZF (A)	14	19	11	13	9
PEORIA, ILL. (97)					
WRAU (A)	43	44	27	27	26
WMBD (C)	29	31	25	27	17
WEEK (N)	29	25	23	26	28
WFLD (Chicago)	—	—	4	2	8
WGN (Chicago)	—	—	3	2	4
GREENVILLE-NEW BERN-WASHINGTON, N.C. (98)					
WNCT (C)	47	43	31	33	25
WITN (N)	28	33	25	25	27
WCTI (A)	25	24	18	19	17
WRAZ (A) (Raleigh)	—	—	8	8	11
LANSING, MICH. (99)					
WJIM (C)	71	50	17	34	37
WILX (N)	20	25	16	20	18
WJRT (A) (Flint)	—	—	10	11	4
WUHQ (A) (Battle Creek)	—	—	7	5	4
WOTV (N) (Grand Rapids)	—	—	6	5	6
WKZO (C) (Kalamazoo)	—	—	5	4	5
WKBD (Detroit)	—	—	3	3	10
WXYZ (A) (Detroit)	—	—	3	6	3
SIOUX FALLS, S.D. (100)					
KELO (C)	50	47	44	40	45
KSFY (N)	36	37	28	30	19
KXON (A)	14	16	11	15	11
KCAU (A) (Sioux City)	—	—	4	5	2
KMSP (Minneapolis)	—	—	3	2	7
WACO-TEMPLE, TEX. (101)					
KWTX (A-C)	59	36	39	39	37
KCEN (N)	41	64	25	28	23
KTBC (C)	—	—	6	7	4
KDFW (C) (Dallas)	—	—	4	5	3
KTVT (Ft. Worth)	—	—	4	3	7
KVUE (A) (Austin)	—	—	3	2	3
KXTX (Dallas)	—	—	3	1	7
WTBS (Atlanta)	—	—	3	1	3
FARGO-VALLEY CITY, N.D. (102)					
KXJB (C)	35	40	28	32	25
WDAY (N)	35	33	32	30	28
KTHI (A)	25	27	19	22	18
KCMT (N) (Alexandria)	—	—	5	5	6
KMSP (Minneapolis)	—	—	3	1	7
COLORADO SPRINGS-PUEBLO, COLO. (103)					
KRDO (A)	44	42	35	37	24
KOAA (N)	30	32	27	24	30
KKTV (C)	26	26	24	31	28
KWGN (Denver)	—	—	3	1	7
EL PASO, TEX. (104)					
KDBC (C)	33	35	27	26	30
KYIA (A)	33	35	24	27	19
KTSM (N)	26	25	22	28	18
XEPM (Ciudad Juarez)	—	—	4	3	7
KCOP (Los Angeles)	—	—	3	2	4
MADISON, WIS. (105)					
WISC (C)	39	43	34	35	33
WKOW (A)	32	30	24	27	18
WMTV (N)	18	22	23	24	20
AUGUSTA, GA. (106)					
WJBF (A)	50	48	38	38	36
WRDW (C)	39	38	33	36	36
WAGT (N)	14	14	11	13	11
WTBS (Atlanta)	—	—	4	2	6
LAFAYETTE, LA. (107)					
KLFY (C)	54	53	40	40	38
KATC (A)	46	42	27	29	27
KPLC (N) (Lake Charles)	—	—	10	13	10
KALB (N) (Alexandria)	—	—	7	7	5
WABF (C) (Baton Rouge)	—	—	3	2	3
WBRZ (A) (Baton Rouge)	—	—	3	2	4
WTBS (Atlanta)	—	—	3	2	7
LAS VEGAS, NEV. (108)					
KTNV (A)	29	32	26	31	28
KLAS (C)	25	27	27	31	30
KVVU	25	18	22	12	20
KVBC (N)	21	18	21	23	17
ROCKFORD, ILL. (109)					
WREX (A)	40	38	28	28	26
WIFR (C)	30	31	22	25	22
WTVO (N)	20	25	20	25	17
WQRF	10	6	5	3	11
WGN (Chicago)	—	—	4	2	5
WFLD (Chicago)	—	—	3	1	7
WHEELING, W.VA.—STEUBENVILLE, O. (110)					
WTRF (C)	52	56	31	30	35
WTOV (N)	48	44	25	27	20
WTAE (A) (Pittsburgh)	—	—	11	18	6
KDKA (C) (Pittsburgh)	—	—	6	6	8
WPGH (Pittsburgh)	—	—	6	3	8
WPXI (N) (Pittsburgh)	—	—	4	4	2
SAVANNAH, GA. (111)					
WTOC (C)	54	48	39	36	39
WSAV (N)	25	29	25	25	26
WJCL (A)	21	24	17	22	15
WTBS (Atlanta)	—	—	5	2	6
MONROE, LA.-EL DORADO, ARK. (112)					
KNOE (C)	61	60	51	46	52
KTVE (A)	30	27	21	24	25
KLAA (N)	4	7	5	8	2
WTBS (Atlanta)	—	—	3	1	5
MONTGOMERY, ALA. (113)					
WSFA (N)	57	60	44	38	55
WKAB (A)	22	20	14	17	6
WCOV (C)	17	20	13	17	10
WSLA (C) (Selma)	4	7	3	3	3
MONTEREY-SALINAS, CAL. (114)					
KNTV (A)	57	56	25	26	15
KSBW (N)	26	28	21	23	18
KMST (C)	13	17	17	24	12
KTVU (Oakland)	—	—	11	7	16
KPIX (C) (San Francisco)	—	—	5	2	7
KGO (A) (San Francisco)	—	—	4	2	9
KRON (N) (San Francisco)	—	—	3	2	6
KICU (San Jose)	—	—	3	2	3
CHARLESTON, S.C. (115)					
WCSC (C)	50	48	43	41	42
WCBD (A)	28	29	25	27	20
WCIV (N)	22	29	22	25	27
WTBS (Atlanta)	—	—	3	1	6
COLUMBUS, GA. (116)					
WTVM (A)	53	52	40	36	37
WRBL (C)	37	39	32	35	33
WLTZ (N)	9	9	10	13	8
WTBS (Atlanta)	—	—	4	1	6
DULUTH, MINN.-SUPERIOR, WIS. (117)					
WDIO (A)	44	40	32	32	30
KDLH (C)	33	33	28	31	28
KBJR (N)	22	20	22	23	19
KMSP (Minneapolis)	—	—	3	2	4
WTBS (Atlanta)	—	—	3	1	6
TERRE HAUTE, IND. (118)					
WTHI (C)	50	50	35	35	32
WTWO (N)	39	33	29	31	37
WBAK (A)	17	17	10	12	5
WTTV	—	—	5	4	7
SANTA BARBARA, CAL. (119)					
KEYT (A)	45	44	18	21	13
KSBY (N)	27	33	18	16	17
KCOY (C)	27	22	14	20	10
KNBC (N) (LA)	—	—	8	7	11
KNXT (C) (LA)	—	—	8	7	10
KTLA (LA)	—	—	7	6	8
KABC (A) (LA)	—	—	6	4	9
KTTV (LA)	—	—	6	5	7
KCOP (LA)	—	—	5	2	7
KHJ (LA)	—	—	3	2	5
AMARILLO, TEX. (120)					
KVII (A)	46	47	35	34	34
KAMR (N)	27	27	25	28	25
KFDA (C)	23	27	19	23	13
WTBS (Atlanta)	—	—	4	2	6
WGN (Chicago)	—	—	3	1	6

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
JOPLIN, MO.-PITTSBURG, KAN. (121)					
KOAM (N)	41	38	37	34	35
KODE (A)	35	38	25	27	22
KTVJ (C)	24	23	17	22	16
YAKIMA, WASH. (122)					
KIMA (C)	35	36	29	30	34
KAPP (A)	35	36	25	25	20
KNDO (N)	24	21	20	23	16
KSTW (Tacoma)	—	—	6	3	8
EUGENE, ORE. (123)					
KVAL (C-N)	53	53	38	37	43
KEZI (A)	47	47	25	30	22
KPTV (Portland)	—	—	7	5	8
KOIN (C)	—	—	6	6	7
KTVU (Oakland)	—	—	4	2	5
FORT MYERS-NAPLES, FLA. (124)					
WINK (C)	40	33	31	33	30
WBBH (N)	30	33	28	23	34
WEVU (A)	30	22	18	23	12
WTOG (St. Petersburg)	—	—	4	2	5
WCIX (Miami)	—	—	3	2	4
WTBS (Atlanta)	—	—	3	3	4
WICHITA FALLS, TEX.-LAWTON, OKLA. (125)					
KSWO (A)	38	33	25	29	22
KAUZ (C)	31	33	24	25	21
KFDX (N)	31	25	24	24	24
KTVT (Ft. Worth)	—	—	4	3	5
BEAUMONT-PORT ARTHUR, TEX. (126)					
KFDM (C)	44	44	34	36	47
KBMT (A)	30	28	29	26	19
KJAC (N)	30	28	21	32	20
KHTV (Houston)	—	—	3	1	4
BINGHAMTON, N.Y. (127)					
WBNG (C)	69	64	36	34	40
WICZ (N)	13	18	12	14	7
WMGC (A)	13	18	8	11	4
WDAU (C) (Scranton)	—	—	5	4	6
WBRE (N) (Wilkes-Barre)	—	—	4	3	3
WNEP (A) (Scranton)	—	—	4	3	4
WNEW (New York)	—	—	4	3	3
WPIX (New York)	—	—	3	3	5
WILMINGTON, N.C. (128)					
WECT (N)	68	69	37	33	38
WWAY (A)	26	23	16	16	18
WBTW (C) (Florence)	—	—	15	17	13
WTVD (C) (Durham)	—	—	6	8	4
WRAL (A) (Raleigh)	—	—	5	5	9
WTBS (Atlanta)	—	—	3	2	3
COLUMBIA-JEFFERSON CITY, MO. (129)					
KRCG (C)	47	45	30	32	34
KOMU (N)	33	36	28	29	30
KCBJ (A)	20	27	16	20	6
SIOUX CITY, IA. (130)					
KCAU (A)	54	50	33	32	34
KTIV (N)	31	30	28	28	25
KMEG (C)	15	20	11	14	12

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
CORPUS CHRISTI, TEX. (131)					
KIII (A)	37	40	36	34	36
KZTV (C)	31	27	27	31	19
KRIS (N)	27	27	24	24	26
KORO	4	—	3	3	5
WTBS (Atlanta)	—	—	3	1	5
TALLAHASSEE, FLA.-THOMASVILLE, GA. (132)					
WCTV (C)	81	73	46	41	52
WECA (A)	13	18	12	13	9
WALB (N) (Albany)	—	—	16	18	11
WTBS (Atlanta)	—	—	5	2	8
WMBB (N) (Panama City)					

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
WJHG (A) (Panama City)	—	—	3	3	3
WAUSAU-RHINELANDER, WIS. (133)					
WSAW (C)	53	50	42	41	47
WAOW (A)	40	40	27	27	22
WAEO (N)	7	10	7	9	8
WEAU (N) (Eau Claire)	—	—	11	12	8
HARLINGEN-WESLACO-BROWNSVILLE, TEX. (134)					
KRGV (A)	50	54	40	42	38
KGBT (C)	45	46	41	41	38
WTBS (Atlanta)	—	—	3	1	3

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Sheer numbers bear little weight

BY BOB YOVOVICH

To some media buyers, the way sweeps ratings are used to estimate local tv audiences is similar to the way hogs were once weighed in Texas.

According to Texas lore, rather than simply take the "unscientific" approach of guessing the weight of the pig, Texans would tie down the animal and look around for a rock thought to weigh the same as the hog. Then, with great fanfare, a crowd of cowpokes stood around the stone and tried to guess its weight.

Just as oldtime hog buyers were skeptical of figures coming from such indirect "weighings," today's media buyers often express reservations about the projectability of sweeps-month ratings to the rest of the year. In particular, as spot tv ad rates rise and as local stations get more sophisticated in their efforts to boost ratings during sweeps periods, the ad community's concerns increase.

"It is universal that tv stations put on special programing during the sweeps [months]," says Jacqueline Da Costa of Ted Bates & Co., New York, and chairperson of the Advertising Research Foundation's (ARF) Television Audience Measurement Council. "Even local news programs put on big investigative reports during the sweeps. Public tv and pay cable even do it.

"Daytime programs do it. 'General Hospital' put Elizabeth Taylor on during the recent sweeps."

■ The distortions caused by such special sweeps efforts provoke fear that "the data presented in the reports may be atypical and therefore not projectable to the nonmeasured weeks," according to a recently released study conducted by the ARF. In fact, a majority of the ad agencies responding to the ARF survey indicated they "want more frequent measurement in all markets and continuous measurement in the top 50 markets."

"I don't say we should have 52 reports a year," Ms. Da Costa said. "The agencies don't want a report every week. We still can have four reports but simply spread the measurements over a longer period of time, say, over 13 weeks instead of four for each report."

Based on survey results, the ARF study recommends the ratings services:

- Develop procedures to provide audience measurements for a greater proportion of the year.
- Evaluate the implications of alternate procedures for sample size projectability.
- Investigate the cost implications of these procedures.

Media buyers also point to other shortcomings of the current system for rating local television.

For example, many media buyers complain that the broad demographic categories used by rating services are no longer appropriate for today's marketing effort.

"In the mid-'50s and early '60s, the tv story focused on how many people were buying tvs. Advertisers were interested in the tonnage and not in refined audience information," recalls one media veteran. "It was great for products like toothpaste, which appealed to wide audiences, but not other types of products [that require more targeted marketing] that were beginning to use television."

Today the ratings services' sample sizes are geared to give household rating points (gross number of households viewing a particular program), but most agencies now are interested in demographic rating points (number of viewers in a demographic group), adds Karen Guzy, who buys spot tv ads for D'Arcy-MacManus & Masius, Atlanta. "Every time the [target] audience gets smaller, the error in ratings gets bigger," she says. "The more finely tuned the [marketing] effort, the less useful the ratings."

■ At the same time that media buyers are asking for new types of audience data or for extension of the sweeps periods, others claim that even simple reorganization of the data already collected by A.C. Nielsen Co. and Arbitron would make it easier for agencies to make spot tv buying decisions.

"It would be great to be able to get a breakout of 30-to 40-year-old viewers," says Kathy Ward, media director at Cap Hedges & Associates in Portland, Ore. "The books give us 35-to 49-year-olds now but the 30 to 40 age group is the baby boom generation, which is a little different from other groups in its buying characteristics."

Another data reorganization mentioned by media buyers would provide not only in-show ratings, but separate audience figures for commercial breaks between programs as well.

Says Lisa Esrum, media buyer/planner at Fahlgren & Ferriss, Cincinnati: "They [the ratings services] could still give us the inshow rating for network buys but it would be nice to have separate ratings for the between-show breaks as well."

And then there are some situations in which, no matter what the ratings services do, the media buyers will find the numbers of little use.

"Many of our clients are concerned that it is hard to tell the real from the fake commercials on 'Saturday Night Live,' " confides a media buyer at a large Midwest agency, "so they tell us not to place ads on that show. One of our clients is an oil company with a long list of shows that are prohibited, including some programs like '60 Minutes' and '20/20' that have done reports on the oil industry."

B.G. Yovovich, a business writer in Chicago, contributes frequently to Section 2.

	—Station total— Su-Sa, 7 a.m.-1 a.m. Women 18-49	Men 18-49	—DMA household share— Su-Sa 7 a.m.-1 a.m.	Su-Sa Prime time	M-F Early fringe
XEW (Mexico City)	—	—	3	3	4
LUBBOCK, TEX. (135)					
KLBK (C)	33	35	30	30	26
KAMC (A)	33	35	27	31	25
KCBD (N)	33	29	27	28	26
WGN (Chicago)	—	—	3	1	8
RENO, NEV. (136)					
KOLO (A)	43	50	28	30	25
KTVN (C)	29	30	23	24	26
KCRL (N)	21	20	20	21	15
KTVU	—	—	5	4	7
KTXL	—	—	4	2	5
LA CROSSE-EAU CLAIRE, WIS. (137)					
WEAU (N)	44	38	29	27	31
WKBT (C)	38	38	33	33	29
WXOW (A)	13	15	14	18	8
KTTC (N) (Rochester)	—	—	5	6	6
WCCO (C) (Minneapolis)	—	—	4	4	6
MACON, GA. (138)					
WMAZ (C)	74	77	51	44	54
WCWB (N)	21	33	15	23	11
WTVM (A) (Columbus)	—	—	6	10	4
WSB (A) (Atlanta)	—	—	6	7	6
WTBS (Atlanta)	—	—	6	2	9
TRAVERSE CITY-CADILLAC, MICH. (139)					
WWTV (C)	50	50	37	37	44
WPBN (N)	31	25	28	30	27
WGTU (A)	19	17	13	16	6
WKBD (Detroit)	—	—	3	1	7
ERIE, PA. (140)					
WICU (N)	42	38	35	33	36
WJET (A)	37	38	29	30	29
WSEE (C)	21	23	18	24	17
MASON CITY, IA.-AUSTIN-ROCHESTER, MINN. (141)					
KAAL (A)	47	45	30	30	26
KTTC (N)	29	27	19	22	18
KIMT (C)	24	27	22	23	22
WCCO (C) (Minneapolis)	—	—	6	6	5
KMSP	—	—	4	2	6
BOISE, IDA. (142)					
KIVI (A)	32	27	22	25	18
KTVB (N)	26	27	27	24	23
KTRV	21	27	19	17	29
KBCI (C)	21	20	21	25	17
COLUMBUS-TUPELO, MISS. (143)					
WTVA (N)	53	54	39	37	42
WCBI (C)	47	38	31	32	34
WHBQ (A) (Memphis)	—	—	4	5	2
WTOK (A) (Meridian)	—	—	4	4	3
WTBS (Atlanta)	—	—	4	2	6
WREG (C) (Memphis)	—	—	3	3	2
WABG (A) (Greenwood)	—	—	3	2	—
MINOT-BISMARCK-DICKINSON, N.D. (144)					
KFYR (N)	54	50	45	43	44
KXMC (A-C)	46	60	33	37	27
WTBS (Atlanta)	—	—	4	1	6
KTHI (A) (Fargo)	—	—	3	5	4
CHICO-REDDING, CAL. (145)					
KRCR (A-N)	64	60	32	32	31
KHSL (C)	45	40	23	25	21
KCRA (N) (Sacramento)	—	—	10	9	11
KRON (N) (San Francisco)	—	—	6	6	4
KTVU (Oakland)	—	—	5	4	7
KTXL (C) (Sacramento)	—	—	4	4	6
KBHK (San Francisco)	—	—	4	2	3
KXTV (C) (Sacramento)	—	—	3	4	2
KOVR (A) (Stockton)	—	—	3	3	3
BECKLEY-BLUEFIELD-OAK HILL, W. VA. (146)					
WOAY (A)	53	56	22	23	19
WVVA (N)	40	40	23	22	23
WCHS (C) (Charleston)	—	—	13	17	13
WSAZ (N) (Huntington)	—	—	10	10	10
WDBJ (C) (Roanoke)	—	—	8	9	8
WTBS (Atlanta)	—	—	8	3	10
WOWK (A) (Huntington)	—	—	5	4	4
FORT SMITH, ARK. (147)					
KFSM (C)	46	44	31	32	32
KFPW (A)	38	33	21	23	15
KLMN (N)	15	22	14	19	8
KTUL (A) (Tulsa)	—	—	9	7	13
BAKERSFIELD, CAL. (148)					
KBAK (A)	47	45	23	25	19
KERO (N)	33	36	24	27	25
KPWR (C)	20	18	15	23	5
KMPH (Visalia)	—	—	8	3	9
KTLA (LA)	—	—	6	5	7
KTTV (LA)	—	—	4	3	6
KHJ (LA)	—	—	3	2	6
KMEX (LA)	—	—	3	2	3
KNBC (N) (LA)	—	—	3	—	6
ODESSA-MIDLAND, TEX. (149)					
KOSA (C)	44	45	33	35	35
KMID (N)	31	27	26	27	25
KTPX (A)	25	27	18	22	10
KTVT (Ft. Worth)	—	—	3	2	6
KXTX (Dallas)	—	—	3	—	8
QUINCY, ILL.-HANNIBAL, MO.-KEOKUK, IA. (150)					
KHQA (C)	55	57	32	34	27
WGEM (N)	45	43	33	34	34
KTVO (A) (Ottumwa)	—	—	6	7	4
WQAD (A) (Moline)	—	—	3	4	2
KTVI (A) (St. Louis)	—	—	3	3	3
KPLR (St. Louis)	—	—	3	2	6
WGN (Chicago)	—	—	3	1	5

Grabbing the biggest shares

Top 10 stations by categories,
based on November, 1981,
Nielsen survey of shares in top 50 markets

Sign-on to sign-off

(7 a.m. to 1 a.m., Sunday to Saturday)

Rank	Station (Network)	Market (Rank)	Share
1.	WBRC-TV (A)	Birmingham (40)	44
2.	WWL-TV (C)	New Orleans (35)	38
3.	WBTV (C)	Charlotte (31)	36
	WSAZ-TV (N)	Charleston-Huntington (46)	36
5.	WRAL-TV (A)	Raleigh-Durham (41)	35
6.	KTRK-TV (A)	Houston (11)	33
	KBTV (A)	Denver (19)	33
8.	WPRI-TV (A)	Philadelphia (4)	32
	WXYZ-TV (A)	Detroit (7)	32
	WEWS (A)	Cleveland (9)	32
	WSB-TV (A)	Atlanta (16)	32
	WTVT (L)	Tampa-St. Petersburg (18)	32
	WFTV (A)	Orlando-Daytona (34)	32
	KSAT-TV (A)	San Antonio (45)	32
	KENS-TV (C)	San Antonio (45)	32

Prime time

Rank	Station (Network)	Market (Rank)	Share
1.	WBTV (C)	Charlotte (31)	37
2.	KBTV (A)	Denver (19)	35
	WTVF (C)	Nashville (30)	35
	WWL-TV (C)	New Orleans (35)	35
	WBRC-TV (A)	Birmingham (40)	35
6.	KTVX (A)	Salt Lake City (44)	34
	WTKR-TV (C)	Norfolk-Portsmouth	34
8.	WPVI-TV (A)	Philadelphia (4)	33
	KTRK-TV (A)	Houston (11)	33
	KHOU-TV (C)	Houston (11)	33
	KSTP-TV (A)	Minneapolis-St. Paul (15)	33
	WCCO-TV (C)	Minneapolis-St. Paul (11)	33
	KMOX-TV (C)	St. Louis (17)	33
	WTVT (C)	Tampa-St. Petersburg (18)	33
	WHAS-TV (C)	Louisville (43)	33
	KSAT-TV (A)	San Antonio (45)	33
	WSAZ-TV (N)	Charleston-Huntington (46)	33

Early fringe

Rank	Station (Network)	Market (Rank)	Share
1.	WBRC-TV (A)	Birmingham (40)	45
2.	WBTV (C)	Charlotte (31)	41
3.	WRAL-TV (A)	Raleigh-Durham (41)	39
	WSAL-TV (N)	Charleston-Huntington (46)	39
5.	WBNS-TV (C)	Columbus (37)	38
6.	WTVT (C)	Tampa-St. Petersburg (18)	36
	KTVX (A)	Salt Lake City (44)	36
8.	WWL-TV (C)	New Orleans (35)	35
9.	KDKA-TV (A)	Pittsburgh (12)	34
10.	WPVI-TV (A)	Philadelphia (4)	33
	WTVJ (C)	Miami (13)	33

Women, 18 to 49

(7 a.m. to 1 a.m., Sunday to Saturday)

Rank	Station (Network)	Market (Rank)	Share
1.	WBRC-TV (A)	Birmingham (40)	54
2.	WRAL-TV (A)	Raleigh-Durham (41)	48
	WNEP-TV (A)	Wilkes Barre-Scranton (49)	48
4.	WTNH-TV (A)	Hartford-New Haven (25)	46
5.	WSAZ-TV (H)	Charleston-Huntington (46)	41
	WTEN (A)	Albany-Schenectady-Troy (50)	41
7.	WBTV (C)	Charlotte (31)	40
	WWL-TV (C)	New Orleans (35)	40
	KSAT-TV (A)	San Antonio (45)	40
10.	WKBW-TV (A)	Buffalo (32)	39
	WPRI-TV (A)	Providence (33)	39

Men, 18 to 49

(7 a.m. to 1 a.m., Sunday to Saturday)

Rank	Station (Network)	Market (Rank)	Share
1.	WBRC-TV (A)	Birmingham (40)	53
2.	WNEP-TV (A)	Wilkes Barre-Scranton (49)	50
3.	WRAL-TV (A)	Raleigh-Durham (41)	49
4.	WSAZ-TV (N)	Charleston-Huntington (46)	42
5.	WTNH-TV (A)	Hartford-New Haven (25)	41
6.	WBTV (C)	Charlotte (31)	40
	WTEN (A)	Albany-Schenectady-Troy (50)	40
8.	WTAE-TV (A)	Pittsburgh (12)	39
9.	WKRW-TV (A)	Buffalo (32)	38
	WWL-TV (C)	New Orleans (35)	38

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FLASH REPORT: Newspaper advertising investment for November

NOVEMBER 1981		IN 100 THOUSANDS / IN MILLIONS	DOLLARS		CHANGE	
CATEGORIES	YEAR	1 2 3 4 5 6 7 8 9 1 5 10 15 20 25 30 35 40 45 50 55 60 65 70 75	1981	1980	ACTUAL $ G OR L	% G OR L
Department stores	1981		$73,281,937	$64,508,010	+8,773,927	+ 13.6
	1980					
Food stores	1981		19,858,193	16,506,621	+3,351,572	+ 20.3
	1980					
Radio, tv, phonographs, records	1981		11,288,444	8,943,930	+2,344,514	+ 26.2
	1980					
Alcoholic beverages	1981		2,868,784	3,030,695	– 161,911	– 5.3
	1980					
Cameras, photo supplies & services	1981		1,210,392	1,088,663	+ 121,729	+ 11.2
	1980					
Beverages: coffee and tea	1981		316,386	312,481	+ 3,905	+ 1.3
	1980					
Beverages: soft drinks, diet/non diet	1981		288,986	305,954	– 16,968	– 5.5
	1980					
Soaps, cleansers & polishes	1981		142,156	64,925	+ 77,231	+119.0
	1980					
Cold, cough & sinus remedies	1981		7,882	3,719	+ 4,163	+111.9
	1980					
Headache remedies & sedatives	1981		0	0	+ 0	+ 0
	1980					
Publishing & media	1981		13,235,255	11,335,335	+1,899,920	+ 16.8
	1980					
Sporting & Leisure time equipment	1981		1,360,073	502,140	+ 857,933	+170.9
	1980					
Cigarettes	1981		5,684,314	8,359,143	–2,674,829	– 32.0
	1980					
Cosmetics, makeup & manicure products	1981		139,385	107,491	+ 31,894	+ 29.7
	1980					
Airlines	1981		11,295,874	6,992,933	+4,302,941	+ 61.5
	1980					
Passenger cars-new	1981		7,536,024	6,626,057	+ 909,967	+ 13.7
	1980					

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The *Washington Star* ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

Newspapers up 15.7% through 3 quarters of '81

NEW YORK—Advertising for financial institutions and for housing and decoration led all newspaper retail categories in gains for the first three quarters of 1981 compared to the same period in 1980, according to the Newspaper Advertising Bureau. Total retail advertising volume for the period was $6.828 billion, up 15.7% over 1980.

Financial advertising, having led all groups in growth during the past three years, increased 26% to $345,800,000. The housing and decoration category, which the bureau has predicted will grow rapidly in the 1980s, was up 19.8% to $1.336 billion.

Entertainment and hobbies gained 16.3% to $1.179 billion, with the 8.3% increase shown by theaters contributing $376,400,000 to that total. General merchandise, the largest retail category, increased 11.4% to $2.526 billion, with department stores up 14.1% to $1.444 billion.

Food and drugstore advertising was up 15.3% to $788,800,000, with food stores increasing 15.3% to $634,300,000 and drugstores up 14.9% to $154,500,000.

In special category figures for November, 1981, compiled for ADVERTISING AGE, sporting and leisure time equipment showed the biggest gains, increasing 170% to $1,360,000, with advertising for soaps, cleaners and polishers, on a smaller base, following with a 119% increase to $142,000.

Three categories showed declines: Cigarets down 32% to $5,684,000; soft drink beverages down 5.5% to $288,000; alcoholic beverages down 5.3% to $2,868,000.#

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New honor for jingle writers

NEW YORK—The National Academy of Music's Songwriters Hall of Fame has decided to add a jingle songwriter category to its tunesmith awards for the first time.

Serving on the panel of judges to decide the nominees for the jingle honor are: Arnold Eidus, senior vp-music director, Ted Bates & Co.; Hal Grant, senior vp-music director, Ogilvy & Mather; Elliot Lawrence, music consultant, N W Ayer; Spencer Michlin, founder/chairman, Michlin & Co., and James P. Forkan, senior editor, ADVERTISING AGE.

Rance Crain, Chicago-based AA editor-in-chief and Crain Communications president, will present the award to the winner.

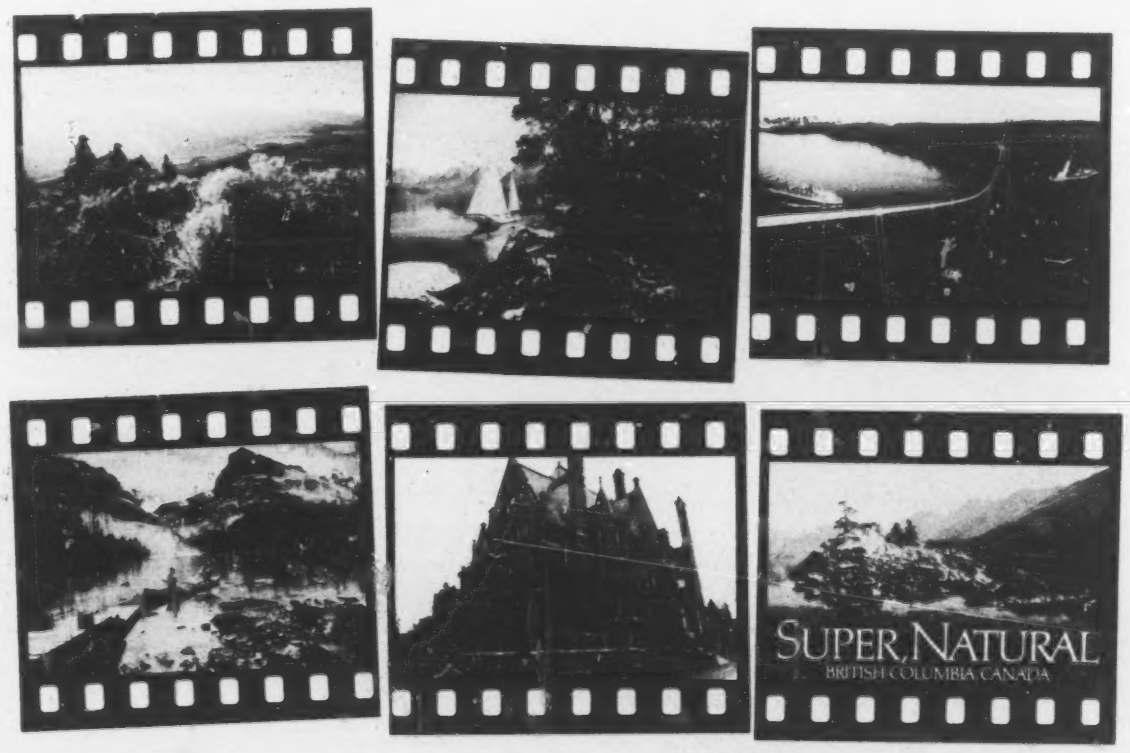
Sammy Cahn, the famous composer who also is president, Songwriters Hall of Fame, said the awards ceremonies will be at a March 15 dinner here. The group hopes to line up tv coverage.#

NAB names Stockmeyer

WASHINGTON—The National Assn. of Broadcasters named Steven F. Stockmeyer, former executive director of the National Republican Congressional Committee, its new lobbyist.

He is replacing Kenneth Schanzer, who is now at NBC Sports, as NAB senior vp-government relations.

OUR BACKLOT.



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COMBINED BILLINGS NEAR $2 BILLION

Bates swings largest deal ever with Esty

By CHRISTY MARSHALL

NEW YORK—In the largest merger in ad agency history, Ted Bates & Co. last week bought the William Esty Co.

Although no figures are being disclosed, industry experts estimate Bates plunked down about $50,000,000 for the Esty shop. With the addition of Esty, Bates expects to bill $2.4 billion in 1982. Bates, the nation's fifth-largest ad agency, is expected to reported gross income of more than $225,000,000 for 1981 on billings in the $1.4 billion to $1.5 billion range. Esty's gross income is expected to top $60,000,000 for 1981 on billings estimated at between $430,000,000 and $450,000,000, which would put the combined agency near the $2 billion billings mark.

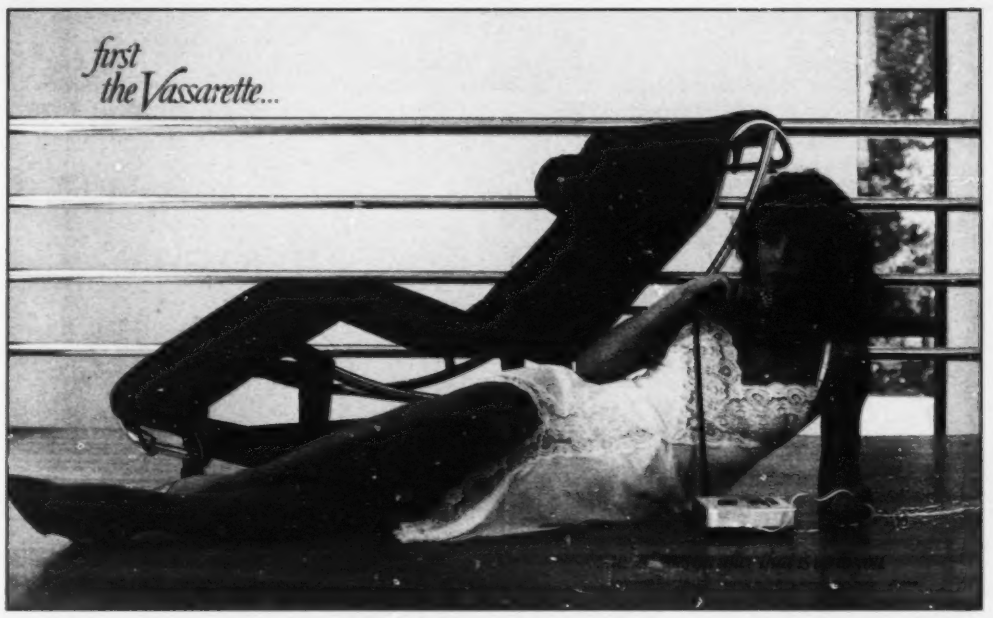
In 1980, only two U.S. agencies topped $2 billion in world billings—Young & Rubicam at $2.27 billion and J. Walter Thompson Co. at $2.14 billion.

Sources said that as part of the deal, all the top Esty executives were required by Bates to sign five-year contracts, insuring they would stick around. But Donald Zuckert, exec vp and president of the U.S. affiliate group at Bates, denied that such was the case. Gordon Bushell, vice-chairman at Esty, declined to comment but did add that the top Esty executives could be around for a long time.

■ Esty employes are particularly pleased with the match. Those staffers holding stock reportedly did extremely well in the deal. Executives at both Bates and Esty declined to discuss the details of the transaction. Mr. Bushell conceded talks had been going on for some time—some sources said for at least six months. One of Bates' messengers has been dropping off correspondence at Esty every day for the last two months.

However, sources say Esty execs held off consummating the merger with Bates until 1982, so only those within the Esty ranks would profit from their gangbuster year. In 1981, Esty picked up Minolta ($15,000,000), Ekco Housewares ($2,000,000) and Listermint ($7,000,000) among other

(Continued on Page 84)



Goings on New campaign for intimate apparel marketer Vassarette includes this color magazine spread. The $2,000,000 drive starts in March. *(See story on Page 30.)*

Outlook mixed for media

By COLBY COATES and STUART EMMRICH

NEW YORK—Print media companies expect the 1982 second quarter to be an uncertain period for advertising, with some schedules slightly up over last year, some slightly down and the greater middle ground flat, according to a sampling conducted last week by ADVERTISING AGE.

But from the network tv side of the business, the second-quarter sales outlook is generally favorable. Network sources said that most advertisers picked up their second-quarter options, spending the same if not a shade more than last year at this time. News, late night and prime time sales were characterized as "strong," with the daytime marketplace expected to kick off this week or next. From what they've seen so far, network execs believe daytime will fill up fairly quickly.

CBS and ABC both enjoyed strong first-quarter sales, aided to a certain extent by NBC's decision to withdraw from the first-quarter marketplace and use inventory as makegoods. But even NBC is expected to register a strong second quarter as it re-enters the market. Automotive advertisers, with their push for rebates, have been spending vigorously.

In the print media, many magazines and most newspaper supplements are still feeling the crunch of cutbacks from R.J. Reynolds and other tobacco marketers and reduced commitments from the auto industry, which is touting rebates in r.o.p. newpaper ads as well as tv. This has sent the magazine sales forces out scrambling to pick up the slack from other advertisers.

"The second quarter looks very soft compared to last year, a contrast to this year's first quarter,

(Continued on Page 84)

last minute news

Geers Gross reported buying Kurtz & Tarlow

NEW YORK—Geers Gross reportedly is about to acquire Kurtz & Tarlow. Donald Kurtz, president of Kurtz & Tarlow, declined to comment on the report, but added he would comment on it Feb. 16. Robert Gross and Peter Barnes, Geers Gross chairman and president, respectively, were unavailable for comment. Combined billings of the two shops in excess of $100,000,000. GG's previous acquisitions were Richard K. Manoff Inc. and Martin Landey, Arlow Advertising.

Pentax to Campbell-Mithun for total account

DENVER—Pentax Corp. has moved its $13,000,000 account to Minneapolis-based Campbell-Mithun, which will open a Denver service office. Cameras, the biggest portion of the account, had been at Ally & Gargano, New York. Cunningham & Walsh, San Francisco, loses other photographic and optical equipment.

(Continued on Page 8)

NEWSPAPER

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CBS-USA link hikes event bidding wars

By JAMES P. FORKAN

NEW YORK—ABC and ESPN may have scored the first points in joint cable/commercial tv sports coverage last fall, but the game is not over yet, as indicated by the CBS Sports and USA Cable Network agreement signed last week.

CBS Sports was known to be interested in a cable connection ever since its execs talked to ESPN last year. When ESPN and parent Getty Oil went with ABC, that left USA as the other leading national cable sports net—its 10,000,000 subscriber homes just 4,000,000 behind

(Continued on Page 86)

First CAB meet mulls options

Measurement still major cable woe

By SUSAN SPILLMAN

NEW YORK—The opportunity for narrowcasting, flexible commercial lengths and sponsor participation in programing will make cable advertising a multi-billion-dollar industry by 1990. However, a lack of audience measurement and low penetration remain the stumbling blocks that currently make cable advertising a modest business of approximately $230,000,000.

Such were the conclusions drawn at the first annual Cable-television Advertising Bureau conference attended by over 1,200 advertising and cable execs here last week.

The emergence of cable as a major ad medium "is not going to be easy or automatic," warned Bob Alter, president of the year-old CAB. "The cable and advertising industries will have to work hard to learn to understand one another in order to develop a mutually profitable relationship," he continued, "but it will happen because there is too much at stake on both sides for it not to. Most important, we must build realistic expectations into our planning."

According to industry analyst Paul Kagan, expectations are that by 1990 local cable advertising could total $1 billion and national advertising over $2 billion.

Speaking at a mid-morning session, Mr. Kagan predicted that in 1982 local cable ad revenues will

(Continued on Page 86)

Fights and more fights: Just another week for tv

By COLBY COATES

NEW YORK—CBS gears up for its defense of network tv sales while all network affiliates fight tooth and nail against real or imagined encroachment by the networks into their sales time.

Just another normal week in the new electronic media, where linkage threatens to become the buzzword of broadcasting.

For example, the networks tell affiliates they need an additional 30 minutes for network news expansion. But the stations, rallied by the major group owners, rebel. Affiliates link the networks' request to the artistic if not financial success of cable news operations and seek to throttle the issue on the grounds that network encroachment means local revenue losses. Of course one network's parent then gets into the cable news business while another talks about it, all with the realization that ratings gains in that sector would come at the expense of network and station ratings.

Or, ABC unveils a plan to replace network on-air promotion time with commercial availabilities, in part citing the rising costs of maintaining a high caliber of programs to compete with pay cable and other viewing alternatives. Foul, the affiliates cry. They then link prime time sales with news expansion, promoting the charge that the two moves together constitute a potential loss of $1 billion in annual spot revenue. And forgive some of those tactless ABC affiliates that question the competitive angle since ABC is heavily involved in competitive ventures like ESPN, ARTS and Daytime.

And who can forget Ted Bates & Co.'s pro-superstation study of a few months back (AA, Sept. 28 *et seq.*), the one that suggested the network's ratings imbalances in pay cable homes might be compensated for if an advertiser lopped from 3% to 7% from network prime time budgets and instead put those dollars on superstation WTBS. Though often referred to as a cable

(Continued on Page 86)

world news roundup

LONDON—J. Walter Thompson Co. is merging two of its U.K. agency subsidiaries to form a $42,000,000 agency called Abraham Coveney Grimward & Rosenbaum. The new shop, combining the London office of Euro Advertising and local subsidiary Lansdowne Marketing, will slot in around 25th in U.K. ranking and will be a member of Euro's international network. JWT's other U.K. subsidiary is JWT Manchester, which bills $30,000,000.

STOCKHOLM—Tennis star Bjorn Borg last week signed a five-year exclusive sponsorship contract with Swedish mineral water producer Ramlosa, Scandinavia's leading brand, for an undisclosed sum and "all the mineral water he can drink." In return, the 24-year-old athlete, who reputedly never drinks anything stronger than water, will not take on any other beverage endorsements for the life of the contract.

BREMEN—HAG/General Foods, GF's German arm and the originator of decaffeinated coffee before World War I, is launching a new highly aromatic variety, making the company the first to offer two decaffeinated labels. The national launch will be handled by Young & Rubicam, which also handles the existing mild Kaffee HAG.

SAO PAULO—MPM Casabranca, Brazil's largest agency, will open its first international shop next month in Santiago, with the $1,000,000 Fiat account. MPM has Fiat's $4,500,000 account for Brazil.

Press Club's first First Man

President Ronald Reagan shakes hands with ADVERTISING AGE senior reporter Richard Gordon at a reception at the National Press Club in Washington honoring Mrs. Gordon, Vivian Vahlberg. Ms. Vahlberg, assistant bureau chief of the *Daily Oklahoman*, was sworn in by President Reagan as NPC president, the first woman to attain that post.

TWO BREWS JOIN A-B'S NEW ENTRY

Schlitz, Pabst set lights

By ROBERT REED

Attempting to infuse some life into its comatose premium light beer, Jos. Schlitz Brewing Co. will break out a reformulated Schlitz Light in March, which initially will be marketed in the Sunbelt.

Also on the light beer flank, Anheuser-Busch has set a start date of March 15 for the rollout of its newest brew, Budweiser Light. It will at that time be made available in the Rocky Mountain area, all of Texas and Louisiana.

Additionally, Pabst Brewing Co. will test a new premium light beer this spring. The 96-calorie brew is Jacob Best Premium Light, which is named in honor of the brewery's 19th Century founder. This brew marks Pabst's first move into the premium light segment.

Sources report the reformulated Schlitz Light is being hailed by marketing chief Anthony Amendola as the brewer's best weapon yet in combating Miller Brewing Co.'s Lite, kingpin of the low-cal segment. Mr. Amendola has been meeting with Schlitz distributors around the country and has repeatedly alluded to the rehoned brew as an important component in the company's comeback efforts.

Schlitz officials refused to comment on plans for the beer.

As part of its arsenal, Schlitz Light has scrapped its old gold and blue label and is replacing it with a "clone" of the flagship Schlitz brand. The design features a silver can, with the traditional Schlitz emblem, and blue lettered "Light" running across the top of the can.

Advertising tactics are still being formulated, but industry sources anticipate extensive co-op support as well as some regional tv buys. J. Walter Thomspon U.S.A., Chicago, handles the brand.

While Sunbelt wholesalers are applauding the addition of a revamped premium-price light beer, they insist it will need continuous ad support if it is to escape the fate of the old Schlitz Light.

Since its birth in the mid-'70's, marketing support behind Schlitz Light has dwindled considerably. Wholesalers lament that the lack of marketing initiatives has allowed the brand to die on the vine.

A-B wholesalers have been clamoring for Bud Light, which tested well in 10 southwestern markets and is ready for rollout via Needham, Harper & Steers (AA,

(Continued on Page 83)

highlights

Monday, Feb. 15, 1982

3M Co. plans to put muscle behind its new Personal Care Products department. *See Page 4.*

National Advertising Division squeezes some lemons in its January action on 11 ad claims. *See Page 10.*

The fast-food business is getting slower as the severe winter temperatures discourage people from eating out. *See Page 12.*

Strawberry Shortcake is being protected by a new push from American Greetings and General Mills. *See Page 14.*

Ford is trying to turn its new compact pickup truck into the "lone" Ranger by keeping it out of the crowded rebate market. *See Page 26.*

Geyser Peak Wine Co., the first to put wine in cans and boxes, is trying it in plastic bottles. *See Page 28.*

Vassarette will debut a provocative yet practical campaign. *See Page 30.*

Like actors, products also vie for starring roles in major theatrical movies. *See Page 32.*

B. Altman & Co. goes to Australia to come up with a new look for its spring fashions catalog. *See Page 38.*

Suncare marketers cite tough market conditions as reasons for few new product entries and attrition of existing lines. *See Page 45.*

Marvel Comics Group has signed 20 G.I. Joe licensees, while working on various comics book, tv and movie ventures. *See Page 58.*

It may not be the best time to start a magazine, but the publishers of *American Health*, which will debut this month, are optimistic. *See Page 68.*

Sara Lee is heating up an all-out marketing effort for the second half of fiscal 1982. *See Page 80.*

CORPORATE CLOSEUP

Levi Strauss & Co. is struggling to reassert its strength in the U.S. jeans market, which has changed significantly over the past 10 years. *See Page 4.*

VIDEOTECH

"Home Shopping Show" is 70% sold; Modern Satellite Network pushes for national spot advertisers. *See Page 48.*

NBC Entertainment's Brandon Tartikoff is making a commitment to get more regularly scheduled series. *See Page 53.*

Magazine Marketing to Hispanics, America's fastest-growing minority, is the Section 2 theme in today's issue of the new ADVERTISING AGE Magazine. Now more than 15,000,000 strong, the nation's Hispanics pose great challenges—and offer great potential—to the world of advertising and marketing. Hispanic media, entertainment, retailing strategies, the booming San Diego-Tijuana "corridor," the large Miami Cuban market and the need for a greater understanding of Hispanic culture are among the areas covered.

The Magazine also includes a profile of WCVB-TV, Boston, a station with a stormy past and an uncertain future. Recently sold for a record $220,000,000, it has long been considered one of the finest commercial stations in the U.S. However, its sale has caused heated controversy in Boston.

James Brady's column, which moved last week from the news pages of ADVERTISING AGE, heads the list of weekly features.

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Employes aid 'News' rescue bid

By STUART EMMRICH

NEW YORK—Efforts to save the *New York Daily News* are being intensified by the paper's employes as they search for advertiser support and potential buyers.

Spurred in part by a sense of bitterness among some of the paper's 3,800 employes that the parent Tribune Co. is not making a great enough effort to save the paper, union activists are taking their own steps to keep the paper in business.

They are raising money to take out an ad extolling the paper's long-standing links to the city; they are urging advertisers to publicly voice their commitment to the paper, and they are vowing to go along with staff and contract changes that would certainly be demanded by a new owner.

Substantial cuts in the number of contract employes is one factor that most *News* insiders agree is crucial to finding a buyer for the paper.

"We must be prepared to make sacrifices," *News* reporter Don Singleton said at a recent union gathering. "Any sick person faced with surgery or certain death is going to choose surgery."

(Continued on Page 84)

corporate closeUp

Can Levi's get back into jeans saddle?

By JENNIFER PENDLETON

Levi Strauss & Co. used to boast it could put the Levi's trademark on *anything* and the merchandise would sell.

Today, company execs don't make such claims.

The San Francisco-based clothing marketer is still widely regarded as the world's strongest apparel brand. But there are signs its merchandising luster may be fading like a well-worn pair of its famous jeans. The company's previously consistent growth pattern has slowed; its once overwhelming share of the jeans business has eroded. It is for the first time facing resistance from retailers who only a few years ago clamored for Levi's products.

The question of Levi's clout in the retail marketplace is especially relevant in light of Levi's decision to start distribution of its diversified apparel line via Sears, Roebuck & Co. and J.C. Penney Co. outlets nationally (AA, Dec. 21).

At the same time, industry sources say Levi's is making plans to introduce several new upscale women's and men's product lines in the 1980s. This is seen as a move to fill the gap if stores at the upper end of the apparel market cut back on Levi's jeans as Sears and Penney's take them on.

■ However, Levi's declined to be specific about new product introductions. "Levi's has no plans at present to expand beyond the moderate and upper areas of the apparel market in which we are currently competing," a Levi's spokesperson said.

In fiscal 1981 (ended Nov. 29), Levi's had net income of $172,300,00 on sales of $2.85 billion, compared to last year's net income of $223,700,000 on sales of $2.84 billion—a 23% decline in income and earnings, with a slight increase in sales. The company cites unusual foreign currency shifts and high interest rates for the earnings decline.

While Levi's current slowdown also is seen as related to the generally poor condition of the economy, apparel industry sources also point to the volatile nature of the U.S. jeans market during the past 10 years.

It was during the 1960s and 1970s that jeans—the traditional core of Levi's business—came into their own as the uniform of the young and the chic. While that was good news for Levi's, it opened the door to competition. Levi's nearly exclusive hold on the jeans market was no more.

New jeans brands proliferated. Advertising and marketing expenditures escalated. Department stores started promoting trendy designer and fashion jeans more heavily than more traditional jeans.

Levi's 50%-plus share of the U.S. jeans market in 1970 had eroded to an estimated 30% share level. While Levi's lost share over this period, it should be noted that the entire jeans market grew dramatically. Industry sources estimate that in 1970 the U.S. jeans market had $950,000,000 in sales at wholesale, with 280,000,000 units. In 1980, the jeans market was estimated at $4.2 billion in sales at wholesale, with 560,000,000 units.

"It used to be the name Levi's was 'it' when it came to jeans. That's not the case anymore," said one competitor.

As Levi's hold on the jeans market started to slip, the company began diversifying rapidly into new nondenim product areas. The new product lines included ski wear, blazers, hats and even luggage—categories that were far afield from what had traditionally been associated with the Levi's trademark.

Some of the new products were unsuccessful. Retail industry analysts said the company was diversifying too quickly. Some claimed Levi's was losing its credibility by attaching its name to products that did not jibe with its high-quality, rugged, western image.

For the first time, retailers started to take a second look before signing orders for Levi's merchandise.

■ "Ten years ago retailers were begging for Levi's products," said a source who worked on the Levi's account for several years at Foote, Cone & Belding/Honig, San Francisco. "Now the situation is reversed. Retailers are not making huge orders anymore. The company is feeling terribly pinched."

"Levi's orders are not automatic anymore," added a menswear buyer at a major Los Angeles-based department store chain. "Levi's products are being scrutinized like all other labels. Now we are asking, 'Aside from their volume, are Levi's a good return on investment?' "

Levi's execs stress the decision to market Levi's products in mass-merchandise outlets was made after careful study over many years, and has no relationship with the company's current financial situation.

Levi Strauss America exec vp Alfred Sanguinetti said the decision's timing followed completion of an extensive research project on the subject. "Our studies took years to complete," he said, "and we did not have enough information to make a decision until now."

■ Mr. Sanguinetti is satisfied it's a course the company will profit by.

"The chain's images and quality are compatible with ours," he stated. "If there is any question that should be raised about the timing of the decision, it might be 'should we have made the decision earlier?' "

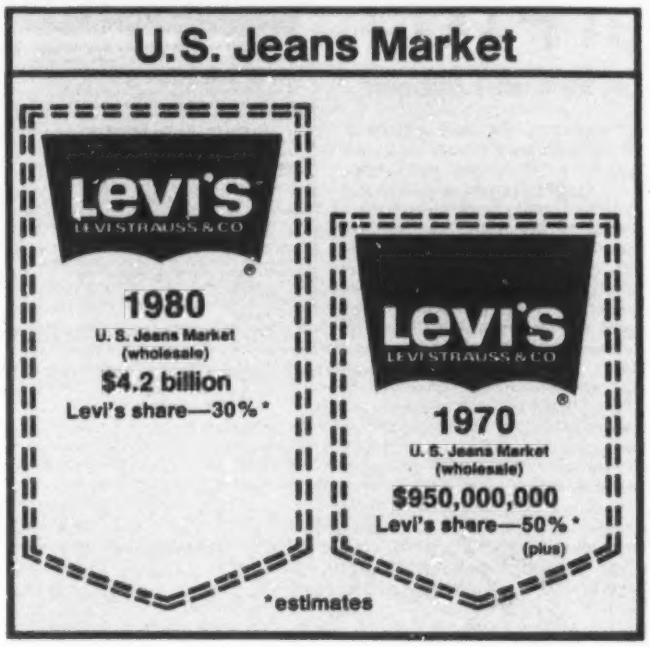
Industry watchers believe Levi's may have hesitated for fear of alienating its traditional customers —department stores and specialized jeans retailers. But most agree the company will probably be the better for it.

"It will be a plus for Levi's, but unfortunately how much of a plus is hard to say," said David Jackson, an analyst for Bateman Eichler Hill Richards, Los Angeles. "It means Levi's may run the risk of losing some of its traditional department store customers who may decide they don't want to compete against Sears and Penney's."

R. Jerry Falkner, an analyst at Underwood, Neuhaus in Houston, believes the decision to enter Sears and Penney's was inevitable, given the way Levi's jeans and other jeans labels have been discounted on a mass scale.

"When discounting became a fact of life in the market, it hurt Levi's sales in traditional department stores. The company must have concluded that if Levi's jeans are going to be discounted anyway, why not sell them at mass merchandisers," said Mr. Falkner.

While Levi's is introducing its products at the middle or lower end of the clothing market, it has not given up on the upper end. Industry analysts said the company plans to introduce several new women's and men's apparel lines in the 1980s to compete against brands like Evan-Picone and Botany 500. Sources said Levi's intends to establish these lines through internal development and through acquisition. A Levi's acquisition committee is said to be looking at several fashion-oriented companies as possible acquisition targets.



The company has already made upscale moves on its own. Around two years ago it introduced the Levi's Young Misses line, a pricey misses apparel line comparable to labels like Evan-Picone and Liz Claiborne. Last year, Levi's renamed its 4-year-old David Hunter men's apparel label Levi's Tailored Classics. A Levi's spokesman said trade response to both lines continues to be strong.

Levi's drive to build credibility in the nondenim market should get a big boost in 1984. Levi's is the official outfitter of the 1984 Olympics in Los Angeles—a task that will include supplying uniforms for 14,500 officials, judges, workers and contestants. It will be a major sponsor of the ABC-TV event.

Company chairman Robert T. Grohman has been quoted as saying the company's Olympics participation will inciude a $40,000,000 advertising and promotional program. Mr. Sanguinetti said Levi's will start testing Levi's Olympics tie-in ads this year. The ads are expected to start airing in 1983.

Marketing vp Hal Spielberg believes the Olympics tie-in with Levi's is natural. "We think the Olympics is something of tremendous value to the country. It stands for being the best you can be," he said.

Another source described Levi's Olympics participation in more practical terms. "It will be an opportunity to further extend brand awareness outside the traditional Levi's denim confines," he said.

While Levi's builds its nondenim business, it is still taking steps to add to jeans sales. On Dec. 1, Levi's Womenswear division introduced 501 junior denim jeans—the original Levi's button-fly blue jeans for the first time made to fit women.

Company execs said the 501s—currently available in northern California, New York, parts of the Pacific Northwest and Ohio—have so far exceeded expectations. Plans call for expanding distribution nationally by the end of the second quarter this year. At present there are no plans to start distribution of 501 junior jeans in Sears and Penney's.

■ Tv commercials airing in San Francisco and New York take an artsy approach. In one spot, a 501-clad young woman is depicted leaving a Victorian farm house on a desolate prairie a la "Giant." Voiceover describes the shrink-to-fit 501s as "cut especially for women." At the conclusion, the woman delivers her lone line in the spot: "Travis, you're a year too late!"

Maybe so, but 501s themselves weren't, in the view of industry observers. They feel Levi Strauss will be needing more 501-style innovation if it is to recover its previously invincible image.#

3M gets serious in personal care bid

By JENNIFER ALTER

ST. PAUL—In the parlance of the 3M Co., an idea for a new business starts as a program and graduates to a project. When the project is elevated to a department, it means corporate executives are serious about the idea and willing to commit resources to its execution.

So when 3M became convinced of the potential for three of its skincare-related projects, it blended them into a personal care products department (AA, Nov. 23) and dubbed as manager Nathan A. Wolfstein, formerly vp-general manager of its Armorlite subsidiary.

Though the technology-rich company has shown interest in the personal care side of the mass market for a number of years, it is the departmental status that will make the venture viable, according to Mr. Wolfstein.

Included in the new department is the Mmm! What A Tan! line of suntan lotions and oils, previously a "suncare" project; a group of skincare and over-the-counter products including the Buf-Puf line, previously marketed by 3M's Riker Labs subsidiary, and a number of home healthcare products spawned by the Medical Products division.

First on the agenda for the new department is the development of its own personal care sales force, which will sell the products as a group to drug and mass-merchandise outlets. The unit also has access to the Riker sales force and is using food brokers to reach the

(Continued on Page 72)

Giant step in Levi's junior jeans

Levi Strauss' new 501 junior jeans help young woman in this 30-second commercial assert her independence (the setting, a Victorian ranch house a la the mid-1950s film "Giant"). Voiceover describes the shrink-to-fit 501s as "cut especially for women." Foote, Cone & Belding/Honig is the agency.

Advertising pages in February consumer publications

Current and February '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	Feb. 1982	Feb. 1981	Jan.-Feb. 1982	Jan.-Feb. 1981
Women				
†§Bride's Magazine	418.0	428.3	418.0	428.3
▲Co-ed	39.8	29.4	64.5	51.7
§Cosmopolitan	175.7	169.6	318.4	302.6
Essence	60.8	54.0	119.6	125.1
§Family Circle	159.8	149.2	219.0	210.5
§Good Housekeeping	157.8	148.2	269.3	264.1
▲Health	26.8	25.6	58.5	56.4
Ladies' Home Journal	72.1	76.0	121.6	140.7
McCall's	76.4	87.1	130.0	165.5
McCall's Working Mother	62.4	—	104.4	96.0
†Modern Bride	—	—	428.4	363.1
Ms.	41.3	36.0	66.8	66.0
○New Woman	—	—	40.0	36.6
§Parents Magazine	68.6	57.0	125.5	93.0
Playgirl	40.4	50.5	81.2	94.0
Redbook	84.3	90.4	154.8	160.9
Self	66.1	49.6	115.0	89.7
Seventeen	96.6	84.9	161.8	152.8
'Teen Magazine	42.5	38.2	70.5	67.0
§True Story	65.8	65.0	101.3	101.1
§Woman's Day	91.4	77.2	158.9	156.7
▲The Workbasket	50.4	42.6	96.1	78.8
Working Woman	78.1	57.0	126.0	91.0
Total Group	1,975.1	1,815.8	3,550.2	3,712.1
***% change 1982 vs. 1981	+5.3%		−4.4%	
General				
▲A.D. Magazine	15.0	17.6	26.1	32.9
Air Progress	17.5	19.2	33.5	35.7
American Forests	13.1	13.3	27.2	29.4
American Legion	45.3	37.0	82.0	72.9
American Photographer	40.5	41.3	79.5	78.8
○Americana	23.7	29.7	23.7	29.7
§Architectural Digest	104.7	107.8	179.9	187.4
§The Atlantic	21.9	22.5	42.0	43.6
○Audubon Magazine	—	—	25.1	22.9
§Bon Appetit	67.6	74.3	123.6	120.7
Changing Times	36.6	34.9	61.5	59.2
Christian Herald	39.5	47.2	72.3	87.7
Christian Life	25.5	27.9	52.8	51.0
◀Christianity Today	25.8	25.4	40.6	44.1
Circus	23.0	14.3	57.0	29.2
Compiete Men's Group	23.3	20.5	46.3	41.5
Country Journal	46.3	42.2	96.3	87.1
Creative Computing	103.3	77.4	213.2	147.1
C.Cuisine Magazine	34.4	—	66.5	38.9
Ebony	79.7	88.5	145.7	152.9
▲Elks Magazine	32.5	23.9	58.2	55.1
§Esquire	34.8	24.8	75.7	46.5
Fifty Plus	40.5	34.7	63.0	65.3
Flying	39.5	46.5	77.0	83.0
○Games	—	—	26.3	18.6
§Gentlemen's Quarterly	86.4	89.3	135.8	135.0
§Golf Magazine	97.6	105.4	150.6	132.3
Gourmet	56.9	54.1	102.2	82.9
§Harper's Magazine	13.0	23.5	28.0	38.3
High Fidelity	36.2	40.8	78.9	88.6
High Technology	29.7	—	29.7	—
▲Income Opportunities	63.8	61.4	63.8	61.4
#Inside	—	—	—	—
Kiwanis Magazine	14.2	14.3	35.1	33.6
Let's Live	78.0	86.1	150.5	175.7
Life	42.9	39.5	112.2	92.0
Lion	7.0	3.3	12.0	8.8
§Money	96.9	96.7	172.9	159.7
Moneysworth	18.2	18.1	33.5	36.5
Moody Monthly	61.0	59.0	110.4	113.3
Moose Magazine	31.0	31.0	31.0	31.0
○Mother Earth News	53.9	69.3	53.7	69.3
○Museum	—	—	35.2	36.5
Musician, Player & Listener	55.0	60.0	111.8	113.3
National Geographic	17.3	26.9	38.1	40.2
National Jewish Monthly	26.4	21.3	48.9	40.4
Natural History	28.3	38.9	60.0	73.7
§Omni	48.8	48.0	97.1	87.4
§Penthouse	55.2	53.6	110.5	117.0
Petersen's Photographic	42.4	42.3	81.7	79.6
Playbill	52.0	47.2	100.3	92.4
§Playboy	68.2	68.1	187.3	183.8
Popular Photography	126.7	123.2	258.3	247.4
Prevention	72.9	96.7	142.3	186.0
Psychology Today	31.2	41.6	70.8	78.3
†Reader's Digest	67.4	83.4	136.6	143.2
††Saturday Evening Post	—	—	47.2	43.8
◇Science 82	—	—	46.2	34.4
Scientific American	82.3	69.8	168.7	155.8
Signature	53.6	53.9	100.9	85.6
Smithsonian	77.0	74.1	140.7	134.7
Stereo Review	46.7	53.8	107.2	105.8
Success	41.0	39.8	75.0	74.7
Technology Illustrated	35.5	—	73.3	—
Tennis	67.6	63.6	102.5	102.0
Town & Country	122.3	104.0	186.0	157.0
Travel/Holiday	49.2	61.0	88.7	104.0
Travel & Leisure	82.8	96.9	132.6	145.4
▲V.F.W.	31.2	32.4	65.8	68.5
Video	48.2	50.1	97.5	92.6
Video Review	67.2	55.4	126.9	95.9
Weight Watchers	35.3	220.6	53.3	48.9
Writers Digest	26.2	22.9	50.0	43.7
Yankee	83.3	84.4	165.3	168.0
Total Group	3,299.7	3,296.6	6,402.2	6,129.6
***% change 1982 vs. 1981	+0.1%		+4.4%	
Fashion and service				
Glamour	150.7	154.4	234.3	251.5
Harper's Bazaar	86.0	85.7	148.4	132.6
Mademoiselle	105.6	93.5	181.2	168.9
Vogue	214.8	197.6	317.6	275.6
Total Group	557.1	531.2	881.5	828.6
***% change 1982 vs. 1981	+4.9%		+6.4%	
Art & antiques				
American Artist	62.8	66.1	106.3	108.1
Antiques	121.5	137.6	328.5	315.3
○Art & Antiques	—	—	62.6	49.9
▲Art in America	111.8	109.9	222.5	198.5
▲Artnews	90.0	125.0	181.0	220.3
○Portfolio	—	—	49.0	45.0
Southwest Art	113.5	90.0	214.8	170.0
Total Group	499.6	528.6	1,164.7	1,107.1
***% change 1982 vs. 1981	−5.5%		+5.2%	
Home				
Better Homes & Gardens	95.6	108.8	165.4	183.1
○Colonial Homes	—	—	60.0	41.6
Dallas-Fort Worth Home/Garden	38.2	30.3	85.4	58.9
○Early American Life	—	—	39.5	38.2
▲Family Handyman	68.2	51.0	130.5	113.8
○Flower & Garden	62.1	58.3	62.1	58.3
Home	21.4	33.2	58.2	57.3
†Homeowner's How-To	—	—	27.8	29.2
Horticulture	27.2	23.3	79.5	60.9
House Beautiful	67.3	73.1	128.4	137.7
House & Garden	83.2	93.8	154.7	171.5
Houston Home/Garden	89.5	76.9	176.3	156.0
Living:				
○Dallas	—	—	66.1	127.7
○Houston	—	—	83.0	87.1
○Denver	—	—	74.3	89.7
○Austin	38.0	43.6	38.0	43.6
○San Antonio	43.2	51.8	43.2	51.8
○Phoenix	36.5	35.9	36.5	35.9
○Florida Gulf Coast	27.8	23.9	27.8	23.9
○South Florida	—	—	40.2	—
Metropolitan Home	58.4	61.2	103.7	100.1
††New Shelter	40.1	43.1	82.9	88.8
Organic Gardening	91.9	95.8	185.7	183.9
Phoenix Home/Garden	45.3	27.8	93.4	52.7
San Diego Home/Garden	54.0	41.6	99.5	80.8
#Southern Accents	82.7	79.5	82.7	79.5
Southern Living	115.0	110.0	185.9	183.7
§Sunset Magazine	127.2	134.1	199.9	203.1
▲Texas Homes	—	—	126.8	98.0
○Workbench	—	—	66.0	69.7
Total Group	1,312.8	1,297.0	2,807.4	2,706.5
***% change 1982 vs. 1981	+1.2%		+3.7%	
In-flight & other passenger				
#Aboard Group(7)	—	—	616.0	480.0
Air California	57.2	55.0	112.2	112.7
○Alas Group(9)	350.0	280.0	350.0	280.0
Alaskafest	32.8	32.7	67.1	67.0
American Way	67.0	54.8	111.6	97.4
East/West Network:				
Amtrak Express	39.0	36.2	68.3	67.2
Continental Extra	53.3	50.3	93.5	94.6
D.Eastern Review	93.0	83.2	156.2	151.4
Ozark	42.0	42.8	72.7	83.8
E.PSA Magazine	87.5	85.3	146.5	152.1
Republic Scene East	46.8	42.2	89.3	81.2
Republic Scene West	53.5	55.5	98.0	103.0
Texas International/- The Texas Flyer	58.7	51.3	99.5	99.6
United Mainliner	72.7	72.7	123.0	138.4
Halsey Publications:				
Braniff's Flying Colors	23.7	29.0	55.0	53.0
Delta Sky	37.8	44.0	77.5	84.0
○Skylite	—	—	8.2	—
Hawaii	26.5	31.6	49.4	59.9
○Pacific	—	—	28.2	59.9
Pan Am Clipper	37.5	52.7	72.5	107.7
Southwest Airlines	67.8	64.8	147.8	129.3
Spirit of Aloha	25.1	33.0	48.9	62.8
USAir	43.3	39.2	76.2	69.2
Webb Publications:				
Frontier	30.2	26.8	74.0	58.5
Passages	27.8	20.3	57.3	42.6
TWA Ambassador	42.8	33.9	77.0	68.8
Total Group	1,416.0	1,317.3	2,978.9	2,804.1
***% change 1982 vs. 1981	+7.5%		+6.2%	
Metropolitan				
○Aloha	28.5	23.5	28.5	23.5
Atlanta	48.6	49.8	117.1	121.4
Baltimore	58.0	63.5	109.3	113.7
Birmingham	30.0	23.0	—	40.3
Boston	101.9	90.4	214.2	199.2
California	58.0	46.4	100.6	78.8
Chicago	94.1	93.8	200.1	197.1
Chicago's North Shore	51.4	48.8	114.9	113.7
Cincinnati	49.8	44.2	105.4	100.1
Cleveland	45.1	57.0	86.3	136.7
Columbus Monthly	57.0	70.4	111.5	137.2
Connecticut	69.3	58.1	155.5	140.5
D/Magazine, Dallas/- Fort Worth	90.9	97.7	182.3	192.1
Denver	29.2	35.1	51.7	74.1
Monthly Detroit	45.2	39.7	90.9	67.4
Grand Rapids	38.4	34.4	79.1	69.0
††Gulfshore Life	85.0	79.0	160.0	151.0
Honolulu	58.3	60.8	115.6	122.3
Houston City	56.8	40.5	109.1	93.1
Indianapolis	42.1	62.9	119.0	98.8
Kansas City	21.6	17.7	43.9	34.2
Lansing	20.3	30.3	38.3	57.8
Los Angeles	171.0	153.5	330.0	311.5
○Louisiana Life	—	—	48.0	—
Miami	99.2	74.4	205.6	166.9
Milwaukee	28.1	24.6	56.5	49.9
Mpls./St. Paul	60.7	80.2	119.5	135.0
New Jersey Monthly	48.0	61.9	102.2	129.0
New Mexico	20.2	15.4	—	33.7
Ohio	26.0	24.3	62.3	48.1
Omaha	18.1	12.3	39.1	22.6
Oregon	22.3	32.5	39.0	48.7
▲Pacific Northwest	26.8	22.3	26.8	22.3
Palm Beach Life	117.9	129.9	239.0	247.5
Palm Springs Life	166.5	153.3	343.2	330.0
Philadelphia	119.0	125.0	216.8	234.4
Phoenix	79.7	84.2	165.3	180.0
Pittsburgh	46.5	25.8	82.2	63.9
Roanoker	46.3	30.6	67.8	83.6
St. Louis	61.0	70.0	109.3	138.3
San Diego	115.7	124.3	243.5	281.6
San Francisco	46.5	—	90.1	—
○San Francisco Bay Views	—	56.5	62.0	56.5
San Francisco Focus	35.6	30.0	64.2	60.8
†Shenandoah Valley	—	—	30.4	19.2
Spokane	12.7	36.4	33.9	70.4
Tampa	30.3	39.2	75.9	72.5
Tampa Bay	40.3	46.1	81.3	98.5
Texas Monthly	94.8	106.1	171.7	186.2
Twin Cities	40.4	36.8	78.4	70.4
Washington Dossier	39.3	54.3	78.8	102.0
The Washingtonian	129.5	129.0	222.5	222.0
Westchester	37.0	38.3	66.3	66.3
Westchester Illustrated	36.0	38.2	77.0	68.3
Total Group	2,997.6	3,022.4	5,905.4	5,982.1
***% change 1982 vs. 1981	−0.8%		−0.1%	
Movie-romance-radio-tv				
○Complete Women's Group	—	20.0	—	44.0
Ideal Women's Group:				
Daytime Stars	—	25.1	—	53.1
Intimate Story	—	27.4	—	54.7
Daring Romances	—	27.4	—	54.7
Soap Opera	—	25.1	—	53.1
Macfadden's Women's Group:				
Modern Romances	46.6	34.4	56.8	56.1
Secrets	34.6	34.4	56.8	56.1
True Confessions	38.1	36.6	60.8	58.0
True Experience	34.6	34.4	56.8	56.1
True Love	34.6	34.4	56.8	56.1
True Romance	34.6	34.4	56.8	56.1
Sterling Women's Group:				
Daytime TV	29.6	33.2	58.9	64.7
Modern Screen	33.3	33.2	33.3	65.4
○Modern Mirror	—	—	—	32.2
Photo Screen	—	33.2	32.3	33.2
Soap Opera Stars	—	33.2	25.3	65.7
TV Movie Screen	33.3	—	33.3	32.2
TV Picture Life	—	33.2	32.3	33.2
○Teen Bag	—	—	5.0	6.6
Total Group	307.3	479.6	565.2	931.3
***% change 1982 vs. 1981	−15.9%		+7.5%	
Youth				
Boys' Life	19.5	19.7	37.4	38.1
Campus Life	40.4	35.1	101.8	90.4
Total Group	59.9	54.8	139.2	128.5
***% change 1982 vs. 1981	+9.3%		+7.3%	
Mechanics & Science				
§Mechanix Illustrated	66.6	77.2	128.3	141.9
Popular Electronics	64.5	63.8	113.0	125.4
Popular Mechanics	91.1	95.6	171.4	186.5
§Popular Science	85.1	86.9	147.7	155.4
Total Group	307.3	323.5	560.4	609.2
***% change 1982 vs. 1981	−5.0%		−8.0%	
Boating & yachting				
Boating	114.9	106.6	254.8	248.4
Chesapeake Bay	26.5	22.6	47.1	50.2
Cruising World	112.0	108.4	238.0	226.5
Lakeland Boating	47.6	50.7	92.2	92.0
Motor Boating & Sailing	196.2	182.0	329.1	321.0
Rudder	18.8	20.8	39.3	38.0
Sail	146.3	140.2	307.4	296.0
Sea & Pacific Skipper	68.8	84.2	149.6	162.3
Trailer Boats	26.4	23.1	50.2	44.9
Yachting	155.9	160.1	424.9	435.4
Total Group	913.4	898.7	1,932.6	1,914.7
***% change 1982 vs. 1981	+1.6%		+0.9%	
Automotive & recreational vehicles				
Car & Driver	76.6	79.4	132.0	143.1
Car Collector & Car Classics	22.0	21.2	46.7	43.5
Car Craft	62.5	49.5	103.1	85.7
○Custom Bike	—	—	—	—
Cycle	65.3	60.6	119.5	128.1
Cycle Guide	47.1	60.2	83.5	94.0
Cycle World	43.3	93.9	90.0	145.0
Dirt Bike	—	—	—	—
Dune Buggies & Hot VWs	48.6	39.8	91.8	83.7
Family Motor Coaching	72.9	48.2	175.8	115.1
4 Wheel & Offroad	35.9	31.6	68.0	54.2
Four Wheeler	23.8	20.2	48.6	44.3
Hot Rod	45.6	49.2	71.6	78.1
Motocross Action	—	—	—	—
Motorcyclist	42.9	53.5	81.1	76.2
Motor Trend	50.3	40.1	84.2	83.3
Pickup, Van & 4 WD	15.5	27.1	42.3	46.1
Road & Track	78.5	85.3	144.4	159.1
Touring Bike	—	—	—	—
Trailer Life	83.0	75.4	145.3	142.1

*** % change figured ONLY from magazines with comparable issues 1982 and 1981. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but not prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ◀Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published eight times a year. **Published weekly. ▶Published every two weeks. A.Combined unduplicated regional ads. B. Preprinted inserts included. +Affiliated with Sunday Mag/Net. C. Monthly as of Jan., 1982. D. Revised 1982 total.

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Advertising pages in February consumer publications

(Continued from Page 71)

	Pages Feb. 1982	Feb. 1981	Jan.-Feb. 1982	Jan.-Feb. 1981
Total Group	813.8	855.2	1,527.9	1,521.6
***% change 1982 vs. 1981	−4.8%		+0.4%	

Outdoor & sport

Alaska	46.5	40.5	86.7	75.1
○The American Handgunner	—	—	34.3	33.3
American Hunter	11.4	10.6	21.6	20.5
American Rifleman	23.3	22.3	49.9	52.9
○Backpacker	42.1	32.0	42.1	32.1
▼§Bass Master	56.3	49.9	113.6	91.5
††Bicycling	—	—	66.3	60.4
Field & Stream	85.7	79.6	137.2	136.0
§Fins and Feathers	43.1	30.4	65.1	49.5
○Fishing World	—	—	33.8	30.0
Florida Sportsman	76.5	86.5	139.2	151.5
‡‡Fly Fisherman	—	—	48.0	60.5
Fur-Fish-Game	24.8	28.7	51.9	56.4
Guns	32.4	31.5	65.4	67.8
Guns & Ammo	41.0	37.4	74.1	66.9
Inside Sports	10.8	27.5	24.2	49.8
Outdoor Life	69.6	84.1	117.3	144.4
Petersen's Hunting	27.7	23.0	56.4	44.6
The Runner	24.8	16.4	63.0	34.7
Runner's World	21.0	24.6	46.5	56.9
Salt Water Sportsman	59.4	66.0	118.5	121.3
Shooting Times	28.7	55.5	55.5	105.6
‡‡§Ski	51.9	60.1	134.4	136.4
‡‡Skiing	56.0	48.5	136.8	119.3
Skin Diver	71.3	57.3	81.1	76.2
‡‡Southern Outdoors	—	—	34.2	32.4
§Sport	24.9	29.0	58.1	56.7
Sports Afield	109.0	78.0	176.9	138.5
▲Spray	50.2	35.8	50.2	35.8
▲Western Outdoors	33.2	33.0	63.2	66.1
Total Group	1,115.6	1,088.2	2,124.5	2,203.1
***% change 1982 vs. 1981	+2.7%		−3.6%	

Comics

○Archie Comic Group	10.0	10.0	10.0	10.0
DC Comics	7.0	9.0	14.0	18.0
Harvey Comic Group	8.0	8.0	16.0	16.0
Marvel Comics Group	10.0	8.5	20.0	19.0
Total Group	35.0	35.5	60.0	63.0
***% change 1982 vs. 1981	−1.4%		−4.8%	

Newspaper Sunday magazines/national

§Family Weekly	81.9	97.3	175.1	182.1
Parade	71.2	76.7	147.8	142.0
Total Group	153.1	174.0	322.9	324.1
***% change 1982 vs. 1981	−12.0%		−0.4%	

Canadian national weekend magazines

a.Perspectives	27.6	22.2	63.8	62.4
§Today	34.7	44.8	83.1	100.1
Total Group	62.3	67.0	146.9	162.5
***% change 1982 vs. 1981	−7.0%		−9.6%	

Canadian

L'Actualite	35.0	37.3	86.8	63.0
Chatelaine:				
§English Edition	86.5	78.4	139.5	127.7
French Edition	72.5	65.4	116.9	104.1
§Financial Post Magazine	35.5	36.2	57.3	36.2
§Flare	—	—	47.6	50.0
▲§Homemaker's Magazine:				
English Edition	—	—	88.9	87.9
French Edition	—	—	61.0	58.3
§Macleans	96.7	79.1	167.5	138.9
▼§Quest Magazine	—	—	—	—
§Reader's Digest:				
Canada-English	63.1	67.4	124.9	139.7
Canada-French	66.5	74.0	131.9	128.9
Saturday Night	25.4	19.3	44.3	34.4
Total Group	481.2	477.1	1,066.6	989.1
***% change 1982 vs. 1981	+0.9%		+10.1%	

January

Business

	Pages Jan. 1982	Jan. 1981
Barron's	150.9	161.1
Black Enterprise	18.1	19.1
§Business Week	237.6	248.3
California Business	54.0	45.3
Corporate Report/-Kansas City	39.9	43.7
Corporate Report/-Minnesota	62.3	64.4
Crain's Chicago Business	77.5	57.7
Dallas/Fort Worth Business	37.5	23.0
Dun's Business Month	74.3	62.7
☆Financial World	64.4	70.0
Florida Trend	91.8	60.2
▶Forbes	180.3	189.6
▶§Fortune	122.7	103.8
Houston Business Journal	133.7	101.0
§Inc. Magazine	68.7	52.2
▶§Industry Week	102.7	104.5
Indianapolis Business Journal	67.8	42,0
§Nation's Business	27.8	30.4
*New England Business	66.6	29.2
St. Louis Business Journal	82.8	47.5
Texas Business	43.0	41.5
Venture	3.4	25.5
Total Group	1,702.8	1,622.7
***% change 1982 vs. 1981	+4.9%	

Newspaper Sunday magazines/local

+Arizona Republic	78.3	75.6
+Chicago Tribune	71.2	60.7
+Cincinnati Enquirer	65.1	50.7
+Cleveland Plain Dealer	51.5	59.3
+Columbus Dispatch	55.1	56.1
+Dallas Times Herald	54.7	51.3
+Denver Post	117.7	103.5
+Detroit News	—	—
Los Angeles Times Home Magazine	75.4	83.7
+Louisville Courier-Journal	64.6	73.9
+Miami Herald	66.9	56.4
+New York News	—	—
New York Times Magazine	256.6	182.4
+Philadelphia Inquirer	51.9	39.0
+Toledo Blade Magazine	33.1	25.8
+Washington Post	86.1	72.6
Total Group	1,120.2	991.0
***% change 1982 vs. 1981	+13.0%	

Weeklies, bi-weeklies, semi-monthlies

The Advocate	38.4	29.1
§Army Times Military Group:		
Air Force Times	117.0	115.4
Army Times	116.2	113.3
Navy Times	148.3	135.8
The Times Magazine	3.5	7.0
AutoWeek	96.9	79.2
The Blood Horse	716.8	601.9
Capper's Weekly	24.6	30.9
Commonweal	10.2	7.2
§Grit	30.7	30.5
National Review	21.2	15.0
New Republic	25.6	13.2
New York Magazine	117.7	93.4
New Yorker	207.8	186.1
§Newsweek	159.8	165.5
People	171.4	153.6
Rolling Stone	46.4	48.7
Sporting News	49.6	48.4
§Sports Illustrated	167.6	147.3
§Time	186.8	162.3
A.Travelhost	2,653.7	1,538.0
§TV Guide	366.6	370.5
▶Us Magazine	29.7	22.7
§U.S. News & World Report	92.0	85.5
Total Group	5,598.5	4,198.5
***% change 1982 vs. 1981	+33.4%	

Foreign

Buenhogar:		
Ecuador	9.0	4.0
Chile	—	1.0
Mexico	38.7	36.2
Puerto Rico	16.5	12.2
Venezuela	27.2	24.0
Colombia	21.0	24.3
Peru	30.0	28.3
Central America	4.5	3.3
U.S.	37.0	9.0
Dominican Republic	15.8	9.0
Coqueta:		
Mexico	4.8	2.5
Puerto Rico	4.0	1.0
Venezuela	7.0	4.0
Colombia	7.0	1.0
Peru	3.0	—
Central America	3.0	—
Fascinacion:		
Mexico	5.3	2.5
Puerto Rico	3.5	—
Venezuela	8.7	7.0
Colombia	8.0	4.2
Gaornundo:		
Chile	2.0	3.0
Mexico	8.0	8.0
Ecuador	3.0	1.0
Venezuela	10.0	6.5
Colombia	7.5	5.5
Peru	6.0	4.0
Puerto Rico	5.0	2.0
Central America	1.0	2.0
Hombre De Mundo:		
Mexico	13.0	5.0
Chile	2.0	3.0
Puerto Rico	6.0	4.0
Ecuador	4.0	2.0
Venezuela	12.7	7.0
Colombia	7.2	10.2
Peru	4.0	4.0
Central America	—	1.0
Ideas Para Su Hogar:		
Dominican Republic	1.0	1.5
Mexico	18.8	6.7
Chile	—	—
Puerto Rico	2.0	—
Ecuador	6.5	—
Venezuela	16.5	8.6
Colombia	13.0	8.0
Peru	6.5	4.0
Central America	2.0	—
Intimidades:		
Mexico	3.5	1.0
Puerto Rico	4.0	2.0
Venezuela	7.0	4.5
Colombia	3.0	1.0
Central America	3.0	1.0
Mecanica Popular:		
Mexico	19.8	19.8
Puerto Rico	12.5	14.2
Venezuela	20.7	19.7
Colombia	15.0	17.2
Peru	18.3	19.2
Central America	12.7	14.2
Chile	4.5	2.7
Argentina	7.5	10.5
The Ring en Espanol:		
Mexico	2.0	1.0
Puerto Rico	1.0	2.0
Venezuela	3.0	1.0
Columbia	—	—
Central America	—	—
U.S.	1.5	2.0
Vanidades Continental:		
Dominican Republic	14.0	10.2
Mexico	65.8	57.7
Chile	5.7	2.0
Puerto Rico	25.2	15.5
Venezuela	37.0	24.5
Colombia	25.2	18.3
Peru	26.5	20.2
Central America	9.8	12.0
Ecuador	10.0	2.8
U.S.	37.2	25.8
Cosmopolitan Foreign Editions:		
Australia	38.9	29.4
Brazil	30.0	15.0
France	39.3	30.8
Germany	10.0	9.0
Great Britain	47.0	47.0
Greece	52.0	30.0
Italy	24.7	24.7
Japan	27.3	—
Cosmopolitan en Espanol:		
Central America	2.5	4.0
Colombia	11.3	10.2
Ecuador	2.5	4.0
Mexico	45.5	26.0
Peru	11.2	10.2
Puerto Rico	13.8	13.7
U.S. (Spanish language)	16.7	12.2
Venezuela	15.0	9.7
International Communications:		
African Business	29.0	32.6
The Middle East	17.8	12.4
New African	36.8	32.5
Al-Iktissad Al Arabi	—	—
International Herald Tribune	58.2	53.7
International Management:		
Africa	13.0	6.7
Europe	19.0	17.6
Latin America	11.0	9.0
Middle East	12.5	10.0
Pacific	14.0	8.7
Johnston International:		
Alam Attijarat	48.8	44.3
Ejecutivo	14.3	—
Modern Africa	33.3	45.2
Modern Asia	48.0	50.2
§Newsweek International:		
Atlantic	46.4	42.3
Latin America	12.2	12.8
Pacific	46.4	41.4
††Progreso	—	—
Reader's Digest:		
Arabic	14.5	9.5
*Asian	268.0	285.0
Australian	51.5	57.5
Belgian-Flemish	37.0	25.0
Belgian-French	41.0	21.0
British	44.6	48.1
*Chinese	96.5	95.0
Danish	18.0	13.5
Dutch	45.5	42.5
Finnish	35.0	50.0
French	47.8	42.2
German	53.4	45.3
Iberian	29.5	29.5
Indian	90.5	131.0
Italian	19.5	20.5
Japanese	56.3	48.6
Korean	16.3	16.0
Latin America:		
Argentina	10.5	25.5
Brazil	8.0	9.8
Central America	11.0	9.5
Chile	17.0	24.5
Colombia	30.0	21.0
Ecuador	12.0	7.0
Mexico	35.6	56.6
Peru	8.5	4.0
Puerto Rico	7.5	8.5
U.P.B.	11.5	25.0
U.S. Spanish	11.5	12.5
Venezuela	17.0	12.0
Portugal	27.0	20.5
New Zealand	47.0	26.7
Norwegian	20.5	7.0
South African	47.5	34.0
Swedish	24.0	13.5
Swiss-French	17.0	12.0
Swiss-German	22.0	20.0
Canada-English	61.8	52.3
Canada-French	65.4	54.9
Total	1,479.2	1,433.5
Time International:		
Time-Asia	52.1	62.0
Time-Atlantic	59.4	49.6
Time-Canada	92.8	67.3
Time-Latin America	41.8	37.7
Time-South Pacific	76.9	53.9
Total Group	3,367.5	2,018.2
***% change 1982 vs. 1981	+11.6%	

3M personal care

(Continued from Page 4)

grocery trade.

Many of the products now in the department traditionally were promoted ethically, and Mr. Wolfstein believes their distribution needs strengthening. The department already is advertising the products to the trade under the umbrella theme, "Now from 3M. . .a diverse line of personal care products."

While Riker Labs has done some advertising on the Buf-Puf line, it is going on network tv for the first time this month and moving from small to large print ads with the theme, "Buf-Puf. Do It Every Day" (AA, Feb. 1). The line, which now includes the Buf-Puf Bodymate scrubber, an acne cleansing pad, a body scrub, an acne kit and Buf-Oxal benzoyl peroxide gel, eventually could expand into cleansers and moisturizers, according to Mr. Wolfstein. For now, the Riker name will be de-emphasized and the 3M personal care products connection pointed out more prominently.

As for the two-year-old Mmm! What a Tan! Mr. Wolfstein believes it has achieved a "roughly tenable position," but that it has more potential. He notes that since the product was conceived, interest in sun protection has grown significantly and that the brand might be more productively positioned with that attribute in mind. Industry sources said Mmm! What a Tan! has a "miniscule" share in the $225,000,000 category (*see related story on Page 45*). The department is in the process of repackaging and repositioning the line for '83.

Other more long-range offshoots in the suncare area include a tan monitor that can register the amount of light that reaches the skin surface and eyewear for the sun. "3M is in the lens business," says Mr. Wolfstein. "I can see getting into scratch-resistant sunwear for the eyes." The "tan-timer," he says, is ready to go in terms of development and marketing strategy and could be launched next (1983) season.

The home health aids, which now include a line of 25 tapes, compresses, bandages and masks, eventually will be repackaged to carry consistent identification. Mr. Wolfstein's first priority is to strengthen their distribution.

Two over-the-counter products that always have been distributed through professional channels—Titralac (antacid) and Dorbane (laxative) now will be sold by the new unit's sales organization.

Mr. Wolfstein noted that while each product currently holds a small (3%) share of its respective category, "We expect to raise those substantially."

As evidence of its commitment to the department, 3M will quadruple the ad budget on the three lines, spending upwards of $10,000,000 via Dancer Fitzgerald Sample, Torrance, Cal.

C 2710-1

Advertising Age

Tv's "100 Best" See Magazine

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$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *February 22, 1982*

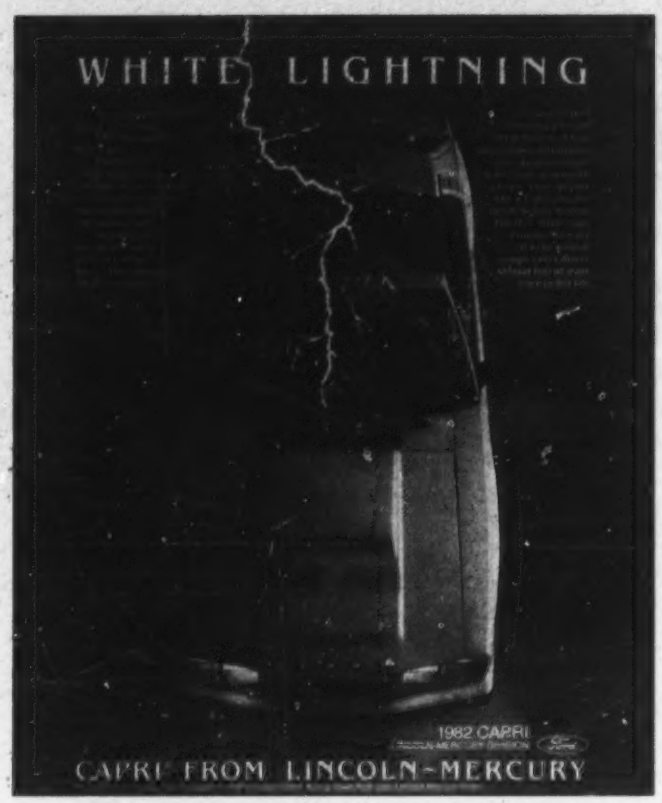
Ford joins in requests for 2% givebacks

DETROIT—Ford has followed General Motors in asking for a 2% giveback from suppliers, including ad agencies and media. The request is tied to current rebate and incentive programs.

The 2% will come from agency revenues. Ford has not said how it will ask the media to participate in the voluntary price reduction program. Ford wants it to apply to billings from Feb. 1 to July 31.

Agencies for Ford have not been as quick to comply with the request as Campbell-Ewald was with GM (AA, Feb. 8). J. Walter Thompson Co. refused to comment on its "contractual agreements" with clients. A spokesman at Young & Rubicam's Detroit office said the agency would have to study the request before it made any decision. Kenneth N. Campbell, vp and general manager of Wells, Rich, Greene in Detroit, said before Ford announced its request, "I would think if Ford were to pursue that course, they would closely watch what is

(Continued on Page 84)



Mercury flashes Ads for Mercury's new high-powered Capri break this week on the West Coast, marking the return of Ford Motor Co.'s Lincoln-Mercury division to the performance car market. *(See story on Page 6.)*

WON'T DROP SYNDICATION

Sales faked, JWT says of unit shortfall

By CHRISTY MARSHALL

NEW YORK—In order to stay afloat in its time-bank sea, JWT Group's tv syndication unit fed its computer a diet of fictitious entries totaling $24,500,000, the agency disclosed last week.

The faked sales were apparently aimed at making the unit appear to be a profit center, where sales of banked time were brisk. JWT clients lost nothing through these machinations, according to the agency.

Yet despite this agency scandal, which earlier led to the suspension of senior vp Marie Luisi, who headed JWT Syndication & TV Spot Sales, Don Johnston, chairman of JWT Group, said that he continues to believe in the concept and practice of syndication.

"We don't believe there's anything inherently wrong with syndication when you have people of integrity running the business," Mr. Johnston said. "I would do it again. It provides a service to advertisers who want to reach special markets and to independent tv stations by providing them with programing they otherwise wouldn't have."

It is also a field known to be ripe for exploitation.

After an internal audit turned up the evidence of this computerized balance sheet manipulations, JWT announced plans to take a pretax writeoff of $18,000,000. In a six-page statement captioned, "Explanations

(Continued on Page 84)

CBS, Fox giving birth to video venture

By MAURINE CHRISTOPHER

NEW YORK—CBS/Fox Inc., a $100,000,000 co-venture into cable and home video programing, is expected to be run by a six-person board with three representatives from both equal partners.

The impending birth of the new technologies' spinoff by Bill Paley's CBS Inc. and Marvin Davis' 20th Century-Fox Film Corp. was announced last week after months of prenatal care. Speculation now is rife as to whom will become chief executive of CBS/Fox.

Sources at CBS here talk of a multi-unit management structure. Shifting from parent CBS Inc., if a "definite agreement" seals this contract in 30 days or so, will be CBS Cable, CBS Video Enterprises and CBS Studio Center staffers and executives, about 250 people in all.

CBS/Fox units will include the the 6-month-old CBS Cable cultural network, a critically lauded miniservice still gushing red ink despite a respectable list of sponsors now reaching in aggregate 3,000,000 catv homes. News that the mounting startup expenses soon will be going elsewhere evoked some jubilation in the CBS/Broadcast Group, under which CBS Cable has been operating.

CBS-TV insiders describe Mr. Paley as well pleased with CBS Cable's product but horrified by the modest sales potential for such limited audiences.

While the skeletal press release made no mention of the phrase, pay tv looms as a major motivation in this deal. Sources at both companies expect movies, sports and other attractions for traditional pay and/or pay-per-view services to be given high priority on CBS/Fox's must do list. On both coasts, there have been repeated reports that CBS Cable may turn to pay-per-view offerings to soak up some of its deficit.

Twentieth Century-Fox has been looking for entry into pay cable networking ever since the courts nixed the Premiere co-venture involving four major movie producers and Getty Oil. In recent weeks the veteran movie-tv pro-

(Continued on Page 80)

N.J. 'RECORD' PLANS A.M. DAILY

If 'News' folds, rivals ready

By STUART EMMRICH

NEW YORK—Papers competing with the *New York Daily News* aren't waiting to see if that paper is either sold or folded before going through with their own plans to carve up the *News'* circulation.

Area dailies have already begun plans to expand coverage into areas served by the *News*, and at least one—*The Record*, of Hackensack, N.J.—is ready to go with a separate morning paper if the *News* folds. Staffers at the *Record* have been told that the new paper would be on the newsstands the morning after the *News* ceases publication.

Tentatively called *A.M.*, the new paper would not be a morning edition of the *Record*, but a separate newspaper described as a "clone of the *Daily News*." The prototype shows a front page that carries one large picture and a couple of headlines. Front-of-the-book pages would be devoted to international, national and local news, followed by features. Sports would be located in the back of the paper, with its own back cover.

Initial distribution calls for a pressrun of 30,000, according to estimates by insiders, with papers sold at bus terminals and train stations serving commuters on their way to New York. The first issue is pegged at 96 pages.

Record execs are hoping the paper will attract a significant number of the estimated 50,000 readers who buy a *Daily News* each day in Bergen County. The *News'* daily New Jersey circulation,

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NEWSPAPER

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last minute news

Kal Kan eyes $20 million-plus support for Crave

VERNON, CAL.—Kal Kan Foods has started national sell-in of Crave dry cat food, now primarily in western regions. Advertising and promotional support at a national rate of $20,000,000-plus is promised in new markets. Animated spots breaking in May from D'Arcy, St. Louis, tout "real protein rich food cats crave." Couponing and trial packs are included.

Pillsbury tests toaster strudel as Pop-Tarts rival

MINNEAPOLIS—Pillsbury is introducing frozen toaster strudel into test in Phoenix and possibly other markets. The breakfast pastries are designed to compete with Kellogg's Pop-Tarts and Sara Lee's cinnamon danish, sales materials say. The product is in the frozen breakfast section of stores and comes in four flavors: Strawberry, blueberry, raspberry and cinnamon. Advertising and promotion, at a $15,000,000 national level, starts in March in prime time, daytime and late-night periods. Sunday insert coupons and direct mail coupons also support. Agency not known.

Hallmark starts Y&R's 'Give a little. . .' drive

KANSAS CITY—Hallmark has begun its new campaign from Y&R. First commercial to air portrays a woman slipping an anniversary card into her husband's suitcase as he departs for a business trip. The song carries the

(Continued on Page 8)

DIVISIONS KEY FACTOR

P&G optimistic on continuing 7.5% growth

By JENNIFER ALTER

CINCINNATI—Procter & Gamble president and chief executive John G. Smale believes the giant package goods company will continue to meet its renowned annual real growth rate of 7.5%.

A favorite topic among P&G watchers is if and how the company can accomplish this task. Though he stopped short of an outright promise, Mr. Smale, at his debut performance before the investment community here last week, was clearly optimistic on the subject. Speaking to 200 analysts and investors at the Cincinnati Society of Financial Analysts, Mr. Smale said. "That's [7.5%] what we're going to be trying to do. I think we probably will be successful. The 7.5% is a product of history. It's a little over-simplified," he continued, "but historically, we've roughly doubled our business every ten years."

As to the how of this question, Mr. Smale said that fundamental to the company's growth is its organization on a divisional basis by product category. "We believe a key element to our future growth will be continuing to manage the business with the structure of operations divisions or units that are large enough to be efficient but small enough to allow for easy communication and thorough knowledgeability about the business area involved." He pointed to

(Continued on Page 84)

Be there

"You've Got to Be There" is the theme of the Knoxville 1982 World's Fair tv campaign, featuring such scenes as the dismantling of a bit of the Great Wall of China (shipped over for the exhibit by the People's Republic) and a small boy peering into the window of a French pastry shop. Campaign hits major markets in March, via Ogilvy & Mather, New York.

Networks spring-cleaning series lineups

By JAMES P. FORKAN

NEW YORK—Even as the tv networks pore over the February sweeps results so far, the programmers are sweeping out a lot of prime time deadwood.

Most of the spring-cleaning changes being made for March-April prime time starts amount to spring-summer tryouts for fall or midseason, 1983, berths. The networks' brooms so far have swept more series into hiatus than the scrap pile, apparently in hopes that some may yet prove salvageable.

Interestingly, the top two nets, CBS and ABC, have been the most active in shuffling shows, especially since January. The sweeps data from Feb. 3 through 16 show CBS keeping its lead with an 18.5 Nielsen rating and 29 share, vs. ABC's 18.5 and 30; NBC scored a 15 homes rating and 24 audience share.

CBS started the latest round of schedule changes early last week, followed late in the week by ABC.

Tony Thomopoulos, ABC Entertainment president who has yet to decide just how long its spring tests will air, starts the "Joanie Loves Chachi" spinoff from "Happy Days" on March 23, with the parent show acting as lead-in, while the "9 to 5" sitcom inspired by the hit movie will begin April 1 at 9 p.m. (ET). Thus, "Laverne & Shirley" and "Barney Miller" will be preempted.

"Sgt. Hooker" with William Shatner will take over the "King's Crossing" spot as of March 27, with some ABC officials indicating that "Crossing," if extended, probably will not return to that time period. Looking to shore up another weak link, ABC will insert "Inside America" as a Dick Clark-hosted magazine series at 7 p.m. Sundays, preempting "Code Red" as of April 4. All these moves complement earlier ones that will bring "Police Squad" and "Bosom Buddies" to Thursdays and "Open All Night," "Best of the West" and "Making a Living" to Fridays (AA, Jan. 25 *et seq.*).

And ABC's fixes are not over yet, with its programers already mulling March-April starts for "No Soap, Radio" and "Phoenix." Coming in "late spring," ABC execs added, is an eighth tryout series, "Counterattack: Crime in America," a George Kennedy-hosted, reality-based series on crime prevention and detection.

CBS Entertainment president Bud Grant and vp-programs Harvey Shephard also have made March-April changes in stages. Having earlier this month reworked Tuesdays and Wednesdays, the network now is renovating Mondays and Thursdays. "Cagney & Lacey" will go series at 9 p.m. March 25, hammocked between "Magnum, P.I." and "Knots Landing." Using "M*A*S*H" as its Monday anchor, CBS will test "Private Benjamin" and "Report to Murphy" as the lead-off block as of

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highlights

Monday, Feb. 22, 1982

Budweiser beer gets put on ice in Canada as licensee John Labatt Ltd. tries to manage the product's growth. *See Page 10.*

Texas Monthly will refund a total of $12,000 to advertisers for falling 1.8% short on its rate base for the August, 1981, issue. *See Page 12.*

"Welch's squelches the thirst" in its new co-op ad campaign for its carbonated soft drink. *See Page 14.*

Hertz Corp. signs O.J. Simpson to new contract as parent RCA hunts for a buyer for the rental car giant. *See Page 20.*

Coca-Cola shows no fear of the aging as its soft drink market matures. *See Page 28.*

Brazilian adman Enio Mainardi once again is off on another adventure. *See Page 37.*

The Philadelphia Bulletin is gone, but memories of its once-famous ad slogan live on. *See Page 40.*

The sunglasses market is given a chance of improving this year. *See Page 48.*

Consumers Union's "Penny Power" aims to tell children how to judge the value of food and jeans commercials. *See Page 52.*

Faced with federal aid cuts, the National Public Radio network has made its first four "scatter buys." *See Page 58.*

Southland Corp. is trying to dispel consumer perceptions that its 7-Eleven Stores are higher priced than their competition. *See Page 58.*

The safety of kerosene heaters sparks a public awareness campaign from the Kerosene Heater Assn. *See Page 62.*

John Bernbach is succeeding in the advertising business in spite of his famous father. *See Page 65.*

Style gets the emphasis in Oldsmobile's new Firenza and rebate ads. *See Page 70.*

Sunbeam Corp.'s new parent, Allegheny International, plans to pare down the domestic consumer product line. *See Page 71.*

CORPORATE CLOSEUP

Dunlop Corp. is trying to bounce back, beginning with a new golf ball and the signing of tennis player John McEnroe. *See Page 4.*

INTERNATIONAL

The French ad industry is doing well despite dire predictions. *See Page 32.*

Magazine Question: What do Milton Berle, Dick Tracy, the Mills Brothers, Candice Bergen, John Houseman, a San Francisco cable car, a nun, a piano-playing cat, Ray Bolger and Wolfgang A. Mozart have in common? Answer: All of them are utilized in tv commercials that made ADVERTISING AGE's annual "100 Best Commercials" listing, compiled by Harry Wayne McMahan and Corwin Mack Kile. The list, which is featured in today's issue of the new ADVERTISING AGE Magazine, actually contains more than 100 commercials, but as the authors point out, it was a very good year for tv spots.

Test marketing is the subject of the Section 2 special report. Articles deal with such topics as the risks and costs of test marketing, in-house pretesting of tv shows, test marketing of new magazines and a listing of 36 recommended test markets.

Among the Magazine's features is James Brady's weekly column, which has moved from the news pages of ADVERTISING AGE.

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7UP now touts no caffeine

By ROBERT REED

The Seven-Up Co. has altered marketing strategies for the mainstay 7UP brand and is highlighting, for the first time, the soft drink's absence of caffeine.

Also, some industry sources anticipate further fine-tuning of the current "Feelin' 7UP" campaign and expect those changes to be forthcoming by April. N W Ayer, New York, handles.

A flight of two new commercials featuring the no-caffeine theme is airing in major markets. While the approach is a slight departure from the action-oriented "Feelin' 7UP" tack, the new spots retain sport figures as spokesmen, but in more sedate settings.

In the new commercials, veteran spokesman-athlete Tug McGraw and Randy White, a Dallas Cowboy and the newest 7UP endorser, perform a variation of the "old shell game." Each athlete shifts three concealed soft drink cans from side-to-side before unveiling a 7UP, prompting him to say "Pick a 7UP—the one with no caffeine. Never had it, never will, just clear, crisp and clean without caffeine."

(Continued on Page 80)

Illustration by Gary Gianni

Test Marketing

Tomorrow, and tomorrow . . . whither the method?

By Cecelia Lentini

The dazzling array of goods filling supermarket shelves will continue to keep them coming back for more, of that there's no doubt. And sprinkled among the old favorites will be the new products, promising everything from crustier pizzas to shinier floors (without waxing!) to pourable quiche. If the consumer doesn't think she needs it now, just wait—she will.

This abiding hope among marketers keeps the dollars pouring in for developing, testing and launching new products. They are a measure of a company's growth and competitiveness in the marketplace.

But although companies are increasingly interested in new product development—a recently released Booz, Allen & Hamilton survey of more than 700 companies says management expects new products to contribute 40% more to profits in five years than they do now—the cost of developing those products is higher than it has ever been.

The cost of capital, in fact, coupled with the higher risks associated with failure both in the marketplace and in test marketing, is making companies take a long, hard look at how they spend test market dollars.

Though the increased pressure this puts on companies to eliminate potentially unsuccesful products in prescreening stages would seem to bode well for more test

(Continued on Page M-39)

Cecelia Lentini is a Philadelphia-based business writer and frequent contributor to Magazine/Section 2.

Whither test marketing?

(Continued from Page M-9)

marketing suppliers, their future actually looks much less sure.

For one thing, the increased emphasis on very early prescreening, according to the Booz, Allen survey, actually means that fewer new product ideas are getting past the planning stages into any sort of development or testing. For every 58 new product ideas that made it into development and testing in 1968, only seven made it in 1981.

Other statistics seem to bear this out. "New Product News", the Dancer Fitzgerald Sample monthly, reports a 3.9% growth in the number of new products introduced in 1981, down from a 10% growth in 1980. And though final 1981 figures from A.C. Nielsen Co.'s Early Intelligence System on bimonthly product introduction aren't yet in, they show that between Feb. 1 and Oct. 1, 1981, the average increased by only 2% over the same period the year before. This compares to an annual growth rate of 4% in 1979 and 12% in 1980.

More important, the number and type of test marketing services—ranging from scanners to lab simulation models to the classic instore controlled test—catering to this reduced line of new products has exploded in the past few years.

Yet, according to the Booz Allen survey, the percentage of the total development budget companies are allocating to pay for these services hasn't changed appreciably since 1968.

The survey showed that while in 1968 the average company allocated an average of 14% of its total budget to testing, in 1981 it allocated only a slightly higher 17% of that same budget to testing.

Tom Kuczmanski, a Booz Allen senior associate and program manager for the study, cautions that these figures can't be placed in a similar dollar perspective, since respondants weren't asked the size of their budgets. He says, however, it's easy to see that a vastly larger group of suppliers are scrambling for the same percentage of dollars.

"The industry has become highly sophisticated," he says. "At the same time, end users are a lot more selective in the use of that industry."

Most suppliers have already experienced the effect of this firsthand, if only through increased concern from clients about maximizing research results. And they agree that change is in the picture for the future.

"A lot of research companies are going to disappear and others are going to have to change the way they do business," says Arthur Oken, chairman of ParaTest Marketing in Eastchester, N.Y., which is now looking at adding computer capabilities and scanner services to its service line. "A lot of corporations are going to expect more of their research supplier and there is going to be more of a trend toward [the use of] computers."

Companies will be putting even more emphasis on profitability—and where a new product contributes to this. Donald Ritter, vp-manager of grocery services for Nielsen's Marketing Research Group, USA, said that "companies are definitely moving into more financial management and strategic planning."

Marketing risks are greater and a company's marketing plan will have to be put to the test. "Strategic planning," says Mr. Ritter "[will make] marketing of a product as productive as possible." He sees a lot of testing going on with already existing brands: They too will have to try harder in the future.

Both Mr. Ritter and Harlan R. Janes, vp-manager of health and beauty aids/drug industry services at Nielsen, were enthusiastic about the area of promotional testing.

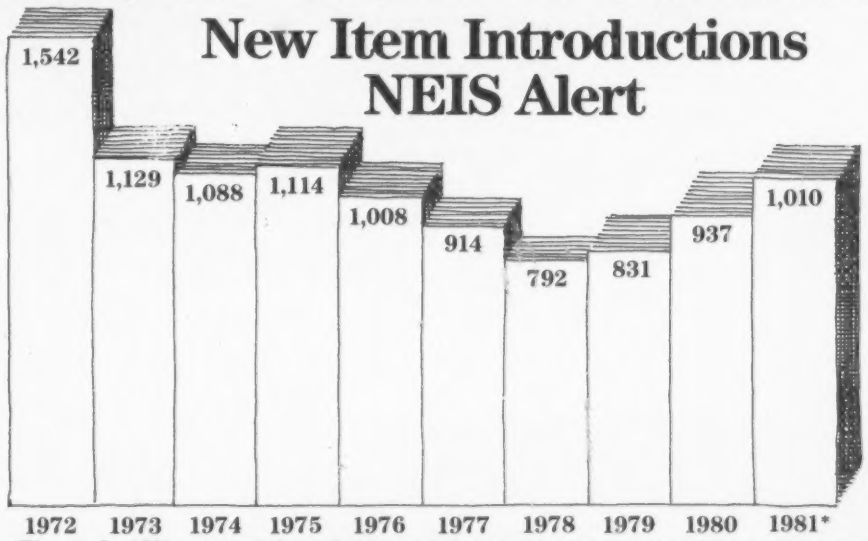
According to Mr. Janes, "Trade promotion dollars are needed to keep interest in a product. Scanning technology can measure the effectiveness of a promotion week by week. It's a new strength the industry has."

Mr. Ritter adds, "You can isolate your individual promotions; You can tell whether you've built your business or if you've just gone back to the same repeat buyers."

In fact, the companies that appear to be most bullish on the future supply scanner data.

For instance, Gian Fulgoni, president of Information Services Inc., in Chicago, which markets BehaviorScan, says his company's business doubled last

(Continued on Page M-40)



*Figures for 1981 averaged through August-September period. Copyright 1981 A.C. Nielsen Company

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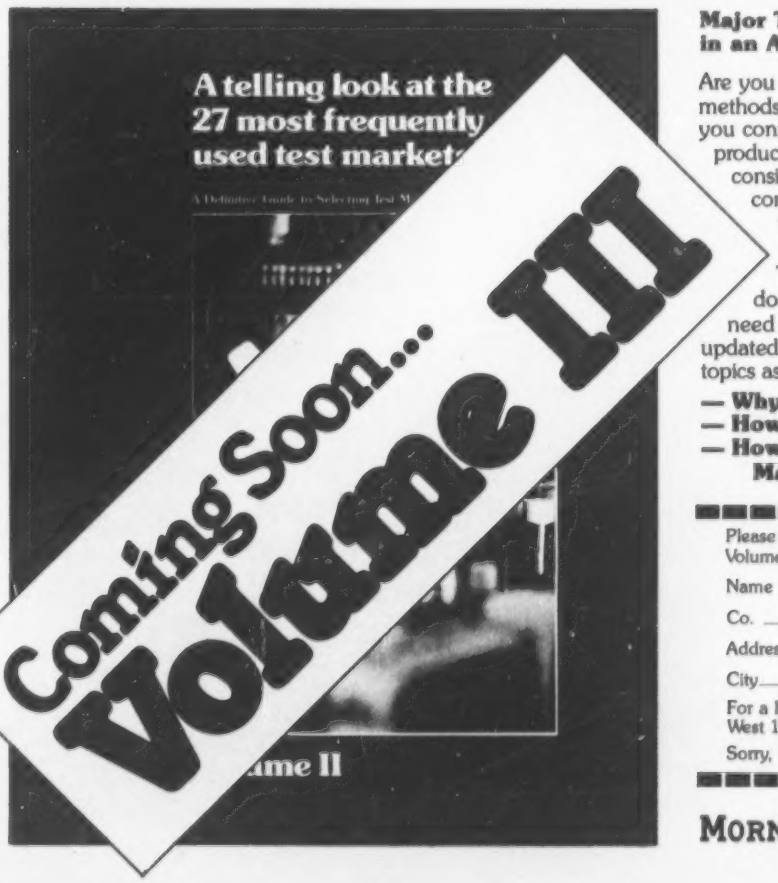

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Whither?

(Continued from Page M-39)
year and he expects it to do the same in 1982.

Suppliers of other services generally report that 1981 was a good year, though those who provide the increasingly expensive controlled instore testing services were more subdued in their estimates for 1982.

"We see more measured dollars," says Lou Babic, president of Erhart and Babic, Englewood Cliffs, N.J. The company is looking at the possibility of providing scanner services. "We see it getting more competitive for test marketing dollars."

Adds Jack Abrams, president of Market Facts in Chicago, "Our volume is up marginally from a year ago and we see no reason to expect a substantial change. We're only one of a number of companies offering this service." Burgoyne Inc. and Burke Marketing Services, both Cincinnati-based companies offering controlled instore testing services, reported slower growth.

Regardless of the kind of year they had or are expecting, test marketers are seeing other trends that promise to have a significant effect on their future. One most often noted is the tendency among clients to look for immediate profits.

"Corporations are not allowing themselves sufficient time to develop new products," says ParaTest's Mr. Oken. "Their interest is in short-term profits."

Adds Nielsen's Harlan R. Janes, "There's an urgency today to make everything happen very quickly, both because of the costs involved, but also because the competition is quicker on its feet." What this attitude translates into, say suppliers, is a change in the form new products will take. "We see a trend to more line extensions and me-too type products that overall involve less risk and a trend away from the innovative products that involve more risk," says Andrew Tarshis, president, package goods division of NPD Research, New York.

This view is substantiated by the Booz Allen survey, which shows that over the past five years, more than 50% of all new product introductions were actually additions or revisions to existing product lines, while only 10% were "new to the world products" and 20% were new product lines.

This trend, coupled with concern over costs and speed, is having another effect on testing practices. Though not as pronounced as the tendency to market line extensions over entirely new products, suppliers of simulated test markets, such as ASSESSOR, COMP and ESP, say they see a few companies jumping right into regional, or even national introduction without going through the traditional controlled test market phase.

Though some, like ParaTest's Mr. Oken, think this step is nothing short of suicidal, market research directors who are doing it say they are pleased with the process. General Mills is happy about the results it has had.

"As far as we're concerned, there is no recession," says Boyd Snedden, General Mills research director for cereal and grain products. "And, yes, we use test marketing where it will make sense. But rather than a formal test market, we will roll out regionally."

Mr. Snedden cautions that the company doesn't take this tack unless pretesting, through simulation models or other services, has shown the company that the risks are manageable.

Mr. Snedden's counterpart in General Mill's new business division, Robert Bondurant, stresses that although the company's test marketing decisions don't hinge on day to day fluctuations in the economy, they are affected by the increasing cost of capital. That, coupled with better marketing research technology, often leads him down the same road as Mr. Snedden.

Market research directors at other companies who don't own up to having instituted the practice still couch their discussions in terms that suggest that if the situation were right, they too would be off and running on a regional rollout.

At Quaker Oats, for instance, John Blair, director of marketing research for human foods, says his testing decisions are based on a determination of how much risk is involved. And though hard times dictate more rather than less caution, the amount of risk he's willing to take varies from product to product, from situation to situation.

"The cost of doing marketing research continues to go up," he says. "I want to be careful that I spend money wisely and on the right things."

Adds Larry Stanek, market research director at Kraft Co., "We've used all types of testing services. The proper one to use depends on the situation."

Although executives on both sides of the aisle—suppliers and users alike—say they aren't sure where the new technologies and economic climate are taking them, most, like Nielsen's Mr. Janes, are convinced that for better or worse the field is changing permanently.

"I was serving clients in the recession of '73 to '74," he reflects, "and they reacted then in a knee-jerk sort of way. Everybody withdrew, trying to figure out what was going to happen. Eventually things got back to normal, but then we had the recession of 1977, followed by a prime rate of 18% to 20%. At this point, companies don't have a knee-jerk reaction anymore. Now, they accept the high cost of capital as a way of life and unhappily, they know they have to learn to live with inflation."

Indications are that the coming year will challenge both suppliers and users of test marketing. One executive compared the scene to a chess game: Strategy will make the difference. AA

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COMMENTARY CORNER

By Gerald Schoenfeld

A lost art

By Gerald Schoenfeld

Yes, we still place our test products in Fort Wayne and Syracuse. And we still call it "test marketing," but what are we really testing for?

Spending levels, promotion plans, pricing—you hear a lot about ironing out the kinks in the plan. What you seldom hear in market tests today is the answer to what used to be the $64,000 question: "Can we make money on this or not?"

Why is success or failure seldom the issue anymore in test marketing?

"Laboratory sales tests," say some marketers, "are often the answer."

Some claim that an ASSESSOR or a Yankelovich LTM (simulated test marketing models) can accurately duplicate test market conditions and predict a new product's performance in the "real world" at a fraction of the cost without tipping off the competition.

But can they really duplicate the marketplace?

"They can help you get it all together," says Leon Joffe, product manager for new products at Alberto-Culver. "They can act as a disaster check. They can keep the competition from stealing your idea while you test. But, if you've got a unique product the competition can't easily steal, you can't match the actual marketplace. It costs a lot more, but it's worth every penny to test for success or failure in the real world."

Yet, rare indeed is the test market manager willing to wrap up his $375,000 venture and call it a failure.

Instead, there are many companies willing to commit vast sums of money to questionable new products on the basis of considerations having little to do with preliminary screening:

- We need the volume. Short-term considerations, quarterly earnings statements and other management considerations play an increasingly important role in the go or no-go decision.
- Somebody upstairs loves it. When it is known that a test product is a pet idea of an important member of management, no one wants to be identified with putting the concept to rest. Instead, it is pushed along until it falls of its own weight. Even then, the executive is likely to claim that the pet project "never had a chance."
- Who's to blame? Every product that fails to survive the test market is "somebody's fault." By declaring the test market "successful," the placing of blame is avoided. Later, when the product rolls up big losses in national introduction, the finger can be pointed to a whole new set of characters:
- "They didn't follow the test market plan."
- "The sales department fell down on the job."
- "Management cut back on spending," etc.

Test marketing is so expensive today, many executives have fallen back to the old term "vitality test" which has a nice ring to it, sounding worthwhile and robust.

"We know we're not going to spend $34,000,000 nationally," they say. "We just want to see how high is up—what's the optimum in sales. Move enough product to get a better fix on promotion, pricing etc."

A brand group is created and fully staffed so that now a relatively large number of people have a stake in the continuation of the project, which seems to have a life of its own. Instead of projectable spending, distribution and promotion activity, test markets are handled as showcases to convince management that the decision to roll out is a wise one.

Instead of adhering to an advertising and promotion budget that is affordable on an expanded nationwide basis, double and triple budgets are common today in "test" markets. The theory is to spend so much in the test market that you get ample opportunity to iron out all the kinks in everything from product to ad campaign. A giant company can afford to use the inflated test market budget as a means to force the competition to tip its hand, but not all have the resources, the patience, the technical capability to play this vitality test market game.

To get their test products into distribution fast, companies may offer incentives to the trade and to their own sales force, which cannot be duplicated on

(Continued on Page M-14)

Gerald Schoenfeld is president of Gerald Schoenfeld Inc., New York, a company that specializes in creating and marketing new products and restaging existing brands. Mr. Schoenfeld has won several advertising awards and is the author of the recently published book "Schoenfeld's New Product Success Book."

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Lost art

(Continued from Page M-12)

an expanded, national basis. Special sales meetings are held, pep rallies, contests—all to sell a product in an area representing perhaps 2% of the national sales area. Or, to assure distribution, controlled distribution services are used that guarantee distribution in test market. What happens nationally is another matter.

To get movement, companies will often depress the retail price of test items below the profit level. Such "introductory" offers are designed to convince mangement that the *a priori* decision to roll out the test product was a wise one. Sometimes these introductory offers are justified on the basis of combating intensified competitive efforts in the test area. Devices to disrupt test market results, are intended to make you employ expensive countermeasures.

Unfortunately, the end result is to vitiate the usefulness of the test market.

A predicament with "catch-22" overtones has entered into test marketing. The test market has too often been turned into an arena for solving trade problems, manufacturing capacity and determining competitive spending levels. National expansion is considered inevitable and when it occurs, if failure follows, it is frequently viewed as a budgeting miscalculation. Companies that are determined to go national no matter what have, in effect, written off the consumer as the arbiter of success or failure. Now it is the bookkeeper who is to blame. Not the people who conceived the product, nor the people who failed to promote it successfully.

Yet the cost of such failure should give all companies pause. If test marketing has become too expensive to enter into with any product that is not already slated for bigger things, then national expansion has become far too expensive for such untested entries. Products are being introduced nationally that have never sold at a profit in an open test market. With consumer acceptance taken for granted, these products are put into test market only to answer questions of trade relations or budgeting.

All of this is consistent with the widespread cynical view of consumers so prevelant today. They are not considered creative; they are not to be listened to seriously, but rather to be analyzed, segmented, measured, manipulated. Typically, consumers are not trusted with whole products, but are presented with selected characteristics, given "blind" products to use. Finally, the last opportunity to check the consumer at the point of sale has become a numbers game.

As things get tougher, smart marketers will get more patient and put the conceptual work with the consumer into the foreground where it belongs.

Instead of rushing undeveloped ideas into quantitative tests, more careful work up front is needed.

In my own work, this checklist has been helpful:

- Start with a wider range of ideas.
- Don't expect to get it right the first time. Don't make your consumer probes "one-shots." Instead of asking what was the winner, ask "What did we learn?" Then go back again.
- Beware the breakthrough syndrome. The greater the change in habit or idea, the more reluctant consumers are to make it. The more information you ask people to absorb, the longer it takes them to absorb it.
- Don't save the chocolate and the strawberry. If the people who invented ice cream had introduced only vanilla, they would have been vulnerable to the first guy to introduce chocolate. Try to develop your full line at the beginning. AA

Recommended test markets

(List from Paratest; cities are recommended for conducting controlled market studies—36 "B" county tv metro test markets)

	Households	
	ADI % of U.S.	Primary county(s) (000)
Northeast		
Binghamton, N.Y.	.19	81
Erie, Pa.	.17	89
Johnstown, Pa.	.34	65
Portland, Me.	.37	74
Syracuse, N.Y.	.45	165
Wilkes-Barre, Pa.	.59	209
East Central		
Evansville, Ind.	.29	57
Fort Wayne, Ind.	.27	101
Lexington, Ky.	.30	68
South Bend, Ind.	.33	81
Toledo, O.	.53	176
West Central		
Davenport, Ia.	.39	113
Des Moines, Ia.	.44	110
Duluth, Minn.	.22	82
Green Bay, Wis.	.44	58
Madison, Wis.	.25	123
Omaha Neb.	.42	148
Peoria, Ill.	.29	74

	Households	
	ADI % of U.S.	Primary county(s) (000)
Southeast		
Charleston, S.C.	.21	86
Charlotte, N.C.	.72	139
Chattanooga, Tenn.	.35	112
Jacksonville, Fla.	.43	202
Knoxville, Tenn.	.48	111
Little Rock, Ariz.	.54	124
Savannah, Ga.	.20	64
Southwest		
Baton Rouge, La.	.26	118
Beaumont, Tex.	.20	90
Corpus Christi, Tex.	.18	81
Lubbock, Tex.	.18	73
Oklahoma City, Okla.	.69	220
West		
Bakersfield, Cal.	.13	109
Eugene, Ore.	.19	101
Fresno, Cal.	.43	169
Salt Lake City	.60	185
Spokane, Wash.	.39	125
Tucson, Ariz.	.27	177

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Nationwide surveys rank Nashville as one of the most representative test markets of all major American cities. Nashville's demography is almost identical to the national averages in age, education, income and other categories, prompting national advertisers such as Coca-Cola, Frito-Lay, McDonald's, Pillsbury, Kroger and Genesco to choose Nashville as a test market center for their research.

Besides offering a diversified sampling of national tastes, lifestyles and buying habits, the Nashville market has a wide area of countryside and small towns protected from outside media influences. And Nashville does all this with a healthy, stable economy.

Conduct your research in Nashville. You'll never have a more controlled environment for your products and campaign testing.

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(Davidson, Cheatham, Dickson, Wilson, Williamson, Sumner, Robertson and Rutherford Counties)

1981 Estimates*

Population Characteristics	U.S.	Nashville SMSA
Sex: Male	49%	48%
Female	51%	52%
Age: Under 18	28%	28%
18 to 24	13%	13%
25 to 34	17%	17%
35 to 44	12%	12%
45 to 54	10%	10%
55 to 64	10%	9%
65 and older	11%	10%
Median Age: Male	29.2	28.8
Female	31.6	31.2
Economic Characteristics		
Households by Effective Buying Income (E.B.I.):		
Under $10,000	25%	25%
$10,000-$14,999	13%	14%
$15,000-$24,999	28%	28%
$25,000-$49,999	29%	28%
$50,000 and over	5%	5%
Median Household E.B.I.	19,146	18,772
Average Household EBI	22,151	21,710
Per-Capita Household E.B.I.	7,940	7,786

* SOURCE: *Sales & Marketing Management — 1981 Survey of Buying Power*

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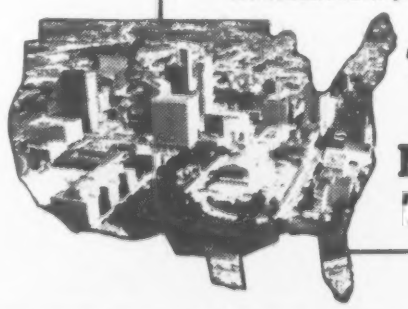

Test Market U.S.A. NASHVILLE, TENNESSEE

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Advertising Age

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Tropicana plants full-line strategy

By NANCY GIGES

ST. PETERSBURG BEACH, FLA.—Richard Walrack's intent to make Tropicana Products a more competitive marketer is quite obvious even though he's headed the Beatrice Foods subsidiary a mere few months.

To that end, he's not opposed even to knocking products marketed by a sister company. Commercials for Tropicana Chuggers, a new line of shelf stable, single-serving juices, include the phrase, "Chuck the soda," a direct attack on product sold by a relatively new Beatrice unit, Coca-Cola Bottling Co. of Los Angeles.

Those commercials use the Beach Boys singing group encouraging viewers to "Chug a Chugger." But they may never find their way to the nation's airwaves, since the tv networks have already expressed doubts about the acceptability of the "Chuck the soda" phrase.

But whatever commercial eventually surfaces—for that new item or any other Tropicana product—it will be more aggressive and given more weight under the new chief's direction. Spending this

(Continued on Page 74)

AD BUDGETS JUMP DESPITE ECONOMY

Big push on in foods

By JANET NEIMAN and NANCY GIGES

ST. PETERSBURG BEACH, FLA.—Commitment to increasing advertising and marketing expenditures, even in today's sluggish economy, was a message that came through loud and clear from food and beverage marketers at the Consumer Analysts Group of New York conference here.

The heightened marketing and new product efforts shone through the outlook for continued economic gloom that was predicted. Top officers of the consumer products companies generally forecast 5% to 7% inflation through calendar 1982, and a prolonged period of 15% to 16% interest rates that they said could last another 18 months.

Most companies pointed out that their marketing emphasis also includes stepped-up efforts to add new products to their lines, with several major new items expected to go into test or wider distribution this year. Highlights from the meeting include:

- Consolidated Foods' Shasta soft drink subsidiary is set for an 86% hike for its next fiscal year beginning June, 1982. It is near an acquisition of C&C Cola from ITT.
- Kraft Inc. will increase advertising for its real mayonnaise and is testing new salad dressing products.
- Heublein's domestic Kentucky Fried Chicken unit will get a 33% boost in national advertising this year as store contributions rise from 1.5% to 2% of sales, though the redistribution of local funds will probably result in a decline in local advertising. *(See story, Page 6.)*
- PepsiCo last year hiked ad spending in its foodservice division 71%, and is making some marketing strategy changes in its Pizza Hut unit.
- CPC's Best Foods division is looking to repositioning of its product mainstays as a growth strategy.
- General Mills is concentrating most of its capital expenditures in the consumer foods and restaurant divisions.
- Pillsbury officials said the company is working on acquisition possibilities in all areas of its busi-

(Continued on Page 74)

Industry off target on 'fairness'—FTC

By RICHARD L. GORDON

WASHINGTON—Key members of the American Advertising Federation lobbied hard for their top congressional objective this year—elimination of "unfairness" authority from the Federal Trade Commission Act—but found FTC consumer protection chief Tim Muris a hard sell.

Mr Muris, whose views are known to be highly regarded by FTC chairman James Miller III, a Reagan appointee, implied that AAF's emphasis on getting "unfair" out of the law is off target.

He suggested the industry's real problem stems from FTC's broad power to define deception. Several bills that Congress will consider this month have provisions narrowing FTC's jurisdiction over both unfairness and deception, and his comments to AAF may be a tip-off that they will get some form of support from the Reagan people at FTC.

The adpeople, still furious over the bitter children's tv advertising fight, argued that the industry will live in jeopardy as long as FTC has the power to use the undefined "fairness" standard to judge advertising and marketing practices. But Mr. Muris countered that eliminating FTC's unfairness power from the law may not be the panacea advertisers have hoped for, and said that unfairness, properly limited, has "some usefulness" for FTC.

AAF's meeting with Mr. Muris reflects only part of stepped-up activity by ad associations, the Chamber of Commerce, the National Assn. of Manufacturers and others hoping to convince Congress to continue the shrinking of FTC's powers that began in 1980.

Senate hearings opening March 16 will consider the commission's current authority and debate renewal of its operating charter, which expires Sept. 30. Parallel House hearings are expected to be scheduled shortly.

Some of FTC's critics in the Senate and House have already introduced bills; the Chamber, NAM and ad associations are putting final touches on proposals they will offer.

■ The new, conservative management team at FTC has yet to reveal its legislative strategy, but chairman Miller delivered his first challenge to Congress in a speech last week declaring he's ready to fight political pressure to exempt doctors, lawyers, other professionals and their trade associations from FTC jurisdiction. Appearing before the D.C. Bar Assn. antitrust committee, the chairman said he will "strenuously" oppose such a "special dispensation for this or any other group." But he said his willingness to fight is linked to an assumption that Congress "will redefine—and narrow" FTC's authority.

The last time Congress battled over authorizing FTC, it compro-

(Continued on Page 76)

last minute news

P&G expanding Solo into major markets

CINCINNATI—P&G is moving Solo heavy-duty liquid detergent with fabric softener into added markets of Chicago, Des Moines, Detroit, Indianapolis, Milwaukee, Newark, New York and Philadelphia. DFS handles.

General Mills tests Betty Crocker oven rice

MINNEAPOLIS—General Mills is testing Betty Crocker Saucy Oven Rice in au gratin, artificial chicken flavor and Spanish-style varieties in Marion, Ind., and possibly other markets. The product is positioned as the rice with "sauce that bakes right in." Agency is Campbell-Mithun, Minneapolis.

Talks fail, Wildmon to name boycott target

TUPELO, MISS.—CBTV chief Donald Wildmon Friday said talks with tv advertisers have failed (AA, Jan. 25) and that he'll name one company as a consumer boycott target at a March 4 press conference in Washington.

GM vows 'every support' for big spring push

CHICAGO—General Motors will mount a "full court press" for spring sales and will spend more ad money "if that's what it takes," chairman Roger Smith said. He didn't rule out a continuation of rebates, saying "we will give our products every support in the marketplace." He told a press

(Continued on Page 8)

NEWSPAPER

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Chiat in U.K. link

By BRIAN OLIVER and JOHN REVETT

LONDON—Chiat/Day of Los Angeles and Collett Dickenson Pearce here—two ad agencies known for their creativity—last week decided to pool their resources through a new, jointly owned company which is likely to go after multinational accounts.

The company has not been given a name yet, but it probably will be called Chiat/Day-CDP or CDP-Chiat/Day and be based in New York, either separate from or as part of Chiat/Day's existing office.

The joint operation will be used by both agencies as a global "swap shop" and will control the ex-

(Continued on Page 72)

Skin tome

Yardley of London's new aloe vera line will be supported by a print campaign from Bozell & Jacobs (AA, Feb. 22) taking an educational approach.

How to make your skin the best it can be.

Aloe. It's been used for centuries to help beautify, protect and heal the skin. And now, Yardley has created three special Aloe formulas to help make your skin more beautiful, no matter what condition it's in.

For damaged skin. Aloe 70.
An intensified cream, with 70% pure Aloe Vera gel. Use it whenever you have a special skin problem. Or to help skin damaged by overexposure to the sun, wind or cold.

For rough, dry skin. Aloe 50.
A nourishing lotion, with 50% pure Aloe Vera gel, plus special emollients, to help restore smoothness. A natural moisture to any skin area that is rough or dry.

How to keep it that way.

For healthy skin. Aloe 30.
An all-over body lotion, with 30% pure Aloe Vera gel blended with natural moisturizers. Use it everyday to help keep your skin as healthy and beautiful as it can be.

For healthier, more beautiful skin, Yardley has your number.

TAKE-OUT BOOM FORECAST

Fast-fooders don't like it, but discounts work

By RICHARD KREISMAN

MIAMI BEACH—The escalating discounting of product prices in the fast-food industry through couponing, games and other methods, an anathema to many industry leaders, apparently is working.

In a survey presented to foodservice executives meeting here, it was demonstrated that chains engaged in this type of dealing have outpaced their competitors in sales and traffic. These chains showed real growth in the past two years, when the industry was flat or slightly down.

The study, however, did not address how the dealing affects company profits.

■ The number of major chains which show 20% or more of their transactions involving a promotion has doubled, up from 12 to 24 in the 1976 to 1981 period, according to a survey by GDR/CREST Enterprises. The Rosemont, Ill., industry tracing service revealed its findings at the International Foodservice Mfgs. Assn.'s (IFMA) Chain Operators Exchange. Like their counterparts in the grocery industry, fast-food marketers increasingly are shifting advertising media funds to promotion spending.

Promotional sales now account for almost 10% of total industry sales, the survey showed.

The dealing activity is resulting from continuing sluggishness in the industry and a stepped-up market share battle for the declining customer base.

Industry executives here were not optimistic about prospects for the coming year, citing consumer pessimism over the economy and decreasing disposable income. Most observers predicted another flat year for fast-food. But some others suggested some real growth is possible.

"Consumer attitudes are in a state of limbo," said George Rice, GDR/CREST president. The keys to the upturn are short-term variables: Disposable income, cost of goods and travel barometers.

The long-term outlook is brighter, contended Lawrence Chimerine, chairman of the board, Chase Econometrics. He told the fast-food operators that unlike earlier downturns in the mid and late 1970s, consumers are not hampered by rising gas prices and uncontrolled inflation. "If the budget deficits are revised and interest rates stabilized—and these are two big ifs—the opportunities will be better now than in many years," Mr. Chimerine said.

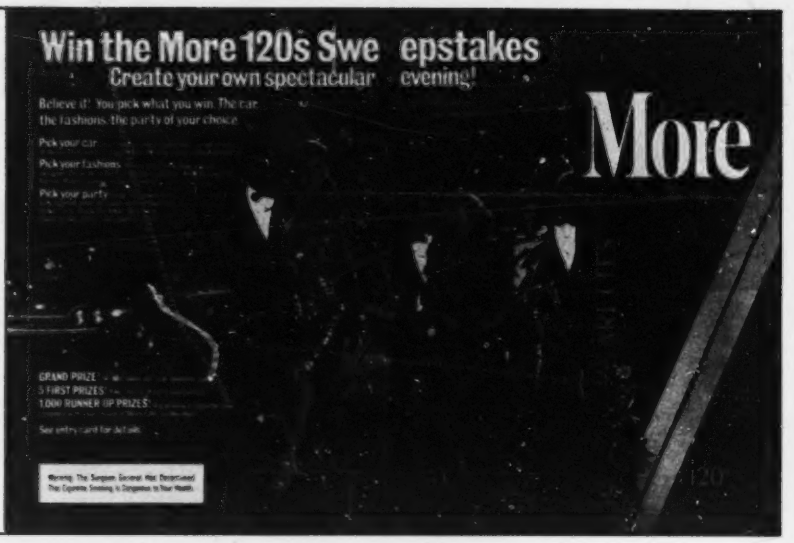
The biggest factors in the "extremely favorable outlook" will be a "very sharp rise" in purchasing power and disposable income, lower unemployment and a "dramatic slowdown" in food and labor costs. An oil glut, continuing increase in two-income families and an aging consumer base accustomed to eating out, also will contribute to an industry surge by the mid-1980s, he contended.

For now, however, chains and independent restaurant operators

(Continued on Page 74)

Stylish smoke

R.J. Reynolds this month begins a sweepstakes for More 120s cigarets, with grand prize a choice of car, designer fashions and party to "create your own spectacular evening." Advertising is handled by Leber Katz Partners, New York.



Says JWT syndie sales near $11 million

Luisi lawyer responds

By CHRISTY MARSHALL

NEW YORK—Marie Luisi, J. Walter Thompson Co.'s recently deposed senior vp-head of JWT Syndication & TV Spot Sales, can account for $10,750,000 in legitimate syndication sales for 1980, according to her attorney.

The company contends that during the past four years, $24,500,000 worth of fictitious sales were entered into the syndication unit's computer (AA, Feb. 22).

"We don't know about any $24,500,000," said attorney Ivan Fisher. "We know about $10,750,000 for 1980. We were able to look at some numbers and figure that out." The numbers were from Donovan Data Service material, according to Mr. Fisher.

However, Dave Solomon, exec vp, Donovan Data Systems, denied that either Mr. Fisher or Ms. Luisi obtained such records from his company. He refused to say whether JWT had sought his company's assistance in the matter; an agency spokesman said he didn't know if JWT consulted Donovan.

Donovan's system, used by many agencies, is linked to spot buying and syndication unit computers. Agencies, JWT among them, feed information of their various buys into the computer and get daily printouts for their records. Mr. Solomon said the computer has no way of knowing the validity of those entries.

The company and Ms. Luisi have still not met since JWT disclosed the extent of its "irregularities." Ms. Luisi's attorney is keeping her under tight wraps and JWT's counsel is still requesting that Ms. Luisi return some record books that she took home with her. Mr. Fisher has said that she will not comply with that request.

While various legal recourses are being discussed, no legal actions have been taken, according to Mr. Fisher and Don Deaton, J. Walter Thompson's senior vp-communications. The JWT Group board meets March 2, and may consider legal action then. There have been no stockholder actions taken against the directors, Mr. Deaton added.

Now that JWT Group has disclosed the findings of its audit and appears satisfied that the "cancer has been cut out," as Mr. Deaton put it, the advertising industry is waiting for the next shoe to drop, possibly by angry clients.

Of JWT's list of blue-chip clients, however, Ford, Kodak and Warner-Lambert all expressed anew their confidence in their agency last week and said they had no plans to go over the JWT books to study the buys, the shows or the syndicated unit. Other companies, like Burger King Corp. and Lever Bros., declined to comment. Several company spokesmen said it was an internal matter at Thomp-

(Continued on Page 72)

highlights

Monday, March 1, 1982

Savings & loans gather to learn marketing tips for survival. *See Page 10.*

Toys inspired by tv rivaled numerous military entries in the 79th American Toy Fair. *See Page 14.*

Health & beauty aids marketers were busy with new products last month. *See Page 18.*

The U.S. camera market is getting ready for an assault, as Fuji is expected to announce worldwide distribution of its instant camera. *See Page 28.*

American Can. Co. is readying a new campaign for its Northern bathroom tissue. *See Page 31.*

United Airlines is making a name as the only major domestic airline in the overnight package delivery business. *See Page 39.*

Import car dealers and their ad groups have DANDY advertising, as shown in two National Automobile Dealers Assn. convention ad competitions. *See Page 50.*

Aramis Inc. continues its tv push while it changes its Father's Day approach. *See Page 52.*

Pizza Hut is cooking up a plan emphasizing local marketing to keep up its growth. *See Page 55.*

To soccer lovers, the World Cup provides a foretaste of heaven—and marketers are drinking it up. *See Page 56.*

CORPORATE CLOSEUP

Gillette Co. has been focusing its attention on women for a change, and as a result currently is in command of a most successful new product track record. *See Page 4.*

FOLLOWUP

The founder of Intro, a magazine devoted to bringing eligible men and women together, has inspired a proposed CBS-TV series. *See Page 62.*

VIDEOTECH

Cable has proven to be a "lifesaver" for direct response advertisers. *See Page 44.*

Mexico's private media monopoly is making an offer to 23 tv advertisers that is creating a stir among their agencies. *See Page 44.*

Former NBC-TV Network president Bob Howard announces new United Satellite TV service for cable systems, hotels and apartment houses. *See Page 46.*

Magazine

Ten years ago, at a time when fledgling black-owned advertising agencies found themselves the recipients of so-called "conscience money" from clients, Chicago's Tom Burrell said "no, thanks," to handouts, preferring to build a reputation based on quality and performance. Now, a decade later, Burrell Advertising is enjoying the fruits of its success, numbering among its accounts McDonald's and Coca-Cola. Today's issue of the new ADVERTISING AGE Magazine profiles this black-owned agency and traces its steady growth.

The Magazine also presents excerpts from the best selling "The Trouble with Advertising," by John O'Toole, chairman of Foote, Cone & Belding Communications, plus columnist James Brady.

The Section 2 Special Report focuses on toiletries and beauty aids, with emphasis on skincare products, the industry's one area that has shown recent growth.

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Fox fare pay off in collateral

By MAURINE CHRISTOPHER

From the world of Nielsen triumphs to the world of high finance.

That's the path 20th Century-Fox's "M*A*S*H" and its spinoff, "Trapper John, M.D.," traveled recently as collateral for a fresh $500,000,000 capital package. Fox is borrowing the money from a group of banks headed by Chicago's Continental in the first major refinancing for the Beverly Hills movie company since oilman Marvin Davis bought it last year for about $700,000,000. In short order he transformed Fox into a private company called TCF Holdings, with himself as chief shareholder.

The use as collateral of present and future episodes of tv properties is common in television, but the amount of money involved in this deal does appear to be impressively large, industry sources point out.

"M*A*S*H's" record as a standout performer in theaters and tv is striking enough to impress any banker. The 10-year-old weekly CBS-TV series currently is tied for eighth place in the season-to-date Nielsens with a 22.6 rating and a 32

(Continued on Page 76)

COMMENTARY CORNER

By Franchellie Cadwell

Tarzan pleads for help

When Jane and Tarzan were dating, Jane used Bonne Bell, Cover Girl, Yardley, Herbal Essence, Blue Grass and Charlie. After Jane and Tarzan married and had "Boy," they left Manhattan for a two bedroom tree house in Bronxville.

Jane, older now, uses Clinique treatment products, and recently bought Aapri and Silkience. Her makeup is mostly Lancome, although she has a yen for Aziza mascara and Max Factor's foundation. She has a half-dozen nail polishes, mostly Revlon. She cares for her hair with Sassoon, Clairol and Flex, and her body with Jean Nate, a Loofa sponge, something for cellulite, and Pretty Feet & Hands. Her fragrances range from Jontue to Opium and she plans very soon to buy or be given Anais-Anais and Missoni.

Thanks to you, of the cosmetics and fragrance industry, Jane is anything but plain. You have sold her to a fare-thee-well. She spends a beautiful $5 billion a year on cosmetics and fragrances because you've analyzed her psyche, you have your finger on her pulse, you know what makes her tick and what ticks her off. Above all, you know why she buys cosmetics.

So why haven't you done it for Tarzan?

All the average Tarzan does is scrape his whiskers away with a sharp instrument, then puts on some aftershave that dries his skin even more. The fact that aftershave burns makes it okay for it to have a little fragrance.

So why, when Jane is anything but plain, is Tarzan still primitive?

Why has the men's fragrance and cosmetics business never taken off?

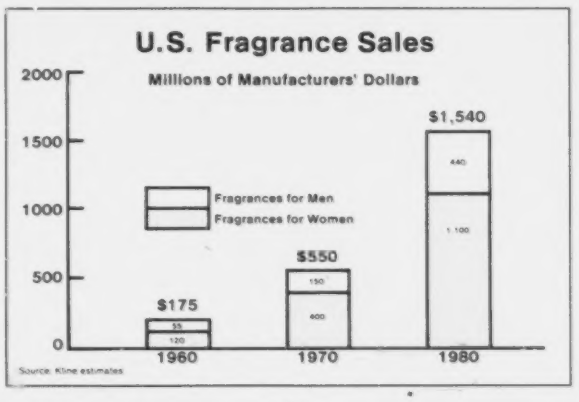
Why is Tarzan so uninterested that if somebody didn't buy fragrance and aftershave for him he'd probably just as soon go without.

The men's fragrance and cosmetics revolution was supposed to happen in the '70s. It didn't, so the experts postponed it to '80s. Now they're saying mid '80s. Will they still be predicting it in the '90s?

Will men's fragrance and cosmetics be the revolution that never comes? Is it that man's desire to look and smell beautiful can't be awakened, or is it that the industry doesn't know how to awaken it? I think that you get deep inside a woman's head and push buttons but that you speak superficially to men. Instead of looking at the male consumer, I think you look at each other. Does *every* man want to smell like a cowboy? I suspect the industry has never really studied men. The American man is treated like one huge homogeneous mass.

But society has changed men. Traditionally, man was the strong one, and woman was weak. Now she may be able to do more pushups than he. She may spend her days behind a bigger executive desk than he does. Sexually, he was the aggressor. Now she may be.

Whatever, Tarzan has changed, and today he is a whole bundle of different things. Yet, the industry is sending him fragrance and cosmetics messages from 20 years back.



Men are living longer, working longer, reentering the marriage market more often. Society has told men they should look *young* and *fit*. Yet an obvious category, hair coloring, hasn't even been made acceptable to men. Only about one-third of men think hair coloring is okay, and then, for somebody else. Only 6% of men color their hair. The men's hair coloring category is a mere $17,000,000 compared to women's at $300,000,000.

Despite intense pressures for a man to look young when he's staying on the job longer, and more youthful subordinates may be bucking for his job, 94% of men *don't* color their hair.

The men's hair coloring category is at least 25 years behind women, when Clairol first said, "Does she or doesn't she."

Women's attitudes don't help. Although they accept hair coloring for themselves, they do not for their men.

And of men who color their hair, at least a third use women's products.

If there ever was an opportunity, it's for the adroit marketer of a better formulated, better positioned, better advertised hair coloring product for men.

What about fragrances? Here a man has choices, but does he take advantage of them? He can smell like English leather, like Joe Namath, like a designer, like a cowboy, or a polo player. How does the fragrance business motivate men? Here are some typical advertising lines:

"The ultimate in men's fragrance."

"Inspired by his image. Created for yours."

"The first really new men's fragrance since Brut."

Compare these with the advertising for women's fragrance entries in the last seven or eight years:

"Charlie"—just the name conjures it all up.

"Jontue"—Sensual but not too far from innocence.

"Enjoli"—The eight hour perfume for the 24 hour woman.

Women's fragrances have become so motivating, a woman no longer waits for a man to buy it for her. Nearly half the time she buys it herself. Not men. They can wait. And so does the men's fragrance business. Seventy per cent of the time a woman makes the first time fragrance purchase for a man.

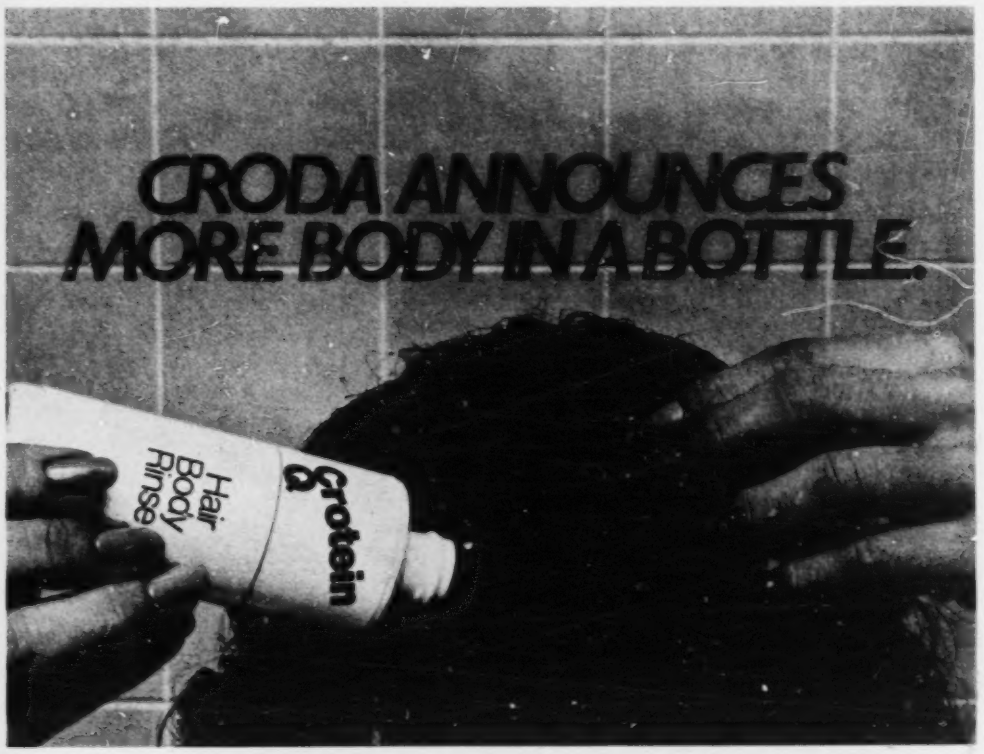
The American male is not a stereotype, and he's not a throw-back. With a little help from the cosmetics business, men's skincare and, yes, even cosmetics can become a habit.

We're not saying repackage women's products and adapt their positionings. We do say tap the needs men have as you have tapped those of women. Be original in selling men, but be as good as you are at selling women. Don't say, as one cosmetics tycoon remarking on creativity recently did, "We must be more original. We must find more small companies to copy."

Men have been reared and trained to hide their true feelings. Maybe that's why we traditionally have had such a hard time getting beneath their surface, getting at their real needs.

Remember, it's the male lion who has the mane, the male peacock with the plumage. George Washington wore a wig. Louis XIV used eyeliner. Ronald Reagan looks great on tv. Why not Tarzan? AA

Franchellie Cadwell is president of Cadwell Davis Savage/Advertising, New York.



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Fragrances sniff (blossoming?) areas

But planning's a must

By Letitia Mulcay Makai

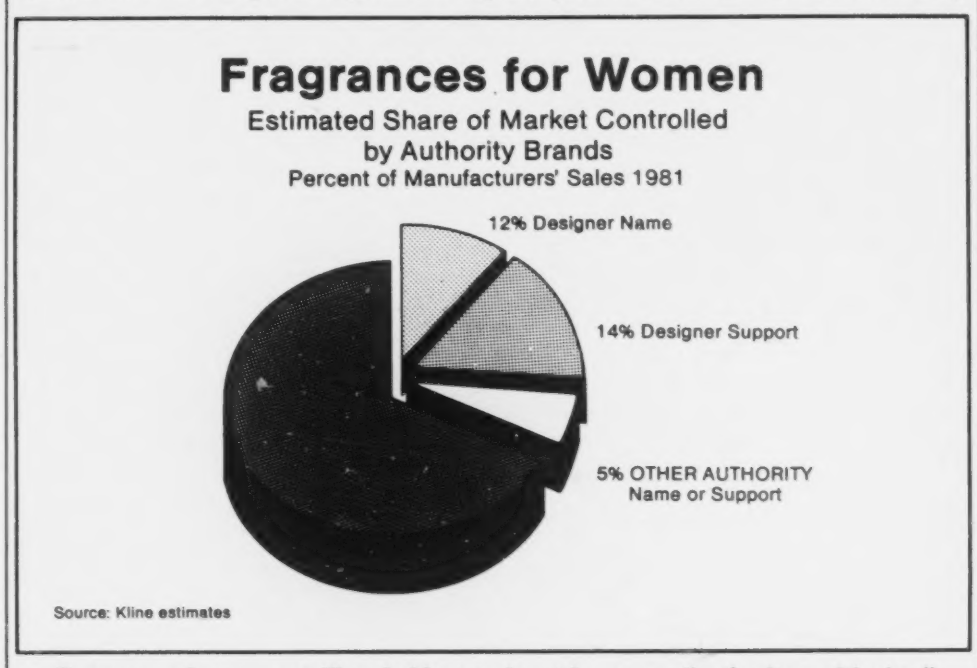
The U.S. fragrance industry, similar to many consumer goods businesses, is slowing down, and only modest gains are expected for several reasons: Slower population growth; increased pressures on dwindling disposable incomes; and basically, fragrances are already being used, in their traditional form, by a majority of men and women.

During the '60s, real growth averaged about 8% annually, double the estimated 4% per year growth during the '70s. Real growth will continue to slow in the 1980s and will likely average about 3% or less annually, excluding price increases. It is tough on any industry to adjust from rising sales to sluggish growth).

In any rapidly growing area, even mediocre marketing may be rewarded with a measure of success. By contrast, during difficult times, an almost flawless execution of product planning and introduction is necessary for only modest sales success.

Thus, unit sales for fragrances are likely to be disappointing during the 1980s unless fragrance marketers buckle down and evaluate their, and their competitors', plan, and analyze some of the changes that have taken place over the past few years that do have potential for increasing sales. Although not new, the proliferation of changes in the market is perhaps evidence of the more competitive nature of the fight for market share. Some of the strategies include: Increased sampling, extending fragrance lines to include more ancillary items, and using designer and celebrity names for new fragrances to provide "authority."

Increased sampling. Free sampling has always been important for fragrance products. In recent years, however, the abundance of new brands vying for attention has increased the need to sample. More fragrances are now available for trial in counter testers as well as in small fragrance-filled vials or scented packets that the consumer can take home and try before purchasing.


Fragrances for Women
Estimated Share of Market Controlled by Authority Brands
Percent of Manufacturers' Sales 1981
12% Designer Name
14% Designer Support
5% OTHER AUTHORITY Name or Support
Source: Kline estimates

Fragrances for women will probably get a boost from more "authority positioning."

Emphasis on ancillary items. Because several other toiletry categories are growing more rapidly than fragrances, marketers have introduced line extensions in these areas. For example, to participate in the rapidly growing treatment market, many fragrance lines have introduced scented skincare products.

Another rapidly growing market over the past two years has been liquid soap. Such fragrance lines as Cachet, English Leather and Jean Nate now include their own versions of liquid soap.

New introductions using authority support. A major trend over the past five years is the use of an outside authority, a designer or celebrity, to sponsor a fragrance. While such authorities as fashion designers have long influenced fragrance trends, more and more designers and celebrities are associated with today's new fragrances. A large part of both the women's and men's fragrance market is controlled by brands that have gone to an outside authority to develop an image. This "authority category" can be further divided into subcategories:

Designer names include fragrances named after designers, including Halston, Oscar de la Renta and Sophia.

Designer support includes fragrances that go by their own name but are given support and are marketed under a designer's name.

These include Yves Saint Laurent's Opium, Diane Von Furstenburg's Tatiana and Jean Cacharel's Anais Anais.

Letitia Mulcay Makai is project manager at Charles H. Kline & Co., New York.

Technology makes scents

By Theodore J. Gage

Technology has given fragrance marketers a break. Scents that previously entailed crushing upwards of 1,000 rose petals for one ounce of very, very expensive essence can now be faithfully reproduced in a laboratory for a fraction of the cost.

And those same scents that previously nestled behind ears now can be economically produced for use in everything from after-bath colognes to room fresheners.

At the same time, marketers are embarking on new advertising waters, designing campaigns to educate American consumers to the full range of uses of scented products, thereby stimulating consumer interest in and demand for scented products.

The fragrance industry hopes the hand-in-hand effort with marketers will help pull the business out of its sales lull. If the industry has anything to say about it, scents like rose, amber and gardenia will no longer be limited to perfumes and colognes.

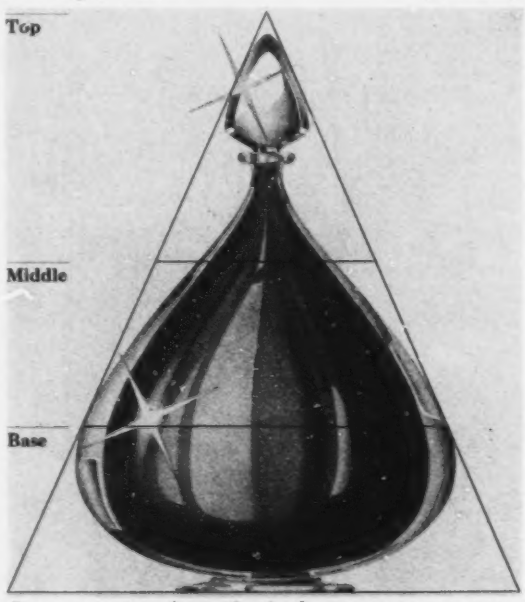
"We haven't scratched the surface in the area of using fragrance in our daily lives at home and at work," said Tom Cannariation, vp, Naarden International USA, New York. "We are encouraging marketers to do more testing of the impact of fragrance on people's emotions and attitudes. They are finding it has a much greater effect than they expected."

Officials at another fragrance producer, Ramsey, N.J.-based Proprietary Perfumes Ltd. (PPL), convinced a shampoo marketer to conduct a test using the same shampoo with different fragrances. The shampoo manufacturer discovered that consumers reacted positvely to one of the shampoos, saying it made their hair both cleaner and fresher.

But was there any other difference among the various shampoos, aside from the fragrance? Only the smell, said PPL officials. Otherwise, the product was constant.

How does a fragrance company work with a client?

PPL, for example, encourages its clients to draw up a position paper on a new product, stating desired goals—that i should have a good smell: Fresh, clean, refreshing, and so on. Then the fragrance manufacturer can recommend a few of the thousands of available scents, emphasizing those that work on an almost subconscious level to stimulate in consumers the desired sensations.



Lower costs of synthetic fragrances are enabling perfumes once confined to bottles to permeate rooms, cabinets—even furniture polish.

Expanded use of fragrance in a variety of products is beginning to take hold in a number of areas, says Jan Fox, vp-marketing for PPL. "We're seeing a greatly expanded use of fragrance for items like fragrance candles, scented drawer liners, potpourris and room fresheners.

In many cases, room fresheners are being positioned or repositioned not as coverups for odors, but as atmosphere enhancers. Consumers are being told they don't have to use a room freshener or scent just to rid a room of unwanted odor.

Scents and room fresheners can also be used to create moods—as incense has been used for centuries. But only recently, say Mr. Cannariation and Ms. Fox, have marketers in the U.S. caught on to that concept—long established in Europe—ever since rose petals, leaves and pine needles were strewn on the floors of medieval castles.

Also, the fact that fragrance essences no longer cost a fortune has encouraged their use in traditionally unlikely products, such as furniture polish.

In fact, there is a growing number of product lines—like Faberge's Brut or the Aramis line—that offer a wide range of products with complementary or similar fragrances.

Estee Lauder, for example, has introduced a line of fragrance candles and room sprays with scents, such as Youth Dew and Aliage, not traditionally used in room freshening products. Lauder also has available what may be the ultimate in a luxury cold water wash for lingerie, White Linen.

Also, because the perfume and cologne business has been flat, the ensuing intense competition has helped forge new, sometimes startling, marketing approaches, including novel fragrances with names like Opium and STASH.

The initial reaction to Yves Saint Laurent's Opium in the U.S. was negative. Now, however, it is selling well.

A more recent entry into the perfume fray is STASH, a men's cologne that purportedly smells like the blossoms of marijuana flowers and drives, says its creators, women "bananas."

Although Ms. Fox says that most fragrances and most product categories that use scents

The other authority category includes such brands as Sophia and Barbara Cartland, both which carry a celebrity's name, as well as fragrances promoted by celebrities, for example, Shulton's Cie, supported in advertising by Candice Bergen and Max Factor's Epris, promoted by Jaclyn Smith.

Providing new introductions with authority names and images is one method of reducing the risks associated with the launch of an unknown product. The necessary process of educating the consumer regarding the fragrance image is then complete even before the fragrance is on the market. By contrast, with an ordinary name, the marketer must educate the consumer with the concept and positioning of the product before the consumer can be sold.

Of the top seven suppliers of women's fragrances, four—Revlon, Squibb Corp., American Cyanamid Co., and Pfizer—have authority fragrances. Of the three remaining companies—Avon, Chesebrough-Pond's and Estee Lauder—at least two, Avon and Chesebrough-Pond's, have considered such products and are likely to introduce authority or designer-backed brands in the future.

Designer name brands controlled roughly 12% of sales of women's fragrances in 1981. Leading brands are the well-established Chanel No. 5, Oscar de la Renta for women and Halston for men. In addition, there are many smaller designer name brands including Calvin Klein, Oleg Cassini and Bill Blass.

An even larger segment of the women's market uses brands with *designer support.* Such products are sold under their own name, for example Opium, but carry the designer's signature in packaging, advertising and promotion. This allows one designer to promote several fragrances in self-competition. Designer supported brands represented roughly 14% of total sales of women's fragrances in 1981. An additional 5% of sales are from brands that are *other authority* names or support.

In total, authority brands controlled 31% of sales of women's fragrances in 1981. The balance, 69%, consisted of fragrances named after flowers, herbs and other vegetation (Blue Grass, Ginsing), places, imaginary people, emotions (Hope and Love), precious materials, loving expressions (Here's My Heart) and combinations of the above.

Over the next 10 years, more fragrance brands in the women's and men's markets will be backed by sports, music, fashion and other figures.

By 1990, possibly more than 50% of total fragrance sales will be from products with some type of authority support to help insure success. Marketers will also be evaluating various strategies to increase sampling, expand fragrance lines into new areas of growth and maintain excitement in fragrance sales.

Although the fragrance industry thrives on changing fashions and seasonal promotions that typically require a short-range outlook, future growth will require more long-range planning in order to thrive during the slow times ahead. AA

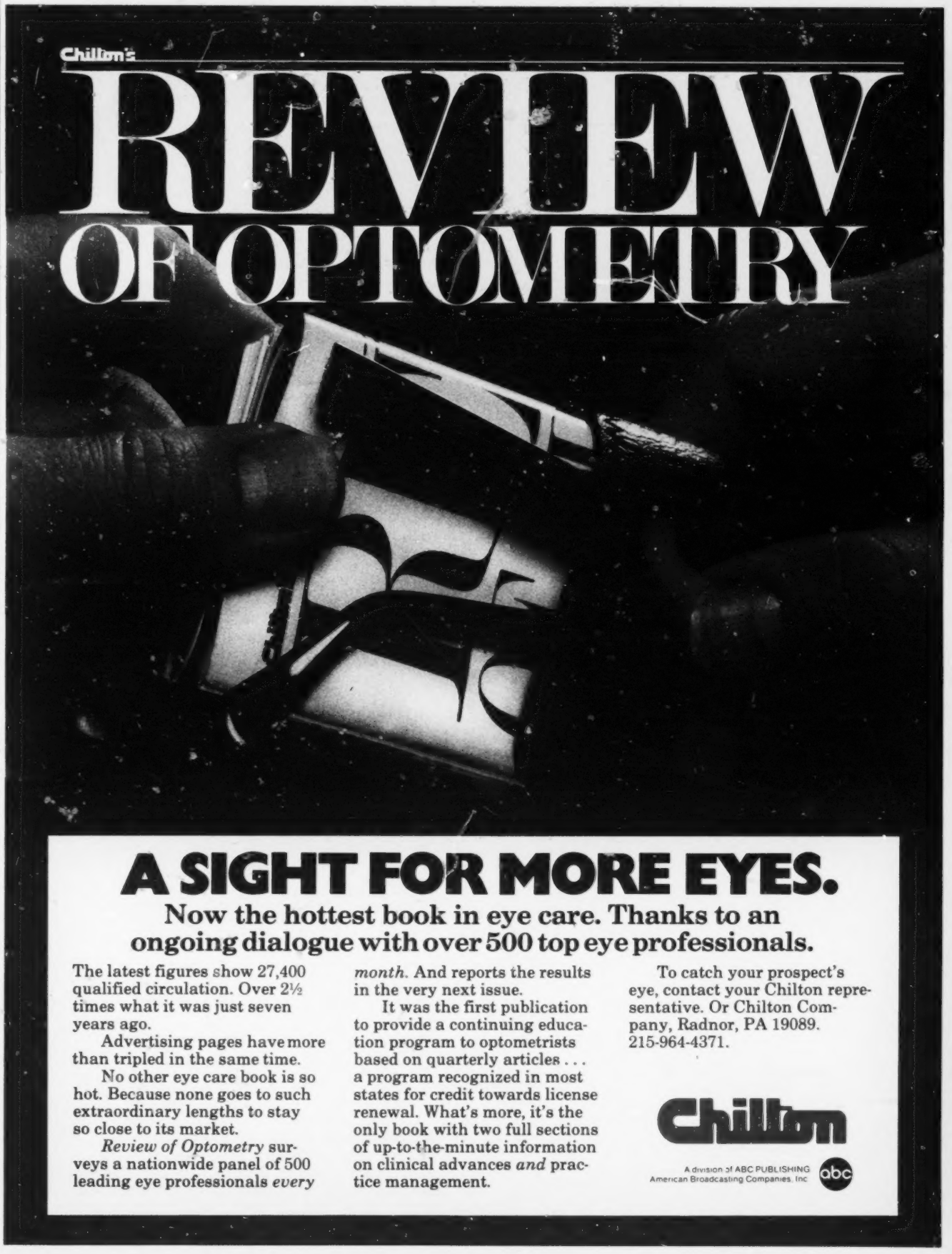
have already been exploited, the key, she says, to getting more people to try perfumes and colognes is to educate consumers about their benefits.

Mr. Cannariation agrees, saying that only a small segment of U.S. consumers "even understands the difference between eau de cologne, eau de toilette, perfume and cologne. And very few understand the various uses of such products. "Those are the consumers who will make the market grow," he says.

Both fragrance experts say a preponderance of scented products could create a dilemma for consumers, an odoriferous confusion. Picture a consumer on his way to work in the morning. His hair has a lingering scent of roses; his deodorant is sandlewood; and his perfume musk. But marketers and consumers, the fragrance experts say, will become sophisticated about when and where to use fragrance —and how much.

Synthetic scents are capable of lasting hours longer than the traditional natural varieties.And the quality of the synthetics has vastly improved in recent years.

Yet neither Ms. Fox nor Mr. Cannariation see deodorant or shampoo putting such classics as Chanel No. 5 out of business. Instead, they say, innovation will increase the use of scents. So for makers of the stuff, this could mean a profitable and fragrant future. AA



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Adwoman Bartos aims at 'The Moving Target,' in the Magazine

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Advertising Age

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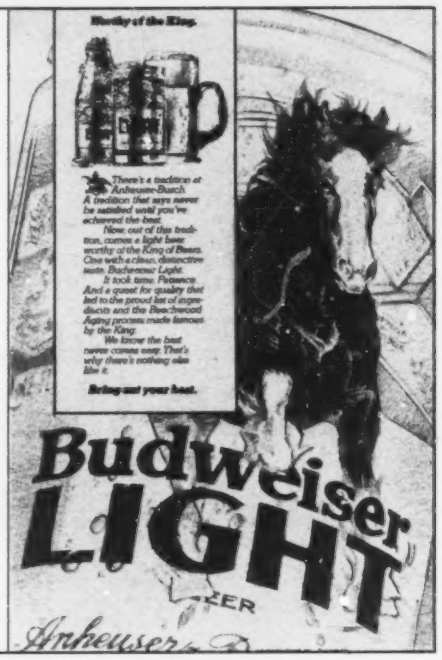
$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *March 8, 1982*

Breaking out

A lone young Clydesdale breaks through a Budweiser Light logo in print ad for national launch of the new Anheuser-Busch product (AA, Feb 15). First stage of the $35,000,000 broadcast and print push is a blending of two test campaigns, with the theme, "Bring out your best." Needham, Harper & Steers, Chicago, handles.



NAB STANDARDS FACE TRIAL

Judge tosses piggyback rule

WASHINGTON—Tv "piggyback" spots are possible again, courtesy of a federal judge who stunned the National Assn. of Broadcasters last week with an injunction voiding an 18-year-old NAB tv code standard. He also ordered a trial on other ad standards in the code.

The decision, if it's not reversed on appeal, means the networks and individual tv stations will be free to accept or reject piggybacked spots based on their own individual policies. But early reaction indicated little interest by advertisers in packing a 30-second spot with two or more separate, short-duration commercials.

Assn. of National Advertisers president Peter Allport said the piggyback rule hasn't been a significant issue for advertisers for several years. ANA members were unhappy with the rule when it was first imposed, but he said he is "more concerned with the impression that self-regulation within the industry is basically being questioned. I hope we can separate the specifics of this particular case from the over-all cause of self-regulation."

American Advertising Federation president Howard Bell, a former NAB code authority director, said he believed last week's ruling won't jeopardize self-regulation of advertising content and claims by the Council of Better Business Bureau National Advertising Division, the National Advertising Re-

(Continued on Page 67)

Advertisers want 'major change' in tv

By JANET NEIMAN

An overwhelming majority of leading national advertisers are concerned about the amount of sex, violence and profanity on tv, and nearly half say there need to be "major changes" in tv programing, a survey conducted by ADVERTISING AGE shows.

The advertisers indicated, however, that they believe an attempt to change programing by boycotting sponsors of so-called "offensive" programing would be ineffective.

The survey, sent to chief executive officers of the 100 leading advertisers as compiled by AA last year, was conducted during February, in anticipation of last week's announcement of a boycott by the Coalition for Better Television (*see story below*). The survey drew a 28% response—considered good for such surveys—though some respondents did not answer every question. AA agreed to keep the replies anonymous.

Nearly 86% of the respondents, or 24 advertisers, said they are concerned about the amount of sex, violence and profanity on tv. And 44.4% of the respondents responded "yes" to a question asking if they thought major changes in tv programing were necessary. Of the 55.5% who said they didn't see a need for major changes, a number indicated that they thought some changes are in order.

Seven of 12 respondents who said their companies believe there is a need for major changes

(Continued on Page 67)

How major advertisers view programing, boycott

	Yes	No
Is your company concerned about the amount of sex, violence and profanity in tv programing?	85.7%	14.2%
Does your company believe there is a need for major changes in tv programing?	44.4%	55.5%
Do you believe the American public generally seeks a change in the type of tv programing offered?	29.6%	59.2%*
Do you believe enough consumers will join the boycott to make it effective?	3.7%	92.6%*

*Write-in responses of "don't know" made up 11.1% of all answers for the third question and 3.7% for the fourth question.

Network has consumer goods/services parent

Wildmon's target is NBC

By RICHARD L. GORDON

WASHINGTON—"There's not a whole lot of difference" among the three national tv networks, Coalition for Better Television chief Donald Wildmon said last week as he fingered National Broadcasting Co. and its parent RCA Corp. as the targets for his long-threatened consumer boycott campaign.

Of the three major tv nets, NBC, through its RCA connection (Hertz rental cars, Gibson Greeting Cards, Coronet carpets, C.I.T. Financial and RCA consumer electronics products), has the biggest exposure in the consumer marketplace, and the Mississippi clergyman thought this selection "might just be a little more effective."

Choosing a network also permitted the Rev. Wildmon to shoot for networkwide changes in tv programing and advertising policies, more than he could hope to achieve from putting the boycott pressure on any individual tv advertiser.

And he warned he's prepared to name other boycott targets, potentially including the other networks, if he opts to expand the boycott "within a few months."

Rev. Wildmon, in his announcement, never specifically told his followers to tune out NBC altogether. What he did specify was for boycott supporters, if asked, to participate in tv viewing surveys "but [to] refuse to watch or list any NBC pro-

(Continued on Page 67)

JWT will quit time banking

By CHRISTY MARSHALL

NEW YORK—Badly burned by its syndication unit scandal, J. Walter Thompson U.S.A. said it will terminate the controversial practice of general "ume banking," or bartering tv programs for time that is accumulated to be used later for client commercials.

Fictitious entries in the time bank over the last four years inflated the revenues of JWT's syndication unit by $24,500,000, the company disclosed last month (AA, Feb. 8) Following discovery of the bogus accounting, Marie Luisi, senior vp-director of the syndication and spot buying units, was suspended without pay.

From now on, JWT said, it will exchange programs for time only when a specific program is requested by a specific advertising client. Otherwise, all programs in which the company has syndication rights will be sold to stations for cash only. JWT is believed to have used time banking in its program syndication for at least 10 years.

See related stories on Page 22.

JWT has defended its syndication practices recently. Its decision

(Continued on Page 66)

NEWSPAPER

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last minute news

Sony taps B&S for portable Betamax business

NEW YORK—Sony has picked Backer & Spielvogel for its $4,000,000-to-$6,000,000 portable Betamax account. McCann retains the corporate and consumer account, including the standard Betamax. The portable Betamax—SL 2000—was introduced last June. Others in the running were Y&R and other Sony shops Ammirati & Puris and Waring & LaRosa.

B&H Deluxe Ultra Lights 100s go into test

NEW YORK—Philip Morris will test 6mg-tar Benson & Hedges Deluxe Ultra Lights 100s. Markets: Oklahoma City, Tulsa, Fresno, Peoria and Jacksonville. Heavy advertising and sampling via WRG breaks March 15.

Nielsen metering of CNN expected in June

ATLANTA—Cable News Network is expected to announce next month that it will be metered by Nielsen starting in June. Details will likely be

(Continued on Page 8)

ABC/Group W's SNC hits street offering 2 million

By MAURINE CHRISTOPHER

NEW YORK—Group W Satellite Communications' sales execs hit the streets this week looking for $1,000,000 charter commitments for Satellite News Channel I and promising sponsors a larger premiere circulation than Cable News Network had when it started in June, 1980.

While ABC News/Group W's entry has not yet identified its initial catv affiliates, SNC pitches to sponsors and agencies reportedly will guarantee 2,000,000 subscribers, starting June 21 on Westar IV. Group W's Teleprompter and Warner Amex will provide a sizable number of the homes.

Lloyd Werner, senior vp-sales and affiliate relations, Group W Sat, and Jack Allen, vp-ad sales, will come on strong, touting a mix of international, national, regional and local news on the only "live, 24-hour-a-day" cable news service. Mr. Allen will sell to advertisers; Mr. Werner lines up systems.

Round-the-clock news from Westinghouse, ABC News, AP, UPI, regional tv station associates and local catv systems, should they choose to produce local news, will mainly be tape and film, of course.

However, in detailing his plans, Mr. Werner stressed live anchoring, frequent updating, rewriting of stories on an hourly basis and the limited use of repeat material. As described, SNC should be less repetitious than Group W's all-news radio station, WINS, in New

(Continued on Page 66)

Facts about our chips and nutrition that you and your shortstop should know.
Lay's
Potato Chips
Frito Lay
GOOD THINGS TO KNOW ABOUT GOOD THINGS TO EAT.

Snack it up

Frito-Lay, Dallas, will conduct a six-month print campaign beginning in April magazines to set the record straight on the nutritional value of salty snacks. The supplementary drive has been researched for a year by Tracy-Locke/BBDO, and points out that a 1-oz. serving of potato chips contains only 150 calories and less sodium than one-half cup of cottage cheese.

Chrysler rebate offers keep on truckin'

By RALPH GRAY

BIRMINGHAM, MICH.—Detroit is casting a hopeful eye on a slim upturn in light-duty truck sales.

A revival of truck sales often precedes one in cars. Whether February sales figures are an aberration or a trend was undetermined. Chrysler Corp. truck sales rose 23% in February from a depressed year-ago level. Chevrolet truck sales were up 34%, including mediums. Ford division sales slumped 2% in anticipation of the new Ranger truck.

"I certainly hope this is a precursor to a general turn in the auto industry but we want to make sure initial indicators are the real thing," said Joseph A. Campana, general manager of Chrysler truck operations.

Both cars and trucks are being rebated by everyone now. Chrysler went a whole day between rebates before expanding and extending its offer last week.

"The dynamics of rebates seem to work very strongly, at least for Chrysler," said Jack Givens, vp of marketing. "Every time we've run them, there has been a bump in sales. I can't think gimmick programs like sweepstakes [General Motors] are the answer. You have to help people to buy a car today," he said.

Chrysler also threw in free maintenance for two years, a program Ford has been running on selected models and one that Chrysler started a couple of years ago in its "New Chrysler Guarantees."

Chrysler also is touting its rebates of $750 to $2,000 with "If you can find a better rebate, take it." It stresses in newspaper ads "Chrysler rebates are all 100% factory paid. All GM and most Ford rebates require dealer money that could be added to the price you pay." Tv echoed this in a corporate spot and in product tags.

Last week, Kenyon & Eckhardt, Chrysler's agency, created "an agency within an agency" to handle trucks. "If it were true the major reason for the fall in market penetration in trucks had been lack of concentration [at Chrysler]

(Continued on Page 66)

Chrylser media billings bypass K&E

DETROIT—After upping the rebate outflow last week, Chrysler Corp. decided to do something about the inflow and so eliminated its agency, Kenyon & Eckhardt, as the middleman in media billings.

Chrysler wants direct payment of media invoices on buys that will be made by the agency. The move was made for "better efficiency" said Doyle Lott, Chrysler director of advertising and merchandising. There won't be any delay in paying bills, he said.

But observers noted that the "float"—the money K&E kept between the time it received payment and the time it reimbursed Chrysler—would go to the client.#

highlights

Monday, March 8, 1982

Canada's ad industry was shocked last week after shareholders voted to remove the entire board of Cockfield Brown, the country's only publicly held agency. *See Page 6.*

International Playtex agrees to pay over $28,000,000 for Jhirmack, the haircare products operation. *See Page 8.*

Eastman Kodak will launch its largest ad campaign ever for its new disc camera system, beginning in May. *See Page 10.*

Polaroid is coming out with its new instant cameras, and spots team Mariette Hartley with the Muppets. *See Page 10.*

The climate for beauty aids should warm up later in 1982, with a number of marketers attending the Cosmetics, Toiletries & Fragrance Assn. annual meeting planning new product launches. *See Page 12.*

Sol Taishoff of *Broadcasting* received the 1982 American Business Press Crain Award, the 15th business press editor to attain the award. *See Page 14.*

Agencies that operate in the tv syndication market report they have controls that protect them against the accounting abuses that proved costly to JWT Group. *See Page 22.*

Tire makers are steering their attention to the auto aftermarket and their own car-care centers. *See Page 32.*

Eagle Snacks, a subsidiary of Anheuser-Busch, is moving its line into at least 25 major markets. *See Page 37.*

A mini by another name may smell just as sweet the second time around. *See Page 61.*

Inside Sports and *Harper's* both named women as publishers, both having risen through the financial ranks. *See Page 65.*

National Football League players' threatened strike is making broadcast executives very nervous. *See Page 65.*

Foote, Cone & Belding forms German holding company, with Eduard Grosse and others buying 25% of it. *See Page 66.*

The "Battle for Chicago" is on as Anheuser-Busch attempts to wrest away G. Heileman Brewing Co.'s No. 1 position in the market via a series of new promotional efforts. *See Page 68.*

CORPORATE CLOSEUP

Quaker Oats has gotten its act together in Italy, including almost-complete ownership of Chiari & Forti, and is making giant strides in what has become its largest operation outside the U.S. *See Page 4.*

VIDEOTECH

"Country Jamboree" and about 20 other new or returning tv shows are due for bartering by Syndicast Services. *See Page 44.*

Producer Fred Silverman will see his variety show "World of Entertainment" tested April 25 as it airs on a lineup of affiliate and independent tv stations. *See Page 47.*

INDUSTRIAL

Ford Tractor will borrow from its parent's "world car" campaign to introduce its Series 10 tractors. *See Page 62.*

MAGAZINE/SECTION 2

Let's stop slandering America, says agency exec Ben Colarossi, who is tired of hearing negativism about the United States and who, as a self-confessed national "chauvinist," says this is still the best place in the world. *See Page M-28.*

A new generation of creative people are working their way up through the ranks of major ad agencies—in many cases all the way to the executive suite—and Hooper White views this trend as a vital and positive one for the industry. *See Page M-31.*

SPECIAL REPORT

Where is tv syndication headed? This is the focus of a series of Magazine/Section 2 articles that look at nonnetwork programing and its future in light of the growth of pay tv, cable and the battle over whether the networks or local stations will control that key half-hour before prime time. *See Page M-7.*

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Arco tips gas price warfare

By JENNIFER PENDLETON and RICHARD KREISMAN

Atlantic Richfield Co.'s plan to discontinue company credit cards is the first full-scale sign of renewed marketing life on the part of the major oil companies as they prepare for the first extended period of price competition since the oil embargos of the 1970s.

While few companies predicted a return to the glass giveaways and sweepstakes heydays of the past, Los Angeles-based Arco's announcement last week that it would stop accepting its 3,000,000 company-issued credit cards on April 15 was a signal to competitors that the nation's seventh-largest gas retailer intends to bring price back to the forefront. Arco will cut its wholesale price to distributors by nearly 3¢ and is hoping its dealers will pass along the savings.

Amoco, Exxon, Shell, Mobil, Union Oil and Standard Oil of California all said they had no plans to stop credit card programs. In fact, some are stepping up solicitations and advertising following the Arco announcement. Union, a major Arco competitor in western mar-

(Continued on Page 66)

Advertisers air tv concerns

(Continued from Page 1)

in tv programing also said that they, personally or through their companies, have expressed to one or more networks their concerns about the types of programs on tv. Additionally, seven companies that said they do not feel the need for major changes (and were therefore not asked to respond to the question) nonetheless said they also have expressed their concerns to the networks.

The advertisers indicated they believe a boycott of sponsors of "offensive" tv shows would fail to garner enough consumer support to be effective. Twenty-five of 27 companies—or 92.5%—responding to the question believe such a boycott would be ineffective.

Only about 30% of the respondents believe the American public generally seeks a change in tv programing; more than 59% say the public seeks no change, and about 11% say they are uncertain.

Roughly 93% of the 28 companies responding to questions on buying policies indicated they have a policy regarding program content for buying tv time and program sponsorship. More than 82% said they have reviewed the existing policy or the need for a policy within the past year.

Among the 23 companies that have reviewed policy, 12 said their reviews had been spurred in whole or in part by the activities of the Coalition for Better Television and/or the National Coalition on Television Violence

None of the 28 said their policies have changed in the past year, in spite of any reviews, though three advertisers—all of which had reviewed at least in part because of the coalitions—said they now are enforcing the policy more carefully.

Asked to characterize their companies' practice for buying tv time, 11 of 25 respondents said they buy time on all types of programs but screen and review scripts of any potentially "offensive" program on which their commercials might appear. Four said they buy time on all types of programs based on cost and target audience, and three said they buy time only on programs whose content could not be questioned. All but one of the remaining respondents indicated they buy time on various types of programs but prescreen individual episodes. The responses showed that movies airing on tv are of particular concern to the advertisers and are generally prescreened.

Of the advertisers who responded to the questionnaire, 10 characterized their companies' attitude toward sex, violence and profanity in the programs they sponsor as "fairly stringent," eleven said it is "very stringent" and four considered it "lenient."

Two of those respondents who called their companies' attitude "lenient" were among those whose companies do not have policies and have not reviewed the need for policies. Two others have policies and have reviewed them during the past year. Only one of the 28 respondents believes a boycott against sponsors of "offensive" programs is constructive.

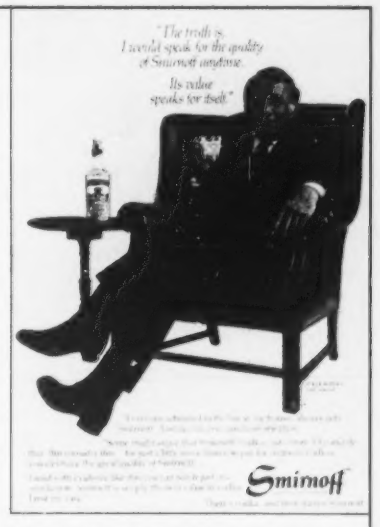
Although the survey drew a 28% response, some questions were less applicable to certain advertisers, such as beer companies, which tend to focus on sports programing.

Three advertisers said they had been notified they were targets for the boycott originally scheduled to begin March 2. None of the three had met or planned to meet with leaders of the boycott, or wanted the opportunity to do so. Only one company said it had been asked to meet with CBTV leaders. That same company, along with seven others, said it had been named a potential target for last summer's canceled boycott, and only three of the eight said they had met last year with boycott leaders to defend their policies. Commented the one advertiser who claimed to have been notified this year as well, "Several years ago [we] entered written dialog and realized [it] was useless and, in fact, damaging activity."

Two of the three companies that had been notified they might be targeted this year said there is a need for major changes in tv programing. One noted that change, but not major change, is necessary. Asked if they believe the American public generally wants changes in tv programing, one said yes, one said no and the third was not sure. Two of the three believe their attitude toward sex, violence and profanity in the shows they sponsor is fairly stringent. The third did not answer.#

Bailey to stay

Having overcome the initial shock of news accounts concerning the arrest of F. Lee Bailey for investigation of drunken driving, Heublein spirits group said it had no plans to drop this campaign in which the noted defense lawyer touts the quality and value of Smirnoff vodka. The ads have been running in magazines since Jan. 25, via Marschalk Co. Heublein said it would have no further comment until "the situation sorts itself out." Mr. Bailey was arrested in San Francisco Feb. 28 after he allegedly failed to observe a stop sign. Police later said he refused to take a sobriety test.



Judge hits NAB code

(Continued from Page 1)

view Board, and the NAB.

NBC said it is "disappointed" with the ruling. CBS and ABC declined immediate comment. Privately, network execs suggested the judge's actions "showed a gross misunderstanding of the scientific business of broadcast advertising."

That charge was restated by several agency time buyers. "You run the risk of diluting the message for your products" said one buyer assessing the prospect of multi-brand messages. And one network exec pointed out that 10-second units have been for sale for quite some time and, "nobody is standing in line to buy them."

Compton Advertising exec vp-creative director Kurt Willinger sees the ruling as "a good thing" for advertising. While he doesn't anticipate application of the ruling for such Compton clients as Procter & Gamble and Johnson & Johnson, he does envision advertising unrelated products for advertisers who have "a family of brands."

■ "There will be a feeling-out process to do it right," Mr. Willinger said. "Some slob of a client will jumble it all together. But done properly, it could work."

The code has permitted multiple-product spots, but only if the advertiser buys time in 60-second units. For shorter periods, the piggyback rule allowed more than one product to be advertised only if the sales pitches are "integrated" to appear to the viewer as a single commercial.

Equally alarming for NAB is the possibility that U.S. district court Judge Harold Greene may also strike down tv code "time standards" that set a ceiling on the minutes per hour available for commercials and station promos, and its program interruptions standard that specifies how many commercial breaks per hour are permissible and how many spots can be contained in each break. Judge Greene said these rules, while not clearly anticompetitive, are so suspect on antitrust grounds that a full trial is necessary.

The judge's rulings were a major victory for the Justice Department antitrusters, who filed charges against the code in 1979, and a chilling setback for NAB lawyers, who had argued unsuccessfully that the package of three anticlutter ad standards were not the product of any "conspiracy" among competitors, that there was no anticompetitive "intent," that there is a public interest in preventing "overcommercialization" of tv and that the FCC and other government bodies have endorsed its rules (AA, Sept. 17, '79).

Judge Greene agreed with NAB that advertising "clutter" may well be undesirable, but he said "it is most effectively dealt with not by an agreement among the broadcasters which maximizes their financial gain, but by market forces which, by penalizing those whose commercial announcements offend the public, impartially reduce all clutter on an equal basis."

He said NAB's defense of the piggyback rule as an anticlutter measure is "undermined" because "no more clutter is produced by a 30-second commercial that promotes two products than by a 60-second commercial which advertises four products. Yet under the [piggyback rule] the later is permitted but the former is forbidden."

Court appeals by NAB are likely. NAB president Vincent Wasilewski attacked the lawsuit as "an academic exercise which ignores reality and leaves the general public as the loser. The judge's decision makes absolutely no sense unless we are to assume that the public is eager to view more commercials."

■ Compliance with tv code standards is voluntary, but the networks and most major U.S. tv stations are code subscribers. NAB can bar noncomplying stations from using its code seal.

Judge Greene, in striking down the piggyback rule, or "multiple-product standard" as it's more formally known, said its effect is plainly anticompetitive. He noted that NAB's proposal to ban piggybacks in 1964 drew angry protests from Helene Curtis Industries and Alberto-Culver, among other advertisers, who contended it would harm smaller tv advertisers.

Alberto-Culver last week called the ruling "an interesting development" but said it has no integrated commercials now and would have to study the development before making any revisions.#

Wildmon's boycott target is NBC

(Continued from Page 1)

grams during the week you keep the diary." They should refuse to purchase the products or do business with RCA or any of its units, he decreed. Rev. Wildmon said results might be visible only after "six, seven, eight months."

His demands on NBC run the gamut from requiring the network to follow his ideas on the proper use of the word "God" on tv ("only in reference to the Diety") to a demand that NBC eliminate tv advertising for feminine hygiene products. In his only other attack on NBC ad policy, he said the network should halt the airing of commercials "which pander to sex as a base to sell products."

When asked what happens if the boycott flops, he replied: "If it doesn't work, we're out of business. That's it." Rev. Wildmon, citing his objections to NBC's programing, zeroed in on the treatment of drugs, alcohol, violence, sex, profanity and stereotyping of minorities, the elderly, business people, and Christians as areas where change would be needed before the boycott could be halted.

Initial reaction from NBC was confined to a terse statement that the coalition effort was an "obvious attempt at intimidation. We fully intend to resist it. We'll let the American people judge the fairness of this tactic."

By midday last Friday, NBC said, 10 phone calls and one Mailgram had been received, and all were supportive of NBC. Within NBC the view was that to get into a prolonged discussion of the issue would only play into the CBTV head's hands. As to exactly how NBC planned to "resist" the boycott, one insider said the best way is to conduct business as usual.

On ABC's "Nightline," Federal Communications Commission chairman Mark Fowler said his agency takes no position on whether tv has taste problems, but that he believes "the Reagan-oriented FCC" considers boycotts "consistent with the democratic process" and supports the concept of viewer boycotts. He contended that efforts to deal with taste through FCC action would raise the possibility of "dangerous" government censorship.

Ad industry spokesmen were predictably critical of the boycott. American Advertising Federation president Howard Bell said the AAF board had wired Rev. Wildmon its willingness to engage in "constructive dialog," but strongly opposes "the attempt of any group to impose its subjective judgments of taste and morality on the American public through boycotts of advertisers."

Assn. of National Advertisers president Peter Allport said, "The concept of holding a variety of advertisers responsible for the programing of a network simply because they have some corporate relationship makes no sense whatsoever." He said the ad and broadcasting industries already treat advertising of feminine hygiene products "with discretion," and that responsible advertisers "do not wish to exploit sex."

The American Assn. of Advertising Agencies said it "does not believe in advertiser boycotts regardless of the target."

Rev. Wildmon said he is counting on the coalition's network of 1,800 organizations, his own 150,000-circulation publication, and word of mouth to build boycott momentum once the initial wave of news coverage dies down. He said the coalition is prepared to use advertising, but would need to raise a media budget.

He called commercial tv "a national disgrace and an insult to America's intelligence and integrity," and said that RCA/NBC had been warned last year that they were a potential target if "basic" programing changes weren't made.

He said NBC refused a coalition demand that it apologize for promoting the appearance of Playboy Playmates on the "George Burns Early, Early, Early Christmas Program" last fall. Rev. Wildmon said he was protesting the "using the birthday of Jesus to promote the hedonistic philosophy of *Playboy*."

He said RCA refused to apologize for advertising in the December issue of *Playboy*, which carried an eight-page "Prayboy" parody that "mocked and ridiculed Christ and Christians." And he singled out a Feb. 6 segment on NBC's "Saturday Night Live" called "Jesus in Blue Jeans" that he said was "insulting" to Christians.#

Hallmark keeping it sweet

(Continued from Page 3)

you care enough to send the very best," a line deemed too valuable to scrap at this time.

This spot shows how a Hallmark card can take away the pain of a forced separation on one's anniversary: As the husband dejectedly packs for an untimely business trip, his wife slips into his suitcase a Hallmark, which, upon discovery in a distant city, brightens his day.

Y&R and Mr. Curran also showed off their coming spring campaign here last week, parts of which were used in Y&R's pitch for the account. To send the message that giving cards can help to maintain human rapport and contact, b&w flashbacks are used to convey the length and durability of the relationships that are shown.

What Y&R hopes such commercials will do is stimulate people to send cards on no special occasion. Christmas, Valentine's Day, Easter, Mother's and Father's Days account for half of the nation's card-sending business.

Manny Perez, Y&R senior vp-director of commercial production, who directed the commercials himself, several years ago worked on RCA's SelectaVision account, then handled by Y&R; coincidentally, Mr. Curran was with RCA at the time.

Bottom line, Hallmark hopes the sentimental touch will stimulate not just brand but also category growth.

Industrywide sales of cards, wrapping paper, ribbons, etc., reportedly near $2 billion. Hallmark's annual sales hover at about $1 billion, with the 10,000,000 greeting cards it peddles daily comprising a large part of that.#

Nielsen's Cassandra ranking of top shows by category

Cassandra Ranking of Syndicated Programs
November, 1981

Rank	Program	Household Average Rating Rtg.	Share	% U.S. TV HH Coverage
1	M*A*S*H	13.9	30	96.4
2	Family Feud PM	13.2	24	79.1
3	PM Magazine	12.7	23	81.6
4	Goliath (Part 1)	10.7	18	17.6
5	Hee Haw	9.7	22	92.1
6	Fight Back	8.8	18	14.4
6	Happy Days	8.8	22	92.8
8	Barney Miller	8.7	20	76.2
8	Tic Tac Dough	8.7	18	63.2
10	Laverne & Shirley	8.4	18	75.5
10	You Asked For It	8.4	18	68.0
12	Dance Fever	8.1	19	83.3
12	Entertainment Tonight	8.1	17	81.4
12	Lawrence Welk Show	8.1	17	87.8
15	Muppet Show	7.8	16	88.7

Cassandra Ranking of Syndicated Programs
November, 1981

Rank	Program	Women 18-49 Rtg.	% U.S. TV HH Coverage
1	M*A*S*H	10.0	96.4
2	Goliath (Part 1)	9.5	17.6
3	Family Feud PM	8.0	79.1
4	PM Magazine	7.5	81.6
5	Dance Fever	6.5	83.3
5	Solid Gold (Original)	6.5	95.3
7	Laverne & Shirley	6.2	75.5
7	Little House on the Prairie	6.2	31.9
9	Happy Days	6.0	92.8
9	The Jeffersons	6.0	47.5
11	Barney Miller	5.8	76.2
12	Fight Back	5.5	14.4
12	Adventures of Pinocchio	5.5	4.7
14	Solid Gold (Original & Repeat)	5.4	95.3
15	Entertainment Tonight	5.3	81.4

Videotex'82 bites the big apple

New York Hilton June 28-30 1982

This event follows on from Videotex '81 with its 1500 delegates in Toronto last May, and the highly acclaimed Viewdata '80 and '81 in London with their many thousands of exhibition visitors.

The exhibition will be representative of developments around the world and the three parallel track conference will cover every aspect of this new technology, including advertising.

What advertisements work on this new medium? The results to date are encouraging although they highlight the need for a very disciplined approach to the ad-formation mix. Videotex '82 brings together leading agencies who are probing this largely uncharted territory. Their experiences and plans for the future will provide vital information for commercial operators about building revenue bases.

For conference details clip your business card to this advertisement. For exhibition information telephone immediately – a space can be reserved awaiting your written confirmation.

Appointed North American agent for Videotex '82: Meeting Systems Inc. 286 Fifth Avenue, New York, NY 10001. Phone: 212-563 1000.

online

Online Conferences Ltd., Argyle House, Northwood Hills, Middlesex. HA6 1TS, U.K. Phone: Northwood (09274) 28211 Int'l phone: 44-9274 28211 Telex: 923498

Videotex '82 is organised by Online Conferences Ltd. of London. The event has no association whatsoever with other organisations trading under the name Online in the U.S.A.

Cassandra Ranking of Syndicated Programs

November, 1981

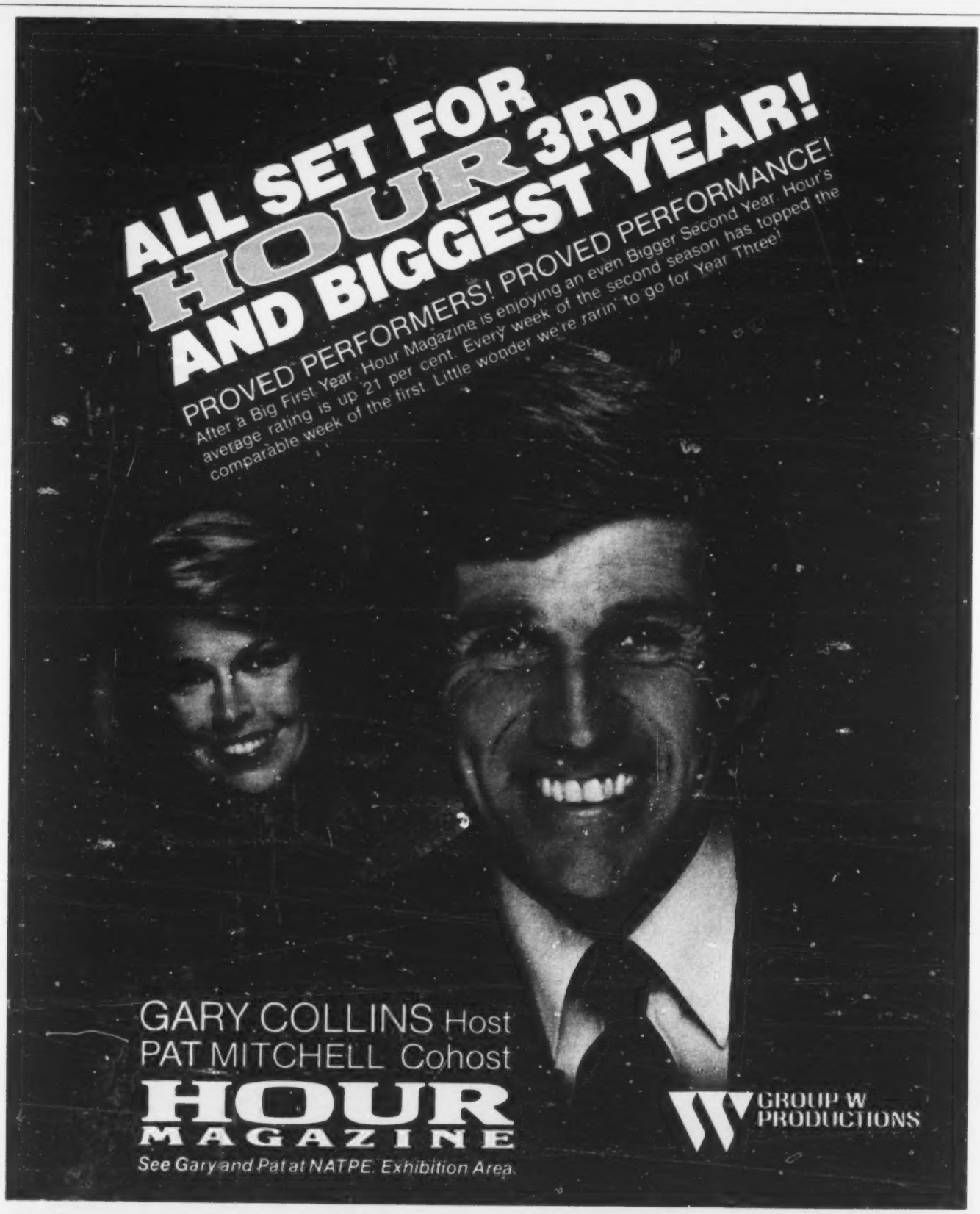
Rank	Program	Men 18-49 Rtg.	% U.S. TV HH Coverage
1	M*A*S*H	9.7	96.4
2	Goliath (Part 1)	9.1	17.6
3	PM Magazine	6.2	81.6
4	Family Feud PM	5.6	79.1
5	Barney Miller	5.4	76.2
6	Solid Gold (Original)	5.1	93.3
7	Dance Fever	4.7	83.3
7	Fight Back	4.7	14.4
7	Hee Haw	4.7	92.1
7	Kung Fu	4.7	35.2
11	In Search Of	4.4	63.3
11	Vince Dooley	4.4	2.8
13	Happy Days	4.3	92.8
14	Solid Gold (Original & Repeat)	4.2	95.3
14	Star Trek	4.2	59.5
14	You Asked For It	4.2	68.0

Cassandra Ranking of Syndicated Programs

November, 1981

Prime Access

Rank	Program	Rating
1	M*A*S*H	16
1	Hee Haw	16
3	PM Magazine	14
3	Family Feud PM	14
5	Tic Tac Dough	13
6	Lawrence Welk	12
6	Happy Days	12
8	Barney Miller	11
8	Dance Fever	11
10	Jokers Wild	10
10	The Jeffersons	10
10	Laverne & Shirley	10
10	All In The Family	10
10	Entertainment Tonight	10
10	Solid Gold (Original & Repeat)	10


ALL SET FOR HOUR 3RD AND BIGGEST YEAR!
PROVED PERFORMERS! PROVED PERFORMANCE!
After a Big First Year, Hour Magazine is enjoying an even Bigger Second Year. Hour's average rating is up 21 per cent. Every week of the second season has topped the comparable week of the first. Little wonder we're rarin' to go for Year Three!
GARY COLLINS Host
PAT MITCHELL Cohost
HOUR MAGAZINE
See Gary and Pat at NATPE. Exhibition Area.
GROUP W PRODUCTIONS

C2710-1 3/15/82

Food success of the decade
See Magazine

Advertising Age®

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$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *March 15, 1982*

Stations, nets holding line as code dropped

WASHINGTON—Tv network copy acceptance staffs and other industry self-regulation systems moved quickly last week to fill the void created by the abrupt shutdown of the television and radio code operations of the National Assn. of Broadcasters.

Initially, there appeared to be universal confidence that the lines will hold. All three tv networks stressed that their individual ad acceptance standards, which are often more comprehensive than the NAB code, remain in force. A liquor industry spokesman expressed confidence there will be no deviations from the existing industry practice of staying off tv.

NAB attributed its code shutdown to uncertainties created earlier this month when a federal district court judge ruled the code's piggyback standards illegally restrain trade, and that the time standards may also be an unreasonable barrier to competition. The shutdown goes beyond the issues raised by the court, and suspends the clearance of commercials for taste, as well as the code's provisions restricting the amount of commercial time.

Leonard S. Matthews, president of the American Assn. of Advertising Agencies, predicted that advertisers will exercise self-restraint. While some agencies may take advantage of the situation, he said, more sensible agencies will prevail, recognizing that as things are now there is already some question about what viewers remember.

The code shutdown could last a year or more as NAB appeals a federal judge's ruling (AA, March 8) that one section of its tv ad standard violates antitrust law and that the association faces trial on two others. The decision to abandon the remaining parts of the tv

(Continued on Page 84)

Retail gains but still gloomy

By PAT SLOAN

NEW YORK—Despite a 1.6% gain nationally in retail sales during February, retailers are far from optimistic about business in the second quarter. And economists, meanwhile, are forecasting no real advance in sales until the last half of 1982.

The retail sales gain, reported by the Commerce Department, represented the biggest advance since last June, when retailers chalked up a 2.2% gain. But February's optimism appears to be fading.

"Business is tough, and though it's still too early to tell for spring, I think we're in for it," said George Hanley, vp-sales promotion director, B. Altman & Co. The consumer, the exec noted, has been difficult to read.

Observing that by the end of this month stores will have a better idea of where they stand. Mr. Hanley pinpointed tonnage categories, such as sportswear, as a potential problem area due to slow retail traffic. Another difficulty with spring business, he added, "is that we're all up against very good figures from spring, 1981, which was the best spring in six years."

Four A's sees lower profits. . .Page 82.

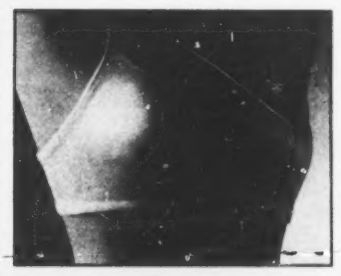
In this sales environment, he added, it will be interesting to watch markdowns. "If one store cracks a line or category, everybody will have to go off," Mr. Hanley said. The crucial questions, he said, are when will the break come and how much

Gordon Cooke, senior vp-sales promotion, Bloomingdale's, agreed, noting that "so far, business has not been so good. It has been a difficult season across all merchandise categories due to a slowdown in cus-

(Continued on Page 82)

Not just for dancing

In spots for International Playtex's new Danskin bras and panties, to be introduced in August (AA, March 1), a couple plays touch football, with the woman reflecting: "When I was little I wore Danskin leotards. Now that I'm grownup I wear new Danskin bras and panties." The Ogilvy & Mather-created commercial concludes, "They're not just for dancing."



last minute news

P&G to test Head & Shoulders conditioner

CINCINNATI—P&G will test Head & Shoulders conditioner, which "instantly conditions hair and helps control dandruff, itch and flakes," in the Northwest. Priced and packaged similarly to H&S shampoo, it will be available in regular and extra-conditioning formulas. TLK handles.

Chiat/Day reportedly getting new Carnation line

LOS ANGELES—Sources say Carnation has named Chiat/Day to handle its new line of health/diet/nutrition products planned for summer introduction (AA, March 1). SSC&B continues as Carnation's main agency.

Lever repositions All liquid, drops tv support

NEW YORK—Lever Bros. is repositioning All heavy-duty liquid detergent as a value brand by dropping tv advertising and reducing the price of a case by 20%. Trade support and consumer couponing will continue. New packaging notes, "New low price!" SSC&B is the agency.

Ayer gets $6 million Chicago drive

CHICAGO—Chicago Promotion Council named N W Ayer for its new "My kind of town" ad campaign, estimated at about $6,000,000. The national drive, expected to break some time this spring (AA, Feb. 1), will include heavy tv and is expected to feature Frank Sinatra. Other finalist for the account was Lee King.

(Continued on Page 8)

NEWSPAPER M
AA
DC2001ACONGLI FMJE
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Mickelberry buys C&W

By CHRISTY MARSHALL

NEW YORK—Cunningham & Walsh, the nation's 25th-largest agency, is to be acquired on March 22 by Newcourt Corp., the communications subsidiary of Mickelberry Corp., a publicly held company previously engaged in the marketing of specialty meat products but now more active in acquiring ad agencies.

The contracts have been signed; the seal of approval is awaiting a C&W stockholders' meeting.

C&W execs have bragged over the years that, in the wake of merger mania, their agency would be one of the few independents remaining. The proposed Newcourt/Mickelberry deal will leave them an independent agency, they say. According to an internal memo: "Our shareholders will realize a generous premium on their stock, and there will be significant ongoing incentives and benefits for all our people. But of equal importance is Newcourt's firm commitment to a hands-off management policy that allows us to maintain our autonomy as a successful independent agency. They are investors, not advertising people."

Mickelberry previously acquired Nadler & Larimer and Laurence, Charles & Free, the latter agency resulting from the merger of Daniel & Charles Associates and F. William Free & Co.

The statement went on to assure C&W employes that there would be no changes in the agency's structure, management, board, nor the way the agency is run. C&W chairman Carl Nichols and president Anthony Chevins will now sit

(Continued on Page 80)

OFF-NETS FAST SELLERS AT NATPE

Syndies try summer tests

By BOB MARICH

LAS VEGAS—As two new off-network programs appear to be the fastest selling of new barter series at the National Assn. of Television Program Executives convention here, summer air tests of pilots for other proposed fall first-run syndicated tv series shaped up as a trend.

The stampede to try out series pilots with on-air tests—usually in summer—allows tv stations to evaluate audience response before committing to a fall pickup. For their part, program distributors can amortize pilot production costs through summer telecasts, although the tryout strategy has a spotty track record in the past.

The pilot tryout ploy is another indication of how skittish the marketplace for advertiser-supported first-run syndicated series (but not cash offnetwork series) has become.

Going into NATPE, first-run series pilot activity was down, with court shows and soap opera for-

(Continued on Page 84)

Watch out, Luvs (also P&G)

P&G's Pampers tries elastic legs at a lower price

By JENNIFER ALTER

Apparently dissatisfied with its 70% share of the $1 billion-plus disposable diaper market, Procter & Gamble Co. will test a new version of Pampers with "stay dry gathers."

Said to offer "improved containment" and "all 'round wetness protection," the Pampers with elasticized legs are going into Fort Wayne, Ind., Lima, O., and surrounding areas. Pricing, except for the convenience packages, is at parity with regular Pampers.

The Cincinnati company said it will continue to market regular Pampers because, "We anticipate that there may be some that prefer the nonelastic version of Pampers even after we introduce the new version."

Advertising support on the new Pampers is scheduled to begin April 9, via Benton & Bowles, New York. The "stay dry gathers" are expected to be highlighted.

The move is confusing to some industry observers who wonder if P&G is not cutting off its nose to spite its face by competing directly with its own, premium-price Luvs diapers with elasticized legs.

Though the company is known to treat its own brands as competition, a spokesman said Luvs are marketed for those desiring "premium fit and containment," while the elasticized Pampers are aimed at consumers desiring "improved containment at a lower cost."

Although babies probably won't

(Continued on Page 80)

More dancing

Youngsters drink A&W root beer in a new song-and-dance commercial that touts the "frosty mug sensation," which represents a return to the frosty-mug symbol. The new effort breaks March 22, via Humphrey Browning MacDougall, Boston. (See story, Page 79.)

CNN raps net news in national ad drive

By SUSAN SPILLMAN

Cable News Network this week will launch what it believes to be the first national consumer ad campaign for an advertiser-supported cable service. In the style typical of CNN boss Ted Turner, the nearly $4,000,000 campaign created by McDonald & Little, Atlanta, touts CNN's news reporting capabilities while taking potshots at the commercial networks and newspapers. Mr. Turner has predicted the downfall of both.

Aiming to substantially increase awareness before June when CNN will begin A.C. Nielsen Co. metering and rival Satellite News Channels debuts, the 24-hour news service will spend $1,000,000 for ads in *Newsweek*, *Time*, *TV Guide* and *U.S. News & World Report*. Another $700,000 will go into airport posters and tv spots on the Entertainment Sports & Programming Network. CNN will also take advantage of avails on Mr. Turner's superstation WTBS. An additional $2,000,000 has been slotted for a second print campaign.

After being refused time by all three networks, CNN turned to the three major newsweeklies, placing five different page ads in the March 22 edition of each.

While CBS has run national spots on CNN, all three networks rejected the cable network's inquiry for time, according to Paul Bissonette, vp-advertising and promotion for Turner Broadcasting. Sources report that ABC's Roone Arledge had queried CNN about buying time for "World News Tonight," but when CNN requested reciprocity the idea was dropped.

Four of CNN's five print ads tie into specific magazine departments —world, nation, people, the economy and business—plus the inside back cover. The ad facing the news magazines' national sections promotes CNN's coverage of the Air Florida crash in Washington, D.C. "CNN covered the story continuously from first report right through the night," it reads. "Unlike the other networks that just interrupted regularly scheduled programs with short reports. No wonder so many of the nation's wire services and newspapers stay tuned to CNN 24 hours a day."

CNN's exclusive footage of American advisers carrying M-16 rifles in El Salvador is boasted in the ad opposite the magazines' world sections.

And in a final stab, the back page ad reads, "No wonder recent research shows that more than 2,000,000 people now watch CNN most often for the world and national news, and rate CNN higher than ABC, NBC and CBS in its ability to provide in-depth coverage, report fast-breaking stories and present the news in an accurate manner."#

highlights

Monday, March 15, 1982

The battle for auditing the demographic editions seems to have died out. *See Page 10.*

If advertising would cut the rates of major cable services by half, six in 10 current subscribers would be willing to accept ads, Gallup says. *See Page 12.*

Chief Justice Warren Burger admonished an Arkansas attorney for his ad practices. *See Page 12.*

Frito-Lay's new educational campaign may not persuade more people to buy its products, but the company believes that at least they feel that it will be credible. *See Page 14.*

New York Air is looking to Chiat/Day to reroute its positioning. *See Page 18.*

Italian wines are drinking in success. *See Page 20.*

Movies and toys go together, especially if the movie is a hit and/or heavily promoted. *See Page 22.*

Pillsbury is raising new interest in the refrigerated dough category. *See Page 37.*

Products introduced since 1970 make up 19% of all warehoused grocery store brands with sales of at least $1,000,000. *See Page 38.*

Japan dailies battle it out in a bloody circulation war. *See Page 42.*

CBS-TV is requiring agencies to resubstantiate spots that have not aired for six months before running them again. *See Page 42.*

Xerox Corp.'s 1982 campaign relies on the dramatic, including a Z-fold. *See Page 46.*

Ten public tv stations hash out guidelines for incorporating advertising into their programming. *See Page 48.*

Aamco Transmissions is repairing its ad effort after the National Advertising Division studied it. *See Page 65.*

CORPORATE CLOSEUP

With its Robitussin cough syrup pointing the way, A.H. Robins Co. is gearing up for future consumer products success, with a full-fledged division now in place. *See Page 4.*

RETAILING

K mart is getting in shape for its 1980s challenge to Sears, Roebuck. *See Page 32.*

VIDEOTECH

Escapade/Playboy adult channel breaks with national ads in *Playboy* in June, and a regional cable drive starts. *See Page 52.*

Block Drug's Polident denture soak is doing wonders with ads featuring Martha Raye. *See Page 55.*

MAGAZINE/SECTION 2

Club Med looks to the family for new business. The worldwide chain of glamor resorts traditionally has targeted itself to an adults-only crowd, but its strategy is changing. *See Page M-2.*

Product positioning has become a popular topic in marketing circles, although there is confusion about just what it is. Marketing executive F. Beavin Ennis helps to sort things out. *See Page M-43.*

NOTICE: A story referred to on this week's Magazine cover—"How Europe influences American advertising"—is not in that issue. It ran in a previous issue.

SPECIAL REPORT

Grocery marketing is facing its share of problems in these tight economic times, and caution is the watchword for this segment of American retailing, as our Section 2 Special Report stresses. There are success stories as well, however—including a look at the most successful food product introduction of the last 10 years. *See Page M-7.*

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Is Lipton Equal to the test?

By JENNIFER ALTER

SKOKIE, ILL.—G.D. Searle & Co. has reached an agreement with Thomas J. Lipton Inc. whereby the food company's sales force will distribute Searle's low-calorie sweetener Equal.

The appointment comes following talks with a number of food companies, according to Marcel Durot, general manager of the consumer products unit (AA, Feb. 15). "It was a close call. We had a lot of people interested," he said.

He explained that Searle wants to get Equal into 50,000 food outlets nationally and that its field sales force of 34 probably wouldn't do the trick.

Given this situation Searle basically had three alternatives, he said. It could go with food brokers, beef up its sales force or team up with someone else. It went for the latter option.

Mr. Durot noted that while his sales force can handle distribution of Metamucil laxative because it already is an established brand, selling in a product as novel as Equal would be an entirely different proposition.

"You really need an army," he

(Continued on Page 82)

west coast update

Death. . .and life. . .in Beverly Hills publishing

By JENNIFER PENDLETON

LOS ANGELES—For a publication that made a point of avoiding bad news in its editorial pages, *Beverly Hills People* was not able to avoid controversy on the ho e front.

CALL & LISTEN TO DOUG JEFFERS' TELEPHONE VOICE-OVER TAPE. DIAL (212) L-U-C-K777

Represented by J. Michael Bloom, Ltd. (212)832-6900

After months of bitter fighting resulting in a still unresolved lawsuit between ousted *BHP* founder David Gordon and the English partners with whom he cast his lot (AA, May 25), the weekly tabloid newspaper folded.

But never fear. Southern California's most visible affluent community will not go without a "good news" newspaper for long. In fact, Beverly Hills may soon have to put up with a glut of good news: In the next few months it will have two publications in the *BHP* mode. They're called *Beverly Hills* and *Beverly Hills World*.

What *Beverly Hills* and *Beverly Hills World* intend to offer is very similar four-color digests of Beverly Hills' personalities, fashion, entertainment and social events in an upbeat format reminiscent of *BHP*. Both will be distributed free of charge to residents.

If this all sounds a little too similar, there's a reason. *BH* is the brainchild of Maxwell Aitken, one of the British businessmen who joined forces with *BHP's* Mr. Gordon last spring to form London and California Publishing.

This time, Mr. Aitken has linked with Alan Shephard, owner of ASA World Enterprises, a Hong Kong-based financial/investment company. Mr. Shephard will be *BH* publisher, while Mr. Aitken will be ceo. Its target start date is April 15.

BH will be staffed by several other ex-*BHP* editorial staffers, including editor Pat Hilton. Most of the former *BHP* sales staff will be moving to *BH* too.

While *BH* will be similar to *BHP*, Ms. Hilton said it will stress fashion and entertainment more heavily than *BHP* did. And while it won't go out of its way to print bad news, it will not refuse to run bad news as a policy as *BHP* did, she said.

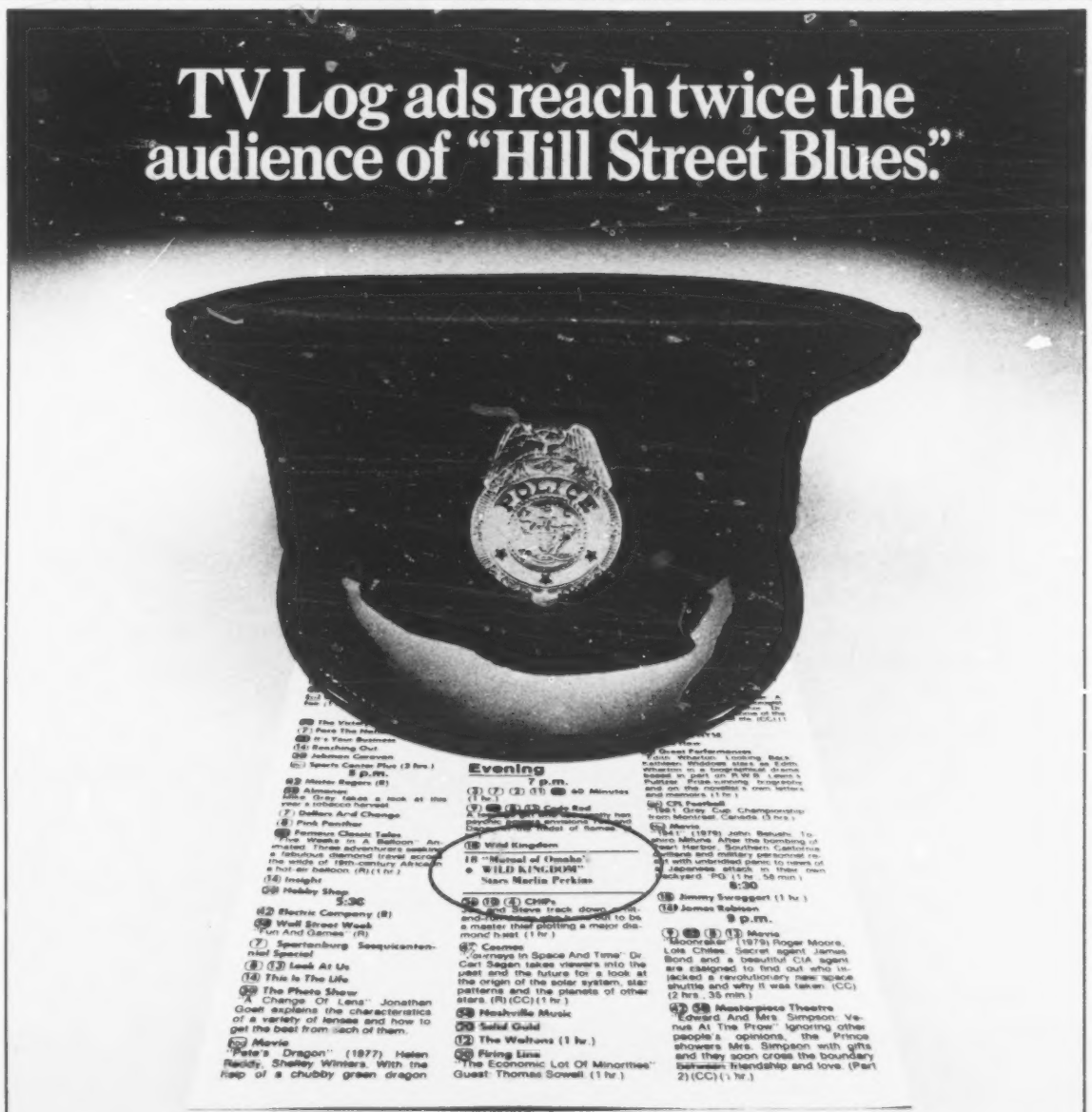
Meanwhile, *BHP* founder and former publisher Mr. Gordon is moving forward with his plans to start the rival monthly glossy magazine, *Bevery Hills World*. A mock-up for advertisers will be ready next month. Mr. Gordon hopes to have the first regular issue distributed in September.

BHW is the first venture of Gordon Communications, a new company Mr. Gordon formed in partnership with ELMS Capital Management, New York.

Along with *BHW*, Mr. Gordon intends to launch a new cable tv program in September—an electronic version of *BHW*.

Joining Mr. Gordon at *BHW* is editor Anne Gilbar, who most recently worked as a free lance writer. From *BHP's* ad staff is Suzanne Miller, who has become vp-retail advertising at *BHW*.#

TV Log ads reach twice the audience of "Hill Street Blues."



Hill Street Blues is enjoying a growing audience and increased ratings. But no TV audience can match the reach of TV Log's 61.7 million circulation. There is no more successful way to support TV advertising buys and gain product and corporate exposure with viewers and non-viewers alike, than with TV Log boldface listings.

TV Log ads appear right within the TV listings of 524 newspaper publications. That's where your ad is seen an average of 2.5 times per day.** Plus TV Log ads are available in one, all or any combination of 90 top TV markets.

So if you're involved in TV, whether it's programming or as an advertiser, let TV Log guarantee your position in the TV listings and in the marketplace.

*Based on tl a Nielsen average audience estimates for the 2 week period ending January 10, 1982.
**Opinion Research Corp.

New York
200 Park Ave., 10017 212/687-0660

Chicago
One East Wacker, 60601 312/644-1655

Los Angeles
1717 N. Highland, 90028 213/466-5375

TV LOG

Building TV audiences for over 25 years.

Abbondanza! Italian wines big gainers

By JOHN J. O'CONNOR

NEW YORK—While the liquor industry with few exceptions was in the doldrums last year, the top 20 imported wines, led by Riunite, racked up an impressive 16% sales gain to 29,572,000 cases in the U.S.

The good news for wine marketers and the depressing news for spirits marketers is contained in *Impact*, the alcoholic beverage newsletter. Marvin Shanken, editor-publisher, noted that while wine contributed to spirits' no-growth showing last year, the nation's economic woes and price hikes for many brands also played a hand.

But, *Impact* noted, the "generally slow economy seems to have played right into the hands of the inexpensive and popular tasting wines being imported into the U.S. from Italy." Terming the progress of the Italian wines "an awesome phenomenon," the newsletter noted that 11 of the 20 best sellers are from that country. Another point *Impact* made: The imported table wine market in this country is now more brand-dominated than at any other time in its history. In 1981, the top 10 imports accounted for 58% of the market segment's total, and the top 20 claimed a shade under 70%.

Villa Banfi U.S.A.'s vino with velocity, Riunite, again was chalking up eye-popping numbers as its 1981 case depletions soared 23% to 11,200,000 cases. It was followed in the top five by four other Italian labels: Cella (Garneau Co., importer), up 15% to 2,750,000 cases; Bolla (Garneau), up 3% to 1,750,000 cases; Folonari ("21" Brands), up 5% to 1,550,000 cases, and Zonin (F. Bonanno), up 25% to 1,500,000 cases.

Further down the list, however, are a "second tier" of Italian wines that *Impact* maintains will "insure the dominance of Italian wines in America for many years to come."

These relative top 20 newcomers include Canei, (Star Industries), which grew 38% to 900,000 cases last year; Barbella (Wellington Importers), up 52% to 500,000 cases; Bellagio (Villa Banfi), up 38% to 400,000 cases, and Principato (Palm Bay Imports), up 133% to 350,000 cases.

Impact also made note of Browne Vintners' Partager, an inexpensive French wine introduced in 1980. In its first full year of national distribution, it rolled up sales of 300,000 cases.

"Clearly," *Impact* noted, "only two countries, Italy and France, outperformed the total imported wine market in America last year. France may at long last be on the road to recovery in the U.S. On the strength of its new, broad and vig-

(Continued on Page 68)

Camera Company Clicks

"We always knew a strong print campaign was vital, along with TV," reports Meg Meyer, Olympus Camera Corporation Advertising Manager. "But it takes a strong publication to really make it click. Visually and verbally, we've found PLAYBOY a terrific tool for serious marketing. One that sharpens our focus on the upscale male we're shooting for–as perhaps no other magazine can."

Rich Griff, Vice-President and Account Supervisor at SSC&B, Olympus' ad agency, exposes the strategic thinking behind the camera company's decision to be in PLAYBOY.

ZOOMS AHEAD

"We're not just witnessing a revolution in 35mm camera sales," Griff says, "we're literally helping achieve it. Olympus is one of the leading manufacturers of automatic single-lens-reflex cameras, most of which are purchased by and for men. By running Olympus in PLAYBOY, using beautiful Cheryl Tiegs as our spokesperson, we're in an environment where both great photography and sophisticated thinking are present. It's a climate that helped catapult Olympus to the elite handful of 35mm volume sales leaders."

DOUBLE EXPOSURE

"There's another bright spot in the PLAYBOY picture," adds Olympus Management Supervisor and SSC&B Senior V.P. Bob Lehman. "PLAYBOY plays a powerful role in the idea marketplace–remember the Carter interview? In the fashion marketplace–where high style and high income go hand in hand. And in the consumer marketplace–where PLAYBOY provides expert advice on everything from cameras to cars to computers. I'm convinced, from my own experience, that PLAYBOY's impressions per issue are the highest anywhere. PLAYBOY gets more readers per issue, and every issue gets read–again and again."

A FINAL SHOT

"In the Eighties, you have to make every dollar work overtime," Griff observes. "The simple fact is, that's what PLAYBOY does for us. And can probably do for anybody with a distinctive product targeted against men, and who can back it up with distinctive ads.

"No, PLAYBOY hasn't replaced TV. But TV hasn't replaced PLAYBOY, either. Nothing has."

And that's the story of Olympus, focusing on the PLAYBOY reader–and developing an even brighter sales picture.

PLAYBOY is a mark of Playboy, Reg. U.S. Pat. Off. © 1982 by Playboy.

account changes

Lowe's cat litters now all at JWT

SOUTH BEND, IND.—Lowe's Inc., marketer of cat box fillers, has consolidated its $3,000,000 advertising account at J. Walter Thompson U.S.A., Chicago, currently handling its Kitty Litter brand. JWT will now have responsibility for Tidy Cat and Tidy Cat 3, a test product, formerly at Dawson, Johns & Black, Chicago.

Other accounts moving:

Whitney Communications Corp., magazine division, New York, to **Gregory & Clyburne** from Graber & Cohen.

Hearst Corp.'s *Colonial Homes*, New York, to **Young & Rubicam Special Markets** from Margeotes/Fertitta & Weiss.

Association of Tequila Products, Guadalajara, Mexico, to **Clinton E. Frank Inc.**, Chicago, its first agency. Budget estimated at $750,000.

McCord Gasket division of Ex-Cell-O Corp., Detroit, to **Urda Co.**, Akron, O., from Barkley & Evergreen, Kansas City.

Gorman Publishing Co., Chicago, to **Smith Badofsky & Raffel** from in-house. Budget is estimated at $400,000.

Andes Candies, Delavan, Wis., to **Tatham-Laird & Kudner**, Chicago, its first agency.

White Farm Equipment, Oak Brook, Ill., to **John Volk Co.**, Chicago, from Rhea & Kaiser.

Blue Cross and Blue Shield of Illinois, to Stern Walters/Earle Ludgin, Chicago, from Campbell-Mithun. Budget estimated at $500,000.

Naked Furniture, Lombard, Ill., to **Chartoc Creative**, Kenilworth, Ill., from Smith Badofsky & Raffel, Chicago.

Gartland Foundry, Terre Haute, Ind., to **Joe Newman Advertising**, Indianapolis, its first agency.

Spraying Systems Co., Wheaton, Ill., to **Kolb & Bauman**, Chicago, from in-house.

Video Products Group of NEC Home Electronics, Elk Grove, Ill., to **BBDM** as its first agency.

Hyatt Hotels Corp.'s Southern California region to **Klein/Richardson**, Beverly Hills, the first agency.

El Torito-La Fiesta, a chain of 10 midwestern Mexican restaurants, Irvine, Cal., to **Dawson, Johns & Black**, Chicago, its first agency.

Flotech Inc., Framingham, Mass., marketer of Tufoil lubricant concentrate for automotive, industrial and consumer markets, to **Contemporary Marketing Inc.**, Bala-Cynwyd, Pa., from Sharp Advertising, Cleveland.

Allenair Corp., Mineola, N.Y., marketer of fluid power products, to **Cooper Leder Inc.**, Lake Success, N.Y., from Gilbert S. Nearman Co., Garden City, N.Y.

Jacksonville Tea Men of the North American Soccer League, to **William Cook Advertising**, Jacksonville, Fla., the team's first agency.

Northeastern Airlines, a regional airline based in Fort Lauderdale, to **Creative Consultants Group**, its first agency.

Sideband Technology, Rochester, N.Y., developer of mobile radio equipment, to **Verno Associates Inc.**, its first agency.

Mahon's Express, Newark, N.J., a trucking company, to **Berner Associates**, Clifton, N.J., its first agency.

LeMans Group Ltd., Lancaster, Pa., a lease management systems company, to **Kelly Advertising**, Lancaster, its first agency.

Heath & Co., St. Petersburg, Fla., marketer of illuminated signs, to **Y&R/Zemp Inc.**, its first agency.

WNEW-TV, New York, to **Berenter Greenhouse Elgort** for its consumer and trade advertising account, estimated by the agency at $1,000,000. The Metromedia station formerly had been at Ogilvy & Mather.

Roth Young Personnel Service, New York, to **Wills Group**, Philadelphia, from in-house.

Stark Bros. Nurseries & Orchards, Louisiana, Mo., to **Frank Vos Co.**, New York, from **Brand-Edmonds**, Richmond, Va.

Sherman Industries, Palmyra, N.J., to **Voight, Brown, DeMarco Associates**, Philadelphia, from in-house.

McGraw-Edison Co.'s Clarke division, Grand Rapids, Mich., marketer of floor maintenance equipment, to **John F. Kolody Inc.**, New York, from Nordstrom/Cox, Grand Rapids.

Prep International, Princeton, N.J., a supplier of vocational education training and assessment systems, to **Gillespie Organization**, Princeton, N.J., its first agency.

C & S Railcar Corp., Cheseapeake, Va., marketer of railcars and industrial fabrication, to **Group Two**, Philadelphia, its first agency.

Bonney Forge, Allentown, Pa., a division of Gulf & Western and marketer of O'let branch connections, forged steel fittings and unions, to **Stiegler & Wells**, Allentown, its first agency.

Mecca Machinery Corp., Newtown, Pa., marketer of machine parts, to **Sydney Schreiber Inc.**, Philadelphia.

Academy of Natural Sciences, Philadelphia, to **Weightman Advertising**, its first agency.

Little Caesar's Enterprises pizza chain, Farmington Hills, Mich., to **Burton Advertising** from Sohigian & Co.

Nature's Family, Van Nuys, Cal., hair and skincare product distributor, to **Mars Advertising**, Southfield, Mich., from Faber Shervey Advertising, Minneapolis. Budget is estimated at $1,000,000.

Bradford Hotels, Dallas, to **GSD&M/Johnston** for advertising and pr, its first agency of record.

The Downs at Santa Fe, thoroughbred horse-racing track, to **Rick Johnson & Associates**. Albuquerque, from Epstein Enterprises.

Wagner-Hohns-Inglis, La Crescenta, Cal., construction industry consultant, to BBDO's **Doremus/West**, Los Angeles, from John Kubasek & Associates, Staten Island, N.Y.

Countrywide Securities Corp., Los Angeles, marketer of Government National Mortgage Assn. securities, to **Evans/Weinberg**, first agency.

Gavon Inc., Los Alamitos, Cal., marketer of leisure products, to **Cox Burch Advertising**, Newport Beach, Cal., the first agency.

Operadora Hotelera Quetzalli, operator of hotels in Mexico, to **Carter Advertising**, New Orleans, for U.S. and European advertising.#

Top 20 distilled spirits brands in 1981

Rank	Brand	1981 Depletion Equivalents (000 9-liter cases)	Percent Change 1980-1981	Average Annual Compound Growth Rate 1970-1980
1	BACARDI	8,655	1%	12%
2	SMIRNOFF	7,370	–1	7
3	SEAGRAM'S 7 CROWN	6,250	6	–2
4	SEAGRAM'S VO	4,200	4	1
5	JIM BEAM	3,960	4	3
6	JACK DANIEL'S BLACK	3,770	19	16
7	CANADIAN CLUB	3,700	–4	1
8	SEAGRAM'S GIN	3,450	3	10
9	POPOV	3,340	–10	15
10	CANADIAN MIST	3,290	8	16
11	GORDON'S GIN	2,940	3	1
12	WINDSOR SUPREME	2,840	—	5
13	J & B	2,520	–4	—
14	GORDON'S VODKA	2,460	4	7
15	DEWAR'S	2,400	3	3
16	GILBEY'S GIN	2,365	—	1
17	BLACK VELVET	2,150	2	15
18	KAMCHATKA	2,060	—	13
19	ANCIENT AGE	1,990	–9	1
20	GILBEY'S VODKA	1,975	5	6

Source: IMPACT DATABANK

Top 20 imported wine depletion analysis

(Thousands of nine-liter cases)

Rank	Brand	1981 Depletions	Percent Change 1980-1981
1	RIUNITE	11,200	23%
2	CELLA	2,750	15
3	BOLLA	1,590	3
4	FOLONARI	1,550	5
5	ZONIN	1,500	25
6	GIACOBAZZI	1,390	3
7	BLUE NUN	1,300	3
7	MATEUS	1,300	5
8	YAGO	1,100	4
9	LANCERS	905	1
10	CANEI	900	38
11	B&G	625	108
12	VILLA BANFI	540	17
13	BARBELLA	500	52
13	KREUSCH	500	–17
14	TYTELL	420	2
15	CRUZ GARCIA REAL	410	–5
16	BELL'AGIO	400	38
17	PRINCIPATO	350	133
18	MOUTON CADET	342	18%

Source: IMPACT DATABANK

Liquor study

(Continued from Page 20)

orous brand development programs (*e.g.*, Partager) the category is likely to get a strong shot in the arm in 1982, 1983 and 1984. French table wines were up 32% in 1981, "one of their best years ever."

As for liquors, the newsletter pointed to the slowdown in the growth of market leader Bacardi rum (Bacardi Imports) as indicative of the industry in general. Bacardi's sales, following three years of strong growth, were up only 1% to 8,655,000 cases. Reasons given for Bacardi's slowdown were the economy, accelerated consumer switching to white wine and stepped-up competition from lower-priced rums.

Once again, the bright spot in the liquor segment was the performance of Brown-Forman's Jack Daniel's bourbon, whose sales climbed 19% to 3,770,000 cases last year.#

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SM-3005-81

We are what we eat

By Channing Stowell

The Campbell Soup Co.'s "Soup is good food" campaign shows how American food consumption patterns have changed over the last decade and a half. The smart marketer these days is recognizing how important nutritional content and value have become to consumers.

And that's not even to mention the stress placed on quality and convenience.

It is this kind of change in food consumption patterns that Market Research Corp. of America's National Household Menu Census tracks and of which food industry marketers can take full advantage of.

What the most recent data show are the continuation of trends recorded earlier and the development of new patterns with which marketers have to contend.(**Editor's note:** See AA, April 29, 1979, for a report on Menu Census for the 1977-78 period.)

All of it reflects how the American consumer has changed since the post-World War II baby boom has come to make up a significant portion of the nation's household managers.

This generation—or at least large numbers of its members—brought with it not just new values and behavior regarding such issues as the role of women, family size, "self" and the importance of education. They also voiced loudly their concerns regarding food, diet and body. Supported and encouraged by an activist Washington bureaucracy, this generation helped make the public aware of—perhaps the first time—questions regarding the nutritive contents and possible harmful effects of various foods. Not only were calories' nutritional contents examined, but so was the use of chemical additives and preservatives in various foods.

During the early 1970s the U.S. food industry found itself too often the effect—not the cause—of the profound changes in attitudes and behavior involving food preparation and consumption.

Once the 1974-75 recession ended, the industry gradually began to awaken to the significant opportunities presented by these new preferences, attitudes and emerging behavior patterns concerning food. Large portions of the industry—as is true in other sectors of our economy—remain mired in the traditional, short-term thinking necessary for the brand management system to survive.

However, ever increasing numbers of marketing organizations (trade associations and cooperatives, as well as corporations) are successfully offering dynamic programs of food product communication and services to address the many segments of this marketplace.

The concern for nutritional content and value is one thing that more marketers are addressing. The Campbell campaign, for instance, surpasses in breadth "nutritional" efforts by such marketers as RJR Foods' Chun King and several yogurt makers. Their messages had heavy, cosmetic overrides—"For a beautiful body."

To see that we have all "Come a long way, baby," examine a potato chip label. The words, "contains *no* preservatives," are virtually a standard necessity, and no longer a point of competitive difference. Note the nutritionally based campaigns in the cereal market—fiber, vitamins, whole grains—culminating with Kellogg Co.'s major introduction of an entire line of completely sugarfree cereals.

At the same time, to underscore how the industry has finally seen the importance consumers now place on quality and convenience, note the successful proliferation in the freezer chest of high quality, higher priced (expensive!) entree items. Significant segments of consumers

This generation brought with it not just new values and behavior regarding such issues as the role of women, their family size, "self" and the importance of education. They also voiced loudly their concerns regarding food, diet and body.

are willing to pay for these benefits—when the product delivers. The continued expansion of away from home consumption is, of course, the strong expression of the need for convenience.

With that backdrop, let's examine the recent changes in America's food behavior from the first year of MRCA's Continuous Menu Census Service. I shall compare behavior occurring in the year ended June, 1981, with that ending June, 1978. However, given increasing prices present during the recent year, 1975 behavior, a year when our economy was in similar straits will also be used.

Where we eat

Away-from-home eating, as predicted from 1978 Menu Census information, continued dramatic growth through 1981. In the face of inflation and high unemployment, it increased by more than 10% per capita to more than 15% of all main meal consumption (up from less than 14% in 1977-78).

This growth was at the same rate across all three meals. Lunch, however, because of the increasing number of women in the labor force, had the single largest share gain—more than two points. Almost a fourth of lunches are now consumed away from home.

The rate of increase was similar in all age groups under 65; the rate for those over 65 increased only a third as quickly as the other groups.

This growth pattern did not include a defensive fast-food industry, which was engaged in a major share battle.

Portions of the food service business accounting for the growth included grocery and convenience stores and in-plant or office building establishments.

Facing competiton from meal skipping (almost 10% of meals are skipped), as well as from away-from-home consumption, the inhome meal continued to wane.

Currently, only about 70% of meals are eaten at home, down from 75% in 1973, 74% in 1975 and 72% in 1978.

Declines were measured across all meals. Less than 50% of lunches are eaten at home. Breakfast remains the meal most frequently consumed at home (over 84%), while 78% of evening meals are eaten there.

The declines also were measured across all age groups except those over 65, which stayed about the same in inhome meal consumption.

The stability of "brown bag" or carried meals—which amount to just more than 4% of total main meals—is attributable to the continued influx on women into the work force, a declining child population and unemployed (primarily) blue collar workers. Carried snacks—in addition to lunches—are becoming an ever more important factor.

How we eat

Increased inhome snacking (reversing a long term decline), coupled with a greater level (10%) skipping of main meals, indicates that we are becoming a nation of "grazers."

The declining pattern of inhome snacking over the last five years was reversed. Significant snacking gains now are occurring throughout all age groups except the 6 to 12-year-olds (already a major group of carried and away-from-home snackers).

Gains were posted across all snack occasions, morning, afternoon, evening and bedtime.

The trend toward fewer dishes served per meal continued. This is another result of the increased desire for convenience, a trend that has prevailed for more than 15 years.

Of significant interest has been the continued proliferation of microwave ovens; their market penetration is now above 20%. The growth has occurred throughout most segments of our household population. The onetime strong skews toward upper income, large family and working woman households have diminished significantly.

Dieting

For the first time in the 25-year history of the Menu Census, the proportion of the adult population on a weight loss diet declined. Less than 15% of adult males and 31% of women were on a diet to lose weight—down from 18% and 36% in 1977-78.

In the 1977-78 study, it was noted that behaviors of these dieters were beginning to match their attitudes. The decline in number perhaps is an indication that some were actually successful!

Elsewhere, publicity over the side effects of "too much" salt was showing its effects. There was a 50% increase in the percentage of population on a low sodium diet.

What we eat

The basic tastes of the American population continued to change, affected sometimes significantly by supply side factors. This flux presents real opportunities for a number of marketers—opportunities seized by only a few groups so far. Many major marketers remain defensive, reacting *to* as opposed to at least interacting *with* or even influencing their markets.

Beverages

The major story here was the continued decline in coffee consumption. The issue was not one of price; it was the failure to renew a franchise among the younger segments of the U.S. population. While decaffeinated forms continued to make major gains, total coffee consumption was off—away from home as well as inhome. The younger an adult was, the less likely he or she was to be a coffee drinker.

On the rise were both carbonated and noncarbonated beverages and juices. Tea remained unchanged. Milk consumption as a beverage continued to decline, with substantial share losses both inhome and away from home. The mammoth conversion from whole to skim/low fat forms continued despite counterproductive government price supports, paid on the basis of butter fat content.

With juice varieties other than orange on the rise, this category continued to gain share. And such varieties—far more than orange—were becoming a kind of snack food. Orange juice, despite a long advertising campaign, remained primarily "just for breakfast."

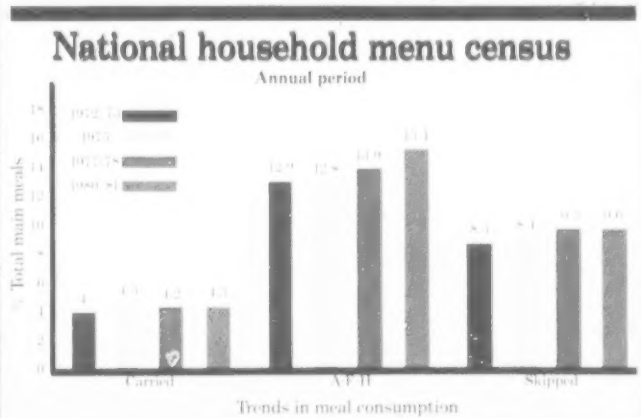
Alcoholic beverages continued a rise in away-from-home consumption. Inhome consumption was back up across virtually all product segments, reversing years of decline.

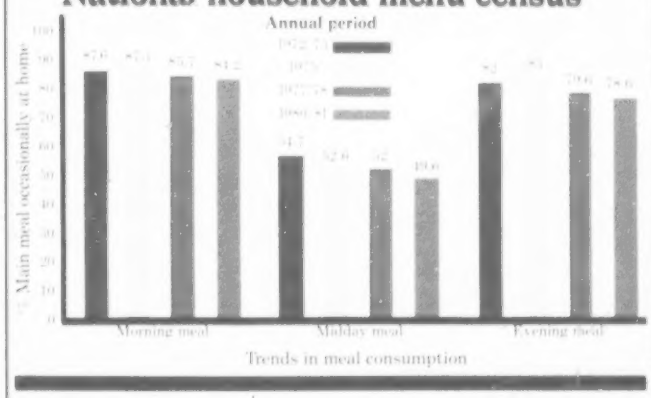
For a number of years, only wines and the cordials/liqueurs showed growth inhome. Latest findings showed both beer and liquor-based drinks are enjoying inhome increases as well.

Meat, fish, poultry

The myopia of major segments of the food industry is nowhere better exemplified than the failure of most marketers to conceive and implement coherent marketing plans to take advantage of the decline in beef consumption, a market trend forecasted long ago.

The steer's direct competitors—pork, chicken, turkey and sea food—all failed to change market share from anything other than price. Moreover, marketers of major side dishes—potatoes, pasta, vegetables—failed to anticipate how mix of foods consumed would change when beef





Channing Stowell is a vp with Market Research Corp. of America, Northbrook, Ill. His report on the 1977-78 National Household Menu Census appeared in the April 30, 1979, issue of Section 2/Grocery Marketing.

steaks and roasts were absent from the table. Many of these side dish marketers did little to even mitigate the effects, much less seize the opportunities.

The beef industry itself failed to recognize the resistance of the consumer to higher prices and was forced to "grind up" more of the steer than ever—thereby neglecting some of the positive margin effects expected from reduced herds.

Beef steaks and roasts consumed in the home fell almost 20%, ground beef usage only 4%. Rates of beef decline away from home, however, were half those of in the home. It would be easier to understand these changes once it is recognized that these declines mean a drop of more than 5 billion consumption occasions.

Pork, chicken and turkey consumption all increased substantially. Unfortunately, for both the pork and poultry industries, this expansion was to a large extent below cost. The poultry industry is an especially outstanding example of a major sector of the food business functioning—unprofitably—in almost *total* ignorance of marketing. Viewing their markets almost completely from the production vantage, they compete totally on the basis of price. Significantly, the greatest increase in chicken consumption was *carried* inhome.

Over-all, the 1980-1981 data showed the continued decline of meat, fish or poultry as end dishes and the continued growth of their use as sandwiches and ingredients to other dishes. What this shows is the continuing desire to stretch the use of flesh products economically, nutritionally and in terms of calories.

Entrees

Given the "stretching" of our use of meats, fish and poultry—a behavior long prevalent among our European, Latin and Oriental neighbors—it is not surprising that the ethnic food category remained the major area of main dish growth.

Growth pervaded all sectors of this market: Away-from-home and inhome, frozen, carry-in, canned and made-at-home. Oriental, Mexican and Italian foods were increasing, and the now "All American" pizza pie continued similar expansion across the board—all segments increasing significantly.

Traditional "hard times" dishes such as chili and baked beans enjoyed growth, as did all but the "kit" segment of pasta and rice dishes.

Sandwiches

The total sandwich market enjoyed major growth. Hamburgers reflect America's continuing desire to diminish its sweet tooth. Sandwiches with fruit spreads fell almost 10%. At the same time, the rate of decline for sandwiches with butter or margarine was twice as fast.

All the other major segments, except salami and bologna, remained strong. Bologna and salami's declines were probably influenced significantly by the high unemployment levels in mid-America, as well as the continued drop in number of children ages 6 to 12.

Sandwich consumption away from home also grew. But hamburger and cheeseburgers declined for the first time. Poultry-based sandwiches led increases, as the fast-food industry began the natural expansion of its new product line.

Sauces/condiments

The changing entree and meat consumption patterns present substantial opportunities for marketers of condiments and sauces. Catsup, mustard and barbecue sauces showed substantial gains. The ready-to-eat spaghetti sauce category's expansion has come at the expense of the homemade category—stopping the growth of the last "great bastion" of homemade sauces. Homemade gravies were declining substantially.

Side dishes

Potato consumption continued to fall, while commercial stuffing consumption took its place. Vegetables—especially canned varieties—continued to decline, but fresh produce continued to make gains.

Of note was the stabilization of the use of breads and rolls as side dishes. This was the first evidence that this industry finally discovered marketing—successfully communicating some positive values of its products. The natural, whole wheat and grain products continued their boom.

The groundswell for nutrition has begun. Markets have reached sufficient size for even the "mass marketers" to attempt to enter them .... With critical mass present, more and more products will be based on "good for you" themes.

The home-prepared products in this market (rolls, biscuits, as well as bread) also enjoyed growth, at the expense of frozen or refrigerated products. This is typical of "recession" behavior. But highlighting the additional value of convenience was that the growth in 1980-81 was from all-purpose mixes, not from flour as in 1975.

Snacks

Total "salty snacks" consumption, reflecting the inhome turnaround in snacking, was up more than 10%, reversing the long-term decline resulting from the short-lived success of processed potato chips.

Corn-based chips and popcorn each increased by about one-fourth. Pretzels, nuts and seeds also grew. Potato chips gained only slightly.

Other snack-type products continued to benefit, as well, from America's swing away from hot beverages. Snack crackers especially were major winners, gaining by more than 25%. Snack consumption of a number of other types of products not traditionally viewed as snacks—vegetables, sandwiches, salads—also increased.

Corn chip consumption away from home increased by 50% and extruded snacks by even more. Other categories were soft, with potato chips in a major decline.

Sweets

The only sweet products besides fruits that managed to register long-term slides in inhome consumption were those that feature portability and individual portions—candy, cookies, frozen novelties and brownies. The other major cold and baked sweet good markets continued to erode. Cold sweet goods declined 7%; baked, only 2%.

Scratch baking of cakes continued to remain strong, much to the chagrin of mix and ready-to-eat marketers. And the revitalized marketing of commercial pie crusts (up 16%) benefited the pie market at the expense of frozen products (22%).

Inhome sugar consumption increased, owing to a resurgence in "scratch" baking of sweet goods. Baking candies were also up more than 10%. Sugar substitutes were declining.

Away-from-home consumption increased in several baked/fried sweet goods categories—donuts, cakes and cookies—offsetting the decline in pies and resulting in a net increase in the total market. However, the rate of increase is far below that for other foods consumed away from home. Further evidence of our declining sweet tooth was the decline in consumption of cold sweet goods away from home.

Fresh and dried fruits benefited significantly from the decline of other sweet goods. Canned products, however, were off more than 10%. Grapes were up by more than 50%; raisins by more than 20%, and apples, bananas and pineapples by more than 10%. The use of fruit as an ingredient of baked goods, as well as on cereals and for "as is" consumption, continued to grow.

Fastest Growing Categories, 1980-81

Dry Grocery: Food

Category	52-Week Tonnage
Diet canned vegetables	+65.9%
Miscellaneous snacks & dips	62.5
Warehoused corn snacks	53.3
Bottled water	29.7
Cereal meal bars	27.3
Fruit pectin	18.8
Dried figs	18.3
Apple juice	16.6
Popcorn	14.3
Dehydrated soup	12.5

Frozen & Refrigerated

Category	52-Week Tonnage
Refrigerated spreads	+138.4%
Prepared vegetables/without sauce	86.2
Puddings	84.5
Apple juice/cider	37.5
Salad dressings & sauces	29.3
Yogurt	28.0
Miscellaneous yogurt products	25.5
Other foods (pancake batter, microwave popcorn, etc.)	20.4
English muffins	11.5
Cream cheese	10.9

Source: Selling-Areas Marketing Inc.

Sharpest declining categories, 1980-81

Dry Grocery: Food

Category	52-Week Tonnage
Package chocolate covered nuts	−23.5%
Diet canned fruit	19.1
Measured diet meals	15.4
Canned corn	14.7
Non corn & non maple syrups	13.1
Semimoist dog food	11.9
Canned miscellaneous beef & pork	11.6
Powdered milk	11.0
Package tea	10.8
Dates	10.5

Frozen & Refrigerated

Category	52-Week Tonnage
Melon balls	−15.3%
Cauliflower	12.5
Asparagus	12.1
Prepared vegetables/butter sauce	11.2
Herring	10.9
Regular dinners (nonethnic)	9.6
Strawberries	9.6
Sweet goods	8.1
Nationality foods (other than Mexican & Chinese)	7.9
Southern vegetables	7.4

Source: Selling-Areas Marketing Inc.

Summary

Placing all of these changes in longer term perspective, it is obvious that major changes in the food industry will continue. Among the most certain are:

- The groundswell for nutrition has begun. Markets have reached sufficient size for even the "mass marketers" to attempt to enter them. With critical mass marketers present, more and more products will be based on "good for you" themes. Such themes will spread rapidly into the fast-food industry. Those marketers who have in the past attempted to be "all things to all people" will find heavy resistance in regaining their credibility and also in dealing with these new segments.
- With respect to consumer tastes, red meats will continue to decline. The beef industry will not replace the volume lost. Poultry will gain, but not at a profit until that industry discovers marketing. The opportunity for seafood is immense and the focus turns more to the supply side than ever before.
- The inhome food market will continue to decline until either Alvin Toffler's "Third Wave" or the home entertainment center becomes a reality. The continued increase in the number of working women and the shift in our basic life styles underlie this trend.
- The fast-food industry will remain in a major internal "share" battle. Product lines will expand to handle the increasingly segmented tastes of the population.
- Under severe cost and margin pressure, the food industry initially will continue to be rampant with mergers and acquisitions.

Quite probably, this will lead to legislation—already mentioned in the latest session of Congress—placing much stronger limits on this activity.

- Eventually, both inhome and away-from-home food marketers will abandon their volume growth objectives and increasingly focus on the bottom line and return on investment, which is already happening to a limited degree in many industries. This will involve abandonment of unprofitable lines and even business areas.
- Now that marketers are beginning to respond to consumers and offering nutritious products that also have taste, the transformation of the U.S. food industry will need new "partnering" to clean up the morass of counterproductive regulations, price supports, grading, marketing orders and the like. Consumers, corporations, producers and bureaucrats and possibly even elected officials will begin to untangle the web that exists.

Such issues as grading of beef based on fat content, paying the dairy industry on the basis of butter fat and requiring package labeling that mainly confuses the consumer must be addressed with efforts beyond the lip service of today. So too will the much larger concerns of artificially limiting available market supplies to keep prices high.

videotech

ABC leads in reaching key male segment

By JAMES P. FORKAN

NEW YORK—In the latest available Nielsen demographic numbers, ABC and CBS were even in reaching women 18 to 49, but ABC pulled ahead among their male counterparts. Still, both those important advertiser target segments are down from last season.

According to Joel Segal, senior vp, Ted Bates & Co., all three nets showed slight slippage (3% to 4%) in luring those women, while both CBS and NBC suffered drops among the men in that age group. CBS is off about 4% among those males and NBC has plummeted 18%, with only ABC gaining, by 6%, Mr. Segal noted.

As he saw it, sports and movies are the primary "prime time grabbers" for these young men, and since the nets reduced movie nights last fall they "looked elsewhere for their movies," e.g., pay and basic cable channels. The greater availability of cable sports also is having some impact, he felt.

Based on the averages for all 90 shows broadcast during the 18 weeks ended Feb. 7, ABC and CBS tied at a 13.9 rating among women 18 to 49, while CBS led with femmes 25 to 54, its 15 rating topping ABC's 14.2. Among men 18 to 49, ABC's 13.6 easily beat CBS' 11, with ABC also topping CBS in viewing by men 25 to 54, 14.1 to 12.4. Although NBC also lost among households with $20,000-plus in income (AA, March 8), its 15.5 average was better than in the other breakouts, behind ABC's 18 rating and CBS' 16. ABC led among teens, while CBS held the over-all edge among children two to 11.

Many of these demographic top tenners were separated by only a fraction of a ratings point. "Hart to Hart" and "Hill Street Blues," for instance, were just 0.1 points apart among females 18 to 49, and the gap between "60 Minutes" and "Happy Days" was not much more than that. Similarly slight margins separated the tv news magazine from "M*A*S*H," and "Too Close for Comfort" from two other favorites among women 25 to 54.

Among males 18 to 49, "Hill Street" and two others were within 0.2 points of each other. "Hart's" lead over "M*A*S*H," and that Korean war sitcom's edge over "Three's Company," also worked out to just 0.2. Viewing by males 25 to 54 gave "Dallas" a lead over ABC's Monday films that was the same— 0.2 points— as that separating "Fall Guy" from CBS' Saturday flicks and the latter package from "M*A*S*H." Families in the $20,000-plus income chart liked the urbane Harts more than the middle-class Fonzie & Co. by that same fine margin, 0.2 points.

ABC's demographic numbers for its Sunday movies were bolstered by such titles as "Superman," "Close Encounters of the Third Kind," "Grease," "Moonraker," "Meteor," "Slap Shot," "Onion Field" and two James Bond reruns, "Diamonds Are Forever" and "Thunderball." Its Monday film packet, beginning after its Monday NFL season closed, included the made-for-tv "Fantasies" and "Victims."

NBC's Sunday flicks and CBS' Saturday features both scored well among men 25 to 54. NBC's titles included "World War III," "Will," "Young Frankenstein," "North Dallas Forty" and "Death of a Centerfold," while CBS' ranged from "Help Wanted: Male" and "Murder Is Easy" to "Revenge of the Pink Panther" and reruns of "Foul Play" and "Silver Streak."

A dozen prime timers that failed to crack into the other Nielsen demographic top 10 lists did rank highly with teens aged 12 to 17 and children in the two to 11 bracket. Three of these, CBS' "Incredible Hulk" and NBC's "Here's Boomer" and "The Flintstones," were stopgap series earlier this season, filling in due to the actors' strike. The only series to lead with both teens and children also were the longest running favorites—the 6-year-old "Laverne," five-year "Dukes," five-year "CHiPs," and the two-season "Hero."#

Demographic ratings

Prime time network tv

(Nielsen data for the 18 weeks from Oct. 5 through Feb. 7)

Household ratings
1. "60 Minutes" (CBS) 28.9
2. "Dallas" (CBS) 28.8
3. "ABC Sunday Night Movie" 25.7
4. "Three's Company" (ABC) 23.4
5. "M*A*S*H" (CBS) 23.2
6. "Alice" (CBS) 23.1
   "The Jeffersons" (CBS) 23.1
8. "Dukes of Hazzard" (CBS) 22.9
9. "One Day at a Time" (CBS) 22.6
10. "Archie Bunker's Place" (CBS) 22.0

Women 18 to 49
1. "Dallas" (CBS) 23.2
2. "ABC Monday Night Movie" 21.4
3. "Three's Company" (ABC) 18.9
4. "Too Close for Comfort" (ABC) 18.5
5. "ABC Sunday Night Movie" 18.0
6. "M*A*S*H" (CBS) 17.6
7. "Hart to Hart" (ABC) 17.2
8. "Hill Street Blues" (NBC) 17.1
9. "Happy Days" (ABC) 16.6
10. "60 Minutes" (CBS) 16.4

Women 25 to 54
1. "Dallas" (CBS) 24.4
2. "ABC Monday Night Movie" 22.1
3. "60 Minutes" (CBS) 19.3
4. "M*A*S*H" (CBS) 19.2
5. "ABC Sunday Night Movie" 18.8
6. "Three's Company" (ABC) 18.0
7. "Too Close for Comfort" (ABC) 17.5
8. "Hart to Hart" (ABC) 17.3
   "Hill Street Blues" (NBC) 17.3
10. "Jeffersons" (CBS) 16.8

Men 18 to 49
1. "Monday Night Football" (ABC) 21.5
2. "ABC Sunday Night Movie" 20.4
3. "60 Minutes" (CBS) 17.8
4. "ABC Monday Night Movie" 15.6
   "Hill Street Blues" (NBC) 15.6
6. "Fall Guy" (ABC) 15.5
7. "Dallas" (CBS) 15.4
8. "Hart to Hart" (ABC) 14.3
9. "M*A*S*H" (CBS) 14.1
10. "Three's Company" (ABC) 13.9

Men 25 to 54
1. "Monday Night Football" (ABC) 22.4
2. "ABC Sunday Night Movie" 21.2
   "60 Minutes" (CBS) 21.2
4. "Hill Street Blues" (NBC) 17.0
5. "Dallas" (CBS) 16.6
6. "ABC Monday Night Movie" 16.4
7. "Fall Guy" (ABC) 15.8
8. "CBS Saturday Night Movie" 15.6
9. "M*A*S*H" (CBS) 15.4
10. "Today's FBI" (ABC) 15.0
    "NBC Sunday Night Movie" 15.0

$20,000+ household income
1. "60 Minutes" (CBS) 31.8
2. "Dallas" (CBS) 29.3
3. "Monday Night Football" (ABC) 28.7
4. "ABC Monday Night Movie" 28.0
5. "Three's Company" (ABC) 27.3
6. "M*A*S*H" (CBS) 26.7
7. "Too Close for Comfort" (ABC) 26.2
8. "Hart to Hart" (ABC) 24.8
9. "Happy Days" (ABC) 24.6
10. "Laverne & Shirley" (ABC) 24.2

Teens (12 to 17)
1. "Three's Company" (ABC) 22.6
2. "Happy Days" (ABC) 21.6
   "Laverne & Shirley (ABC) 21.6
4. "Too Close for Comfort" (ABC) 19.9
5. "CHiPs" (NBC) 17.2
6. "Fame" (NBC) 16.3
7. "Greatest American Hero" (ABC) 16.0
8. "ABC Sunday Night Movie" 15.1
9. "Dukes of Hazzard" (CBS) 15.0
   "Love Boat" (ABC) 15.0

Children (2 to 11)
1. "Dukes of Hazzard" (CBS) 32.7
2. "Walt Disney" (CBS) 27.4
3. "Happy Days" (ABC) 22.5
4. "Incredible Hulk" (CBS) 22.4
5. "Laverne & Shirley" (ABC) 21.5
6. "Greatest American Hero" (ABC) 21.1
7. "Here's Boomer" (NBC) 20.6
8. "Flintstones" (NBC) 20.4
9. "CHiPs" (NBC) 20.2
10. "Mr. Merlin" (CBS) 17.6
    "Mork & Mindy" (ABC) 17.6

STC releases dish data

WASHINGTON—Satellite Television Corp., Comsat's satellite pay tv subsidiary, has released technical specifications for the 30-in. dish antenna and other home equipment that consumers will need to pick up programing it hopes to beam down from a direct broadcast satellite. The company wants to spur equipment makers to have gear ready for the marketplace if and when its programing service becomes available in the mid-1980s. Comsat's application for satellite-to-home tv service is currently pending at the Federal Communications Commission.

Polident

(Continued from Page 55)

and familiar one, there simply was not enough hammering home of the brand name," Mr. Dupont explained.

He said the creative team developed a new commercial that adheres to nine rules Mr. Dupont set forth for communicating effectively to senior citizens and, he noted, the new spot tested "better than any other Polident commercial in recent history. Since that commercial and its successors went on the air in the latter part of 1980, Polident sales have increased more dramatically than they ever have in the past."

The nine guidelines he set forth for more effective advertising to the elderly: "1. Keep the language simple. 2. Present a clear, bright, sharp picture. 3. Use action. 4. Keep word-count low and speak clearly. 5. Be single minded. 6. Avoid extraneous stimuli. 7. Relate new information to something familiar. 8. Present elderly as useful, competent, coping. 9. Use active, attractive actors, but don't go overboard."#

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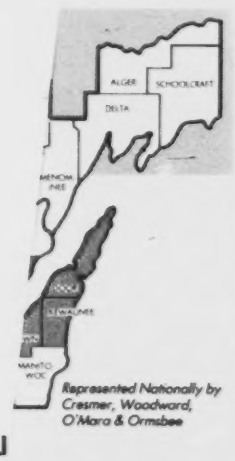

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Buying ....
The Green Bay ADI is a two-newspaper buy, and Appleton is by far the leader.

	COUNTIES	POPULATION	% OF ADI	HOUSEHOLDS	% OF ADI
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C2710-1

3/22/82

Advertising Age®

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$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *March 22, 1982*

Principals in $1.3 billion agency

Maurice Saatchi (l.), director of Saatchi & Saatchi Co., London, and Milton Gossett, chairman-chief executive officer of Compton Advertising, New York, finalized the deal last week that created Saatchi & Saatchi Compton Worldwide, an international agency with billings of $1.3 billion.

Miller's FTC plan draws fire

WASHINGTON—Advertising associations are telling Congress they'll have to consult their members before taking a stand on Federal Trade Commission chairman James C. Miller III's plan to narrow commission powers over deceptive advertising. The chairman last week warned that "virtually any ad can be found deceptive" unless Congress intervenes.

William C. Rogal, general counsel for the American Advertising Federation, a lead spokesman for the ad groups, is telling senators the associations still prefer to focus on ending FTC's power to prosecute "unfair" advertising. "When the chairman of the Federal Trade Commission makes a proposal, however, we've got to take it seriously. We will be asking our members what they think the impact of his proposals would be."

The chairman made his pitch for narrowed authority over deceptive ads as Congress last week opened hearings on legislation to extend FTC operating authority beyond Sept. 30, when its current operating charter expires. Chairman Miller's top consumer protection specialist, Tim Muris, had previously hinted at the chairman's thinking at a recent session with AAF leaders (AA, March 1).

Chairman Miller explains bid for narrowing powers—Page 3.

FTC commissioner Michael Pertschuk, the commission's lone Democrat, immediately challenged chairman Miller's request that Congress insert language in the law to define deceptive advertising, a question the law makers have until now left to the commission and the courts.

In a bristling letter to the Senate commerce committee, commissioner Pertschuk noted that no other FTC member supports the chairman's deceptive advertising plan and that, "to the best of my

(Continued on Page 84)

AGENCY MERGER RUSH

Future shaky for many big independents

NEW YORK—The creation of Saatchi & Saatchi Compton Worldwide, coming on the heels of the Ted Bates-William Esty deal in February, and last week's buy-out of Cunningham & Walsh by Newcourt Corp., a publicly held investment organization, is taken by industry people as new evidence that time is running out for a number of well-known agencies.

They see the merger process, already in high gear, gaining additional speed now because the remaining "eligibles"—independent agencies that have reached their maturity headed by principals who are approaching retirement age—will be tempted to "cash in their chips." For these executives to do so, they must go to the marketplace and find out what they and their agencies can fetch. And they now must make that move while there are still "eligible" agencies available. One view is that by the late '80s five to ten huge companies will dominate the business.

With this in mind, rumors continue to circulate about pending deals. One report last week—that Foote, Cone & Belding and Needham, Harper & Steers would get together in some way—was roundly denied by execs at the two agencies. Keith Reinhard, president of Needham, Harper & Steers, Chicago, in denying the merger report, said the two agencies had held meetings, but that the talks ended. Another Needham executive called the merger talks "a dead issue." One report is that NH&S chairman Paul Harper favors a sale but his younger execs oppose it. And so the report persists as the impasse is confronted.

Other rumors floating around New York recently include the oft-mentioned Wells, Rich, Greene looking for a buyer. Sources say that agency a few weeks ago approached J. Walter Thompson Co., which turned down the overture.

Sources also insist that, despite denials, McCaffrey & McCall is looking

(Continued on Page 84)

last minute news

Jury rules P&G 'negligent' in Rely case

DENVER—A federal jury ruled that Procter & Gamble was "negligent" in its production and sale of the Rely tampon, which it called a "defective product." However, the jury awarded neither damages nor medical expenses to the 18-year-old plaintiff, Deletha Dawn Lampshire, who claimed she contracted toxic shock syndrome while using Rely. P&G was "gratified" that no damages were awarded. It declined further comment.

Decaffeinated RC spots breaking this week

ROLLING MEADOWS, ILL.—Royal Crown Cola is breaking spots in 200 markets this week for its new Decaffeinated RC cola (AA, March 8). Tv spots, including 60s, feature color and b&w images taken from a mixed bag of old stock footage, new film and still photos. Theme: "Hooray for me, I'm caffeine-free. Hooray, hooray for caffeine-free RC." O&M handles.

Sophia's $4.5 million account to Hicks & Greist

NEW YORK—Coty has named Hicks & Greist agency for its Sophia fragrance. Previous agency was Geers Gross. Spending estimated at $4,500,000. H&G will also handle Coty's new Shape 'n Shadow eye kit. Another new Coty entry is Sweet Earth facial cleanser and Sweet Earth peelaway. No agency has been named.

(Continued on Page 8)

NEWSPAPER

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Pharmaceutical entree with product compatibility

P&G-Norwich: Perfect fit

By JENNIFER ALTER

While Procter & Gamble Co.'s proposed acquisition of Morton-Norwich's $216,000,000 pharmaceutical business will give the massive consumer goods marketer its coveted entree into the healthcare field, it also provides a snug fit between current brands marketed by both companies and ties in closely with other P&G product plans.

The move, says veteran P&G watcher Hercules Segalas, senior vp and analyst at Drexel Burnham Lambert, is "a match made in heaven. It's a definite plus. . .in the long term it might end up having even more significance" than the 1957 Charmin acquisition, he said, adding that it puts P&G in a whole new category whose growth is greater than most of the markets it now is in.

The acquisition of the Norwich-Eaton Pharmaceuticals division will not be finalized for at least a month. The cost to P&G is $371,000,000 in cash.

P&G's interest in the $247 billion healthcare industry has been no secret. The company has been dabbling in it openly since 1973, when it introduced Osteoscan, a drug to diagnose bone disease. In 1978 it brought out two more: Didronel, for Paget's disease of the bone, and Topicycline, a topical treatment for acne. It also markets Boundary, a line of surgical drapes and gowns, through its Buckeye Cellulose division. The three prescription products are marketed by the company's Special Products Group, which also handles professional programs for such consumer products as Crest.

The company's interest in entering the industry via acquisition has been known for several years, but became visible last year when it reportedly looked at Merrell National Laboratories, which Richardson-Merrell (now Richardson-Vicks) ultimately sold to Dow Chemical.

In addition to providing P&G with a means to follow its tradi-

(Continued on Page 88)

Part of the dowry

What Norwich-Eaton contributes in consumer products

- Pepto-Bismol stomach remedy
- Chloraseptic oral antiseptic-anesthetic
- Norwich aspirin
- Encare vaginal contraceptive
- Norforms feminine deodorant suppositories
- Unguentine first aid line

What P&G contributes in pharmaceutical/healthcare

- Osteoscan, for radiological diagnosis of bone disease
- Didronel, for treatment of Paget's disease of the bone
- Topicycline topical acne treatment
- Boundary surgical drapes and gowns
- Attends disposable briefs

WILL NESTLE FACE NEW P&G ENTRY?

Taster's Choice wakens

By GAY JERVEY

WHITE PLAINS, N.Y.—In a move to invigorate its U.S. coffee operations, Nestle is giving its flagship Taster's Choice freeze-dried coffee darker color, richer flavor, new labeling and a new advertising thrust.

According to Nestle, the new "fresh brewed" Taster's Choice comes by way of a "major breakthrough" in the freeze-dried process. The company says the process now extracts and locks in more coffee flavor and aroma from a new high-quality blend of beans, allowing for "first cup fresh taste."

A Nestle spokeswoman says the reformulation has been in the works for several years. The improvement also extends to TC decaffeinated. The reformulated products currently are being sold in to the trade, and will be on retail shelves next month.

Sources suggest that this launch is coming just in time to steal some thunder from Procter & Gamble, which is fully expected to go national with a High Point vacuum grind product sometime soon. High Point instant already is national. In addition, P&G is said to be working on a new, highly aromatic coffee product that reportedly is being handled by Tatham-Laird & Kudner, Chicago. P&G had no comment.

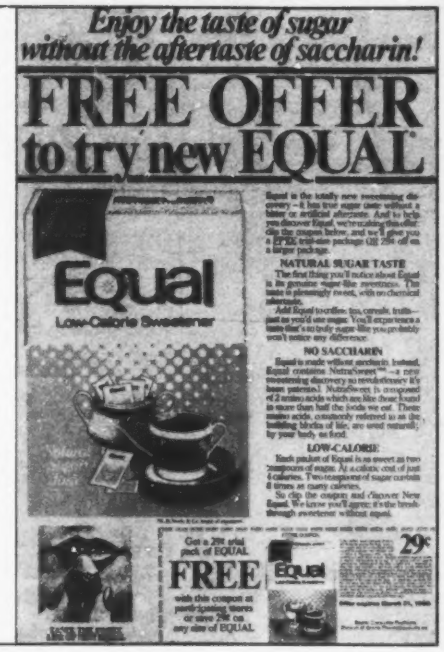
"We are putting a major effort behind what we consider to be the No. 1 product relaunch of the year," said William I. Savel, group vp, Nestle's coffee/tea division. Beyond that, Nestle is only saying that the ad campaign principally involves tv commercials that are a dramatic departure from traditional coffee advertising. The agency is Leo Burnett USA, Chicago, which held on to the brand when it lost Nescafe during a major shakeup of the Nestle agency roster late last spring. At that time, Nestle wanted to do away with any two possibly competing brands being handled by the same agency.

■ The Taster's Choice relaunch comes at a time when the company is clearly rethinking, if not reshaping, its U.S. operations. In an earlier interview, Nestle S.A. chairman Pierre Liotard-Vogt conceded they could perform better (AA, June 30, '80). Apparently to that end, Nestle just over a year ago installed Jean Caste as president. His marching orders were clear: Streamline the company; reinstitute premium profitability by

(Continued on Page 88)

Sweet test

Thomas J. Lipton Inc. will handle distribution of G.D. Searle & Co.'s Equal low-calorie sweetener, which will begin rolling out in June (AA, March 15). In test markets, Searle is doing extensive couponing to stimulate trial of the aspartame-based product with a "natural sugar taste." Tatham-Laird & Kudner, Chicago, handles.



Trendy

Capitalizing on the trend to low-sodium foods, Canada Dry is testing salt-free Sparkling Water in Denver, Seattle and Milwaukee. Ads via Grey Advertising.

Detroit media giveback try fades

By RALPH GRAY and JAY McCORMICK

DETROIT—Auto marketers are winning some and losing some in their attempts to enlist agencies and media in efforts to pare ad costs.

General Motors' ad agencies were straggling into line on its request last month that its suppliers give back 2% of the money it spends with them (AA, Feb. 8). But GM's efforts to have the media kick in the 2% discount seem to be fading away. Ford Motor Co.'s agencies also are delivering in one way or another on the 2% giveback it subsequently requested.

However, Chrysler Corp. is running into some problems with its request to the media to be billed directly for advertising, rather than sending the money to its agency, Kenyon & Eckhardt (AA, March 8). Chrysler said eight or ten media companies had asked for clarification of the request, but were now "reasonably happy" with the arrangement. The company said it planned to meet today with executives of the *Wall Street Journal* to discuss the Dow Jones & Co. unit's objections.

Chrysler's letter to publishers outlining its plan said Chrysler was taking the step to "increase operating efficiency." It said K&E will continue to verify invoices but checks should be directed to Chrysler c/o K&E.

That would give Chrysler immediate access to the "float"—the amount of cash K&E keeps between getting it from Chrysler and paying it out. That float can work the other way, with the agency paying the bills and waiting for its money from the client.

Observers also noted that the direct payment would make Chrysler solely responsible for payment, shifting that obligation from K&E. Given the shaky financial situation of the auto industry, this could be an added worry to some media execs.

The *Wall Street Journal's* objection apparently is that the arrangement breaks down normal agency payment channels. Although *WSJ* execs weren't immediately available for comment, it was learned that Dow Jones wouldn't pay Chrysler the 15% agency commission that ordinarily would go to K&E. K&E's arrangement with Chrysler is on a fee basis with a "floor" for a minimum payment.

The American Assn. of Advertising Agencies said it has no opinion on the matter. "It's something the individual medium, agency and client have to decide for themselves," said Harry Paster, exec vp. The Four A's is under a 1956 Justice Department consent order which forbids the group from getting into pricing.

Whatever Chrysler's problems, the matter of givebacks has not had much of an impact on media. GM included agencies and media in its request. Chevrolet division agency Campbell-Ewald immediately dashed off a check to GM, and other agencies, some muttering

(Continued on Page 86)

highlights

Monday, March 22, 1982

Another generation is born in the toilet bowl cleaner business. *See Page 12.*

The transformation of Burger Chef restaurants will be a slow one. *See Page 12.*

Cable acceptance is growing among members of the National Assn. of TV Program Executives. *See Page 14.*

Tv networks seem to have abandoned their efforts at forcing a waiver of the prime time access rule. *See Page 14.*

Consumer strategists shared a few tips on motivating the public at an American Assn. of Advertising Agencies meeting in Phoenix. *See Page 20.*

Apartment and condominium complexes pose more problems for multiple systems operators. *See Page 22.*

General Motors is trying a sleek, cleaner look with its cars as well as its marketing. *See Page 24.*

Designer Giorgio Armani is in hot water with the fashion press. *See Page 24.*

Rexall Corp. is launching a line of natural healthcare products. *See Page 32.*

Warren Hirsh trims his fashion business to one designer licensee. *See Page 36.*

Women no longer are locked out of association boardrooms, as exemplified by Patricia Carbine, Patricia Martin and Rose Harper. *See Page 39.*

Dodge truck division is hoping its Prospector options package along with the Gold Rush sweepstakes will help boost sales after rebates run dry. *See Page 39.*

An NBC exec criticized A.C. Nielsen Co. for not releasing more detailed cable tv data. *See Page 44.*

The U.K. is stirring up the broadcast community by authorizing the start of direct broadcast satellites by 1986. *See Page 48.*

Despite industry speculation, CBS Publishing executives say the group is definitely here to stay. *See Page 54.*

General Electric still is looking for a glimmer of a market for its highly touted Halarc light bulb. *See Page 68.*

Coca-Cola sues Tropicana over its new campaign for chilled juice. *See Page 78.*

The Rev. Jesse Jackson and PUSH make another corporate "covenant," this time with Heublein Inc. and its subsidiary, Kentucky Fried Chicken. *See Page 78.*

INTERNATIONAL

Videocassette recorders are taking Indonesia by storm. *See Page 62.*

MAGAZINE/SECTION 2

The Sony Walkman has become one of the greatest consumer successes of recent years. The development, naming and marketing of this phenomenon is chronicled by a Sony executive who was "present at the birth." *See Page M-2.*

How to attract, develop and keep talent in advertising agencies are the subjects of three related features by agency executives and consultants. *See Page M-35.*

SPECIAL REPORT

Southern California is feeling the pinch of recession, although it may be faring better than most other areas of the country. This special report looks at the region —its entrepreneurial spirit, its tourist strengths, its high-tech industries, its ad agencies and the struggles faced by the Hollywood film industry to recapture past glories. *See Page M-7.*

Final '81 ad data

Updated figures on 1981 advertising expenditures from Robert Coen of McCann-Erickson are on Page 66; story begins on Page 10.

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DeLorean debt told

By GAY JERVEY

NEW YORK—In addition to its other troubles, DeLorean Motor Co. owes $500,000 to an outside media buying service engaged by DeLorean's agency, Avrett, Free & Fischer, according to agency president Keith Fischer.

This fact surfaced last week amid rumors that the beleaguered car company had been paying off its agency with cars, which Mr. Fischer flatly denied.

Mr. Fischer explained that the media buying service, which he did not identify, has been making timely payments to the publications in which it bought space, and the checks have cleared. It was later learned that the service involved is Timebuying Services Inc.

However, he said, "Our agency feels morally bound to see that this third party gets paid, and as a result are in nearly daily negotiations with DeLorean to try to work out some kind of solution. At various times they have floated the idea of payment either through stock options or cars, but we're not interested.

"Anyway, the Bank of America has a temporary restraining order freezing the cars, so it would be very difficult for John DeLorean to pay people with them."

(Continued on Page 84)

Industry revenues outpace GNP in '81

By ROBERT J. COEN
Senior vp, McCann-Erickson

The U.S. advertising industry performed well in 1981, with revenues rising by 12.6% in a year when gross national product rose by 11.3%. The economy and the ad industry posted real gains over the 1980 recession year performance despite the reappearance of an economic downturn in the closing months of the year. The glow of the recent good performance can confuse the true outlook for 1982 if the trends in 1981 are not fully understood.

A year ago the economic consensus was for a flat, sluggish pace during the first half of 1981 with a gradual upturn during the summer and a strongly developing recovery moving into 1982. The experts were looking for about 1% growth in real GNP and about a 9% rate for inflation, but the good news at that time was the rather unanimous expectation that interest rates would continue to move up at the end of the year. Against this scenario we expected sluggish advertising activity in the first half of the year, but growing bullishness toward the end of the year and into 1982.

Despite the universal failure to accurately read the economic trends, advertising in 1981 turned out to be close to the year-ago expectations. Probably because so much of the advertising outlays come from marketers of nondurables and services that are not highly influenced by interest rates in the short term, and because anticipation of future business conditions often has more of an impact on short-term ad demand than the actual conditions.

National advertising, the activity of the large companies that do business across the country, turned out to be much stronger than we had projected a year ago. Intense competition for market share fueled large ad increases in a number of categories, offsetting some of the economy-related cuts. However, not all media enjoyed the same pluses and minuses last year.

In 1981, the economy grew by more than 11%, inflation was above 9% and most major media enjoyed advertising revenue gains in the neighborhood of 12% to 14%, but network tv spending increased by only 8.7%. During the first nine months, 1981 network tv revenues rose only 5.3% during months when even a moderating consumer price index was up more than 10% over comparable months in 1980. The post-election year buyer resistance, and the previous fall's strike-related problems, made the '80-'81 tv season one of the worst since 1971 when tobacco advertising was discontinued. However, the new 1981-82 season began in October with heavy buying demand at significantly higher prices. In the fourth-calendar quarter of 1981, the networks posted an exceptional gain of more than 16% over the year-ago quarter. Nevertheless, the full-year revenue gain of 8.7% in 1981 was the weakest of all for a major medium. However, the pickup in the last calendar quarter of 1981 should continue throughout most of this year with the outlook for 1982 now appearing very good for the networks.

A year ago I was even less optimistic about the national advertiser's demand for spot tv and spot radio than I had been for the network tv sector. The traditional

(Continued on Page 66)

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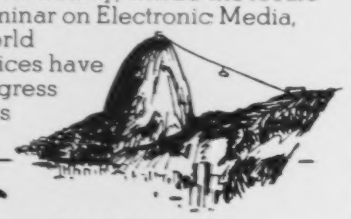
Advertising – What it can do for you...
Agencies will illustrate HOW, advertisers WHY, the media WHERE and finally, from the government's viewpoint, as a strong supporter of commercial communications, WHERE advertising best fulfills its role of orientating consumers in their right of choice.

The Congress site will be São Paulo, a modern metropolis with more than 12 million inhabitants and a cosmopolitan flavor, ready to welcome you.
Rio de Janeiro, the second city in size, but foremost in its breathtaking natural beauty, will be the locale of the International Seminar on Electronic Media, which precedes the world conference. Special prices have been guaranted to congress participants at first class hotels in both cities.



For Media

The following guest speakers have confirmed their participation:

Olivier Chevrillon, president of the famous French weekly magazine Le Point (France)

Gustavo Cisneros, president of Diego Cisneros, Venezuela's largest media organization

Julio de Mesquita Neto, director-president of influent Brazilian newspaper "O Estado de S. Paulo" (Brazil)

For Agencies
Jacques Douce, president of EUROCOM, Europe's largest advertising chain (France)
Eulalio Ferrer, president of Publicidad Ferrer, Mexican leading advertising agency (Mexico)
Edward Ney, president of Young & Rubicam, the largest American advertising agency (USA)
Hideharu Tamaru, president of Dentsu Inc., world's largest advertising complex (Japan)

For Advertisers
Seisi Kato, chairman of Toyota Motor Sales Co. (Japan)
Camillo Pagano, director-general of Nestlé Company world wide. (Switzerland)
James F. Waters Jr., group vice-president of General Motors Corporation. (USA)

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'Times' gets a reprieve

LONDON—All the rumors about *The Times*, which have been flying around London like confetti these last weeks, have been put to rest—at least for the time being.

Editor Harold Evans' resignation last week (AA, March 15) may be followed by other editorial staff resignations, but the future of the paper now has been declared safe by owner Rupert Murdoch as a result of his winning 430 job cuts from unions. Stories that managing director Gerald Long was also to leave have been firmly denied.

But after several weeks of fierce bargaining with unions and the editorial side, where does the paper stand now?

The positioning of *The Times* in the marketplace has always been a problem. The *Daily Telegraph* appeals to the conservative country and suburban dweller, *The Guardian* to the trendy, more left-wing and intellectual audience. The *Daily Express* and *Daily Mail* appeal to the more right-wing, tabloid reader. *The Times* has traditionally been the establishment paper, but successive owners have found it hard to make any money out of the establishment.

So far, the goal of increasing circulation without diluting the newspaper's profile just has not happened. Figures within the industry show that *The Times* is suffering particularly from a falloff in classified ads, down 14% for the last six months of 1981. Ads in special supplements were down even more—32%. The only good news is that display advertising is up nearly 19%, partly due to Mr. Murdoch's new policy of selling *The Times* and *Sunday Times* jointly.

■ Since the takeover by Mr. Murdoch, advertising sales staff levels have been cut by combining display advertising sales on both the daily and more successful Sunday papers. But that strategy may be backfiring as well. "At *The Times*, we operated a hard rate-card policy," said one ex-salesman on the paper. "We only offered discounts for high-volume spenders. But the initial thing that the current sales director did was to sell the two papers together and discounts on *The Times* as a loss leader for the *Sunday Times*. Credibility then went down the tube."

Ad agency confidence in the paper may also have been affected by Mr. Murdoch's ending promotional advertising for copy and ad sales and other forms of marketing the papers. The consensus is that Mr. Murdoch's policy of holding down the cover price has been as responsible for the circulation increases as any editorial changes. Circulation has grown from 279,059 during the last six months of 1980 to 297,787 in the same 1981 period. But it is still a long way from competitors like *The Guardian*, with 400,000 circulation.

Industry gains in '81

(Continued from Page 10)

post-election year slump in broadcast activity has usually been greater in the spot sector. But the opposite occurred in 1981 when spot tv and radio gains were outpacing those of the television networks. The greater flexibility of spot, plus last season's network uncertainties, was one of the reasons for the surprisingly good 1981 results. The spot sector also enjoyed the benefits of tactical rebate promotions and a surge in selected market advertising for deregulated airline rates and schedules. The reports continue to be quite glowing for the opening months of this year, but darkness could set in as the year unfolds. It will become continuously more difficult for stations to post impressive monthly spot gains in comparison with the strong year-ago performance.

National advertisers increased their budgets for newspapers more than for any other medium. However, these record gains appear to be heavily influenced by exceptionally large rate increases in many markets. Total national newspaper ad linage rose significantly in most markets, and in nearly every instance the gains were mainly due to much heavier cigaret and airline activity. But the majority of the revenue gains was still due to much higher rates. The effects of higher rates imposed in the middle of 1981 and at the beginning of this year should contribute to revenue gains in 1982, but it is unlikely that national linage will rise again over last year's record level.

Magazine advertising volume had been moving upward each year since 1976, but in 1980 ad page growth plateaued. In the first half of 1981 pages declined for a number of major publications but then turned upward again in the second half of the year. For the year as a whole, modest page growth plus higher rates combined for a fairly respectable 12.2% gain in revenue. The recently improving trend is expected to continue past the first quarter of the year and then flatten out or even dip before moving back upward again, but higher rates should result in at least moderate revenue gains in 1982.

In 1981 we continued to see an expansion in the number of pieces of advertising material distributed through the mails despite the fact that it was a post-election year. Postal rates rose in the fourth quarter to compound the expenditure growth. In 1982 the postal rates will be at a significantly higher level, but the mail advertisers are not expected to cut back on volume. Despite the present economic uncertainties, the mail advertising trend is likely to continue to move upward and revenue growth should register another substantial gain in 1982.

Trend information for the outdoor medium, farm publications and business publications is still incomplete. However, the available data suggest that many national advertisers cut their outdoor schedules in 1980 and then restored most of the cuts in 1981; and although the rate of gain is relatively large it is mainly so because of the poor 1980 performance. The farm publication data suggest a somewhat similar performance—fairly good revenue gains in 1981 after a weak year in 1980. On the other hand, page volume for most business publications has been sluggish for several years, and most of the revenue growth in the last few years has been due to higher advertising rates.

Most U.S. media enjoyed excellent revenue gains from national advertisers in 1981. Except for network television, most media budgets were up in the neighborhood of 12% to 14% last year. In 1982 network television gains will certainly be better than they were in 1981, but most other media will undoubtedly experience a lower rate of ad growth than they enjoyed last year.

Local advertisers, who are mainly retailers, were much more changeable in their advertising practices than the large national advertisers. Local advertising responded quickly to the expansions and contractions in the economy and the surprising volatility in interest rates during 1981.

Newspaper advertising linage was off in most months for the largest newspaper classifications. In the first quarter of the year the comparison with year-ago levels was down significantly for both retail display and classified linage. In the spring and early summer, linage gains were enjoyed in many markets as a result of the improved first-quarter business condition, but for most months in most markets retail and classified linage was off. The 1981 gains in local newspaper advertising revenue came nearly entirely from higher ad rates. In 1982 there may be some linage pickup late in the year but higher rates will be the source of most of the increases in 1982 local newspaper budgets. If local advertising linage holds up fairly well, it will still be a pretty good year, but if the economy continues to slump and if consumers do not respond to the tax cut until late in the year, the revenue gains my be quite modest.

Local radio and television advertising budgets are relatively much smaller than the newspaper budgets but they are also subject to changing local business conditions. In 1981 local broadcast budgets held up quite well on average, but in some markets ad demand was soft throughout the year and there were indications of additional weakness in the closing months of 1981. Nevertheless, first-quarter reports have not been bad and it now appears possible that local broadcast ad spending could turn out to be quite good this year if the retail sales outlook starts improving by midyear.

Total local advertising expenditures rose by 11.8% in 1981 for a relatively good year after a mediocre performance in 1980. National budgets, in total, continued to outpace the economy in 1981 by about the same margin as registered in 1980. In summary, 1981 turned out to be a good year for the U.S. advertising industry. Total U.S. expenditures rose by 12.6% to a record level of $61,320,000,000 in 1981.

The glowing results from 1981 and the good reports for the opening months of this year suggest that national ad gains could well outpace the economy again if the anticipation of a midyear business turnaround doesn't disappear. On the other hand, local ad spending will continue to drift downward in line with the economy until consumer expenditures actually turn upward again.

■ The effects of a harsh winter, a high rate of unemployment and falling profits have suddenly made the business outlook much darker than it was a few months ago. We can still see the glow from the rear of the tunnel but the outlook is gradually getting darker. Therefore, we can be sure that an upturn is in the making. The only problem is the uncertainty about how soon the upturn will get firmly under way and when the light at the end of the tunnel will be clearly in evidence.

I expect advertising to continue to match or outpace the economic trends and I foresee the possibility of renewed expansion in advertising activity later this year. The timing of the business turnaround is critical. If the recovery arrives soon, we could have a relatively good year for the advertising industry, with ad expenditures rising 10% or better. If sluggishness continues and the recovery is delayed, the revenue gains might fall a percentage point or two below 10%. We expect advertising expenditures to rise by $5 billion to $7 billion this year. At best, 1982 could be a very good year, and at the least, it will probably be a year of fair revenue gains for most media. Some of the glow from the rear of the tunnel will last until the delayed business recovery finally arrives.#

Advertising volume in the U.S. in 1980 and 1981

MEDIUM	1980 $ MILLIONS	PER CENT OF TOTAL	1981 $ MILLIONS	PER CENT OF TOTAL	PER CENT CHANGE
NEWSPAPERS					
Total	15,541	28.5	17,420	28.4	+12.1
National	2,353	4.3	2,729	4.4	+16.0
Local	13,188	24.2	14,691	24.0	+11.4
MAGAZINES					
Total	3,149	5.8	3,533	5.8	+12.2
Weeklies	1,418	2.6	1,598	2.6	+12.7
Women's	782	1.4	853	1.4	+ 9.1
Monthlies	949	1.8	1,082	1.8	+14.0
FARM PUBLICATIONS	130	0.2	146	0.2	+12.2
TELEVISION					
Total	11,366	20.9	12,650	20.6	+11.3
Network	5,130	9.4	5,575	9.1	+ 8.7
Spot	3,629	6.0	3,730	6.1	+14.1
Local	2,967	5.5	3,345	5.4	+12.7
RADIO					
Total	3,702	6.8	4,212	6.9	+13.8
Network	183	0.4	220	0.4	+20.0
Spot	779	1.4	896	1.5	+15.0
Local	2,740	5.0	3,096	5.0	+13.0
DIRECT MAIL	7,596	13.9	8,781	14.3	+15.6
BUSINESS PUBLICATIONS	1,674	3.1	1,841	3.0	+10.0
OUTDOOR					
Total	578	1.1	650	1.1	+12.5
National	364	0.7	419	0.7	+15.0
Local	214	0.4	231	0.4	+ 8.0
MISCELLANEOUS					
Total	10,744	19.7	12,087	19.7	+12.5
National	5,663	10.4	6,410	10.4	+13.2
Local	5,081	9.3	5,677	9.3	+11.7
TOTAL					
National	30,290	55.6	34,280	55.9	+13.2
Local	24,190	44.4	27,040	44.1	+11.8
GRAND TOTAL	54,480	100.0	61,320	100.0	+12.6

National advertising index, 1981

MONTH	GENERAL INDEX	NET TV	SPOT TV	ALL MAGAZINES	WEEKLIES	WOMEN'S	MONTHLIES	NEWS-PAPERS
Jan.	327	370	349	262	223	286	320	324
Feb.	336	357	360	274	244	287	326	363
March	358	381	390	286	245	304	354	385
April	350	387	382	294	263	309	346	330
May	351	382	391	281	245	291	347	351
June	343	392	379	278	239	289	351	312
July	343	381	380	282	243	304	342	321
Aug.	342	395	374	281	240	295	355	304
Sept.	338	377	385	290	248	319	351	287
Oct.	338	370	378	293	256	315	351	300
Nov.	348	398	386	288	248	318	345	307
Dec.	352	402	399	292	246	316	367	301
AVERAGE FOR YEAR	362	383	379	284	246	303	347	323
% change over 1980	+12	+ 9	+15	+12	+13	+ 9	+14	+16

The McCann-Erickson National advertising indexes are key barometers of the month-to-month changes in national advertising spending. These indexes are seasonally adjusted measures of the monthly advertising revenues for the major national media. The general index is a composite of net tv, spot tv, magazines and newspaper expenditures by national advertisers and they are all based on the year 1967, which is equal to 100.

In 1980 there was a severe recession in the first quarter of the year, and by midyear the major media indexes were falling. During 1981 the indexes for all four of these media moved well above their 1980 troughs. However, the pattern of upturn differed for each medium.

Network tv's fourth-quarter 1981 revenues were far above year-ago levels when the actors' strike caused its index to plummet. However, after seasonal adjustment for the usual fall upturn, the index is now just starting to develop a noticeable upward turn.

The spot tv and magazine media showed comparatively steady upturn paths throughout the whole year with few, if any, significant "breaks" in their trend lines. On the other hand, the trend line for expenditures in newspapers spurted strongly upward during the first five months of 1981. Then the index path commenced a continuous downward slide for the remainder of the year, yet still remaining significantly above year-ago levels.

Cigaret ad spending dips in '80

By ROBERT RAISSMAN

NEW YORK—Advertising expenditures by the nation's six leading cigaret marketers in 1980 was nearly on the same level as 1979 spending. Total 1980 ad spending was $546,503,300, down $7,852,300 from the '79 investment of $554,355,600.

The top 20 brands accounted for 565.91 billion of the 711.79 total units sold in 1980, according to sales data compiled by John C. Maxwell Jr. of Lehman Bros. Kuhn Loeb research.

Growth in the 100mm and female segments of the market was reflected in the jump in sales of Philip Morris' Virginia Slims, which moved from the 17th spot in 1979 to the 12th position in 1980. PM spent $21,038,600 in advertising the smoke compared with 1979 expenditures of $13,100,600.

Last year, R.J. Reynolds responded to the Virginia Slims surge when it went to market with More Lights 100s, a low-tar, beige-colored cigaret targeted exclusively at women.

Philip Morris' Merit and RJR's Vantage brands continued their dominance in the low-tar segment. Merit kept a lead of 2 billion units over Vantage on spending of $55,600,200. RJR poured $59,622,200 in advertising for Vantage in a bid to close the gap.

■ Vantage spending was second only to RJR's Salem ($68,977,900), which overtook Kool in 1980. Salem moved up a notch—from fourth to third—with sales of 53.9 billion units. At an advertising cost per carton of 50.5¢, Vantage was the least efficient brand, while Parliament was the most efficient with an ad cost per carton of 5.2¢.

However, this figure is not always an accurate indicator of brand performance. Despite the high cost in advertising per carton, Vantage's sales grew by 2.85 billion units. A stronger case for efficiency can be made for No. 1-ranked Marlboro and its 8.9¢-per carton average on a sales base of 109.6 billion units in 1980.

Lorillard's Newport gained share by moving up five positions to 13 on the top 20 with sales of 11.6 billion units on spending of $9,204,600 in 1980, replacing American Tobacco's Tareyton, which dropped three notches on sales of 10.8 billion units.#

Costs of cigaret advertising: 1980-1978

Per carton and per million cigarets sold

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The top 20 cigaret brands based on 1980 sales, related to the amount invested for each brand in general magazines, newspapers (including Sunday sections), network tv, spot tv, network radio, spot radio and outdoor. These figures are not offered as complete records of expenditures; tobacco companies spend large sums for point-of-purchase materials and in other non-measured media. Sales figures for this study were taken from the 1980 Maxwell Report. Advertising expenditures were compiled from figures supplied by the following industry sources: Broadcast Advertisers Reports; Institute of Outdoor Advertising; Leading National Advertisers; Radio Advertising Bureau, and Television Bureau of Advertising. Data on newspaper advertising expenditures were supplied by sources in the tobacco industry.

Rank	1980	1979	1978
Marlboro (Philip Morris)[1,2,3,4]			
Sales (billions)	109.6	103.85	101.25
Ad investment	$48,649,300	$47,870,000	$43,681,500
Ad cost per million	$443.88	$461.00	$431.42
Ad cost per carton	8.9c	9.2c	8.6c
Winston (Reynolds)[1,2,3,4]			
Sales (billions)	81.8	81.9	84.7
Ad investment	$47,845,700	$58,229,000	$41,912,000
Ad cost per million	$584.91	$711.00	$494.82
Ad cost per carton	11.7c	14.2c	9.8c
Salem (Reynolds)[2,4]			
Sales (billions)	53.9	54.02	54.4
Ad investment	$68,977,900	$48,195,000	$43,948,900
Ad cost per million	$1,280.21	$892.59	$807.88
Ad cost per carton	25.6c	17.8c	16.1c
Kool (Brown & Williamson)[2,4,5]			
Sales (billions)	53.6	56.5	59.0
Ad investment	$33,285,400	$29,030,000	$37,313,900
Ad cost per million	$620.99	$513.80	$632.43
Ad cost per carton	12.4c	10.3c	12.6c
Pall Mall (American Tobacco)[3,4,5]			
Sales (billions)	31.4	34.35	37.3
Ad investment	$8,321,600	$8,297,200	$9,542,200
Ad cost per million	$265.02	$241.28	$255.82
Ad cost per carton	5.3c	4.8c	5.1c
Benson & Hedges (Philip Morris)[1,3,4]			
Sales (billions)	28.4	27.9	27.6
Ad investment	$30,677,000	$26,775,000	$29,993,800
Ad cost per million	$1,080.17	$959.67	$1,086.73
Ad cost per carton	21.6c	19.2c	21.7c
Camel (Reynolds)[1,5]			
Sales (billions)	26.6	26.2	26.4
Ad investment	$31,014,100	$40,680,000	$36,008,600
Ad cost per million	$1,165.94	$1,553.43	$1,363.96
Ad cost per carton	23.3c	31c	27.2c
Merit (Philip Morris)[1,2,3,4]			
Sales (billions)	26.0	22.7	16.9
Ad investment	$55,600,200	$48,570,000	$44,149,000
Ad cost per million	$2,138.47	$2,139.64	$2,612.36
Ad cost per carton	42.8c	42.8c	52.2c
Vantage (Reynolds)[1,2,3,4]			
Sales (billions)	23.6	20.75	18.5
Ad investment	$59,622,200	$46,173,000	$30,786,300
Ad cost per million	$2,524.85	$2,225.06	$1,664.12
Ad cost per carton	50.5c	44.5c	33.2c
Kent (P. Lorillard)[1,3,4]			
Sales (billions)	20.3	19.15	15.9
Ad investment	$41,015,800	$39,260,000	$12,726,400
Ad cost per million	$2,020.48	$2,050.13	$795.40
Ad cost per carton	40.4c	41c	15.9c
Carlton (American Brands)[1,2,3,4]			
Sales (billions)	16.1	15.06	10.1
Ad investment	$30,341,400	$33,450,000	$23,847,100
Ad cost per million	$1,884.56	$2,221.15	$2,361.15
Ad cost per carton	37.7c	44.4c	47.2c
Virginia Slims (Philip Morris)[3,4]			
Sales (billions)	14.2	10.75	9.7
Ad investment	$21,038,600	$13,100,600	$10,189,200
Ad cost per million	$1,692.86	$1,212.96	$1,050.43
Ad cost per carton	33.9c	24.2c	21.0c
*Newport (P. Lorillard)[2,4]			
Sales (billions)	11.60	9.85	8.6c
Ad investment	$9,204,600	$10,064,000	$10,224,300
Ad cost per million	793.50	$1,016.56	$1,188.87
Ad cost per carton	15.8c	20.3c	23.7c
†Golden Lights (P. Lorillard)[1,2,3,4]			
Sales (billions)	11.2	13.2	14.7
Ad investment	$14,949,500	$27,636,200	$26,101,200
Ad cost per million	$1,334.78	$2,093.63	$1,775.59
Ad cost per carton	26.7c	42c	35.5c
True (P. Lorillard)[1,2,3,4]			
Sales (billions)	11.04	11.65	11.5
Ad investment	$11,975,100	$30,367,000	$16,086,000
Ad cost per million	$1,084.70	$2,606.60	$1,392.72
Ad cost per carton	21.7c	52.1c	27.8c
Tareyton (American Tobacco)[1,2,3,5]			
Sales (billions)	10.8	12.5	13.4
Ad investment	$11,379,600	$11,508,000	$14,477,900
Ad cost per million	$1,053.67	$920.64	$1,080.44
Ad cost per carton	21.1c	18.4c	21.6c
Viceroy (Brown & Williamson)[1,3]			
Sales (billions)	10.77	11.75	11.9
Ad investment	$13,804,400	$17,885,000	$10,313,400
Ad cost per million	$1,278.23	$1,515.67	$866.67
Ad cost per carton	25.6c	30.3c	17.3c
Raleigh (Brown & Williamson)[1,3,5]			
Sales (billions)	10.3	11.35	12.4
Ad investment	$8,078,400	$5,300,000	$11,901,000
Ad cost per million	$784.31	$464.91	$959.75
Ad cost per carton	15.6c	9.2c	19.2c
Parliament			
Sales (billions)	7.5	7.71	8.3
Ad investment	$1,968,900	$4,058,000	$5,495,200
Ad cost per million	$262.52	$526.58	$626.50
Ad cost per carton	5.2c	10.5c	12.5c
Bel Air			
Sales (billions)	7.2	7.5	8.3
Ad investment	$11,210,200	$9,027,900	$8,246,400
Ad cost per million	$1,556.97	$1,200.51	$993.54
Ad cost per carton	31.3c	24c	19.8c

[1] Plain standard filter; [2] menthol filter; [3] plain 100mm filter; [4] menthol 100mm filter; [5] nonfilter; #revised;
*does not include newspaper advertising investments; † marketed as Kent Golden Lights until 1978.

Mrs. Paul's ads positive in time of trouble

By GAY JERVEY

In the midst of declining frozen seafood consumption, widespread rebellion among its Arthur Treacher's fast-food franchisees and speculation that it might soon be bought, Mrs. Paul's Kitchens increased its media budget by over 40% and is mounting its most aggressive campaign in recent years.

Increased competition in a category Mrs. Paul's at one time dominated apparently called for a refurbished brand name. On a 52-week basis, Mrs. Paul's still leads the frozen fish business with a 27% dollar volume share (food store withdrawal figures), but General Mills' Gorton's of Gloucester follows with some 20%. And, as admitted by Philip Cohen, vp-management supervisor on Mrs. Paul's at Scali, McCabe, Sloves, Gorton's of Gloucester's "fisherman" campaign has been making a fair share of noise. "Individual local brands and private labels figure heavily in this market and account for about one-third of volume," Mr. Cohen said. General Host's Van de Kamp has about 7%.

In its new campaign, which he describes as broad enough to encompass all the company's products, Mrs. Paul's Kitchens for the first time emphasizes the word "kitchen," with all its mom, home and hearth implications. In another first, the ads also show the company's namesake, Mrs. Paul, lending hands-on, tender, loving care to her prepared dishes. Tag lined "It doesn't leave my kitchen unless it tastes good," the campaign attempts to personify Mrs. Paul, her kitchen and her company as the very essence of quality.

The privately held Philadelphia producer of frozen grocery products broke a pool of three tv commercials, five radio spots and six separate newspaper coupon drops (offering up to 25¢-off) last month. Commercials aimed at females 25 to 54 on daytime and prime time network programs, in addition to spot tv, should achieve an average of 150 gross rating points over a two months, he estimated.

Later this spring, print ads dishing up a casserole recipe will run in *Better Homes and Gardens, Family Circle, Good Housekeeping, McCall's, Parents, Southern Living* and *TV Guide*. Estimates are the campaign will exceed $10,000,000.

Very few franchisees at Arthur Treacher's, the troubled fast-food fish chain that Mrs. Paul's bought two years ago from Orange-co, seem to think the name Mrs. Paul's stands for quality.

Indeed, Mrs. Paul's new campaign comes at a time when many of these franchisees are declaring a civil war of sorts on their owner. Some 90% of the company's 400 franchisees reportedly are refusing to pay what amounts to $14,000,000 in royalties because, they say, Mrs. Paul's is skimping on the quality of fish it provides.

■ Some have even gone so far as to refuse to use the Arthur Treacher's name on their doors; others have reverted to peddling the likes of tacos, hamburgers and chicken.

In turn, Arthur Treacher's has sued about 30 of its franchisees. The company's suit demands royalty payments for illegal use of the Treacher's trademark.

For their part, the franchisees are suing the parent company for breach of contract, in that Treacher's stymied their fish supply and did not live up to other sides of the bargain.

For his part, Scali's Mr. Cohen says he doubts that Mrs. Paul's Arthur Treacher's troubles have impacted on the company's grocery store sales. "I don't think most consumers are aware of the problem or for that matter much care. And it has absolutely nothing to do with this new ad campaign."

There is speculation that the Pillsbury Co., Minneapolis, might like to buy Mrs. Paul's (AA, March 1). "I certainly don't know anything for sure," says Bill Knobler, an analyst with Sanford Bernstein, New York, "but it would not be an illogical buy. Pillsbury has shown interest in the frozen food business, but Pillsbury is always on the lookout," he added.#

FLASH REPORT: Newspaper advertising investment for December

DECEMBER 1981		DOLLARS		CHANGE	
CATEGORIES	YEAR	1981	1980	ACTUAL $ G OR L	% G OR L
Department stores	1981	$67,715,978	$57,791,955	+9,924,023	+17.2
	1980				
Food stores	1981	19,583,786	17,380,406	+2,203,380	+12.7
	1980				
Radio, tv, phonographs, records	1981	13,630,618	11,266,536	+2,364,082	+21.0
	1980				
Alcoholic beverages	1981	3,503,115	4,547,665	−1,044,550	−23.0
	1980				
Cameras, photo supplies & services	1981	1,144,934	711,753	+433,181	+60.9
	1980				
Beverages: coffee and tea	1981	180,092	216,490	−36,398	−16.8
	1980				
Beverages: soft drinks, diet/non diet	1981	313,722	402,876	−89,154	−22.1
	1980				
Soaps, cleansers & polishes	1981	138,568	36,192	+102,396	+282.9
	1980				
Cold, cough & sinus remedies	1981	13,323	31,269	−17,966	−57.4
	1980				
Headache remedies & sedatives	1981	0	0	0	0
	1980				
Publishing & media	1981	8,260,470	5,749,582	+2,510,888	+43.7
	1980				
Sporting & Leisure time equipment	1981	1,318,573	396,021	+922,552	+233.0
	1980				
Cigarettes	1981	5,204,026	6,022,244	−818,218	−13.6
	1980				
Cosmetics, makeup & manicure products	1981	202,662	29,351	+173,311	+590.5
	1980				
Airlines	1981	6,045,484	5,350,582	+694,882	+13.0
	1980				
Passenger cars-new	1981	4,955,089	4,650,516	+304,573	+6.5
	1980				

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The *Washington Star* ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from the report.#

Source: Media Records Inc.

Newspaper ads set record in '81

New York—Expenditures for newspaper advertising in 1981 hit a record total of $17.4 billion, a 12.3% increase over 1980, according to preliminary figures from the Newspaper Advertising Bureau.

National advertising continued to be the fastest-growing category, increasing 17% to $2.75 billion. Retail advertising grew 12.4% to $9.63 billion, while classified increased 9.5% to $5.062 billion.

For December, total newspaper advertising increased 12.3% to $1.58 billion, with retailing showing a 14.6% gain to $989,200,000, national increasing 13% to $198,600,000 and classified rising 6.6% to $392,500,000.

* * *

In December, the cosmetics, makeup and manicure products category showed the biggest gain, increasing 590% to $202,600, followed by sporting and leisure time equipment, which gained 233% to $1,318,000.

Among those categories showing decreases were cold, cough and sinus remedies, which dropped 57% to $13,000, as well as soft drinks, which dropped 22% to $313,700. Over-all, 10 categories showed increases, five categories showed decreases and one category remained unchanged.

■ This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records Inc., is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities—Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

Advertising got you down? You'd make a great retailer

New York—Advertising, sales promotion and marketing execs may be better suited for similar jobs in retailing than those candidates with retail experience, according to a study conducted by the F.L. Taylor & Co.

According to Fran Taylor, president of the executive search and management consultant company, the behavioral profile of ad agency execs meshes neatly with the behavioral organization of stores, particularly if execs work or have ever worked in small ad agencies but have no retail experience per se.

"Retail environments are entrepreneurial, high pressured but not too glamorous and highly reactive," Ms. Taylor said. "A retail person needs to be flexible and have high energy since retailing demands six to seven-day weeks," she added.

Agency people have the operating style and behavior that fits that type of organization, she concluded, and direct mail agency people may be the best suited for retail direct marketing efforts which have yet to become highly competitive.

And at a time when the retail industry as a whole is facing a need to eliminate waste from within while battling problems of inflation, recession and competition from without, the benefits of re-examining hiring attitudes can result in cost-effectiveness throughout the entire internal structure of a retailing enterprise, Mr. Taylor said.#

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Advertising pages in March consumer publications

Current and March '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	March 1982	March 1981	Jan.-March 1982	Jan.-March 1981
Women's				
†§Bride's Magazine	211.2	188.8	629.2	617.0
▲Co-ed	28.9	37.6	93.4	89.3
§Cosmopolitan	190.5	195.7	508.9	498.3
Essence	98.1	88.4	217.7	213.6
§Family Circle	108.0	119.1	327.0	329.5
§Good Housekeeping	152.5	178.8	421.9	442.9
▲Health	30.3	29.9	88.7	86.4
Ladies' Home Journal	78.7	89.7	200.3	230.5
Lady's Circle	10.2	13.4	25.7	38.8
McCall's	81.2	103.9	211.2	269.4
McCall's Working Mother	59.0	83.1	163.4	83.1
†Modern Bride	400.3	171.1	828.7	534.2
Ms.	38.2	42.8	105.0	108.8
○New Woman	56.5	47.0	96.5	83.6
§Parents Magazine	64.1	72.0	189.6	165.0
Playgirl	39.4	44.5	120.7	148.5
Redbook	83.4	92.3	238.3	253.2
Self	58.7	69.6	173.6	159.3
Seventeen	108.9	105.6	270.7	258.4
Soap Opera Digest	33.5	3.3	57.3	21.8
'Teen Magazine	45.7	46.4	116.2	113.4
§True Story	64.8	66.4	166.1	167.5
§Woman's Day	85.9	97.9	244.8	254.6
▲The Workbasket	33.5	32.3	129.6	111.1
Working Woman	87.0	61.5	213.5	152.5
Total Group	2,248.5	2,108.4	5,838.0	5,330.7
*** % change 1982 vs. 1981	+6.6%		+9.5%	
General				
▲A.D. Magazine	17.0	16.0	43.1	48.9
Air Progress	14.5	15.8	48.0	51.5
▲American Film	29.8	26.0	55.2	55.5
American Forests	10.9	14.5	38.1	43.9
American Legion	33.1	26.6	115.1	99.6
American Photographer	52.3	41.7	131.8	120.5
○Americana	35.6	36.8	59.4	66.4
§Architectural Digest	134.7	144.9	314.6	332.3
§The Atlantic	21.6	22.1	63.6	65.7
○Audubon Magazine	38.7	34.5	63.8	57.4
§Bon Appetit	83.8	80.5	214.1	201.2
Book Digest	26.3	18.8	71.6	76.3
Changing Times	43.3	33.2	104.9	92.4
Christian Herald	41.3	41.3	114.1	129.0
Christian Life	35.3	35.3	88.1	86.3
☆Christianity Today	87.0	76.6	222.3	223.6
Circus	28.8	17.5	85.8	37.5
Complete Men's Group	23.5	21.0	69.8	62.5
Country	25.3	15.9	60.7	38.7
Country Journal	43.9	47.6	140.2	134.7
Country Living	32.5	22.9	100.6	39.3
Creative Computing	116.5	78.4	329.7	225.5
D. Cuisine Magazine	52.1	44.0	118.6	82.9
Dance Magazine	66.9	67.5	183.8	181.4
Ebony	81.7	76.4	212.7	209.7
▲Elks Magazine	22.5	23.6	80.7	78.7
§Esquire	62.0	34.5	137.7	81.0
Fifty Plus	30.7	46.1	93.7	111.4
Flying	42.7	40.3	119.7	123.3
○Games	25.5	21.5	51.8	40.1
§Gentlemen's Quarterly	117.3	127.5	253.1	262.6
Geo	18.0	22.0	54.0	64.0
Golf Digest	65.9	74.3	216.6	236.5
§Golf Magazine	71.6	72.5	337.3	327.5
Gourmet	68.0	68.4	170.2	151.3
§Harper's Magazine	18.2	23.6	46.2	62.0
High Fidelity	37.2	39.5	116.1	128.1
E. High Technology	33.1	—	158.5	—
#Inside	69.1	67.2	69.1	67.2
Kiwanis Magazine	13.4	12.7	48.5	46.3
Let s Live	73.1	81.4	223.6	257.1
Life	41.4	58.0	153.6	150.0
Lion	5.7	6.5	17.7	15.3
Modern Photography	120.8	110.1	226.0	225.1
§Money	107.7	101.4	280.6	261.2
Moneysworth	15.7	14.2	49.2	50.7
Moody Monthly	70.6	79.0	180.2	191.3
Moose Magazine	31.0	31.0	62.0	62.0
○Mother Earth News	56.2	54.9	110.1	124.2
○Museum	53.5	37.5	88.7	74.0
Musician, Player & Listener	45.8	68.0	157.6	181.3
National Geographic	20.7	40.4	58.8	80.5
National Jewish Monthly	24.2	17.4	73.1	57.8
Natural History	32.9	48.5	92.9	122.2
§Omni	45.5	56.5	142.6	143.8
§Penthouse	82.1	76.3	192.6	193.4
Petersen's Photographic	45.1	41.1	126.8	120.7
Playbill	50.3	53.0	150.5	145.4
§Playboy	120.7	126.2	308.1	310.0
Popular Photography	126.8	132.8	385.1	380.2
Prevention	72.1	85.7	214.4	271.7
Psychology Today	35.2	48.2	106.0	126.5
§Reader's Digest	89.3	87.5	225.9	230.7
Rotarian	9.2	10.0	44.3	42.0
††Saturday Evening Post	49.1	43.1	96.3	87.6
◊Science 82	34.5	54.8	80.7	89.2
Scientific American	58.9	97.4	227.5	253.2
Signature	62.2	56.6	163.1	142.2
Smithsonian	82.5	91.7	223.2	226.4
Stereo Review	54.8	58.5	162.0	164.3
Success	35.6	24.9	108.6	99.2
E. Technology Illustrated	—	—	110.1	—
Tennis	44.0	47.8	146.5	149.8
Town & Country	128.4	124.0	316.5	281.0
Travel & Leisure	117.1	104.3	253.7	249.7
▲V.F.W.	25.4	28.3	91.2	96.8
Video	52.0	52.7	149.5	145.3
Video Review	63.7	45.9	190.6	141.8
Weight Watchers	25.7	25.2	79.0	74.0
Writers Digest	25.6	22.2	75.6	65.9
Yankee	77.7	74.1	243.0	242.0
Total Group	4,184.9	4,146.6	11,113.3	10,596.5
*** % change 1982 vs. 1981	+0.1%		+3.4%	
Fashion & service				
Glamour	181.2	180.4	414.6	431.9
Harper's Bazaar	160.0	120.6	308.1	253.2
Mademoiselle	124.2	142.9	305.4	311.7
Vogue	290.3	237.7	607.9	513.4
Total Group	755.7	681.6	1,636.0	1,510.2
*** % change 1982 vs. 1981	+10.9%		+8.3%	
Art & antiques				
American Artist	54.1	52.8	160.4	161.0
Antiques	153.2	169.1	481.7	484.4
○Art & Antiques	52.9	64.5	115.5	114.4
▲Art in America	116.0	107.9	340.1	306.4
▲Artnews	122.0	125.0	303.1	356.1
○Portfolio	78.8	38.5	127.8	83.5
Southwest Art	113.0	87.0	327.8	257.0
Total Group	690.0	644.8	1,856.4	1,762.8
*** % change 1982 vs. 1981	+7.0%		+5.3%	
Home				
§Better Homes & Gardens	102.6	113.4	272.0	296.6
○Colonial Homes	64.4	59.6	124.4	101.2
Dallas-Fort Worth Home/Garden	48.5	32.4	133.8	91.2
§▲Family Handyman	71.8	49.0	202.3	162.8
○Flower & Garden	—	—	62.1	58.3
Home	23.0	30.8	81.2	88.1
†Homeowner's How-To	27.5	31.1	55.3	60.3
Houston Home/Garden	101.3	88.4	277.6	244.4
Horticulture	26.1	22.9	105.6	83.8
House Beautiful	79.2	92.5	207.6	230.2
House & Garden	93.9	111.3	248.6	282.8
Living:				
○Dallas	75.8	125.2	141.9	252.9
○Houston	85.8	94.9	168.8	182.0
○Denver	79.1	95.5	153.4	185.2
○Austin	—	—	38.0	43.6
○San Antonio	—	—	43.2	51.8
○Phoenix	—	—	36.5	35.9
○Florida Gulf Coast	—	—	27.8	23.9
○South Florida	37.7	9.8	77.8	9.8
Metropolitan Home	60.5	—	163.8	100.1
††New Shelter	41.9	37.2	124.8	126.0
C. Orange County Home/Garden	43.3	41.3	43.3	41.3
Organic Gardening	75.7	78.9	261.4	262.8
Phoenix Home/Garden	50.2	30.7	143.6	83.3
San Diego Home/Garden	47.8	32.5	147.3	113.3
#Southern Accents	—	—	82.7	79.5
Southern Living	126.4	122.3	312.3	306.0
§Sunset Magazine	159.7	136.6	359.6	339.7
▲Texas Homes	81.4	85.9	208.2	183.9
○Workbench	65.5	64.7	131.5	134.4
Total Group	1,669.1	1,586.9	4,436.4	4,255.4
*** % change 1982 vs. 1981	+1.4%		+4.3%	
In-flight & other passenger				
#Aboard Group (7)	—	—	616.0	480.0
○Alas Group (9)	—	—	350.0	280.0
Alaskafest	45.8	35.9	112.9	102.9
American Way	59.8	57.0	171.4	154.4
East/West Network:				
Amtrak Express	34.8	35.8	103.1	103.0
Continental Extra	48.5	42.0	—	136.6
Eastern Review	70.3	78.0	226.5	229.4
Ozark Flightime	38.8	43.3	111.5	127.1
PSA Magazine	88.2	97.5	234.7	249.6
Republic Scene East	47.7	49.2	137.0	130.4
Republic Scene West	49.2	54.0	147.2	157.0
Texas International/-The Texas Flyer	52.8	47.2	152.3	146.8
United Mainliner	69.0	72.7	192.0	211.1
Halsey Publications:				
Braniff's Flying Colors	24.7	33.0	71.0	86.0
Delta Sky	54.0	58.0	133.0	142.0
F. Skylite	12.3	10.8	27.0	10.8
Hawaii	24.5	33.9	73.9	93.8
○Pace	29.7	29.2	57.9	89.1
Pan Am Clipper	40.5	59.0	113.0	166.7
Southwest Airlines	100.7	76.1	248.5	205.4
Spirit of Aloha	25.9	34.6	74.8	97.4
USAir	37.2	46.5	113.4	115.8
Webb Publications:				
Frontier	38.3	39.0	112.3	97.5
Passages	28.5	28.0	85.0	70.6
TWA Ambassador	38.5	55.3	115.5	124.1
Total Group	1,556.0	1,635.7	5,222.9	5,298.5
*** % change 1982 vs. 1981	−4.9%		−1.4%	
Metropolitan				
○Aloha	28.0	19.5	56.5	43.0
Atlanta	61.8	92.0	178.9	213.4
Baltimore	49.3	53.5	158.6	167.2
Boston	108.0	121.6	322.2	320.8
California	77.3	69.6	177.9	148.4
Charlotte	25.0	20.0	46.0	35.0
Chicago	136.7	122.9	336.8	320.4
Chicago's North Shore	54.4	57.1	169.3	170.8
Cincinnati	53.2	48.3	158.6	148.4
Cleveland	45.7	67.0	132.0	203.7
Coast	307.2	314.5	380.8	375.0
Columbus Monthly	76.8	79.1	188.3	216.3
Commonwealth	77.5	11.2	212.6	31.7
Connecticut	52.1	54.6	207.5	195.1
D/Magazine, Dallas/-Fort Worth	97.6	106.9	279.9	299.0
Denver	38.1	61.3	89.8	135.4
Monthly Detroit	46.8	45.5	137.9	112.9
Exclusively Yours Wisconsin	60.3	62.5	170.1	196.3
Grand Rapids	44.7	46.1	123.8	115.1
††Gulfshore Life	97.0	82.0	257.0	233.0
Honolulu	59.7	61.2	173.5	203.5
Houston City	69.5	55.7	178.6	148.8
Indianapolis	61.7	28.3	180.7	127.1
Kansas City	18.0	17.7	61.9	51.9
Los Angeles	177.5	177.0	507.5	488.5
○Louisiana Life	56.9	17.0	104.9	17.0
Miami	83.7	80.8	277.5	247.9
Milwaukee	26.8	26.8	83.3	76.7
Mpls./St. Paul	91.4	82.3	210.9	217.3
Monterey Life	48.0	44.8	153.0	130.0
Nashville!	35.8	69.0	112.3	214.8
New Jersey Monthly	44.3	55.1	146.5	184.1
New Mexico	28.3	19.2	74.7	52.9
Ohio	34.0	29.5	60.0	77.6
Omaha	21.3	18.0	60.4	40.6
Oregon	16.9	19.3	56.9	67.9
Orlando	79.5	65.5	217.8	206.4
▲Pacific Northwest	32.5	22.3	59.3	30.3
Palm Beach Life	117.3	100.8	356.3	348.3
Palm Springs Life	145.0	143.6	488.2	473.6
Philadelphia	117.0	130.5	333.8	364.9
Phoenix	85.4	91.0	250.6	271.0
Pittsburgh	34.0	36.2	116.2	100.1
St. Louis	65.3	63.3	174.7	201.7
San Diego	110.0	113.3	353.5	394.9
San Francisco	51.3	52.0	141.4	150.0
○San Francisco Bay Views	45.7	23.5	107.7	80.0
San Francisco Focus	31.7	35.0	95.9	95.8
†Shenandoah Valley	28.8	23.8	59.2	43.0
Spokane	17.8	29.0	51.7	99.4
Tampa	39.4	20.9	100.1	82.1
Tampa Bay	42.0	51.0	123.3	149.8
Texas Monthly	127.7	128.4	299.4	314.5
Twin Cities	51.3	45.4	129.7	115.8
Washington Dossier	38.1	42.0	114.9	151.5
The Washingtonian	130.0	117.8	355.5	342.6
Westchester	28.3	31.0	74.6	97.3
Westchester Illustrated	38.6	32.0	106.4	101.3
Total Group	3,856.0	3,735.0	10,336.3	10,241.8
*** % change 1982 vs. 1981	+3.2%		+0.9%	
Movie-romance-radio-tv				
Ideal Women's Group:				
Daytime Stars	33.6	32.5	33.6	85.6
Intimate Story	26.4	32.3	26.4	87.0
Soap Opera	33.6	32.5	33.6	85.6
Macfadden's Women's Group:				
Modern Romances	34.6	32.9	91.0	89.0
Secrets	34.6	32.9	91.0	89.0
True Confessions	38.1	35.7	95.0	93.7
True Experience	34.6	32.9	91.0	89.0
True Love	34.6	32.9	91.0	39.0
True Romance	34.6	32.9	91.0	89.0
Sterling Women's Group:				
Daytime TV	30.3	31.0	89.2	95.7
Modern Screen	—	—	33.3	65.4
○Movie Mirror	34.3	32.6	34.3	64.8
Photo Screen	—	—	32.3	33.2
Soap Opera Stars	25.3	31.0	50.6	96.7
TV Movie Screen	—	32.6	33.3	64.8
TV Picture Life	34.3	—	66.6	33.2
○Teen Bag	6.5	10.4	11.5	17.0
Total Group	435.4	435.1	995.0	1,267.7
*** % change 1982 vs. 1981	+0.1%		−21.5%	
Youth				
Boys' Life	18.3	23.0	55.6	61.1
Campus Life	68.1	61.3	169.9	151.7
Total Group	86.4	84.3	225.5	212.8
*** % change 1982 vs. 1981	+2.5%		+6.0%	
Mechanics & science				
§Mechanix Illustrated	77.2	77.7	205.5	219.6
Popular Electronics	67.0	60.5	180.0	186.0
Popular Mechanics	108.1	105.8	279.5	292.3
§Popular Science	84.4	81.5	232.1	236.9
Total Group	336.7	325.5	897.1	934.8
*** % change 1982 vs. 1981	+3.4%		−4.0%	
Boating & yachting				
Boating	124.5	116.9	379.3	365.3
Chesapeake Bay	25.2	25.2	72.3	75.4
Cruising World	130.5	123.6	368.5	350.1
Lakeland Boating	56.9	52.4	149.1	144.1
Motor Boating & Sailing	145.7	143.1	474.9	461.9
Rudder	29.7	22.7	69.1	60.8
Sail	191.4	152.8	498.8	448.8
Sea & Pacific Skipper	80.7	85.2	230.3	248.2
Trailer Boats	24.3	34.0	74.5	78.9
Yachting	186.5	190.5	611.4	625.9
Total Group	995.4	946.4	2,928.2	2,859.4
*** % change 1982 vs. 1981	+5.2%		+2.4%	
Automotive & recreational vehicles				
Car & Driver	81.5	87.4	213.4	230.5
Car Collector & Car Classics	19.6	20.1	66.3	63.6
Car Craft	78.6	61.7	181.7	147.3
Cycle	127.3	111.0	246.8	239.2
Cycle Guide	77.4	72.1	160.9	166.1
Cycle World	106.2	89.6	196.2	234.6
Dune Buggies & Hot VWs	52.7	39.1	145.1	115.9

*** % change figured ONLY from magazines with comparable issues 1982 AND 1981. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but not prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◊Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. A. Combined unduplicated regional ads. B. Preprinted inserts included. +Affiliated with Sunday Mag/Net. C. Monthly as of March 1982. D. Monthly as of Jan. 1982. E. 1st issue Oct. 1981. F. Bi-monthly as of March '81. G. Published bi-monthly in 1981.

(Continued on Page 72)

Advertising pages in March consumer publications

(Continued from Page 71)

	Pages			
	March 1982	March 1981	Jan.-March 1982	Jan.-March 1981
Family Motor Coaching	102.6	67.5	278.4	182.6
4 Wheel & Offroad	39.6	36.9	107.6	91.0
Four Wheeler	27.0	23.9	75.6	68.2
Hot Rod	67.6	65.9	139.2	144.1
Motorcyclist	77.9	78.0	159.0	154.1
Motor Trend	58.0	43.9	142.3	127.2
††Motorhome Life	68.6	44.2	128.7	84.4
Road & Track	87.3	87.9	231.7	238.3
◇ G. 3 Wheeling	20.9	30.2	48.5	59.8
Trailer Life	108.0	91.0	253.3	236.3
Total Group	1,098.2	1,083.1	2,774.7	2,583.2
*** % change 1982 vs. 1981	+1.4%		+7.4%	
Outdoor & sport				
Alaska	44.7	32.7	131.4	107.8
○The American Handgunner	37.8	39.1	72.1	72.4
American Hunter	11.6	10.6	33.2	31.1
American Rifleman	20.4	25.5	70.2	78.3
○Backpacker	—	—	42.1	32.0
▼§Bass Master	84.9	70.2	198.5	161.7
††Bicycling	91.1	72.5	157.4	132.9
Field & Stream	101.4	109.7	238.7	245.7
Fins and Feathers	56.1	40.1	121.2	88.7
Florida Sportsman	87.6	75.6	226.8	227.1
‡‡Fly Fisherman	53.7	70.6	101.7	131.1
Fur-Fish-Game	22.4	22.5	74.3	78.9
Guns	29.7	27.5	95.1	95.3
Guns & Ammo	41.2	43.2	115.3	110.0
Outdoor Life	79.3	76.3	197.6	220.5
Petersen's Hunting	22.1	21.3	78.4	65.8
The Runner	26.8	20.7	89.8	55.4
Runner's World	31.3	40.0	77.8	96.9
Salt Water Sportsman	72.8	68.4	191.3	189.7
Shooting Times	30.1	27.1	85.7	127.7
‡‡§Ski	76.3	60.3	222.4	196.1
‡‡Skiing	60.8	40.7	197.6	160.0
Skin Diver	57.9	51.9	189.6	167.7
‡‡Southern Outdoors	60.1	61.9	94.3	94.2
§Sport	37.2	35.5	95.2	92.2
Sports Afield	104.9	94.8	281.8	233.3
▲Spray	38.3	44.5	88.5	84.8
▲Western Outdoors	37.0	32.0	100.2	98.1
Total Group	1,417.5	1,315.2	3,668.2	3,475.4
*** % change 1982 vs. 1981	+7.8%		+5.5%	
Comics				
○Archie Comic Group	—	—	10.0	10.0
DC Comics	7.0	9.0	21.0	27.0
Harvey Comic Group	8.0	8.0	24.0	24.0
Marvel Comic Group	10.0	9.5	30.0	28.5
Total Group	25.0	26.5	85.0	89.5
*** % change 1982 vs. 1981	−5.7%		−5.0%	
Newspaper Sunday magazines/national				
§Family Weekly	85.8	110.1	261.0	292.2
Parade	64.6	96.8	212.4	238.7
Total Group	150.4	206.9	473.4	530.9
*** % change 1982 vs. 1981	−27.3%		−10.8%	
Canadian national weekend magazines				
B. Perspectives	34.0	43.6	97.8	106.0
§Today	34.4	48.1	117.5	148.2
Total Group	68.4	91.7	215.3	254.2
*** % change 1982 vs. 1981	−25.4%		−15.3%	
Canadian				
L'Actualite	73.3	53.7	160.1	116.7
Chatelaine:				
§English Edition	85.3	77.4	224.8	205.1
French Edition	63.4	71.8	180.3	175.9
§Financial Post Magazine	44.9	51.7	102.2	87.9
§Flare	51.4	71.4	99.0	121.4
▲§Homemaker's Magazine:				
English Edition	87.1	80.2	175.4	168.1
French Edition	64.5	67.3	125.5	125.6
§Macleans	148.7	121.6	309.3	360.5
▼§Quest Magazine	59.1	49.8	59.1	49.8
§Reader's Digest:				
Canada-English	87.5	111.3	212.4	251.0
Canada-French	93.4	109.9	225.3	238.8
▲Toronto Life	104.0	66.0	243.0	228.0
Total Group	962.6	954.1	2,116.4	2,128.8
*** % change 1982 vs. 1981	+0.9%		−0.6%	

February

	Pages			
	Feb. 1982	Feb. 1981	Jan.-Feb. 1982	Jan.-Feb. 1981
Business				
Atlanta Business Chronicle	16.1	16.0	30.3	33.6
Barron's	158.0	170.2	308.9	331.4
§Business Week	343.1	302.8	580.7	551.1
California Business	53.3	42.5	107.3	87.8
Corporate Report/-Kansas City	47.0	39.7	86.9	83.4
Corporate Report/Minnesota	67.5	66.2	129.8	130.6
Crain's Chicago Business	84.2	67.9	161.7	125.6
Dallas/Fort Worth Business	42.0	29.5	79.5	52.5
Dun's Business Month	61.1	56.1	135.4	118.7
☆Financial World	76.6	73.7	141.0	143.7
Florida Trend	65.2	47.3	150.8	103.2
▶Forbes	181.4	133.8	361.7	323.4
▶§Fortune	174.2	134.8	296.8	238.6
Hawaii Business	31.8	53.5	66.7	96.0
Houston Business Journal	160.8	113.2	294.5	214.2
§Inc. Magazine	74.7	85.0	144.4	137.2
▶§Industry Week	108.4	115.4	211.1	219.9
Indianapolis Business Journal	58.0	46.7	125.0	88.7
§Nation's Business	30.7	34.7	58.5	65.1
*New England Business	54.1	37.0	120.7	66.2
St. Louis Business Journal	84.3	58.1	167.0	105.6
Texas Business	42.3	20.9	85.3	70.5
Venture	32.5	32.4	65.9	57.9
Total Group	2,047.3	1,777.4	3,909.9	3,444.9
*** % change 1982 vs. 1981	+15.2%		+13.5%	
Newspaper Sunday magazines/local				
+Arizona Republic	91.6	117.8	169.9	193.4
+Chicago Tribune	63.8	86.3	135.0	147.1
+Cincinnati Enquirer	56.5	72.5	121.6	125.5
+Cleveland Plain Dealer	60.0	81.0	111.5	140.4
+Columbus Dispatch	47.7	76.5	102.8	134.8
+Dallas Times Herald	46.4	89.3	101.1	135.2
Los Angeles Times Home Magazine	75.0	94.7	150.4	178.5
+Louisville Courier-Journal	74.0	99.3	138.6	173.2
+Miami Herald	57.9	78.4	124.8	134.8
+New York News	57.9	87.2	103.8	143.4
New York Times Magazine	243.3	247.9	499.9	430.3
+Philadelphia Inquirer	53.1	61.5	109.1	100.5
+Toledo Blade Magazine	58.5	69.9	91.6	95.7
+Washington Post	87.9	97.1	174.0	169.7
Total Group	1,073.6	1,359.4	2,134.1	2,302.5
*** % change 1982 vs. 1981	−21.0%		−7.3%	
Weeklies, bi-weeklies, semi-monthlies				
The Advocate	67.4	59.8	105.8	88.9
§Army Times Military Group:				
Air Force Times	141.7	144.1	258.7	259.5
Army Times	136.2	143.1	252.4	256.4
Navy Times	163.0	166.3	311.3	302.2
The Times Magazine	12.5	14.0	16.0	20.5
AutoWeek	113.7	93.6	210.6	173.0
The Blood Horse	514.9	433.2	1,231.7	1,035.1
Capper's Weekly	24.1	25.3	48.7	56.2
Golf World	60.6	62.1	125.6	133.0
§Grit	26.9	29.0	60.7	59.0
National Review	24.4	25.2	45.6	40.2
New Republic	20.2	10.8	45.6	23.9
New York Magazine	146.7	143.3	264.4	236.7
New Yorker	277.4	254.5	485.2	440.6
§Newsweek	195.5	212.4	355.2	377.9
People	247.1	252.1	418.6	405.6
Rolling Stone	84.6	71.8	131.2	118.4
Sporting News	38.4	41.5	86.0	89.9
§Sports Illustrated	196.5	228.4	364.1	392.7
§Time	173.7	222.9	362.5	385.2
A. Travelhost	2,058.6	1,826.0	4,712.3	3,364.0
§TV Guide	322.4	348.3	689.0	718.8
▶Us Magazine	41.2	28.0	119.4	88.6
§U.S. News & World Report	124.9	126.3	216.9	211.8
Total Group	5,047.0	4,962.2	10,917.9	9,278.1
*** % change 1982 vs. 1981	+1.7%		+17.7%	
Foreign				
Buenhoger:				
Ecuador	4.0	5.8	13.0	9.8
Chile	—	1.0	—	2.0
Mexico	39.0	47.8	77.7	84.0
Puerto Rico	13.0	7.3	29.5	19.5
Venezuela	26.0	22.3	53.2	46.3
Colombia	19.8	18.7	40.8	43.0
Peru	17.5	24.7	47.5	53.0
Central America	2.0	2.8	6.5	6.2
U.S.	4.3	5.8	11.3	14.8
Dominican Republic	12.8	7.3	28.7	16.3
Coqueta:				
Mexico	6.0	3.0	10.8	5.5
Puerto Rico	2.0	1.0	6.0	2.0
Venezuela	7.0	5.0	14.0	9.0
Colombia	5.0	4.0	12.0	5.0
Peru	2.0	—	5.0	—
Central America	2.0	—	5.0	—
Fascinacion:				
Mexico	4.0	7.0	9.3	9.5
Puerto Rico	2.0	1.0	5.5	1.0
Venezuela	12.0	12.0	20.7	19.0
Colombia	9.0	5.5	17.0	9.7
Central America	—	—	—	—
Geomundo:				
Chile	4.0	3.0	6.0	6.0
Mexico	6.0	7.0	14.0	15.0
Ecuador	4.0	1.0	7.0	2.0
Venezuela	14.0	10.0	24.0	16.5
Colombia	9.0	6.0	16.5	11.5
Peru	6.0	5.0	12.0	9.0
Puerto Rico	7.0	3.0	12.0	5.0
Central America	3.0	2.0	4.0	4.0
Hombre De Mundo:				
Mexico	12.0	8.0	25.0	13.0
Chile	5.0	5.0	7.0	8.0
Puerto Rico	9.0	14.0	15.0	18.0
Ecuador	6.0	4.0	10.0	6.0
Venezuela	19.0	13.5	31.7	20.5
Colombia	9.2	11.7	16.3	21.8
Peru	4.0	7.0	8.0	11.0
Central America	3.0	5.0	3.0	6.0
Ideas Para Su Hogar:				
Dominican Republic	—	—	—	—
Mexico	19.2	11.5	38.0	18.2
Chile	1.0	1.0	1.0	1.0
Puerto Rico	2.0	1.2	4.0	1.2
Ecuador	6.5	1.0	13.0	1.0
Venezuela	17.5	12.7	34.0	21.5
Colombia	15.5	12.7	28.5	20.7
Peru	7.5	7.0	16.0	11.0
Central America	2.0	—	4.0	—
Intimidades:				
Chile	1.0	—	2.0	—
Mexico	2.5	5.0	6.0	6.0
Puerto Rico	3.0	3.0	7.0	5.0
Venezuela	5.0	8.0	12.0	12.5
Colombia	2.0	3.0	5.0	4.0
Central America	2.0	1.0	5.0	2.0
Mecanica Popular:				
Mexico	19.7	22.5	39.5	42.3
Puerto Rico	13.7	19.2	26.2	33.3
Venezuela	23.0	24.8	43.7	44.5
Colombia	18.0	21.7	33.0	38.8
Peru	20.5	23.2	38.8	42.3
Central America	13.8	18.2	26.5	32.3
Chile	4.8	3.3	9.3	5.7
Argentina	6.8	10.7	14.3	33.2
The Ring en Espanol:				
Mexico	2.0	2.0	4.0	3.0
Puerto Rico	4.0	3.0	5.0	5.0
Venezuela	3.0	2.0	6.0	3.0
Colombia	—	—	—	—
Central America	—	—	—	—
U.S.	5.5	3.0	7.0	5.0
Vanidades Continental:				
Dominican Republic	40.7	22.7	54.7	32.3
Mexico	84.2	91.0	150.0	148.7
Chile	9.3	7.5	15.0	9.5
Puerto Rico	43.2	47.5	68.3	63.0
Venezuela	69.5	50.3	106.5	74.8
Colombia	34.8	36.0	60.0	54.3
Peru	24.8	25.7	51.3	45.8
Central America	16.8	11.5	26.7	23.5
Ecuador	14.2	15.3	24.2	18.2
U.S.	44.8	31.7	82.0	57.5
Cosmopolitan Foreign Editions:				
Australia	35.7	41.4	74.6	70.8
Brazil	21.6	20.9	51.6	35.9
France	58.5	45.0	97.8	75.8
Germany	13.0	9.0	23.0	18.0
Great Britain	61.0	66.0	108.0	113.0
Greece	30.0	24.0	82.0	54.0
Italy	34.7	34.3	59.4	59.0
Japan	19.3	35.0	46.6	35.0
Cosmopolitan en Espanol:				
Central America	4.2	4.5	6.7	8.5
Colombia	13.2	12.7	24.5	22.8
Ecuador	3.2	2.2	5.7	4.8
Mexico	43.7	41.8	89.2	67.8
Peru	9.7	9.7	20.8	19.8
Puerto Rico	26.8	35.3	42.7	49.0
U.S. (Spanish language)	14.8	13.0	31.5	25.2
Venezuela	31.3	21.5	46.3	31.5
International Communications:				
African Business	34.7	17.2	63.7	41.2
The Middle East	34.0	17.2	63.0	41.2
New African	24.0	38.3	60.8	70.8
Al-Iktissad Al Arabi	8.0	7.7	8.0	16.2
International Herald Tribune	74.8	74.2	133.0	127.9
International Management:				
Africa	12.5	8.5	25.5	15.2
Europe	26.3	37.3	45.3	55.2
Latin America	8.0	19.0	21.5	30.5
Middle East	19.3	16.0	31.8	26.0
Pacific	12.5	7.5	26.5	16.2
Johnston International:				
Alam Attijarat	49.8	56.3	101.7	102.7
Modern Africa	32.3	45.2	32.3	45.2
Modern Asia	48.0	50.2	48.0	50.2
§Newsweek International:				
Atlantic	57.8	63.7	104.1	106.0
Latin America	16.9	21.1	29.1	33.9
Pacific	55.6	62.2	102.0	103.6
††Progreso	17.2	17.2	17.2	17.2
Reader's Digest:				
Arabic	—	17.0	—	26.5
*Asian	131.5	104.5	399.5	137.4
Australian	55.5	56.5	107.0	114.2
Belgian-Flemish	55.0	60.5	92.0	85.5
Belgian-French	42.5	50.0	83.5	71.0
British	46.0	57.5	90.6	103.6
*Chinese	79.5	119.0	178.0	156.3
Danish	40.8	45.5	58.8	59.0
Dutch	31.3	19.8	76.8	62.6
Finnish	54.0	47.3	89.0	101.3
French	62.5	56.1	110.3	99.1
German	63.6	62.0	117.0	106.5
Greek	18.0	—	18.0	—
Iberian	20.5	23.5	50.0	57.5
Indian	88.5	86.0	179.0	216.0
Italian	35.0	51.0	54.5	69.5
Japanese	35.6	33.1	91.9	79.7
Korean	17.3	18.0	33.6	29.0
Latin America:				
Argentina	12.0	25.5	22.5	51.0
Brazil	8.5	9.3	16.5	19.1
Central America	11.0	11.0	22.0	20.5
Chile	15.5	30.0	32.5	54.5
Colombia	28.5	53.5	58.5	74.5
Ecuador	11.0	15.0	23.0	22.0
Mexico	36.2	37.3	71.8	93.9
Peru	9.5	18.0	18.0	22.0
Puerto Rico	8.5	8.0	16.0	10.0
U.P.B.	14.0	22.5	25.5	47.5
U.S. Spanish	23.0	16.5	34.5	29.0
Venezuela	16.0	23.0	33.0	35.0
Portugal	21.5	32.5	48.5	60.5
New Zealand	61.0	34.0	108.0	60.7
Norwegian	29.0	32.5	49.5	39.5
South African	103.0	79.0	147.5	116.0
Swedish	20.5	20.8	44.5	46.5
Swiss-French	24.0	24.0	41.0	36.0
Swiss-German	36.0	32.0	55.0	51.0
Total	1,362.8	1,429.7	2,697.3	2,453.9
Time International:				
Time-Asia	69.1	71.4	121.2	133.0
Time-Atlantic	83.3	78.6	143.1	128.2
Time-Canada	116.8	117.2	209.6	184.8
Time-Latin America	39.5	50.0	81.6	87.6
Time-South Pacific	97.7	118.8	174.6	172.7
**Viseo	71.7	85.7	155.7	142.1
▶§Vision/Latin America	26.8	34.4	57.9	53.6
Total Group	3,735.2	3,810.0	7,028.3	6,395.0
*** % change 1982 vs. 1981	−2.0%		+9.9%	

NOTE

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$40 a Year; This Issue $3 | This International Newspaper of Marketing | March 24, 1982

1982 edition

U.S. Agency Income Profiles

A comprehensive report on U.S. agencies: Their 1981 income, billings, account changes and media mix.

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Advertising Age

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$40 a Year; This Issue $3 | *The International Newspaper of Marketing* | *March 24, 1982*

1981 income tops $5 billion

822 agencies report; Ogilvy moves into third place; Y&R first, JWT second

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By JOHN J. O'CONNOR

NEW YORK—Despite unfavorable exchange rates affecting overseas operations, the U.S. advertising industry had another record year as 1981 gross income rose to just over $5 billion on worldwide billings of $35.2 billion, according to the 38th compilation of agency data by ADVERTISING AGE.

The 1981 gross income tally represented a 7.3% advance over the $4.67 billion reported by 791 agencies taking part in the survey a year ago. In achieving the income record, the 822 reporting agencies saw combined billings climb 10.1% over the previous year's mark of $31.8 billion.

For the second straight year, privately held Young & Rubicam remained the gross income king. The giant agency, whose extensive list of subsidiaries includes Marsteller Inc., posted gross income of $353,000,000 in 1981 on billings of $2.35 billion. A year earlier, the Y&R family of agencies had gross income of $340,800,000 on billings of $2.27 billion.

J. Walter Thompson Co., a unit of JWT Group, a holding company formed in June, 1980, easily took the second spot with gross income last year of $331,700,000 on billings of $2.21 billion. Included in JWT's figures are the billings and gross income of two subsidiaries—World Wide Agency and Brouillard Communications. They do not include the results of five other units operating under the parent holding company. Those units are Hill & Knowlton; the Euro-Advertising network; Lord, Geller, Federico, Einstein; Survival Anglia, and Simmons Marketing Reseach Bureau. JWT Group's total gross income last year was $403,900,000 on revenues of $2,694,000,000.

Several years ago following formation of the Interpublic Group which, like JWT, is publicly held, ADVERTISING AGE decided that inasmuch as a holding company is not an agency, it should be excluded as such in any ranking of agencies.

The formation of the JWT Group holding company led to JWT's yielding its longtime posi-

(Continued on Page 2)

John J. O'Connor is news editor of the New York bureau of ADVERTISING AGE.

Top 10 agencies in world income

(U.S. agencies: Gross income in millions)

Rank	Agency	1981	1980
1	Young & Rubicam	353.0	340.8
2	J. Walter Thompson Co.	331.7	320.0
4	Ogilvy & Mather	286.5	245.9
3	McCann-Erickson	277.3	268.7
5	Ted Bates & Co.	236.7	210.6
6	BBDO Int'l.	205.2	175.6
7	Leo Burnett Co.	198.6	171.1
8	SSC&B	176.4	166.7
9	Foote, Cone & Belding	170.3	164.5
10	Doyle Dane Bernbach	165.0	150.7

Top 10 agencies in U.S. income

(U.S. agencies: Gross income in millions)

Rank	Agency	1981	1980
1	Young & Rubicam	222.8	200.0
2	Ogilvy & Mather	157.5	125.5
3	J. Walter Thompson Co.	153.7	135.3
4	Ted Bates & Co.	129.1	108.1
5	BBDO Int'l.	127.9	105.8
6	Leo Burnett Co.	124.0	108.2
7	Foote, Cone & Belding	116.5	109.1
8	Doyle Dane Bernbach	115.0	98.1
9	Grey Advertising	94.4	78.7
10	Benton & Bowles	81.4	73.8

Top 10 agencies in income outside U.S.

(U.S. agencies: Gross income in millions)

Rank	Agency	1981	1980
1	McCann-Erickson	201.5	204.1
2	J. Walter Thompson Co.	178.0	184.7
3	SSC&B	134.7	128.6
4	Young & Rubicam	130.2	140.8
5	Ogilvy & Mather	129.0	120.4
6	Ted Bates & Co.	107.6	102.5
7	D'Arcy-MacManus & Masius	96.1	88.6
8	BBDO Int'l.	77.3	69.8
9	Leo Burnett Co.	74.6	62.9
10	Compton Advertising	59.1	43.3

Top 10 agencies in world billings

(U.S. agencies: Billings in millions)

Rank	Agency	1981	1980
1	Young & Rubicam	2,355.0	2,273.0
2	J. Walter Thompson Co.	2,212.7	2,120.7
3	Ogilvy & Mather	1,933.8	1,661.9
4	McCann-Erickson	1,849.2	1,792.1
5	Ted Bates & Co.	1,578.1	1,404.1
6	BBDO Int'l.	1,400.0	1,305.0
7	Leo Burnett Co.	1,336.0	1,154.5
8	SSC&B	1,168.3	1,203.0
9	Foote, Cone & Belding	1,153.3	1,118.8
10	Doyle Dane Bernbach	1,150.0	1,004.0

From loser to a big winner

Ally & Gargano wins lots of accounts and Agency of Year Award

By CHRISTY MARSHALL

Within a matter of months in 1978, Ally & Gargano lost 56% of its billings. A midsize agency that could ill afford major account losses, Ally & Gargano was stripped of Fiat (a $10,000,000 account) and Pan American World Airways ($13,000,000) and resigned the IBM Corp. office products account ($5,000,000), "one, two, three, bingo," recalls Carl Ally, the agency's chairman.

The fact that the agency would win six Clios in mid-1978, including two for its widely acclaimed work for the abruptly departed Pan Am, was marginal consolation. Ally & Gargano was still struggling to recover from a 27% decline in billings in 1976 followed by a flat 1977. With the 1978 losses, recovery was no longer the issue: Survival was.

The stubbornly independent Mr. Ally even began thinking the unthinkable; his agency would have to be acquired by somebody else in order to stay alive. Ally & Gargano began merger talks with Doyle Dane Bernbach. "It was an epic bad time," Mr. Ally recalls.

The story has a happy ending. Ally & Gargano persisted in creating some of the freshest, most arresting—and effective—advertising the industry has seen, enabling it to draw new clients as well as substantial increases in ad budgets from existing clients. Last year, the agency broke free of its decade-long $40,000,000-to-$50,000,000 billings rut with a 61% surge in billings to $82,884,000. This year, the agency will celebrate its 20th birthday wearing ADVERTISING AGE's banner as 1981 Agency of the Year.

Remember that speed talker in the Federal Express commercial—"I-know-it's-perfect-Peter-that's-why-I-picked-Pittsburgh-Pittsburgh's-perfect-Peter-may-I-call-you-Pete?" He's an Ally & Gargano creation. So are those massive and imposing Japanese sumo wrestlers who smile like kids for a Pentax picture.

So is the dumpy Dunkin' Donuts baker awakened by his alarm while it's still dark outside: "Gotta make the donuts. Gotta make the donuts... I bet the guys who make supermarket donuts are still in bed." There is also the Timberland boot that, unlike several other water-filled boots shown before it, contains nary a drop after standing in a stream of water.

And Ally & Gargano created that split-screen spot of the long-distance caller showing side-by-side tallies on a rapidly clicking Bell meter and one for client MCI Communications registering half as much.

In these and other tv commercials, clearly the agency's forte, Ally & Gargano demonstrates a remarkable knack for grabbing the viewer's attention with compelling, often humorous, visuals and copy while delivering a clear, powerful selling point.

Federal Express packages get there when they "absolutely, positively" have to. Dunkin' Donuts donuts are always fresher than the supermarket variety. Timberland boots *are* waterproof. In camera-crazy Japan, Pentax is the best seller. MCI phone calls will save you considerable money.

All this results from what sounds like a simple philosophy. Amil Gargano, one of the founders and now the agency's chief executive officer, explains it this way:

"Say something that matters to people and do it in an intelligent fashion, with a high degree of taste and style." Mr. Ally, now 59, explains it even more concisely. "Tell the truth and make it interesting," he says.

In the last 12 months, Ally & Gargano has added as clients Canadair, Scandanavian Airlines, Time Inc., Bank of New York, financial-services franchiser Comprehensive Accounting and designer Calvin Klein, who chose Ally & Gargano after poring over advertising awards books.

The agency expects its billings to top $100,000,000 by a comfortable margin this year, which would represent a doubling of billings in two years and a tripling since 1979. Tv commercials account for about 60% of total billings. Ally & Gargano's gross income of $11,750,000 last year ranked it 50th among the 820 agencies reporting to AD AGE. In 1980, it ranked No. 68.

What is today a 155-person agency based in Manhattan's garment district began as Carl Ally Inc. in 1962. It was formed by Messrs. Ally and Gargano and James Durfee, who had worked together at Campbell-Ewald in Detroit and then as that agency's new-business team in New York, before a 1959 falling out with Campbell-Ewald caused the trio to split up. Mr. Ally spent time on the beach before going to the fledgling, pioneering creative shop of Papert, Koenig, Lois in 1960 as a vp-management supervisor. Mr. Gargano became an art director at Benton &

(Continued on Page 2)

Christy Marshall is a senior reporter in ADVERTISING AGE's New York bureau.

Federal Express winged to sales of $415,000,000 on the strength of Ally & Gargano-created ads.

Ally wins

(Continued from Page 1)

Bowles, and Mr. Durfee joined J. Walter Thompson Co. as group head on the Pan Am account.

After Mr. Ally was approached about handling advertising for Volvo a few years later, the trio regrouped, pooling their combined $8,000 in savings to form a new agency, with only the $300,000 Volvo account as a sure client. "We had nothing to lose and everything to gain," Mr. Gargano, now 50, recalls. "I don't think there was an ounce of fear in us."

Money was short and the hours

Side-by-side comparison was Ally's solution for MCI.

long in the early days. When the work had to go on into the night, Messrs. Ally and Durfee wouldn't go home to Connecticut but would stay at Mr. Gargano's bachelor apartment. Vladimir Horowitz, the pianist, was a neighbor; the struggling advertising entrepreneurs worked on their craft to the strains of Mr. Horowitz practicing his.

The agency's first campaign for Volvo was a precursor of things to come. It was the famous "the 11-year-car" campaign, which pitted Volvo against Detroit's compacts rather than other imports, stressing that Volvos would outlast the owner's loan-payment book. The work attracted attention and new business, some of it sent by other agencies. Bill Bernbach referred Horn & Hardart to Carl Ally. Howard Gossage, founder of San Francisco's legendary Freeman, Mander & Gossage, sent along Old Bushmills Irish Whisky and Salada Tea. After four years in business, the agency's billings topped $15,000,000.

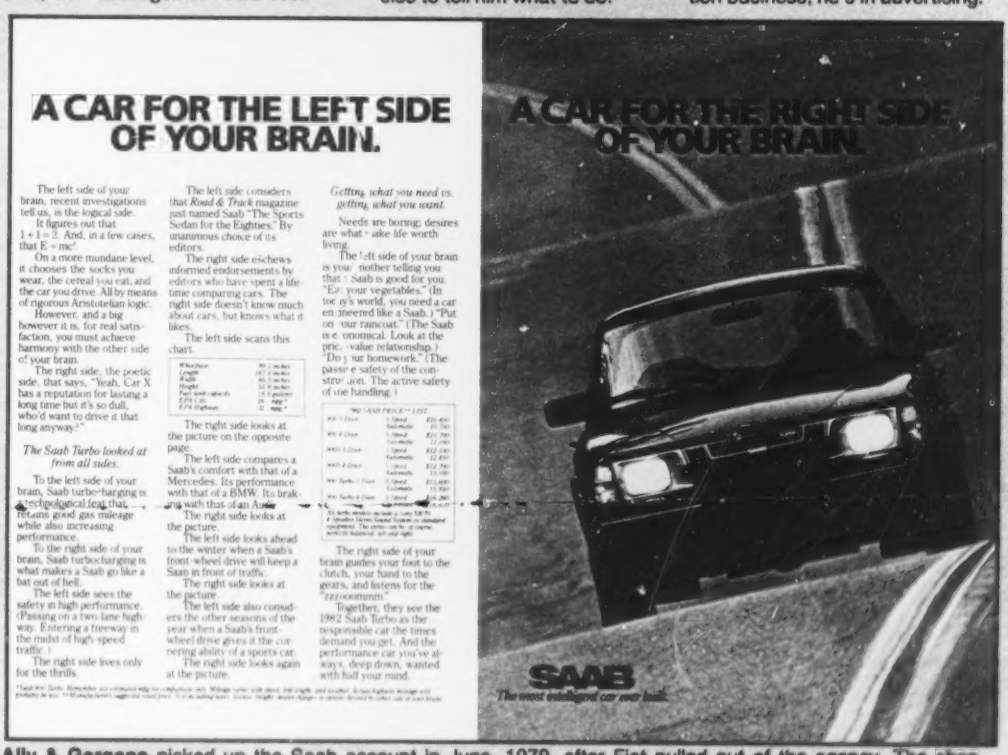
The agency was thriving despite its founders' admitted minimal interest in the money side of advertising. "We didn't like the advertising business, but we did like advertising," Mr. Ally says. To this day, Mr. Ally doesn't hesitate to lash out against such things as the excessive wooing of clients. "Amil [Gargano] and me, we're working

admen, not accountants or personality boys," he said a few years ago. "I still won't play the contact game, entertain some double-breasted polyester fellow at a sleek bar or act the court fool or some client's clown. I think good work ought to be able to win business."

But the new agency began learning that "good work" may not be enough to succeed financially in advertising. In 1967, Volvo left. Hertz walked out in 1973. Then, in 1978, a new ceo took over at Fiat Motors of North America and moved the Fiat account from Ally & Gargano, the new name adopted by the agency at the beginning of that year. Also in 1978, Mr. Durfee, one of the three founders, left to pursue his art interests. (He returned to advertising a few months ago.) Then came the real stunner: Pan Am, for whom Ally & Gargano had created the classic "Discover your Heritage" theme, bolted, ending its eight-year relationship with Mr. Ally on less than 48 hours notice. As was the case at Fiat, new management had been

Carl Ally doesn't need anyone else to tell him what to do.

Amil Gargano's not in the acquisition business, he's in advertising.



Ally & Gargano picked up the Saab account in June, 1979, after Fiat pulled out of the agency. The shop remains fiercely independent and produces some of the freshest and most effective advertising in the industry.

installed at Pan Am; while other agencies expressed outrage at the company's "new broom" treatment of Ally & Gargano, the agency grimly went about firing 20% of its staff, and Mr. Ally, who had rejected dozens of overtures in the past, opened merger talks with DDB.

That was his only wavering from his long-standing beliefs, however. He continued to insist that the agency not accept "schlock" accounts, even in desperation, and that the agency not around." Thus in late 1978, still mired in its billings woes, Ally & Gargano resigned the IBM account, after handling it for nearly 12 years, when it found it couldn't please a new IBM marketing director.

And with the merger with DDB all but approved, Mr. Ally once again baffled the industry by taking on the Pentax account, thereby killing the proposed merger because of the potential conflict with DDB's Polaroid account. Today, however, Mr. Ally marks the Pen-

only major loss in the last three-and-a-half years—just a few weeks ago, and for a familiar reason: The client installed a new marketing vp. "We have never been fired by the person who hired us," Mr. Ally says.

Out of the agency's dark and introspective days of 1978 came some painful changes for the better. One was a reorganization at the top, with Mr. Ally turning over the ceo gavel to his longtime friend and partner, Mr. Gargano. "I had been chief executive officer for 16 tax account as the starting point of Ally & Gargano's revival. "We started picking up business and we got arrogant enough to continue," he says.

Ironically, the agency lost the $13,000,000 Pentax account—its years," Mr. Ally says. "I was getting frazzled and worn out on the job . . . . I don't think I was reacting as well as I should." The agency also called in Edward G. Gallagher, former Norman, Craig & Kummel executive who was then heading his own business, to add strength to the account side; Mr. Gallagher is now the agency's chief operating officer.

"We matured," Mr. Gargano says. Throughout its difficulties, the agency continued to produce stellar award-winning work for its clients, such as Federal Express, which signed on with Ally & Gargano in 1974. The company had at that time 19 Falcon jets, 45 vans and an idea hatched for an economics paper by Yale student Fred Smith, now Federal Express chairman. The idea was to provide dependable overnight delivery of small packages.

Ally & Gargano and Federal Express developed a three-stage advertising strategy. They first announced the new service, then ran hard-hitting comparative spots showing Federal's superiority vs 30-year-old industry leader Emery Express. Finally, once having supplanted Emery as the leader, ads attempted to expand the market to new users. The last stage featured the recent commercials introducing such memorable characters as Spleen, the hyper fast-talking executive, Spritzer (who cowers under his desk when the package that he failed to send by Federal doesn't arrive on time) and Bingham, who did *not* send "the blueprints to Birmingham for the big meeting tomorrow."

The advertising has scored extraordinarily high on standard measurement tests and unquestionably has contributed substantially to the results at Federal: The company that delivered 18 packages its first night of business now delivers an average of 120,000 a night, had revenues of $413,000,000 by 1980 and was cited by *Fortune* as one of the top 10 business successes of the 1970s.

At Dunkin' Donuts, sales have increased 15% annually, setting records each year, since Ally & Gargano began handling the account. MCI, which began offering

(Continued on Page 4)

Previous Agency of the Year Winners

1973—Cunningham & Walsh
1974—Scali, McCabe, Sloves
1975—Leo Burnett Co.
1976—DKG Advertising
1977—Needham, Harper & Steers
1978—N W Ayer and Young & Rubicam
1979—Henderson Advertising
1980—Chiat/Day

D'Arcy drops from top 10, DDB joins list

(Continued from Page 1)

tion as the nation's largest advertising agency in the 1980 survey. However, in view of larger agencies' aggressive policies of growth through acquisition (*e.g.*, Ted Bates & Co.'s purchase of William Esty Co. this year), AA will review its policy toward holding companies. If holding companies receive recognition, next year's ranking—barring a blockbuster acquisition by Y&R—would put Interpublic and JWT Nos. 1 and 2 in gross income, respectively.

Interpublic, whose units include Campbell-Ewald Worldwide, McCann-Erickson Worldwide and SSC&B, reported 1981 gross income of $493,642,000 on billings of $3.29 billion. Its 1980 gross income was $475,627,000 on billings of $3.11 billion. Interpublic's gross income for last year included only 49% of the gross income and billings of SSC&B:Lintas; the remaining 51% is held by Unilever.

Y&R and JWT were followed in top 10 worldwide gross income by Ogilvy & Mather ($286,500,000); McCann-Erickson ($277,254,000); Ted Bates & Co. ($236,700,000); BBDO Int'l ($205,200,000); Leo Burnett Co. ($198,600,000); SSC&B ($176,400,000); Foote, Cone & Belding ($170,300,000), and Doyle Dane Bernbach ($165,000,000).

In terms of U.S. income, Y&R continued as the leader, with domestic gross income of $222,800,000. Its major domestic rivals were O&M, gross income of $157,500,000; Thompson ($153,700,000); Bates (129,100,000); BBDO ($127,900,000); Burnett ($124,000,000); Foote, Cone & Belding ($116,500,000); DDB ($115,000,000); Grey ($94,400,000), and Benton & Bowles ($81,400,000).

The top 10 agencies in gross income outside the U.S. last year: McCann-Erickson ($201,497,000); JWT ($178,000,000); SSC&B ($134,700,000); Y&R ($130,200,000); O&M ($129,000,000); Bates ($107,600,000); D'Arcy-MacManus Masius ($90,100,000); BBDO ($77,300,000); Burnett ($74,600,000), and Compton ($59,100,000).

In compiling the figures, AA estimated a number of agencies' gross income and billings because they failed to comply with an equity formula covering foreign billings that was included in the 1981 questionnaire. The formula calls for gross income and billings claimed for foreign affiliates to be based on the parent company's percentage of ownership. For example, if a 25% interest were held in an overseas agency, only 25% could be claimed; if 75% were owned, only 75% could be claimed.

This is the sixth year AA has ranked agencies by gross income rather than billings. The change was made because most agencies recognize gross income as a more meaningful measure of size and performance.

While the 822 agencies in this year's survey are ranked by gross income, their billings appear in their respective profiles.

A total of 47 agencies that returned questionnaires were excluded in this report for a variety of reasons, including incomplete information, obviously erroneous income figures and late response. The U.S. Postal Service also returned more than 100 unopened questionnaires that were stamped "addressee unknown."#

Profiles of U.S. agencies: Their income, billings, new accounts, total employes

A comprehensive view of the agency business is presented in the following section, in which Advertising Age presents profiles of U.S. agencies, including their gross income in 1981 and 1980, billings, accounts won and lost, media mix, top personnel and total number of employes. The agency profiles are arranged alphabetically by income groups. The first group, beginning on this page, is composed of 44 agencies with gross income of more than $15,000,000.

N W Ayer Inc.

Gross Income	1981	1980
U.S.	$68,400,000	$68,050,000
International	9,180,000	7,970,000
Total	$77,580,000	$76,020,000

N W Ayer Inc., New York, reported gross income of $77,580,000 in 1981 on billings of $532,255,000. Its gross income in 1980 was $76,020,000 on billings of $497,150,000.

The agency's 1981 U.S. volume of $470,635,000 included $368,935,000 in media, $59,300,000 in materials and services and $42,400,000 in capitalized fees. Its 1980 U.S. volume of $443,745,000 included $346,745,000 in media, $58,200,000 in materials and services and $38,800,000 in capitalized fees.

The agency's overseas volume was $61,620,000 in 1981 and $53,405,000 in 1980. It did not break down those figures.

In 1981, the agency gained the following accounts: Chemical Bank, billing $3,000,000; Harlequin Enterprises Ltd.; Howard Johnson Co.; Lehn & Fink; National Council on Alcoholism; Intl. John Deere (for Europe, Africa, Middle East); Sears, Roebuck & Co.; Kawasaki Trading Co.; Orthopaedic Hospital; The Plant Network; TEMCOR, and Yamaha Electronics Corp. USA.

It lost Pan American World Airways, billing $35,000,000, to Doyle Dane Bernbach (which this year lost it to Wells, Rich, Greene); Formfit Rogers, billing $11,000,000 to Marschalk; Nestle, billing over $5,000,000; First Interstate Bank of Oregon, and Jet Propulsion Laboratory.

Overseas, it gained over 60 accounts, while losing 20.

Billings breakdown: Newspapers 9.6%, magazines 24.9%, supplements 0.7%, radio 9%, network tv 38.4%, spot tv 8%, cable tv 0.1%, outdoor 0.7%, business papers 7.1%, Yellow Pages 1.5%.

The agency has 1,213 employes in five U.S. offices; a year ago it had 1,346 employes in five U.S. offices.

Top execs: Louis T. Hagopian, chairman-ceo; Jerry J. Siano, vice-chairman; exec vps—Robert L. Catlin, Patrick S. Cunningham, George H. Eversman, Jerry N. Jordan, Thomas F. Maxey, David H. Means, Stuart Minton Jr., Theodore M. Regan Jr., Dominick F. Rossi, Bartine A. Stoner Jr., V. Hugh Wells, Robert P. Zabel and J.R. Rathbone, deputy chairman, Charles Barker Group Ltd.

Phone: (212) 708-5000.

BBDO International

Gross Income	1981	1980
U.S.	$127,850,000*	$105,300,000*
International	77,300,000*	69,500,000*
Total	$205,150,000*	$175,000,000*

*AA Estimate

BBDO International, New York, is estimated by Advertising Age to have had gross income of $205,150,000 in 1981 on billings of $1,400,000,000. Its gross income in 1980 was estimated at $175,600,000 on billings of $1,305,000,000.

The agency's 1981 U.S. volume of $858,800,000 included $588,200,000 in media, $155,100,000 in materials and services and $115,500,000 in capitalized fees. Its 1980 U.S. volume of $806,400,000 included $564,400,000 in media, $140,000,000 in materials and services and $102,000,000 in capitalized fees.

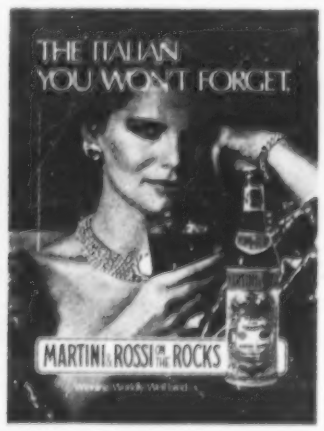
BBDO is estimated to have had overseas volume of $541,000,000 in 1981 and $498,600,000 in 1980. Included in BBDO's figures are the billings and gross income of Blair Advertising; GM DuBois Corp.; BDA/BBDO; Caravetta Allen Kimbrough/BBDO; Frank J. Corbett Inc.; Doremus & Co.; Franklin Spier Inc.; Lavey/Wolff/Swift; Quinn & Johnson, and RC Studios Inc. Not included in the agency's results are the billings and gross income of Tracy-Locke, Dallas, an agency BBDO acquired last month.

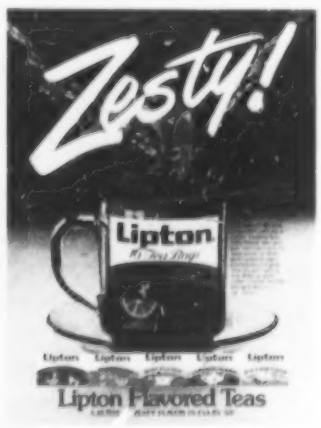
In 1981, the agency gained the following accounts: Gillette Co.'s Atra shaving system, billing $10,000,000, from McCann-Erickson; General Electric's air conditioners, and Pillsbury Co. (frostings and pie crusts).

It lost Hunt-Wesson, billing $8,500,000; Gillette's Daisy razor, billing $2,000,000; Vicks health-care division, billing $14,000,000, to Young & Rubicam; Campbell Soup, billing $12,000,000, to Backer & Spielvogel; Timex Corp., billing $5,000,000; Lever Bros. (Mr. Marinade); 3M Co. (corporate, electrical markets). It did not report overseas account gains and losses.

SSC&B

SSC&B believes that to be effective, advertising has three fundamental jobs to do: (1) To be seen; (2) to be separate, and (3) to build a winning brand personality. The agency has developed a working discipline that applies those principles to all the brands it advertises.





Billings breakdown: Newspapers 18%, magazines 17%, radio 7%, tv 50%, outdoor 2%, business papers 4%, other 2%. The agency has 2,996 employes in 91 offices, including 1,997 in 25 U.S. offices. A year ago it had 3,098 employes in 89 offices, including 2,049 in 24 U.S. offices.

Top execs: Bruce Crawford, parent company president-ceo and chairman, BBDO; Allen Rosenshine, parent company exec vp and president-ceo, BBDO; Steve Kahler and Willi Schalk, exec vps; Raymond McGovern, secretary-general counsel; James A. Cannon and Tom Watson, senior vps; William Wilson, exec vp, BBDO international group.

Phone: (212) 355-5800.

Backer & Spielvogel

Gross Income	1981	1980
U.S.	$27,000,000*	$19,500,000*
Total	$27,000,000*	$19,500,000*

*AA Estimate

Backer & Spielvogel, New York, is estimated to have had gross income of $27,000,000 in 1981 on billings of $180,000,000. Its gross income in 1980 was estimated at $19,500,000 on billings of $130,000,000.

The agency's 1981 volume is estimated to have included $172,000,000 in media and $8,000,000 in capitalized fees. Its 1980 U.S. volume is estimated to have included $124,000,000 in media and $6,000,000 in capitalized fees.

In 1981, the agency gained the following accounts: Miller Brewing Co. (Magnum malt liquor); Campbell Soup Co. (condensed soups, V-8 juice, tomato juice, new products), billing over $12,000,000, from BBDO; Bon Jour Intl., billing $7,000,000, from D'Arcy-MacManus & Masius, and Noxell Corp. (Lestoil cleaner, new products), billing $3,000,000, from Foote, Cone & Belding. It lost no accounts.

Estimated billings breakdown: Newspapers 7%, magazines 20%, network tv 60%, spot tv 13%.

The agency has 324 employes in one office; a year ago it had 226 employes in one office.

Top execs: Carl Spielvogel, chairman-ceo; William M. Backer, president; G. Robert Holmen, exec vp-coo; Robert H. Lenz, exec vp-creative director; Stephen M. Leff, exec vp-director of media services, and Robert R. Meury, exec vp-copy chief. Phone: (212) 556-5200.

About our ad portfolios

We asked a randomly selected group of agencies to submit a statement of philosophy that guides them in creating advertising for their clients and to include a few ads that support their philosophy. Throughout this issue we will present these examples of advertisements and commercials.

Ally wins

(Continued from Page 2)

microwave telephone service in 1969, chose Ally & Gargano as its first ad agency in November, 1979, and now is its largest client in billings. Ally & Gargano claims that its advertising for MCI has been so effective in some cases that it had to be cut back to avoid overloading the microwave system.

Some of advertising's hottest names have worked at Ally & Gargano. Among its alumni are Edward McCabe, president of Scali, McCabe, Sloves; Ralph Ammirati and Martin Puris, chairman and president, respectively, of Ammirati & Puris; David Altschiller, chairman of Altschiller Reitzfeld Solin/NCK, and Dick Raboy, executive vp-creative director, Epstein, Raboy Advertising.

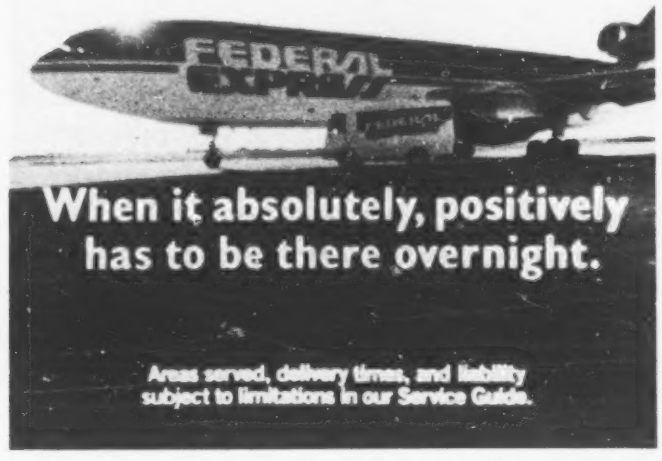
At the same time, however, the agency's present staff includes many who have stayed from the early days: Harold Weston, executive vp-chief financial officer; Chuck Cozzolino, production manager, and Therese Player, vp-account supervisor. Indeed, longevity is the norm rather than the exception, and the shop has acquired an enviable reputation as a place where top-flight talent can be found at every level. Ad people say Ally & Gargano must pay its people well to fight off headhunters.

Despite its impressive recent growth, Ally & Gargano has no intention of becoming a megabusiness *a la* Young & Rubicam or J. Walter Thompson U.S.A., according to Mr. Ally. "I don't have any grand designs," he says. "We can do the work the other agencies do. Size is not where it's at."

A few years ago, the ever-outspoken Mr. Ally said he would go to his grave denying that advertisers get better deals at the big agencies. "Our procedures give better yield," he said. "We initiate research, and as for creative, we wipe out the big shops at the shows."

Nor is Ally & Gargano planning to become a victim of advertising's acquisition fever. "We have very strong feelings about what we do and the way we do it," Mr. Ally says. "We don't need anyone else to tell us what to do." That attitude presumably extends to having public shareholders; the agency drew up and then shelved plans to go public in 1972.

"We are not managers of a big agency making sure that we are now going to acquire another agency next month and the month after that we are going to acquire a direct response agency," adds Mr. Gargano. "We are not in the acquisition business. We are in the advertising business. We are advertising people. We love advertising."#


When it absolutely, positively has to be there overnight.
Areas served, delivery times, and liability subject to limitations in our Service Guide.

Ally's fast-paced, fast-talking commercial for Federal Express reflects the quality of work the agency does for other clients, including Dunkin' Donuts, Pentax and MCI.

How Agency of Year is picked; 6 were finalists

The business of sorting through the serious contenders for Agency of the Year began in earnest in January, when nominations were submitted to the editors by staff members from all Advertising Age bureaus around the country.

During the year, of course, the staff was constantly tossing material into the hopper for use when the deliberations began. Compelling commercials that appeared on tv screens during 1981 were noted; news stories and features that appeared in AA were squirreled away for later consideration.

Our columnists who write about print and broadcast creativity would also cite such efforts during the course of the year. In addition, some hope-filled agencies wrote to us, and the editors took time to review these submissions to make sure no serious contenders were overlooked in the screening.

The single common denominator in all of these deliberations—and a fact often misunderstood by agency executives—is that the editors are looking for pure creative spark.

How well the agency did in garnering new business, in growing through acquisition or in developing a futuristic computerized media buying department, are not important to the search for Agency of the Year. (In most cases, those elements will follow if the agency exhibits the main criterion—creativity. One assumes the agency is relatively well managed and will be around at least until the public announcement is made in mid-March.)

In short, the creative approaches—energy, freshness, sharpness of the product or service's sales message, quality of production values, casting, direction—are the elements that must carry the day. Underlying all of that, of course, is the success of that creative work for the final judge, the client.

In all, the editorial screening committee evaluated approximately 25 agencies that were nominated this year. Six serious contenders reached the "semi-final" stage for the honor.

Those, in alphabetical order, were: Ally & Gargano; Backer & Spielvogel; Bloom Cos.; Geer, DuBois; Ogilvy & Mather, and Young & Rubicam.

The qualities that brought Ally & Gargano the honor were described later by executive editor Fred Danzig as "a consistently high entertainment level that imparts humanity, warmth, understanding, as well as a steel-edged commitment to the business at hand: The sales message."

He added, "Whether in clear, forceful demonstrations or in narrative form, the agency's commercials always project a clear sense of purpose. To be able to achieve so much and still produce a commercial that is fun to watch, that entertains the viewer even as it makes its sales point, is to capture the best qualities of advertising."

The criteria for selecting Agency of Year

In selecting an Ad Agency of the Year, Advertising Age editors concentrated on the creative product, including copy, creative strategies, merchandising, media planning and research. Because agencies vary in size, scope, management orientation and organizational achievement, AA believes any evaluation of this sort should focus entirely on ads, their relationship to today's market dynamics and their effect on sales. Advertising campaigns—the agency's end product—thus represent a universal denominator that provides broad eligibility for selection as Agency of the Year. Last year's agency of the Year was Chiat/Day.

Production credits

In addition to members of the Advertising Age staff listed on the masthead who worked on this year's Agency Income issue, this special report was produced by the following members of the Advertising Age Magazine staff: Marion Elmquist, editor; Mark Watanabe, managing editor; Geoffrey Shives, art director, and Pat Thomas, production editor, as well as free lance writer and editor Craig Endicott.

Advertising Age

The International Newspaper of Marketing

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Gross income over $15,000,00

Ted Bates & Co.

Gross Income	1981	1980
U.S.	$129,660,000	$108,047,000
International	107,055,000	102,532,000
Total	$236,715,000	$210,579,000

Ted Bates & Co., New York, reported gross income of $236.715,000 on billings of $1,578,101,000. Its gross income in 1980 was $210,579,000 on billings of $1,404,100,000.

The agency's 1981 U.S. volume of $860,400,000 included $687,265,000 in media, $83,692,000 in materials and services and $89,443,000 in capitalized fees. Its 1980 U.S. volume of $720,313,000 included $573,791,000 in media, $74,620,000 in materials and services and $71,902,000 in capitalized fees.

The agency's 1981 overseas volume of $717,701,000 included $479,533,000 in media, $59,860,000 in materials and services and $178,308,000 in capitalized fees. Its 1980 foreign volume of $683,787,000 included $464,160,000 in media, $65,028,000 in materials and services and $154,599,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of the following subsidiaries: AC&R Advertising; Campbell-Mithun; Diener/Hauser/Bates; McDonald & Little; Sawdon & Bess, and Stern Walters/Earle Ludgin. Last month, Bates was the architect of the largest agency merger in history when it acquired William Esty Co., whose gross income in 1981 was $66,750,000. Esty's results will be reflected in Bates' report next year.

In 1981, the agency gained Brown-Forman, billing $4,000,000 and resigned by Calet, Hirsch, Kurnit & Spector. It reported no losses.

Its overseas gains included: Sauter Laboratories, Pechiney Ugine Kulhmann's steel division (France); Effem's Trim (Germany); Data General (Spain); Phillips Petroleum, British American Tobacco (Norway); Nikon (Netherlands); DHL worldwide account, Mars' Relay (U.K.); BASF, Mars Inc. (Argentina); Richardson-Vicks (Australia); Effem's Chappi, Agfa-Gevaert (Belgium); Estee Lauder (Italy and Greece). Losses included: Lancia (Germany); Cerdiam (Belgium), BP Australia (Australia); Olympia Business (U.K.); Peugeot (France).

Billings breakdown: Newspapers 11%, magazines 12%, radio 7%, network tv 36%, spot tv 32%, outdoor 2%. The agency has 4,247 employes in 73 offices, including 2,054 in 13 U.S. offices. A year ago it had 3,896 employes in 61 offices, including 1,844 in 13 U.S. offices.

Top execs: Robert E. Jacoby, chairman, president-ceo; Robert A. Bruns, Stephen Rose, Donald M. Zuckert, exec vps, and A. Michael Frothingham and Robert J. Preis, senior vps.

Phone: (212) 869-3131.

Benton & Bowles

Gross Income	1981	1980
U.S.	$81,400,000	$73,800,000
International	46,100,000	44,700,000
Total	$127,500,000	$118,500,000

Benton & Bowles, New York, reported gross income of $127,500,000 in 1981 on billings of $870,000,000. Its gross income in 1980 was $118,500,000 on billings of $806,000,000.

The agency's U.S. volume of $541,000,000 consisted of $438,000,000 in media and $103,000,000 in capitalized fees. Its 1980 volume of $492,000,000 included $401,000,000 in media and $91,000,000 in capitalized fees.

The agency's overseas volume was $329,000,000 in 1981 and $314,000,000 in 1980.

Accompanying its income report, Benton & Bowles noted that if 1980 results were restated at the same foreign exchange rates used in converting 1981, B&B International's income would have increased 21.3% or $8,100,000. As a result, worldwide income would have registered a 14.2% increase or $15,900,000 more than recorded in 1980.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: B&B Direct; Manning, Selvage & Lee, a pr shop; Medicus Intercon International; Ted Colangelo Associates, and Telecom Entertainment Inc.

In 1981, the agency gained the following accounts: Blistex; Emery Worldwide, billing $10,000,000 from Della Femina, Travisano & Partners; Estech Inc.; FirstBank Evanston; Jos. Garneau Co. (Ambassador scotch, Cella wines and Martell cognac); Magic Pan Restaurants, Pinkerton Tobacco, billing $4,000,000; RCA Music Service, billing $6,000,000 from Rapp & Collins; Richardson-Vicks (Synex), billing $3,000,000; Showtime, billing $2,000,000, and Texas Commerce Bancshares.

It lost AMF-Leisure Products (certain divisions) billing $6,500,000; Continental Airlines, billing $18,000,000 to Wells, Rich, Greene; Fiat autos; Holland America, billing $10,000,000; Jacobsen, and Kitchens of Sara Lee.

Overseas, it gained over 50 accounts, including Yamaha (Belgium), Procter & Gamble (Germany), Richardson-Vicks (Spain) and Wrangler jeans (France). It lost 14 accounts overseas.

Billings breakdown: Newspapers 7%, magazines 15%, radio 4%, network tv 42%, spot tv 23%, outdoor 1%, business papers 3%, transit 1%, p.o.p. 1%, direct mail 3%.

The agency has 2,890 employes in 59 offices, including 1,464 in 18 U.S. offices. A year ago it had 2,911 employes in 50 offices, including 1,447 in 14 U.S. offices.

Top execs: John Bowen, president-ceo; Victor Bloede, chairman; Charles Blakemore and Roy Bostock, exec vps; Theodore Burnett, Theodore Dunn, John Ferries, Joseph Hannan, Bernard Kanner, Robert Lyman, Michael Moore, George Simko, James E. Pinkin, senior vps; Frederick Sulcer, president, Medicus Intercon Intl., and Robert N. Schwartz, president, Manning, Selvage & Lee.

Phone: (212) 758-6200.

Bozell & Jacobs

Gross Income	1981	1980
U.S.	$61,700,000	$57,500,000
International	900,000	750,000
Total	$62,600,000	$58,250,000

Bozell & Jacobs, New York, reported gross income of $62,600,000 in 1981 on billings of $425,700,900. Its gross income in 1980 was $58,250,000 on billings of $388,500,000.

The agency's 1981 U.S. volume of $420,000,000 included $279,700,000 in media, $72,300,000 in materials and services and $68,000,000 in capitalized fees. Its 1980 U.S. volume of $383,600,000 included $250,200,000 in media, $68,200,000 in materials and services and $65,200,000 in capitalized fees.

The agency's overseas volume was $5,700,000 in 1981 and $4,900,000 in 1980. In 1981, the agency gained the following accounts: American Airlines, billing $45,000,000 and resigned by Doyle Dane Bernbach; Armstrong Tire, billing $2,000,000; Johnson Matthey Jewelry; Norwegian

How Barclay lit up the numbers with the right toll-free service.

When Brown & Williamson introduced Barclay, they bucked tough odds.

New cigarette brands tend to burn out fast.

But B & W chose a bold strategy. Print ads offered readers a *free carton* of Barclay *instantly* just for phoning an (800) Toll-Free service.

The results? An impressive share of the market in what was called "one of the most successful cigarette introductions of the last 10 years."*

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Call James Lynch, Director of Marketing at (800) 228-2228.

It's the key number in the bottom lines of some of America's most successful campaigns.

WATS MARKETING OF AMERICA

An affiliate of American Express

*ADWEEK, July 20, 1981

Gross income over $15,000,00

America Cruises, billing $3,000,000 from Homer & Durham; Days Inns of America, billing $2,000,000; Godfather's Pizza; Speedy Muffler King, billing $3,000,000, from Doyle Dane Bernbach; Onan Corp.; Litton Microwave Cooking; Armour Products Inc.; L.S. Heath & Sons; Republic Bank of Houston; Union Carbide and *Seventeen* magazine.

It lost Minolta cameras, billing $15,000,000, to William Esty Co.; Pearle Vision, billing $15,000,000, to Foote, Cone & Belding; Quaker Oats, and Renfield Importers, billing $3,500,000.

The agency's foreign gains: Stetson Rodeo, Canadian National Express, Westinghouse, Allan Candy and American Airlines. Its overseas losses: Intl. Paints, Sifto salt, ACL Containers and Nordair.

Billings breakdown: Newspapers 18%, magazines 30%, radio 9%, network tv 4%, spot tv 36%, outdoor 1%, Yellow Pages 2%.

The agency has 1,393 employes in 18 offices, including 1,300 in 13 U.S. offices. A year ago it had 1,304 employes in 17 offices, including 1,269 in 13 U.S. offices.

Top execs: Charles D. Peebler, president-ceo; J. Liener Temerlin, chairman; Alan J. Jacobs, chairman, executive committee. Phone:(212) 644-7200.

Leo Burnett Co.

Gross Income	1981	1980
U.S.	$124,011,000	$108,153,000
International	74,632,000	62,984,000
Total	$198,643,000	$171,137,000

Leo Burnett Co., Chicago, reported gross income of $198,643,000 in 1981 on billings of $1,335,975,000. Its gross income in 1980 was $171,137,000 on billings of $1,154,470,000.

The agency's 1981 U.S. volume of $838,391,000 included $742,359,000 in media, $81,862,000 in materials and services and $14,170,000 in capitalized fees. Its 1980 U.S. volume of $734,565,000 included $648,074,000 in media, $70,423,000 in materials and services and $16,068,000 in capitalized fees.

The agency's overseas volume was $497,584,000 in 1981 and $419,905,000 in 1980. In 1981, the agency gained the following accounts: McDonald's Corp., billing $53,000,000 from Needham, Harper & Steers; Salada Foods Inc., and Union Carbide Corp.

It lost Litton Microwave Cooking, billing $5,000,000, to Bozell & Jacobs; Norcliff-Thayer (network tv buying totaling $10,000,000) to Marschalk; Norcliff-Thayer's Tums, billing $7,000,000, to Jordan Case & McGrath, and its Formula 2 line, billing $3,000,000, to Grey; Revlon Inc., and Steak & Ale Restaurants, billing $5,000,000. It did not list overseas account gains or losses.

Billings breakdown: Newspapers 21%, magazines 17%, radio 3%, network tv 38%, spot tv 14%, outdoor 7%. The agency has 3,236 employes in 41 offices, including 1,557 in five U.S. offices. A year ago it had 2,996 employes in 38 offices, including 1,481 in five U.S. offices.

Top execs: C.R. Kopp, chairman; John J. Kinsella, president-ceo; Normal L. Muse, president, USA; Wayne A. Wiggins, chairman-ceo, intl. Phone: (312) 565-5959.

Campbell-Mithun

Gross Income	1981	1980
U.S.	$31,500,000	$27,645,700
Total	$31,500,000	$27,645,700

Campbell-Mithun, Minneapolis, a unit of Ted Bates & Co., reported gross income of $31,500,000 in 1981 on billings of $210,000,000. Its gross income in 1980 was $27,645,700 on billings of $184,300,000.

The agency's 1981 volume is estimated to have included $155,000,000 in media, $25,000,000 in materials and services and $30,000,000 in capitalized fees. Its 1980 volume included $140,500,000 in media, $19,500,000 in materials and services and $24,300,000 in capitalized fees.

In 1981, the agency gained the following accounts: Fred S. James Co.; Mass Feeding Corp.; Melville Corp.; Woodbridge Footwear; Kellwood Co.; Ashley's Outlet Stores; McGraw/Edison Lighting division; Kohler; Republic Airlines; 3M Co. (corporate); Galleria Retailers Assn.; North Dakota Tourism; Personnel Publishing; Tombstone Pizza; Golden Skillet; Air Chicago; Dow Chemical's Peladow; Quaker Foodservice; General Mills (Nature Valley Light and Crunch).

Accounts lost: Coca-Cola Foods; IDS; Munsingwear; Toro Co.; Adia Temporary Services; Blue Cross/Blue Shield of Illinois; The Management Group, and Air Chicago.

Billings breakdown: Newspapers 11%, magazines 18%, radio 10%, tv 59%, outdoor 0.5%, direct mail 0.5%, other 1%. The agency has 600 employes in two U.S. offices; a year ago it had 585 employes in two offices.

Top execs: George Gruenwald, ceo; David Seibel, chairman-coo; Stan Blunt, executive committee chairman; William E. Stein and Raymond L. Sachs, vice-chairmen; William Dunlap, president, and Raymond O. Mithun, founder chairman. Phone: (612) 347-1314

For more information, see parent agency, Ted Bates & Co.

Compton Advertising

Gross Income	1981	1980
U.S.	$59,823,000	$51,151,000
International	59,055,000	43,350,000
Total	$118,878,000	$94,501,000

Compton Advertising, New York, reported gross income of $118,878,000 in 1981 on billings of $812,580,000. Its gross income in 1980 was $94,501,000 on billings of $639,911,000.

The agency's 1981 U.S. volume of $420,370,000 included $299,372,000 in media, $45,264,000 in materials and services and $75,734,000 in capitalized fees. Its 1980 U.S. volume of $350,911,000 included $256,137,000 in media, $43,274,000 in materials and services and $51,500,000 in capitalized fees.

The agency's figures include the billings of its U.S. subsidiaries, Rumrill-Hoyt; Ross Roy New York/Compton; Cadwell Davis Savage; Klemtner Advertising, and Hoffman York & Compton. The agency's overseas volume was $392,210,000 in 1981 and $289,000,000 in 1980. The agency attributed its international growth to the acquisition last year of KMP Partnership Ltd., a London-based agency with billings of $45,000,000 and substantial growth of the Saatchi, Saatchi, Compton organization, in which Compton holds a minority interest.

In 1981, the agency gained the following accounts: American Motors intl. operations, billing $12,500,000, from Grey Advertising; Buitoni Foods, billing $1,000,000, and the *National Enquirer*.

It lost Duffy-Mott, billing $2,000,000; Allan Beverages; First Federal of Broward; Italian Ceramic Tile, and Viacom Inc.

Billings breakdown: Newspapers 4.8%, magazines 28.6%, radio 2.2%, network tv 63.2%, outdoor 0.6%, point of sale 0.3%, Yellow Pages

How to find an agency that's right for you without having to talk to 50 that aren't.

Reprinted with permission from Advertising Age, *November 16, 1981.*

Review hassle? AAR offers help

By CHRISTY MARSHALL

NEW YORK—When Coty International recently decided it was time for an agency review, it did not go to the *Red Book* for guidance, nor to the stars. Instead it went to the Advertising Agency Register.

The AAR was founded eight years ago in London by Lyndy Payne. It was conceived when a friend of hers, famous for his punctuality, was 20 minutes late because he was in the midst of shopping for a new agency—a process he found long and torturous.

"He said, 'There must be some way to shortcut this.'" Ms. Payne recalled. She agreed. She went on to found the shortcut.

Ad agencies join the AAR by paying a $4,000 annual fee and putting their work on file at the office, either in London or here in New York. The work includes a 10-minute videotape presentation about the agency and its work, a background document on the agency and a folder of current print/promotional work.

▪ When an advertiser decides it is time to review its agency setup, it can call Ms. Payne in London or Leslie Winthrop in the office here to preview the work of the 217 agencies registered—145 in London and 72 in New York.

After the client calls, AAR sends it a long list of possible shops for the account. The list includes briefs about the agencies and mini-case histories. After the client decides which agencies he wants to see, he goes to the AAR office to view videotapes. The agencies on the presentation list are alerted to be available for questions, but they are not told who will be asking. Confidentiality is the key.

After that list has been whittled down to a few finalists, the AAR staff makes appointments for the agencies and advertisers to meet. Then the AAR's job is done. It steps out and lets the client choose the winner. The advertiser pays AAR a fee of $1,500 for the service.

Recently the AAR ran a special deal, offering the service free to first-time users. Tom Eppes, director of creative services at Days Inns of America, Atlanta, took AAR up on its offer and conducted the company's review through the service. He had had a brush with agency review mania a year earlier when the press learned that Days Inns was looking for a new shop. He received hundreds of calls, and it was, in his view, "a nightmare."

This time around, Days Inns executives flew here to view the tapes on Aug. 14, and by Sept. 11 the finalists had made formal presentations. By the end of the company's fiscal year, Sept. 30, Bozell & Jacobs had been appointed the new agency. And if Mr. Eppes found himself in another review, he said he would use AAR again.

▪ The clients who have tapped AAR have budgets ranging from $500,000 to $25,000,000 in billings. The agency members run the gamut from small to very large. The group here currently includes agencies such as Ally & Gargano; N W Ayer; BBDO; Benton & Bowles; Bozell & Jacobs; Cadwell Davis Savage; Compton Advertising; Cunningham & Walsh; Dancer Fitzgerald Sample; Foote, Cone & Belding; F. William Free & Co.; Geer, DuBois; Geers Gross; Grey Advertising, Conahay, Lerner & King; Jim Johnston Inc.; Jordan, Case & McGrath; Kornhauser & Calene; Al Paul Lefton Co.; Marsteller Inc.; Mathieu, Gerfen & Bresner; McCann-Erickson; Nadler & Larimer; Ogilvy & Mather; Posey, Parry & Quest; Shaller Rubin Associates; Sherwood & Schneider; SSC&B; TBWA Advertising; J. Walter Thompson U.S.A., and Warwick, Welsh & Miller.

▪ Overseas, AAR has expanded to Paris and now Munich. Ms. Payne had planned to open additional offices in the U.S. (AA, Feb. 18, '80), but according to Ms. Winthrop, the agency has not found any need to afte. all.

"We have been able to service the whole U.S. with one office," Ms. Winthrop said. "Right now, we haven't had a client who would not come to New York or who we wouldn't go to. I haven't seen any reason to open another U.S. office."

Advertisers also have used the service for training. One company sent its product managers to AAR for a run-through of a trial agency review. Another company has an annual review of the videotapes just to be au courant on the latest creative.

"Advertisers' attitudes toward agencies are usually two years out of date," Ms. Payne said. #

AAR has since expanded its services by increasing its network of member agencies coast to coast.

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THE ADVERTISING AGENCY REGISTER INC.

LONDON NEW YORK PARIS

Agencies with gross income of more than $5,000,000

Figures shown in this table (000,000 omitted from dollar totals) and in the tables on Page 1 represent the best information available to Advertising Age and are constructed either from answers to questionnaires (sometimes revised on the basis of other information) or on the best data available. In some cases, income and billings figures are also included in the parent company totals. All material on this page and throughout the issue are copyright 1982 by Crain Communications Inc. Quotation or reproduction in whole or in part without written permission is expressly prohibited.

1981 World Income Rank	1981 U.S. Income Rank	Agency	World Gross Income 1981	World Gross Income 1980	U.S. Gross Income 1981	U.S. Gross Income 1980	World Billing Gross Income 1981	World Billing Gross Income 1980	U.S. Billing Gross Income 1981	U.S. Billing Gross Income 1980	Data for U.S. only: Capitalized Fees 1981	Capitalized Fees 1980	Total Employes 1981	Total Employes 1980
1	1	Young & Rubicam	353.0	340.8	222.8	200.0	2,355.0	2,273.0	1,490.0	1,334.0	210.0	181.0	3,957	3,804
2	3	J. Walter Thompson Co.	331.7	320.0	153.7	135.3	2,212.7	2,120.7	1,025.4	901.9	—	—	3,102	2,868
3	2	Ogilvy & Mather	286.5	245.9	157.5	125.5	1,933.8	1,661.9	1,050.3	837.1	—	—	2,010	2,160
4	12	McCann-Erickson	277.3	268.7	75.8	64.6	1,927.3	1,792.1	505.3	431.0	—	—	1,273	1,277
5	4	Ted Bates & Co.	236.7	210.6	129.1	108.1	1,578.1	1,404.1	860.4	720.3	89.4	71.9	2,054	1,844
6	5	BBDO International	205.2	175.6	127.9	105.8	1,400.0	1,305.0	858.8	806.4	115.5	102.0	1,997	2,049
7	6	Leo Burnett Co.	198.6	171.1	124.0	108.2	1,336.0	1,154.5	838.4	734.6	14.2	16.1	1,557	1,481
8	23	SSC&B	176.4	166.7	41.7	38.1	1,168.3	1,203.0	277.8	254.4	—	—	577	575
9	7	Foote, Cone & Belding	170.3	164.5	116.5	109.1	1,153.3	1,118.8	794.9	749.3	—	—	2,250	2,330
10	8	Doyle Dane Bernbach	165.0	150.7	115.0	98.1	1,150.0	1,004.0	800.0	671.0	49.0	46.0	1,850	1,800
11	13	D'Arcy-MacManus & Masius Worldwide	164.0	156.0	73.9	67.4	1,094.3	1,045.3	601.9	516.8	—	—	1,410	1,446
12	9	Grey Advertising	133.4	119.4	94.4	78.7	889.8	795.5	629.0	524.9	34.7	29.0	1,725	1,522
13	10	Benton & Bowles	127.5	118.5	81.4	73.8	870.0	806.0	541.0	492.0	103.0	91.0	1,464	1,447
14	19	Compton Advertising	118.9	94.5	59.8	51.2	812.6	640.0	420.4	350.9	75.7	51.5	1,095	1,035
15	16	Marschalk Campbell-Ewald	106.0	105.4	64.9	55.8	717.3	703.0	432.7	372.4	—	—	1,081	1,863
16	11	Dancer Fitzgerald Sample	85.2	76.3	76.4	70.3	599.6	558.4	520.0	505.0	—	—	1,194	1,179
17	14	N W Ayer Inc.	77.6	76.0	68.4	68.0	532.3	497.2	470.6	443.8	42.4	38.8	1,213	1,346
18	20	Needham, Harper & Steers	73.6	61.5	59.2	51.2	490.0	410.5	395.0	341.6	77.9	59.4	992	980
19	21	Marsteller Inc.	71.7	66.0	50.2	44.7	478.2	439.8	334.6	298.0	—	—	967	980
20	15	William Esty Co.	66.8	58.5	66.8	58.5	445.0	390.0	445.0	390.0	—	—	622	616
21	17	Wells, Rich, Greene	65.2	62.4	64.0	61.7	435.0	416.2	426.7	411.5	80.7	70.4	662	704
22	22	Kenyon & Eckhardt	63.1	56.0	48.1	41.0	412.0	379.1	311.9	279.1	37.8	21.5	772	741
23	18	Bozell & Jacobs	62.6	58.3	61.7	57.5	425.0	388.5	420.0	383.6	68.0	65.2	1,300	1,269
24	96	NCK Organization	56.7	54.5	4.9	9.3	378.0	363.0	39.2	62.0	7.9	14.9	51	105
25	24	Ketchum Communications	48.7	42.8	38.6	32.9	342.2	301.6	257.2	219.2	49.6	44.9	835	777
26	25	Cunningham & Walsh	36.7	31.3	36.7	31.3	283.0	240.8	283.0	240.8	13.3	12.5	630	604
27	26	Campbell-Mithun	31.5	27.7	31.5	27.7	210.0	184.3	210.0	184.3	30.0	24.3	600	585
28	33	Scali, McCabe, Sloves	27.2	21.5	19.0	15.8	185.6	143.5	131.0	105.6	—	—	284	268
29	27	Backer & Spielvogel	27.0	19.5	27.0	19.5	180.0	130.0	180.0	130.0	8.0	6.0	324	226
30	28	Creamer Inc.	25.0	18.3	25.0	18.3	167.0	122.0	167.0	122.0	15.0	9.0	512	380
31	39	Wunderman, Ricotta & Kline	23.6	25.1	15.9	14.8	157.4	167.6	105.8	98.7	—	—	239	215
32	29	Leber Katz Partners	22.9	19.6	22.9	19.6	189.5	149.8	189.5	149.8	29.3	20.3	249	210
33	32	Nationwide Advertising	21.9	18.3	19.1	16.0	90.3	79.2	79.0	69.6	—	—	348	295
34	30	Della Femina, Travisano & Partners	21.7	19.1	21.7	19.1	161.0	142.0	161.0	142.0	15.1	13.4	321	283
35	31	McCaffrey & McCall	19.9	18.5	19.9	18.5	134.5	125.3	134.5	125.3	—	—	301	310
36	46	Dailey & Associates	18.5	13.2	13.1	9.1	142.2	111.4	87.3	69.6	19.3	12.1	260	207
37	34	Doremus & Co.	18.1	17.3	18.1	17.3	119.3	112.9	119.3	112.9	50.7	43.9	341	363
38	35	Doyle Dane Bernbach Advertising	17.4	—	17.4	—	116.0	—	116.0	—	—	—	417	—
39	36	Jordan, Case & McGrath	16.6	12.0	16.6	12.0	110.5	81.0	110.5	81.0	20.0	13.0	155	130
40	37	Eisaman, Johns & Laws	16.5	11.1	16.5	11.1	114.7	74.2	114.7	74.2	2.9	2.7	209	185
41	41	Warwick, Welsh & Miller	16.2	15.5	15.6	14.3	108.0	101.0	104.0	95.0	28.0	25.0	260	320
42	38	Keller-Crescent Co.	16.0	15.5	16.0	15.5	84.6	81.9	84.6	81.9	42.9	41.4	585	550
43	40	Tracy-Locke Advertising	15.8	19.3	15.8	19.3	139.1	122.7	139.1	122.7	42.4	29.9	287	356
44	42	W.B. Doner & Co.	15.5	13.2	15.5	13.2	103.0	88.0	103.0	88.0	25.0	13.0	315	277
45	43	Tatham-Laird & Kudner	14.6	14.0	14.6	14.0	98.0	94.0	98.0	94.0	28.0	26.1	300	320
46	44	Laurence, Charles & Free	14.3	11.9	14.3	11.9	95.0	79.0	95.0	79.0	5.0	5.0	179	175
47	53	Sudler & Hennessey	13.8	12.1	10.2	9.3	92.0	80.5	68.0	62.0	—	—	172	172
48	45	Chiat/Day	13.7	7.7	13.7	7.7	125.4	81.9	125.4	81.9	30.9	25.4	262	216
49	47	The Bloom Cos.	12.5	10.2	12.5	10.2	83.4	72.2	83.4	72.2	—	—	350	277
50	48	Ally & Gargano	11.8	7.3	11.8	7.3	82.9	51.6	82.9	51.6	5.9	0.8	155	112

1981 World Income Rank	1981 U.S. Income Rank	Agency	World Gross Income 1981	World Gross Income 1980	U.S. Gross Income 1981	U.S. Gross Income 1980	World Billing Gross Income 1981	World Billing Gross Income 1980	U.S. Billing Gross Income 1981	U.S. Billing Gross Income 1980	Data for U.S. only: Capitalized Fees 1981	Capitalized Fees 1980	Total Employes 1981	Total Employes 1980
51	49	Cole & Weber	11.4	9.8	11.4	9.8	79.2	67.3	79.2	67.3	20.0	14.0	219	197
52	50	Geers Gross Inc.	11.3	9.1	11.3	9.1	79.5	65.2	79.5	65.2	—	—	—	125
53	97	Medicus Intercon International	10.9	10.1	4.9	4.8	96.4	83.9	42.8	39.1	29.4	29.7	108	111
54	51	Rosenfeld, Sirowitz & Lawson	10.6	9.0	10.6	9.0	85.0	73.1	85.0	73.1	19.8	15.7	170	176
55	52	MCA Advertising	10.4	9.4	10.4	9.4	85.3	75.0	85.3	75.0	7.6	4.0	65	65
56	54	Diener/Hauser/Bates	10.0	9.2	10.0	9.2	84.7	77.2	84.7	77.2	—	—	190	166
57	55	Waring & LaRosa	9.8	9.0	9.5	8.7	65.0	60.0	63.0	58.0	5.5	5.0	130	130
58	61	AC&R Advertising	9.4	8.8	8.5	8.1	64.5	53.8	56.6	48.3	2.6	1.9	168	165
59	56	Kornhauser & Calene	9.1	6.2	9.1	6.2	80.2	60.5	80.2	60.5	2.5	1.9	108	90
60	57	David W. Evans Inc.	9.1	8.6	9.1	8.6	60.5	57.0	60.5	57.0	20.0	18.0	206	210
61	58	Lewis & Gilman	8.9	8.3	8.9	8.3	59.0	55.6	59.0	55.6	15.7	17.0	200	215
62	66	Nadler & Larimer	8.8	7.5	7.9	6.6	59.0	50.0	53.0	44.0	—	—	150	150
63	59	Kurtz & Tarlow	8.7	5.2	8.7	5.2	63.2	40.6	63.2	40.6	6.8	5.2	98	83
64	63	Al Paul Lefton Co.	8.7	8.0	8.5	7.8	58.0	53.0	56.4	51.7	—	—	185	188
65	60	Rumrill-Hoyt	8.6	8.4	8.6	8.4	57.0	55.7	57.0	55.7	33.9	33.1	165	200
66	62	Calet, Hirsch, Kurnit & Spector	8.5	8.0	8.5	8.0	70.0	60.0	70.0	60.0	13.0	9.5	160	160
67	70	Hill, Holliday Connors, Cosmopulos	8.2	7.3	7.4	7.0	61.5	46.1	56.6	44.0	30.4	17.7	145	139
68	64	Humphrey Browning MacDougall	8.1	7.4	8.1	7.4	54.0	49.2	54.0	49.2	2.5	2.7	173	137
69	65	Williams Douglas McAdams Inc.	7.9	7.6	7.9	7.6	52.6	50.3	52.6	50.3	8.1	7.8	165	160
70	67	Fahlgren & Ferriss	7.6	6.4	7.6	6.4	50.4	42.7	50.4	42.7	20.8	16.4	165	140
71	68	Avrett, Free & Fischer	7.5	6.4	7.5	6.4	67.4	57.1	67.4	57.1	6.3	6.5	89	79
72	69	McDonald & Little	7.5	6.8	7.5	6.8	51.2	47.5	51.2	47.5	22.2	21.8	112	125
73	77	Meldrum & Fewsmith	7.4	7.0	6.8	6.4	49.0	46.5	45.0	42.5	—	—	170	153
74	75	Sieber & McIntyre	7.3	5.5	6.9	5.3	51.4	45.5	48.7	44.2	35.2	32.5	133	127
75	71	Advertising to Women	7.2	6.2	7.2	6.2	55.0	47.0	55.0	47.0	—	—	94	79
76	72	Geer, DuBois Inc.	7.2	5.8	7.2	5.8	48.2	38.6	48.2	38.6	—	—	120	102
77	73	Ingalls Associates	7.0	6.0	7.0	6	51.0	40.0	51.0	40.0	16.0	11.0	160	130
78	74	Griswold-Eshleman Co.	7.0	6.7	7.0	6.7	43.0	41.8	43.0	41.8	5.8	5.1	156	127
79	76	Lee King & Partners	6.9	7.0	6.9	7.0	46.1	46.8	46.1	46.8	10.2	9.1	148	165
80	78	Lord, Geller, Federico, Einstein	6.7	4.7	6.7	4.7	52.9	34.3	52.9	34.3	17.2	11.1	126	101
81	79	Hoffman York & Compton	6.6	6.1	6.6	6.1	44.2	40.3	44.2	40.3	—	—	108	122
82	80	Wyse Advertising	6.6	5.2	6.6	5.2	48.2	41.3	48.2	41.3	17.2	13.1	172	141
83	81	Kallir, Philips, Ross	6.5	5.1	6.5	5.1	55.4	43.4	55.4	43.4	35.0	28.3	135	125
84	82	Arnold & Co.	6.4	6.0	6.4	6.0	42.8	36.5	42.8	36.5	—	1.7	150	125
85	83	Hicks & Greist	6.4	6.3	6.4	6.3	46.0	43.0	46.0	43.0	2.5	2.5	113	113
86	84	Levine, Huntley, Schmidt, Plapler & Beaver	6.3	5.5	6.3	5.5	41.9	36.6	41.9	36.6	6.7	8.1	85	74
87	85	Tucker Wayne & Co.	6.2	5.1	6.2	5.1	43.3	37.4	43.3	37.4	3.6	3.6	106	104
88	86	Davis, Johnson, Mogul & Colombatto	6.1	4.6	6.1	4.6	38.0	30.5	38.0	30.5	2.7	4.5	150	101
89	87	Ammirati & Puris	6.0	5.1	6.0	5.1	40.0	34.0	40.0	34.0	2.0	2.5	70	60
90	88	Cramer-Krasselt	5.8	3.1	5.8	3.1	41.0	22.1	41.0	22.1	—	—	102	64
91	89	Helfgott Towne & Silverstein	5.6	4.8	5.6	4.8	37.0	32.0	37.0	32.0	—	—	54	52
92	90	Spiro & Associates	5.5	5.1	5.5	5.1	40.9	36.2	40.9	36.2	23.5	18.9	120	103
93	91	McKinney Silver & Rockett	5.4	4.5	5.4	4.5	36.0	30.3	36.0	30.3	3.4	2.9	73	66
94	92	Smith/Greenland	5.3	5.1	5.3	5.1	34.0	32.0	34.0	32.0	3.3	3.1	104	106
95	93	Venet Advertising	5.2	4.8	5.2	4.8	38.2	34.3	38.2	34.3	9.3	7.9	129	118
96	94	Sawdon & Bess	5.2	3.9	5.2	3.9	35.0	26.9	35.0	26.9	2.1	1.3	64	60
97	95	Group Three Advertising	5.2	4.4	5.2	4.4	19.4	17.4	19.4	17.4	12.5	11.5	28	40

Agencies with gross income of $1-$5,000,000

Agency	1981	1980	Agency	1981	1980	Agency	1981	1980
Keyes Martin & Co.	4,930,000	4,824,000	Valentine-Radford	4,771,500	4,292,300	Barnum Communications	4,610,950	3,191,165
Robert A. Becker	4,875,000	4,600,000	Fletcher/Mayo/Associates	4,706,000	3,554,000	Lavey/Wolff/Swift	4,600,000	3,800,000
Robinsons Inc.	4,850,000	3,750,000	North Castie Partners	4,682,000	3,174,000	Mandabach & Simms	4,600,000	3,600,000
Bentley, Barnes & Lynn	4,804,044	3,941,880	Weightman Inc.	4,650,000	4,050,000	Rolf Werner Rosenthal Inc.	4,560,931	3,919,760
McKinney Inc.	4,800,000	3,810,000	Muller Jordan Weiss	4,635,573	4,066,599			

Agency	1981	1980
Stern Walters/Earle Ludgin Inc.	4,503,006	4,400,934
Ash/LeDonne	4,500,000	4,000,000
Harold Cabot & Co.	4,500,000	3,900,000
Trout & Ries Advertising	4,493,070	3,535,362
Richardson, Myers & Donofrio	4,403,221	2,904,140
Drossman Yustein Clowes	4,300,000	4,200,000
Quinn & Johnson	4,300,000	3,600,000
Allen & Dorward	4,297,538	3,719,799
Van Sant Dugdale & Co.	4,203,064	3,621,598
Klemtner Advertising	4,170,000	3,700,000
Widerschein/Strandberg	4,142,756	3,294,817
Shaller Rubin Associates	4,100,000	3,800,000
Colle & McVoy Advertising Agency	4,095,517	4,030,487
Batz-Hodgson-Neuwoehner	4,069,036	2,837,188
Martin/Williams	4,021,600	——
Brewer Advertising	4,000,524	4,264,525
Ehrlich Manes & Associates	4,000,000	3,250,000
Muir Cornelius Moore	4,000,000	3,500,000
Mel Richman Inc.	4,000,000	4,478,000
Carmichael-Lynch Advertising	3,969,000	3,174,000
M.E.D. Communications	3,950,000	3,200,000
Lois Pitts Gershon	3,912,000	2,451,800
Lord, Sullivan & Yoder	3,878,429	2,896,046
The Richards Group	3,839,000	3,036,000
Howard Swink Advertising Agency	3,831,057	3,486,243
Albert Jay Rosenthal & Co.	3,795,000	3,480,000
Carrafiello-Diehl & Associates	3,765,000	2,580,000
TBWA	3,750,000	3,000,000
Earle Palmer Brown & Associates	3,675,000	2,667,000
Quinland Keene Peck & McShay	3,649,070	3,597,438
Goodwin, Dannenbaum, Littman & Wingfield	3,628,800	3,290,200
Grant/Jacoby	3,600,000	3,000,000
Bader Rutter & Associates	3,574,748	2,638,306
Liller Neal Inc.	3,500,496	3,192,500
Elkman Advertising	3,500,000	3,155,000
Mathieu, Gerfen & Bresner	3,500,000	3,000,000
Ross Roy/New York-Compton	3,500,000	3,100,000
Carr Liggett Inc.	3,478,019	2,566,179
Phillips Ramsey Co.	3,389,242	2,911,411
Cadwell Davis Savage	3,360,000	2,851,000
DBG&H Unlimited	3,330,508	2,327,250
Altman, Stoller, Weiss	3,300,000	3,000,000
Miller Advertising	3,300,000	3,000,000
Slater, Hanft, Martin	3,267,000	——
Thomas G. Ferguson Associates	3,265,654	2,449,967
Burrell Advertising	3,250,000	2,400,000
Paragon Advertising Agency	3,244,000	2,595,000
Epstein Raboy Advertising	3,217,500	3,015,000
Marc & Co.	3,200,000	2,850,000
Kobs & Brady	3,188,414	2,801,673
Fisher/Feld Inc.	3,150,000	3,500,000
Long, Haymes & Carr	3,100,000	2,150,000
Silverman Mower Advertising	3,084,851	2,086,602
Hood, Hope & Associates	3,076,014	2,714,193
The Pitluk Group	3,045,000	2,515,000
Rives Smith Baldwin & Carlberg/Y&R	3,035,000	2,667,000
Burton-Campbell	3,012,026	1,724,949
Healthmark Communications	3,000,000	2,500,000
Lang, Fisher & Stashower Advertising	3,000,000	2,800,000
G.M. Feldman & Co.	2,940,000	2,831,550
Dix & Eaton	2,900,000	2,770,000
Faller Klenk & Quinlan	2,872,000	2,020,711
Edwin Bird Wilson Inc.	2,867,500	2,775,000
AdCom Inc.	2,800,000	2,300,000
Margeotes, Fertitta & Weiss	2,796,800	1,594,963
Firestone & Associates	2,755,400	2,651,000
Dugan/Farley Communications Associates	2,738,034	1,896,680
Van Brunt & Co.	2,715,000	2,437,500
James Neal Harvey Inc.	2,700,000	3,100,000
Reiser Williams deYong	2,700,000	1,800,000
The Food Group	2,698,066	2,557,387
Don Tennant Co.	2,697,000	2,291,000
Kraft Smith Inc.	2,684,833	2,536,882
Advertising Inc. (Greenville,S.C.)	2,650,000	——
Franklin Spier Inc.	2,649,977	2,527,544
Kerker & Associates	2,649,500	2,140,800
Jim Johnston Advertising	2,626,732	2,570,544
A&M Associates	2,610,000	1,846,000
Frank J. Corbett Inc.	2,600,000	2,300,000
Stiefel/Raymond Advertising	2,600,000	2,250,000
Bramson & Associates	2,575,500	2,519,000
Mike Sloan Inc.	2,560,000	2,400,000
Carlson, Liebowitz & Olshever	2,552,096	2,052,988
Tromson Monroe Advertising	2,550,000	1,950,000
Barkley & Evergreen	2,536,300	2,388,500
Doe-Anderson Advertising	2,456,746	2,224,572
Chuck Ruhr Advertising	2,445,440	2,288,900
Abert, Newhoff & Burr	2,420,232	2,191,087
Stern/Monroe Advertising	2,400,000	1,400,000
Savitt Tobias Balk	2,370,045	2,134,500
Pinne, Garvin & Hock	2,363,802	1,726,307
Simons Michelson Zieve	2,350,000	1,900,000
Stephan & Brady	2,338,656	2,015,299
Winius-Brandon Advertising	2,323,724	2,038,355
Specht, Gilbert & Partners	2,299,000	——
Juhl Advertising Agency	2,290,000	1,946,250
S.R. Leon Co.	2,200,000	2,600,000
Broyles Allebaugh & Davis	2,194,505	1,881,734
Jordan/Tamraz Caruso Advertising	2,190,000	1,980,000
Vicom Associates	2,174,877	1,787,405
William R. Biggs Associates	2,150,000	2,122,000
Handley & Miller	2,142,860	2,021,600
Symon, Thomas & Hilliard	2,136,000	1,969,000
Ackerman & McQueen	2,124,208	1,744,412
Kenrick Advertising	2,100,000	1,100,000
Philip Stogel Co.	2,100,000	2,200,000
Chester Gore Co.	2,096,000	1,922,700
Frank C. Nahser Inc.	2,073,000	1,500,000
John Paul Itta Inc.	2,065,000	1,742,000
Popejoy & Fischel Advertising Agency	2,045,000	1,905,000
Sherwood & Schneider	2,040,000	
Stolz Advertising	2,019,647	1,795,263
Kaufman, Lansky, Baker	2,000,000	1,000,000
Mutual Media	2,000,000	1,650,000
Baxter, Gurian & Mazzei	1,988,000	1,950,000
Craig, Lamm, Hensley & Alderman Advertising	1,987,969	1,763,144
Marketing Support Inc.	1,981,514	1,721,222
Vantage Advertising & Marketing Associates	1,980,000	1,360,000
Simpson Marketing Communications Agency	1,969,362	——
Giardini/Russell	1,963,418	1,519,860
Ralph Kent Cooke Inc.	1,950,004	1,775,000
David Deutsch Associates	1,950,000	1,811,000
Homer & Durham	1,933,720	1,687,140
Knoth & Meads	1,931,000	1,655,000
Owens & Associates Advertising	1,930,000	1,740,000
Warner, Bicking & Fenwick	1,914,816	1,878,560
Marcoa Direct Marketing	1,900,000	1,800,000
Ruvane, Leverte	1,900,000	1,600,000
Grey Direct	1,893,200	1,156,000
The Jayme Organization	1,889,000	1,802,000
Hammond Farrell Inc.	1,882,361	1,673,666
John Malmo Advertising	1,875,000	1,500,000
Reimel Carter Advertising	1,870,000	1,662,032
Group Two Advertising	1,867,000	1,510,000
Gerber Advertising Agency	1,850,000	1,800,000
Leslie Advertising	1,826,622	1,776,483
Weekley & Penny Inc.	1,826,143	1,628,194
Alexander Marketing Services	1,824,217	1,224,114
Kresser & Robbins	1,800,000	1,230,000
Weitzman, Dym & Associates	1,800,000	1,650,000
Scott Lancaster Jackman Mills Atha	1,775,000	862,000
Haddon Advertising	1,771,500	1,650,000
Green & Burkhard	1,762,209	949,000
Scorggin & Fischer Advertising	1,758,634	1,594,410
Gumpertz/Bentley/Fried	1,753,000	1,561,924
Cal-Ad Co.	1,750,000	1,500,000
The D R Group	1,750,000	1,461,000
Fairfax Inc.	1,750,000	1,900,000
Starr/McCombs/Koch	1,725,000	1,425,000
Louis Benito Advertising	1,720,000	1,402,000
Schaefer Advertising	1,710,000	1,545,000
Dawson, Johns & Black	1,680,000	1,542,000
Gilbert, Whitney & Johns	1,680,000	1,500,000
Serino, Coyne & Nappi	1,677,000	1,476,000
Basso Associates	1,675,000	——
Robert L. Cohn Inc.	1,672,350	1,310,800
Mendoza, Dillon & Asociados	1,670,000	851,081
Graber & Cohen	1,650,000	1,200,000
Montgomery & Associates	1,650,000	1,425,000
Poppe Tyson Inc.	1,650,000	1,500,000
Desmond & Associates	1,635,000	1,485,000
Stone & Simons	1,632,584	1,592,113
Jack Levy & Associates	1,629,790	1,122,000
BBDM Inc.	1,628,413	1,543,675
Eisner & Associates	1,624,342	1,338,214
Marquardt & Roche	1,610,164	1,360,240
West & Gentry Advertising	1,605,930	1,579,000
Shailer Davidoff Rogers	1,600,000	1,050,000
Burton Advertising	1,593,000	1,770,000
Noble & Associates	1,591,913	725,491
Northrup & Teel	1,588,000	1,009,000
Intervision Communications Co.	1,537,708	1,302,250
Dwelley, Bolger & Citrin	1,570,736	1,313,599
SAAS Advertising	1,567,000	1,334,000
Cummins, MacFail & Nutry	1,566,122	1,092,247
E.H. Brown Advertising	1,540,519	1,735,732
Kelly Advertising	1,540,000	1,097,661
Brand Advertising	1,538,943	1,608,268
Brand Edmonds Associates	1,529,035	1,318,891
Zylke Affiliates	1,524,032	1,270,900
Tycer-Fultz-Bellack	1,521,153	1,179,963
Caraway Kemp Communications	1,516,000	1,101,861
Baker, Abbs, Cunningham & Klepinger	1,515,217	1,283,175
Yellow Pages Marketing Services	1,508,000	1,106,500
Cavalieri, Kleier, Pearlman	1,500,000	1,750,000
J. Douglas Fischer Associates	1,500,000	900,000

Agency	1981	1980
Greenstone & Rabasca	1,500,000	1,200,000
Maher, Pastor & Stevens	1,500,000	1,150,000
The Siesel Co.	1,500,000	1,350,000
Beaumont, Heller, Sperling	1,497,918	1,555,200
Abelson-Taylor Inc.	1,497,237	1,195,505
Healy-Schutte & Comstock Advertising	1,492,446	1,315,749
Ehrig & Associates	1,470,348	1,445,114
Womack/Claypoole/Griffin	1,469,800	1,020,091
Posey, Parry & Quest	1,465,000	1,160,000
Douglas Turner Inc.	1,434,884	1,392,250
Sohigian & Partners	1,425,000	1,350,000
Murray/Bradley	1,421,676	1,279,191
Witherspoon & Associates	1,419,319	1,131,235
Nowak Barlow Johnson	1,417,655	1,121,585
Busse & Cummins	1,413,000	1,428,347
Kamstra Communications	1,410,000	900,000
Market Builders	1,410,000	847,500
Mace Advertising Agency	1,408,093	1,334,193
The Kamber Group	1,405,265	351,255
ClarkeGowardCarr&Fitts	1,400,000	820,000
Feldman McPherson Topin	1,400,000	1,130,000
GGK New York	1,400,000	1,100,000
The Jaqua Co.	1,400,000	1,050,000
Mason & Madison	1,400,000	1,150,000
Yaffe Berline Inc.	1,400,000	——
Three Arts Inc.	1,385,418	1,020,238
Barry Blau & Partners	1,380,400	1,022,230
Price/McNabb Advertising Agency	1,378,582	988,788
Lieberman-Appalucci	1,370,000	1,220,000
Fern/Hanaway	1,350,675	1,085,369
Berk & Co.	1,350,000	750,000
Carter, Callahan & Associates	1,348,483	934,693
Weber Cohn & Riley	1,335,000	1,697,000
Potter Hazlehurst Inc.	1,319,566	1,241,387
Kaiser Kuhn Bennett & Sharp	1,317,990	——
Ross Advertising	1,314,685	1,066,762
Sullivan & Brugnatelli	1,305,023	1,194,401
Fry Associates	1,293,214	826,475
Marcus Advertising	1,291,278	1,904,113
Launey, Hachmann & Harris	1,287,000	1,244,000
Greengage Associates	1,284,000	1,005,150
Smith, Badofsky & Raffel	1,279,650	390,067
Schein/Blattstein Advertising	1,275,000	1,124,000
Bergelt Advertising	1,266,600	1,160,000
William J. Bologna International	1,266,000	——
Blair Advertising	1,264,393	1,331,517
Fitzgerald Advertising	1,262,946	1,061,928
Winterkorn, Hammond & Lillis	1,260,000	1,130,000
Martin, Sturtevant, Silverman & Marshall	1,232,550	1,120,500
SCG Advertising	1,230,397	1,048,614
Waldbillig & Besteman	1,221,301	1,052,034
Gottlieb-Miller	1,220,000	1,060,000
Hanson, Fassler & Associates	1,219,000	1,219,000
BrainReserve	1,200,000	910,000
Warren/Kremer Advertising	1,200,000	865,000
Winchell Marketing Communications	1,200,000	1,050,000
R.L. Meyer & Promotions	1,194,436	954,274
Dorland & Sweeney	1,183,686	999,391
Ensslin & Hall Advertising	1,177,385	757,365
Robinson Associates	1,169,371	273,710
John Brown & Partners	1,160,972	820,762
The Brady Co.	1,154,688	1,033,456
Weil, Levy & King	1,150,645	1,173,122
Behrends & Co.	1,149,850	703,950
Murray Salit & Associates	1,149,000	1,266,000
Coakley Heagerty Cos.	1,147,919	864,729
Furman Roth Advertising	1,130,000	1,101,000
Smith, Kaplan, Allen & Reynolds Advertising Agency	1,125,105	901,608
Marvin & Leonard Advertising	1,125,000	1,125,000
J.H. Lewis Advertising	1,123,010	801,138
Image Dynamics Inc.	1,122,258	694,160
The Pihas, Schmidt, Westerdahl Co.	1,114,592	1,261,520
Bailey Lewis & Associates	1,112,357	936,281
The Ad Agency	1,108,000	998,000
Dilorio, Wergeles	1,100,000	900,000
Huntsinger, Jeffer, Van Groesbeck	1,096,974	829,188
Bergthold, Fillhardt & Wright	1,096,314	691,673
SZF Inc.	1,090,000	985,000
Maris, West & Baker	1,080,000	963,000
Red Barron Inc.	1,078,800	898,400
Berenson & Isham	1,068,753	1,318,124
Gulf State Advertising Agency	1,057,654	1,141,302
Marketing Directions Inc.	1,052,036	699,557
Winters Franceschi Callahan	1,050,000	600,000
Sam Lusky Associates	1,046,558	1,040,067
Pearson Clarke & Sawyer	1,035,000	870,000
Sumner, Berry, Brown Advertising	1,032,900	663,150
Pesin, Sydney & Bernard	1,032,000	856,500
Adler, Schwartz	1,030,905	822,272
Ed Yardang & Associates	1,025,915	851,698
Howard H. Monk & Associates	1,024,603	1,054,275
Marc Associates	1,024,546	1,033,187
Ross Hancock Advertising	1,022,955	735,000
Neal Spelce Associates	1,018,003	989,742
The Phillips Organisation	1,016,500	900,000
Pringle Dixon Pringle	1,007,400	900,000
Seideman & Moiselle Advertising/Marketing	1,003,967	769,649

Agencies with gross income under $1,000,000

Agency	1981	1980
Bermundez & Associates	998,000	——
Demaine & Associates	990,242	706,099
Menaker & Wright	986,426	647,025
Glasheen Advertising	986,352	239,409
Shaffer/MacGill & Associates	980,385	932,124
Buckheim & Rowland	966,299	727,178
Scharfberg & Associates	965,000	850,000
Dudreck DePaul Ficco & Morgan	964,000	701,100
Adams, Rickard & Mason	956,507	577,884
Dancart Advertising Associates	954,900	531,441
Ward Archer & Associates	953,345	809,930
Fensholt Inc.	953,011	735,231
Intermarco Advertising	950,000	70,000
Horlick Levin Hodges Advertising	944,000	912,000
Communicators Inc.	940,000	785,000
Sawyer Advertising	917,764	724,933
Anesh, Viseltear, Gumbinner	914,972	775,400
Donald L. Arends	905,600	838,800
Lawrence Butner Advertising	902,070	763,990
Contemporary Marketing Inc.	900,000	815,000
Lenac, Warford, Stone	900,000	——
Pool/Sarraille Advertising	900,000	450,000
Ken Schmidt Co.	899,913	584,941
John Emmerling Inc.	890,750	709,642
Harmon Smith Inc.	890,610	779,458
MarketAide Inc.	883,189	1,013,163
Borders, Perrin & Norrander	880,000	570,000
Gregory Inc.	879,123	708,490
Cole Henderson Drake	879,020	855,744
M.L. Grant Inc.	875,000	1,100,000
Hart Services	873,000	769,000
Andrews-Mautner Inc.	870,000	675,000
Emerson/Nichols/Bailey	869,645	538,335
Reeds & Farris Advertising	868,000	——
Hazard Advertising	860,000	800,000
Ferber Janklow Chimbel Bender	858,999	720,733
Gardner Communications	852,600	802,650
Fearon/O'Leary Associates	840,503	765,000
Lipman Advertising	835,193	724,492
Stone, August & Co.	831,760	——
Richardson, Thomas & Bushman	831,200	679,438
LaBelle & Shallbetter	830,000	783,930
Mullen Advertising	825,000	675,000
R.S.M.&K.	819,010	741,000
E.H. Rogers & Co.	815,000	780,000
Ira Thomas Associates	813,566	751,901
Cranfill Advertising Agency	810,000	825,000
deBruyn Rettig Advertising	810,000	620,000
Jerre R. Todd & Associates	810,000	711,292
Greene & Claire	808,900	876,600
Gilmore Advertising	805,600	630,300
The Michener Co.	801,187	803,631
Woodard Eggers & Schaffer	800,000	——
Stiegler & Welis	793,100	508,480
The Stimpson Associates	790,037	703,114
Cohen & Marino	790,000	545,000
Smith & Yehle Inc.	783,575	715,868
Nader & Associates	780,232	716,024
Vance-Mathews	780,045	720,181
Jack Cantwell Inc.	773,765	1,204,970
Wray/Ward Advertising	772,595	609,068
Myers & Associates	768,870	461,463
Fogarty & Klein	768,000	——
Ashby & Associates	760,000	675,000
Wybie Advertising	756,783	809,419
Bowes/Hanlon Advertising	754,804	528,076
Finnegan & Agee	751,834	583,185
Spencer, Bennett, Nowak	750,000	450,000
Lessner Slossberg Gahl & Partners	749,045	——
Daniel Glassman Advertising	745,150	638,270
Outdoor Products Marketing	743,065	306,500
Advertising Inc. (Tulsa)	740,659	596,776
Axelband & Brown & Associates	735,316	713,889

Agency	1981	1980
Wm. L. Baxter Advertising	731,978	589,259
Cappiello & Chobrowe	725,000	600,000
LaChance Goodchild & Eidson	720,000	615,000
GKD Advertising	715,000	550,000
Don Hansen Advertising	710,000	638,000
Estey-Hoover	706,425	711,806
George P. Clarke Advertising	704,632	657,472
Barney & Patrick Advertising	704,271	603,638
Brand Advertising	703,853	735,718
Hart/Conway	703,411	625,742
Goldfarb Hoff & Co.	702,000	498,000
Knudsen, Gardner & Howe	700,000	675,000
Fortis Fortis Advertising	698,000	315,000
Starr Advertising	694,100	736,111
Woods Brothers Agency	693,000	700,000
Campbell, Shelton & Dyer	692,644	——
Wendt Advertising Agency	686,785	677,730
Bulloch & Haggart Advertising	683,774	134,769
Gene Wolfe & Co.	677,397	565,960
Karsh & Hagan	676,845	541,163
Mullen Advertising & Public Relations	675,000	600,000
The Creative Advertising Co.	673,325	551,854
Throckmorton & Zolfo Associates	670,000	525,000
Soderberg MacEwan	667,032	721,849
Roggers, French & Co.	665,332	621,991
Lane & Leslie Advertising Agency	665,000	465,000
Gallagher Group	661,000	630,660
Jonathan Advertising	658,400	365,000
Patterson Advertising Agency	657,380	521,255
Buyer Advertising	656,749	578,079
Graphicus 14	652,226	520,000
Burch Myers Cuttie	651,766	254,788
Alamo Ad Center	650,000	——
Paul A. DeJesse Advertising	650,000	265,000
Haller Schwarz	650,000	405,000
Rhea & Kaiser Advertising	650,000	——
Covey & Koons	637,233	695,838
Barritt, Larsen, Peck & Farnell Advertising	637,000	901,710
Shaw Elliott Inc.	631,784	610,187
Dickison Rakaseder Mosconi	630,000	420,000
Huwen & Davies	624,000	558,000
Larson, Bateman & McAllister	616,892	718,869
Sleisinger, Yaranoff & Associates Advertising	615,000	550,000
Keroff & Rosenberg Advertising	614,039	419,000
William Cain Inc.	610,000	510,000
Gann-Dawson	609,846	621,228
Naftzger & Kuhe	609,064	459,650
Adair Associates	607,742	733,000
Robwood Associates	605,000	575,000
Stuart Williams Associates	604,000	728,000
Don Costello & Co.	600,150	471,000
Advertising Communications	600,000	450,000
H. Whitney Cutler Advertising	600,000	450,000
Paula Green Inc.	600,000	570,000
Haddad, Lawrence Advertising	600,000	525,000
The Jason Group	600,000	632,000
Larwin/Livers Associates	600,000	487,000
Thompson Torchia & Dymond	600,000	475,000
H.T. Fenton Associates	593,495	558,000
Markmakers Inc.	592,000	1,030,001
Harold E. Flint & Associates	588,850	761,635
Darien, Russell & Hill	583,733	501,004
AMS Advertising	580,500	388,500
Cunningham, Sly & Associates	577,500	490,000
Ackerman Advertising Communications	575,000	510,000
Bailey Orner Makstaller	575,000	791,200
QML Communications	570,000	390,000
Stral Advertising	570,000	460,000
Hottman Edwards Advertising	569,216	517,018
Wimmershoff & Associates	568,891	331,346
Sheldon Fredericks Advertising	565,000	527,000
Harant Soghigian Advertising	562,374	376,624
Advertising, Boelter & Lincoln	560,000	——
Harry P. Bridge Co.	555,000	585,000
Roberta Kenney Advertising	555,000	500,000
Connor-Sager Associates	553,718	528,268
Crumbley Robertson Riley Advertising	550,000	470,000
Duffy, Knutson & Oberprillers	550,000	200,000
The Perrett Co.	549,000	485,000
Gene K. Kolber Advertising	540,000	425,000
Gish, Sherwood & Friends	534,992	——
Louis & Saul Advertising	532,800	168,750
Lesko Inc.	530,000	530,000
Hill, Hays Associates	526,500	340,000
May/Partners	525,000	560,000
Peterson-Morris Inc.	525,000	450,000
Eagen, Curtis & Hickman	520,440	474,419
Cohan & Paul	520,000	464,000
The John Volk Co.	515,779	406,000
Gardiner Advertising Agency	514,450	377,411
Strother & Faltis	510,000	441,000
Sheehy & Knopf	508,090	676,952
Deepe & Associates	506,959	370,833
Tri-State Advertising	503,798	479,207
Alstin Advertising	500,000	415,000
McLaughlin, DelVecchio & Casey	500,000	455,000
Wolkcas Advertising	490,000	——
Ballotta, Napuran & Co.	488,300	216,000
Knight Advertising Communications	487,400	430,719
Fotheringham & Associates	485,000	——
Harold Miller Marketeer	485,000	460,000
Brady, Goode & Aiken Advertising	484,562	329,218
Emery Advertising	480,000	400,000
George, Gibbs, Hammerman & Myers Advertising	480,000	690,000
Ted Barkus Co.	475,000	390,000
Gregory & Clyburne	475,000	200,000
Landers & Partners	475,000	——
Meldrum & Campbell Advertising	475,000	454,425
J.W. Prendergast & Associates	475,000	420,000
Martin Fiderer Associates	473,000	315,000
Len Scholl & Co.	470,000	415,000
Wank, Williams & Neylan	469,301	381,294
Richmond Advertising/Reinhold Associates	466,903	493,375
Jacobson Advertising	465,000	370,000
Tobias Advertising	465,000	335,000
The Marcus Group	464,100	391,886
Miller, Addison Steele	463,000	——
Storey, Berman & Freer	462,900	235,500
Steen Advertising	462,000	482,000
Cummings/McPherson/Jones & Porter	461,000	444,000
Nissen Advertising	460,000	415,000
Hoeppner Advertising	454,750	384,875
Levy, Sussman & Levine	450,000	345,000
Reid Advertising & Public Relations	450,000	425,000
Allen E. Mattingly Inc.	447,628	215,000
Sheffer & Peters Advertising	444,616	431,351
Chase/Ehrenberg & Rosene	442,500	——
The McFarland Group	442,200	341,790
Jaeger Advertising	440,000	400,000
Jackson/Petzold	438,865	405,329
Victor Wademan & Co.	436,018	305,602
Eagle Advertising	432,500	370,000
Brigham/Scully Inc.	432,000	288,000
Cox Advertising	430,000	205,000
O'Neil, Jalbert & Gould	426,000	318,000
Marx/David Advertising	420,000	140,000
Rathke Blair Kerns & Frost	419,174	297,178
Webb & Associates	416,708	310,607
Arnold, Hoff & Associates	411,000	365,000
West & Brady	409,666	482,417
FitzSimons Advertising	405,000	285,000
Howard E. Mitchell Jr. Advertising	401,642	280,856
HMK Advertising	400,000	390,000
Mealer & Emerson	400,000	350,000
Mohawk Advertising	400,000	310,000
Keye Advertising	399,042	349,819
Smith Advertising & Associates	398,000	450,000
Bolt Advertising	394,533	351,301
Marketing Group	390,000	350,000
Kalmer Ad/Marketing	385,000	540,000
Manning & Associates	385,000	350,000
Jackson/Ridey & Co.	384,593	319,171
Laven, Fuller & Perkins	381,409	385,440
Fischbein Advertising	377,119	332,343
Zam & Kirshner & Geller	375,892	277,400
JRL Advertising & Sales Promotion	375,000	390,000
Warren & Epstein Advertising	375,000	——
Z/E/A Marketing Communications	375,000	402,000
Zubi Advertising Services	375,000	262,500
Robert K. Butcher & Associates	373,000	339,000
MAP Advertising Agency	367,453	335,737
AN Partners	367,000	241,000
Wilson, Frank & Associates	365,000	315,000
Sharp, Hartwig & Vladimir	360,910	290,600
Hicks & Grayson	360,845	271,563
GAMS Chicago Inc.	360,000	285,000
Dulaney Advertising	354,829	308,120
Burdette Advertising	354,694	236,450
Fricke 3 Inc.	354,362	272,602
Cantin Hautau Elliott	353,350	115,000
Maxwell Arnold, Jackson & Smyth	350,000	——
Hinkle Brown Bloyed	350,000	240,000
Lee Keeler Inc.	350,000	350,000
The Matlin Co.	350,000	325,000
The Communicators Group	349,900	268,700

Agency	1981	1980
Dini Advertising	345,315	213,382
Kinzie & Green	343,840	343,446
Charles Sweeney & Associates	341,439	302,494
Garfield-Linn & Co.	337,500	340,000
Herder, Swanson Van Hercke Advertising	337,500	295,000
Jones, Anastasi & Mitchell	332,000	291,000
Intermark Inc.	331,261	262,966
Chittick Egan Advertising	330,000	250,000
Fulcher/Brownfeld	330,000	525,000
Klein/Richardson	330,000	225,000
Supermedia	330,000	240,000
Johannesson, Reeser & Associates	326,930	281,663
Gabel Advertising	324,812	318,497
Wooding & Housley	320,000	——
Elbert Advertising Agency	315,250	257,204
Russell Baker Inc.	315,000	225,000
Woods-Donahue Advertising	315,000	300,000
TDM Advertising	310,000	145,000
Shipley Associates	308,000	278,000
Pace Advertising & Public Relations	303,173	291,512
Earle Bower Associates	301,000	276,000
William F. Arens & Associates	300,000	225,000
Buxton Advertising Agency	300,000	275,000
Detrow & Underwood	300,000	275,000
Dallas C. Dort & Co.	300,000	300,000
MacGibbon & Kobasic	300,000	240,000
Market Development Group Intl.	300,000	——
Marstrat Inc.	300,000	335,000
Preston Advertising	300,000	150,000
Reynolds-Sullivan Advertising	300,000	250,000
Blanchard & Associates	296,495	265,934
Hinton, Steel & Nelson	295,441	277,698
Horwitz, Mann & Bukvic Advertising	295,300	278,413
Gerald Patlis Advertising	293,832	258,000
T.S. Jenkins & Associates	293,387	281,392
Parsons, Friedmann & Central	292,464	269,170
Goff Communications	290,216	292,482
Riallus Advertising	290,000	237,000
The Summit Group	290,000	180,000
Clarity Coverdale Advertising	289,190	157,740
Alan Frank & Associates	288,556	511,878
Herb Gross & Co.	285,000	200,000
Shaffer Shaffer Shaffer Inc.	285,000	3,750
Smelkinson, Cerrati & Co.	284,000	215,000
The Com/Tech Group	278,247	245,739
Greenwald/Christian Advertising	277,500	——
Charles Crone Associates	275,000	285,000
Carl Guldberg Associates	275,000	280,000
Jan Gardner & Associates	273,049	284,098
Renner/Burns Advertising	270,000	195,000
Sampson & Cranor	270,000	180,000
Aikins, Marling & Morris	268,073	198,516
Johnson & Braasch Advertising	264,750	88,250
The Kohler Co.	261,365	——
Baxter/Seivert Associates	259,325	207,894
The Hiebing Group	258,394	——
Mills Communications	258,000	241,000
Rozier, Sumner & Berry	257,794	309,885
MSA Advertising	255,000	241,500
Great Western Advertising	251,615	294,810
Buzzard Inc.	251,000	205,000
Everett, Brandt & Bernauer	246,284	249,740
Haselow & Associates	246,000	193,000
Charles Advertising	245,000	——
Perry Ballard Advertising	242,577	201,156
Culpepper & Associates	240,180	174,845
Rubicom Associates	235,820	173,350
Carter Advertising	235,137	177,361
Gibney Associates	235,000	225,000
Blumenthal/Herman Advertising	230,048	191,487
Richard L. Kaye & Co.	224,500	225,000
Image Advertising	220,000	280,000
Bernard K. Paulus Associates	220,000	85,000
Sydney Schreiber Inc.	219,000	156,000
BB&W Advertising	217,099	306,380
Benefield, Levinger & Associates	213,309	226,001
Marcom Inc.	213,254	155,800
Perspectus Agency	211,583	166,920
Culver Advertising	210,000	185,000
Jiloty, Shipley & Associates	210,000	——
S.M. Sachs & Associates	210,000	190,000
Ray Hall Advertising & Public Relations	208,907	——
Bernard & Co.	207,109	168,332
Black & Musen	205,000	172,000
Mallof, Abruzino & Nash Marketing	204,356	121,697
Groseclose & Poindexter Advertising	203,629	126,186
Sader & Ackerman	203,000	——
Barner & Associates	200,000	125,000
Blackwood & Associates	200,000	——
Ribnick & Associates	200,000	200,000
Kopf & Isaacson Advertising	199,500	——
Harold M. Mitchell Inc.	198,378	240,412
Maurice Paulsen Advertising	196,182	172,790
Centormedia Inc.	195,154	222,691
Douglas Bewick Advertising	195,000	165,000
Jack Mathis Advertising	188,774	183,085
Intech Advertising	187,500	153,500
Farris Advertising	185,000	165,000
Friedman Associates	180,000	180,000
Multimedia Advertising	180,000	160,914
Eddy-Rucker-Nickels Co.	179,375	270,109
Jerome H. Schmelzer & Associates	179,000	117,000
Gonsor-Wilson Communications	175,000	——
Albright & Price	171,010	124,573
High Plains Advertising	167,915	287,624
Weed Advertising	166,116	102,171
The Advertising Agency	165,000	130,000
McCartney-Gray of Dallas	165,000	——
Admark Advertising	163,460	152,975
Krate/Huber Associates	163,167	——
Faber Shervey Advertising	160,800	132,042
Lindell-Keys	160,000	150,000
Bernard Popick Associates	159,935	241,000
Clement & Ganfield Inc.	159,453	137,097
Venture	158,536	126,557
Tandem Inc.	155,000	130,000
Edward Ratner Advertising	150,000	——
David Bockel & Associates	145,038	112,000
Johnston Advertising & Public Relations	145,000	64,000
Dana Jones & Friends	145,000	100,000
J. Ronald Gaffe Inc.	143,414	204,721
Brown Advertising	143,330	137,250
The Chrystal Direct Marketing Group	141,019	——
Jerome Hirsch & Associates	140,000	130,000
Marbro Advertising	139,973	193,992
Bruce, Henry & Davis Advertising	138,947	99,465
Kreicker & Meloan	136,663	118,810
Dunshee & Co.	135,000	135,000
Fillman Advertising	131,330	103,500
Butler-Turner Advertising	130,326	175,097
Adworks Advertising	127,552	34,875
Adams & Longino Advertising	125,298	——
Amsterdam Advertising	125,076	88,015
Mills Advertising	125,000	100,000
Selwyn-Simpson & Associates	125,000	115,000
Henry Nachman Associates	124,000	119,000
Peter Forstenzer Advertising	122,095	——
P.B. Wilkinson Inc.	116,000	103,000
Triad	115,000	78,300
McCurdy Inc.	114,500	82,500
Kohler/Twin Cities	113,597	——
Walker Associates	113,237	——
Sorensen/Evans Advertising	113,000	——
SEM Communications	109,800	91,500
Lloyd G. Jakeway Advertising & Public Relations	109,000	109,000
Kelleher, Bamberger, Terry	105,800	103,000
R.C. Schade & Associates	100,481	77,534
Ralph Schiff Inc.	100,000	52,000
Phelps Advertising & Marketing	99,300	87,400
Walters & Co.	99,093	84,613
Impressive Advertising	94,668	92,051
Champion Inc.	93,000	85,000
Thorwald & Haresnape	92,102	133,442
CTS Associates	85,000	——
Bitton Inc.	83,000	84,000
Norman R. Anderson & Associates	82,500	75,000
Melvin E. Bach & Co.	82,500	——
N. Armstrong Advertising Agency	81,000	61,000
Greene-Webb Associates	76,000	——
Media Selection Corp.	76,000	——
Boyce Advertising	74,000	——
Advertising & Art Council Inc.	72,441	72,450
David Hughley Advertising Agency	61,530	48,801
Merrill, McEnroe, Fox & Associates	60,000	45,700
Collingwood, Kidder & Associates	58,212	——
The Answer Group	57,750	81,604
Lundmark Advertising & Design	51,000	32,400
Jim Kirkpatrick & Associates	50,000	30,000
John L. Moorhead Advertising/Public Relations	40,000	86,000
Michael W. Schoen Co.	39,000	——
Concept Three	36,500	——
Scott & Scott Advertising	36,000	40,000
Ethos Public Relations & Advertising	34,000	36,975
Cornish & Brown-Cross	31,500	16,200
Harrison Associates	31,000	16,000
R.J. Damisch Advertising & Marketing	30,000	37,500
Crescent Communications	22,670	13,508
James L. Dow Co.	18,000	19,000
Mail Design Communications	17,934	——
Artim Advertising	10,261	——

Gross income over $15,000,00

0.3%.

The agency has 1,095 employes in 13 U.S. offices. A year ago it had 1,035 in nine U.S. offices. It did not report the number of employes in 29 overseas offices.

Top execs: O. Milton Gossett, chairman-ceo; Robert O. Jordan, vice-chairman; Robert H. Savage, president; Robert H. Huntington, exec vp-coo. Phone: (212) 754-1100.

Creamer Inc.

Gross Income	1981	1980
U.S.	$25,000,000	$18,300,000
Total	$25,000,000	$18,300,000

Creamer Inc., New York, reported gross income of $25,000,000 in 1981 on billings of $167,000,000. Its gross income in 1980 was $18,300,000 on billings of $122,000,000.

Volume in 1981 consisted of $134,000,000 in media, $18,000,000 in materials and services and $15,000,000 in capitalized fees. In 1980, volume consisted of $95,000,000 in media, $18,000,000 in materials and services and $9,000,000 in capitalized fees.

In 1981, the agency gained the following accounts: Progresso Foods; Etonic; BASF-Wyandotte; Maidenform, billing $2,000,000; Duffy-Mott; Franklin Savings Bank; Maremont Corp., and Taylor Rental, billing $1,200,000.

It lost Grumman Corp. and Nixdorf Computer.

The agency last year acquired Horton Church & Goff and Chalek, Dreyer, Comerford & Lubalin.

Billings breakdown: Newspapers 8%, magazines 35%, supplements 1%, radio 5%, network tv 17%, spot tv 31%, outdoor 1%, other 2%.

The agency has 512 employes in six offices; a year ago it had 380 employes in five offices.

Top execs: Donald E. Creamer, chairman, president-ceo; H.L. Strauss, vice-chairman-coo, and Herbert Burger, E. Wyatte Hicks, Peter Lubalin, Albert J. Bouchard Jr., Donald C. Porteus and William E. Sprague, exec vps.

Phone: (212) 887-8000.

Cunningham & Walsh

Gross Income	1981	1980
U.S.	$36,740,000	$31,307,000
Total	$36,740,000	$31,307,000

Cunningham & Walsh, New York, reported gross income of $36,740,000 in 1981 on billings of $282,950,000. Its gross income in 1980 was $31,307,000 on billings of $240,825,000.

Volume in 1981 consisted of $243,950,000 in media, $25,750,000 in materials and services and $13,250,000 in capitalized fees. In 1979, volume consisted of $204,745,000 in media, $23,580,000 in materials and services and $12,500,000 in capitalized fees.

In 1981, the agency gained the following accounts: Sunbeam Appliance Co., billing $2,000,000; Qantas Airways Ltd. (United Kingdom & Europe); Esmark Inc.'s Jensen Sound Labs; *Dallas Morning News*; Emerson Electric's Skil Corp. (portable electric power tools), billing $2,000,000; Gannett Co.'s Oakland Tribune and *Eastbay Today* newspapers; Anixter Bros.; Carme Inc. (Jojoba Farms personal care products) La Quinta Motor Inns; Fortune Systems Corp.; Breeder's Choice Pet Foods Inc. (Walter Kendall's Fives); Tahiti Tourist Board; Punta Gorda Isles; G.D. Searle & Co. (new products); Mitsubishi Motor Sales of America (passenger car and trucks), billing $10,000,000, and Harte-Hanks Communications.

It lost Bank of California and C. F. Mueller (new products).

Billings breakdown: Newspapers 12%, magazines 35%, radio 2%, network tv 33%, spot tv 6%, outdoor 12%.

The agency has 630 employes in five offices; a year ago it had 604 employes in four offices. Top execs: Carl W. Nichols, chairman-ceo; Anthony C. Chevins, president-coo; Donald P. Carter, director, central region; Horace M. Malfa, general manager/eastern region, and the following regional execs—Warren E. Albright, Nathaniel B. Allan, William T. Brooks, John T. Doherty, Frank P. McDonald, Arthur R. Meranus, Charles E. Rogers and Arthur E. Wright. Phone: (212) 683-4900.

Dailey & Associates

Gross Income	1981	1980
U.S.	$13,095,923	$9,139,059
International	5,436,090*	4,085,159*
Total	$18,532,013*	$13,224,218*

*AA Estimate

Dailey & Associates, Los Angeles, had estimated gross income of $18,532,013 in 1981 on billings of $142,216,159. Its gross income in 1980 was $13,224,218 on billings of $111,371,664. Of that total, 1981 international gross income was estimated at $5,436,090; in 1980, its international gross income was estimated at $4,085,159.

Domestic volume of $87,306,159 in 1981 consisted of $53,872,122 in media, $14,185,738 in materials and services and $19,248,299 in capitalized fees. In 1980, volume of $69,593,488 consisted of $46,915,244 in media, $10,576,076 in materials and services and $12,102,168 in capitalized fees.

Dailey reported non-U.S. volume of $54,910,000 in 1981 and $41,778,176 in 1980. It did not break out overseas volume.

In 1981, the agency gained Foremost-McKesson's Armor All products; Hunt-Wesson's Sunlite oil, Reddi-Wip and new products; Crown Zellerbach; Fairmont Hotel Co.; Fuller-O'Brien Paints; Philippine Ministry of Tourism, and Olympic Valley Assn.

It lost Grantree Furniture.

Billings breakdown: Newspapers 6%, magazines 22%, radio 18%, network and spot tv 29%, outdoor 3%, other 22%.

The agency has 548 employes in 13 offices, with 260 in its two U.S. offices. A year ago it had 332 in 12 offices, with 207 in two U.S. offices. Top execs: Peter H. Dailey, chairman; Phillip Joanou, president-general manager; Clifford Einstein, vice-chairman-creative director; Gene Stokes, vice-chairman-managing director, San Francisco. Phone: (213) 386-7823.

Dancer Fitzgerald Sample

Gross Income	1981	1980
U.S.	$76,400,000	$70,300,000
International	8,800,000	6,000,000
Total	$85,200,000	$76,300,000

Dancer Fitzgerald Sample, New York, reported gross income of $85,200,000 in 1981 on billings of $599,600,000. Its gross income in 1980 was $76,300,000 on billings of $558,360,000.

The agency's U.S. volume was $520,000,000 in 1981 and $505,000,000 in 1980. It did not break down those figures. The agency's overseas volume was $79,600,000 in 1981 and $53,360,000 in 1980. Included in the agency's results are the billings and gross income of the following U.S. subsidiaries: Program Syndication Services, Tomorrow Entertainment and DFS/Wegener Agricultural Group.

In 1981, the agency gained the following accounts: General Mills Fundimensions division; Parker Bros. Canada; Greater New York Toyota Dealers Assn.; Strawberry Shortcake; General Mills' Donutz cereal; MSD AGVET; Somerset Importers (Appleton rum); KJAZ-FM; IBC white bread; Newcastle Financial Group; 3M Co.; Barratt Developments; Occidental Petroleum; Actimart S.A. (liqueurs, cordials).

It lost Nikon cameras, billing $10,000,000, to Scali, McCabe, Sloves; Chase Manhattan Bank, billing $6,000,000 to Wells, Rich, Greene; Olympia beer; Estech, and Hewlett-Packard.

Overseas, it gained nearly 90 accounts in 17 countries, including Reckitt & Colman (Denmark); Yamaha (Italy); Gestetner (Australia); Wilkinson Sword (United Kingdom), and Wendy's (Germany). Its overseas losses included Desowag (Spain), Leyland Motors (Belgium), Texas Instruments (Germany), and NCR and Gillette (United Kingdom).

Billings breakdown: Newspapers 4%, magazines 13%, supplements 1%, radio 4%, network tv 42%, spot tv 35%, outdoor 1%.

The agency has 2,830 employes in 53 offices, including 1,194 in five U.S. offices. A year ago it had 2,011 employes in 29 offices, including 1,179 in five U.S. offices

Top execs: Stuart B. Upson, chairman-ceo; Peter F. McSpadden, president-coo; William McC. Vickery, chairman, DFS International and exec vp, DFS; Robert E. Kennedy, vice-chairman, DFS International, and exec vp-chief financial officer, DFS. Phone: (212) 661-0800.

D'Arcy-MacManus & Masius Worldwide

Gross Income	1981	1980
U.S.	$73,866,000	$67,400,000
International	90,124,000	88,635,000
Total	$163,990,000	$156,035,000

D'Arcy-MacManus & Masius, New York, reported gross income of $163,990,000 in 1981 on billings of $1,094,328,000. Its gross income in 1980 was $156,035,000 on billings of $1,045,332,000.

The agency's U.S. volume was $492,440,000 in 1981 and $449,333,000 in 1980. Those figures were not broken down by the agency. Its overscas volume was $601,888,000 in 1981 and $595,999,000 in 1980.

Included in the agency's figures are the billings and gross income of Poppe Tyson Inc. and Spanish Advertising & Marketing Services.

In 1981, the agency gained the following U.S. accounts: Heritage Federal S&L; U.S. Capital Corp.; Alberto-Culver (FDS, Static Guard, Bakers Joy), billing $6,000,000; Jewel food stores division; MTS Systems; A.H. Robins Inc. (Parfums de Caron); CBS Publications; Pfizer's Leeming-Pacquin; Banquet Foods: TSI Inc.; Pearl Cruises of Scandinavia; Dairymen Inc.'s Ultraco division; Westclox; Intl. Harvester; Conwed; Minnesota Mutual Life Insurance; Nestle's Chambourcy division; Heublein Inc. (Viejo Vergel brandy); Avnet Inc. (time electronic sales) General Mills' Good Earth Restaurants.

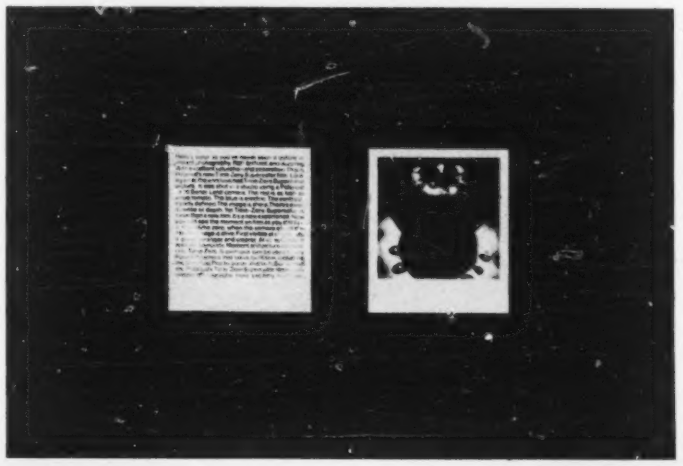
U.S. account losses: Ballantine Books; Dow Chemical (agricultural products); Rust-Oleum, billing $4,000,000; Laker Airways, billing $1,000,000; Standard Brands (Royal gelatin desserts); Gallery of Homes; Mitre Sports; Bendix Corp.; Bon Jour, billing $7,000,000; Brown Shoe; *Oakland Tribune*, and Bank of America.

Abroad, the agency gained: Alpha Romeo (Belgium, Austria, France, Britain, Sweden, Switzerland, West Germany); Suzi Wan (France, Belgium); Effem (Athens—Uncle Ben's rice) and Hong Kong (Mars, pet foods); Richardson-Vicks (New Zealand, Mexico, Australia's DM&M Pty. Ltd. shop); Ricoh (Sweden, France); John Haig (Switzerland, Italy); Pitney Bowes (Britain, West Germany); Barclays Bank (Hong Kong, Australia); Eurocard (Norway, West Germany); Dewhurst, Danish cheese (Britain); Ciba-Geigy (Italy's CBC shop); Banca Nazionale Agrigoltura (Italy's DM&M shop); Hewlett Packard (Belgium); General Tire & Rubber (Canada); Coleman camping equipment, McDonald's (Denmark); OY Rukka AB (Finland); Fimatic computers (France); Beecham (Kenya); Archer Intl. audio equipment (Holland); Robert Bosch (Norway); Intl. Computers (South Africa); Banco de Espana, Chase Manhattan Bank (Spain); Coca-Cola (Zimbabwe).

It lost: Wilkinson Sword Blades Campbell's Soups (Australia's DM&M shop); Bristol-Myers (Australia's MOJO shop); Henkel Iberica (Spain); Wiba (Norway); General Tire, Nestle (Mexico); San

Doyle Dane Bernbach

We were conceived in the belief that you can do everything right in the marketing process and still fail if your advertising message, however right it may be, isn't phrased and pictured by a great talent that pierces a customer's wall of resistance. Our goal is to gain all the marketing knowledge we can about a problem. But we know that knowledge is just a beginning, not an end. It's how creatively you use that knowledge that makes the sale. Properly practiced, creativity must result in greater sales more economically achieved. Properly practiced, creativity can lift claims out of the swamp of sameness and make them accepted, believed, persuasive, urgent. It's the most practical thing a business can employ.



Gross income over $15,000,00

Pelligrino (Italy); Philips Radio, Wasa (Denmark); Pernod, Heinz (Belgium); Combe (France, Austria); Laker Airways, Weetabix (Britain).

Billings breakdown: Newspapers 7%, magazines 18%, radio 13%, network tv 35%, spot tv 23%, cable tv 2%, outdoor 1%, other 1%.

The agency has 3,479 employes in 53 offices, including 1,410 in 15 U.S. offices. A year ago it had 3,412 employes in 52 offices, including 1,446 in 16 U.S. offices.

Top execs: James B. Orthwein, chairman, DM&M Worldwide; Hal G. Bay Jr., president worldwide and ceo; David Lee, vice-chairman Europe and Africa; E.A. Jones, chairman, executive committee; W.T. Raidt, vice-chairman; Peter Cawdron, chief financial officer; Alvin Kacin, Alan Clark, Alan Pilkington, Peter Redsell and Robin Smith, members of the executive committee. Phone: (212) 850-7300.

Della Femina, Travisano & Partners

Gross Income	1981	1980
U.S.	$21,700,000	$19,100,000
Total	$21,700,000	$19,100,000

Della Femina, Travisano & Partners, New York, reported gross income of $21,700,000 in 1981 on billings of $161,000,000. Its gross income in 1980 was $19,100,000 on billings of $142,000,000.

The agency's 1981 volume included $131,700,000 in media, $14,200,000 in materials and services and $15,100,000 in capitalized fees. Its 1980 volume included $115,900,000 in media, $12,700,000 in materials and services and $13,400,000 in capitalized fees.

The billing and income of three subsidiaries—Isidore Lefkowitz Elgort; Drossman Yustein Clowes, and Sherwood & Schneider—are included in Della Femina's 1981 report.

In 1981, the agency gained the following accounts: CooperVision Optics, billing $4,000,000, from inhouse; Ale-8-One; Airborne Freight; TreeSweet Products; billing $2,000,000; Weight Watchers Intl.; WNBC Radio, billing $1,000,000; Entertainment '82; CBS Cable; Monarch Importing Co.; Placida Harbour; Beech-Nut Nutrition Co., billing $1,000,000, Londontown Co. (Hush Puppies, coats and jackets), and Parr Securities.

It lost Pacific Southwest Airlines, billing $4,500,000; Borden Dairy, billing $5,000,000; Lipton herbal teas; *Inc.* magazine, and Carte Blanche. It resigned Emery Worldwide, billing $5,000,000.

Billings breakdown: Newspapers 15%, magazines 11%, radio 12%, network tv 20%, spot tv 38%, outdoor 1%, business papers 1%, transit 1%, other 1%.

The agency has 321 employes in three offices. A year ago it had 283 employes in two U.S. offices.

Top execs: Jerry Della Femina, chairman; Ron Travisano, vice-chairman, and James Travis, president. Phone: (212) 421-7180.

W.B. Doner & Co.

Gross Income	1981	1980
U.S.	$15,450,000	$13,200,000
Total	$15,450,000	$13,200,000

W.B. Doner & Co., Southfield, Mich., reported gross income of $15,450,000 in 1981 on billings of $103,000,000. Its gross income in 1980 was $13,200,000 on billings of $88,000,000.

The agency's 1981 volume included $66,000,000 in media, $12,000,000 in materials and services and $25,000,000 in capitalized fees. Its 1980 volume included $65,000,000 in media, $10,000,000 in materials and services and $13,000,000 in capitalized fees.

In 1981, the agency gained the following accounts: Borman Inc., Color Tile Inc., Handleman & Co., F. Luria & Son, Stater Bros. Supermarkets, Army Times Publishing Co., Automobile Club of Michigan, Bali Co., Congoleum Corp., Sherwin-Williams' Martin Senour division and Wheat Industry Council.

It lost Marriott Corp.'s Roy Rogers and Big Boy East division, Quality Inns Intl. and General Mills Fun Group.

Billings breakdown: Newspapers 11%, magazines 6%, radio 20%, network tv 4%, spot tv 57%, outdoor 1%, transit 1%. The agency has 325 employes in six offices, including 315 in five U.S. offices. A year ago it had 284 employes in six offices, including 277 in five U.S. offices.

Top execs: W.B. Doner, chairman of executive committee; H.D. Fried, chairman, and S.T. Burkoff, president. Phone: (313) 354-9700.

Doremus & Co.

Gross Income	1981	1980
U.S.	$18,105,253	$17,312,900
Total	$18,105,253	$17,312,900

Doremus & Co., New York, a subsidiary of BBDO International, reported gross income of $18,105,253 on 1981 billings of $119,267,077. Its gross income in 1980 was $17,312,900 on billings of $112,847,102.

The agency's volume included $68,622,334 in media and materials and services and $50,644,743 in capitalized fees. Its 1980 volume included $68,964,989 in media and materials and services and $43,882,113 in capitalized fees.

In 1981, the agency gained the following accounts: Dean Witter Reynolds and Pitney Bowes.

It lost Bank of New York; Singer Corp., billing $1,500,000, and Crane Co., billing $1,000,000.

Billings breakdown: Newspapers 49%, magazines 12%, radio 4%, spot tv 4%, outdoor 2%, business papers 25%, transit 2%, direct mail 1%, other 1%.

The agency has 341 employes in 11 offices; a year ago it had 363 employes in 10 offices.

Top execs: Franklin E. Schaffer, chairman; G. Barry McMennamin, president; Francis J. Malley, Curtis R. Troeger, Wesley E. Truesdell, exec vps. Phone: (212) 964-0700.

Doyle Dane Bernbach

Gross Income	1981	1980
U.S.	$115,000,000	$98,100,000
International	50,000,000	52,600,000
Total	$165,000,000	$150,700,000

Doyle Dane Bernbach International, New York, reported gross income of $165,000,000 in 1981 on billings of $1,150,000,000. Its gross income in 1980 was $150,700,000 on billings of $1,004,000,000.

Its 1981 U.S. volume of $800,000,000 included $680,000,000 in media, $71,000,000 in materials and services and $49,000,000 in capitalized fees. Its 1980 volume of $671,000,000 included $558,000,000 in media, $67,000,000 in materials and services and $46,000,000 in capitalized fees.

The agency's 1981 overseas volume of $350,000,000 included $260,000,000 in media, $15,000,000 in materials and services and $75,000,000 in capitalized fees. Its 1980 overseas volume of $333,000,000 included $223,000,000 in media, $28,000,000 in materials and services and $82,000,000 in capitalized fees.

The agency's report includes the figures of the following U.S. subsidiaries: Barickman Advertising; Cargill, Wilson & Acree; Bernard Hodes Advertising; DDB Group Two; Milici/Valenti Advertising, and Rapp & Collins. This year it acquired Fletcher/Mayo Associates. (Note the profile following this one on Doyle Dane Bernbach Advertising, whose results are derived from Barickman Advertising and Bernard Hodes Advertising.)

In 1981, the agency gained the following U.S. accounts: Allied Corp.; Paine Webber Inc.; Pan American World Airways, billing $35,000,000, only to lose it earlier this year to Wells, Rich, Greene; Knots Inc.; Teledyne Water Pik, billing $5,000,000 from J. Walter Thompson Co.; Comprehensive Care; Carte Blanche (Citicorp); Diners Club (Citicorp); Inner City Broadcasting Corp. (KUTE-FM and KGFJ-AM Radio); Teleflora; EyeDentify; GTE WESGO; Microsoft Inc.; Foxboro ICT General Interface System; Intl. Microelectric Products; Inscape; Bank Hapoalim; Ruth Scharf Ltd. Meridien Hotels (Air France), Carteret S&L.

It resigned American Airlines, billing $45,000,000, which later named Bozell & Jacobs. It lost Speedy Muffler King, billing $3,000,000; Ponderosa System Inc., and Standard Brands (Blue Bonnet margarine and spread), billing $3,300,000.

Its major overseas gains: Chanel in four countries; Atari (France and Germany), Audi (France, Spain); Volkswagen (Spain); Sunkist fruit drinks (France); Peugeot bicycles (France); SmithKline (France); Seagram and Intergold (both Hong Kong); S.C. Johnson (Belgium); Soilax (Italy). Its major overseas losses: Blue Bell (Germany, Switzerland); Seagram (Mexico); Commercial Union (England). Billings breakdown: Newspapers 12%, magazines 23%, radio 4%, network tv 38%, spot tv 22%, outdoor 1%, business papers 4%.

The agency has 2,850 employes in 32 offices, including 1,850 in 11 U.S. offices. A year ago it had 2,750 employes in 31 offices, including 1,800 in 11 U.S. offices.

Top execs: William Bernbach, chairman, executive committee; Joseph R. Daly, chairman-ceo; Neil R. Austrian, president-coo; Robert Levenson, vice-chairman, creative; Robert G. Pfundstein, exec vp-chief financial officer. Phone:(212) 826-2000.

Doyle Dane Bernbach Advertising

Gross Income	1981	1980
U.S.	$17,400,000	—
Total	$17,400,000	

Doyle Dane Bernbach Advertising, a company formed in 1981 and whose financial results are derived from two divisions, Barickman Advertising, Kansas City, and Bernard Hodes Advertising, New York, reported gross income of $17,400,000 in 1981 on billings of $116,000,000. Volume in 1981 consisted of $106,914,000 in media and $9,086,000 in materials and services.

Accounts gained by Barickman: Hyatt Legal Services, Mid-America Farms, Sir Speedy Inc. and M.T. Brock Co. It lost Bekaert Steel Wire. Hodes did not report account gains or losses.

Barickman's billings breakdown: Newspapers 3%, magazines 25%, radio 18%, spot tv 38%, business papers 4%, farm publications 12%. Hodes did not break down its billings.

Barickman employes: 115 in two offices. Hodes employes: 297 in 15 offices. Barickman top execs: James H. Barickman, ceo; Gerald F. Venable, chairman; William E. Hussey, president. Hodes top execs: Bernard S. Hodes, president; Marion Starr, exec vp; James H. Barickman, chairman-treasurer. Barickman's telephone: (816) 421-1000. Hodes telephone: (212) 758-6200.

For additional information, see profile on the parent, Doyle Dane Bernbach.

Looking back at Agency Income

Advertising Age began reporting annual agency income in 1945 with two separate listings, one in January with the billings of 22 large agencies for the previous year, the second in February with billings of 29 medium-sized agencies.

For those who thrive on statistics, the No. 1 agency was J. Walter Thompson, who reported 1944 billings of $72,000,000 (at least $12,000,000 of which was foreign billings). Young & Rubicam was a distant second at $51,000,000, with N. W. Ayer & Son in third place at $33,000,000.

Rounding out the top 10 were McCann-Erickson; Foote, Cone & Belding; Batten, Barton, Durstine & Osborne; Ruthrauff & Ryan; Dancer-Fitzgerald-Sample; Compton Advertising and Newell-Emmett Co.

The billings of the 22 large companies in that survey were $515,000,000. And in this year's issue, the largest agency alone, Young & Rubicam, billed $2.35 billion—more than four times that combined amount.

Among the client switches that took place during 1944: Old Gold cigarets, from Thompson to Lennen & Mitchell; National Cash Register, from Ayer to McCann-Erickson; Bon-Ami, from McCann to BBDO; Northwest Airlines, from BBDO to Newell-Emmett, and Yuban coffee, from Charles W. Hoyt to Benton & Bowles.

Eisaman, Johns & Laws

Gross Income	1981	1980
U.S.	$16,450,000	$11,125,000
Total	$16,450,000	$11,125,000

Eisaman, Johns & Laws, Los Angeles, reported gross income of $16,450,000 on billings of $114,656,450. Its gross income in 1980 was $11,125,000 on billings of $74,175,000.

Volume in 1981 consisted of $103,655,000 in media, $8,100,000 in materials and services and $2,901,450 in capitalized fees. In 1980, volume consisted of $63,900,000 in media, $7,625,000 in materials and services and $2,650,000 in capitalized fees.

In 1981, the agency gained the following accounts: Acme Markets Inc., billing $8,000,000, from inhouse; Atlas Processing Co.; Blue Cross of Southern California; Carole Little for Saint Tropez West; Fujitsu Ten Corp. of America; Neutrogena Corp., billing $3,000,000, from Hall & Levine; Petersen Publishing; Skaggs/Alpha Beta supermarkets; Texsun Corp.; U.S. Home Corp.; Wendy's Intl. (Phoenix, Pacific Southwest), billing $1,000,000, and Chevrolet Dealers Advertising Assns. in Central Florida, Jacksonville, Salt Lake City/Valley and Western Washington.

It lost GTE (commercial classified directories), Purex (Ayds) and Cerveceria Cuauhtemoc (Carta Blanca and Bohemia beers).

Billings breakdown: Newspapers 8%, magazines 28%, radio 15%, network tv 17%, spot tv 29%, outdoor 3%.

The agency has 209 employes in four offices; a year ago it had 185 in four offices. Top execs: Jess M. Johns, chairman-ceo; J.R. Eisaman III, president; Robert F. Laws, exec vp; Adrienne Hall, vice-chairman, and Jack Leener, Don Pingaro and Hoyt Adams, exec vps. Phone: (213) 469-1234.

How rise in dollar affects income

For the first time in several years, agencies with overseas business have been "penalized" on their balance sheets by a dramatic rise in the value of the U.S. dollar.

A "corrective" procedure to demonstrate an agency's growth in the international arena would have been to restate the 1980 results of an agency by applying the same exchange rates determining 1981 figures.

However, such a restatement of 1980 figures that ran in the Advertising Age Agency Income issue last year would be counter to standard accounting practices and would distort the continuity of carrying forward the same figures from year to year as practiced in this income and billings issue.

Under accepted account principles, agencies are required to translate monetary items like gross income at exchange rates current to the reporting period. This principle has nothing to do with agency growth from year to year since it distorts growth regardless of whether the dollar is up or down.

A dramatic example of how this principle distorts growth is illustrated by McCann-Erickson International, which generally accounts for 75% of total gross income of McCann-Erickson Worldwide. This international arm had gross income of $268,686,000 in 1980. That figure was based on current exchange rates in which foreign currencies in general were appreciating against the dollar. However, with the dollar on the rebound the past year, that figure would be knocked down to $239,954,000 at today's exchange rates, reflecting a depreciation of foreign currencies against the dollar in 1981. If restated to the lower figure, M-E Worldwide would show an over-all annual growth of 20.4% based on 1981 total gross income of $288,954,000, compared with growth of only 7.5% if the 1980 figures were not restated.

Agencies accept the principle of using current exchange rates as one of the vagaries of doing business abroad. If the agency is public, it often publishes a chart showing the growth of its various agencies in their local currencies, or it may take an exchange rate comparable to both years to demonstrate growth by way of explaining how swings in foreign exchange rates over the entire year distorted its growth.

To comply with standard reporting practices, Advertising Age is not restating figures reported for the previous year, but has given agencies with sizable international holdings the option to comment on its year-earlier figures appearing in the profiles.

William Esty Co.

Gross Income	1981	1980
U.S.	$66,750,000	$58,500,000
Total	$66,750,000	$58,500,000

William Esty Co., New York, reported gross income of $66,750,000 in 1981 on billings of $445,000,000. Its gross income in 1980 was $58,500,000 on billings of $390,000,000. Last month, Esty and Ted Bates & Co. engaged in the biggest merger in industry history, with Esty becoming an autonomous operating unit of Bates.

Volume in 1981 consisted of $407,000,000 in media and $38,000,000 in materials and services. In 1980, volume consisted of $353,000,000 in media and $37,000,000 in materials and services.

In 1981, the agency gained the following accounts: Marriott Corp.'s Great America theme park division; Minolta Corp.'s photographic division, billing $16,000,000, from Bozell & Jacobs; Ekco Housewares Co., billing $2,000,000; Chesebrough-Pond's Vaseline Dermatology Formula lotion and cream; Ayerst Labs; Interbank Card Assn. (Gold Mastercard and Mastercard travelers cheques); Nabisco Inc.'s Waverly crackers and Mister Salty pretzels, and Warner-Lambert's Listermint mouthwash, billing $7,000,000, from J. Walter Thompson Co.

It lost American Can Co.'s Gala towels and Northern tissues, billing $3,000,000.

Billings breakdown: Newspapers 13%, magazines 12%, supplements 4%, radio 5%, network tv 36%, spot tv 17%, cable tv 1%, outdoor 9%, business papers 0.5%, farm publications 0.5%, transit 0.5%, p.o.p. 0.5%, other 1%.

The agency has 622 employes in two offices; a year ago it had 616 employes in two U.S. offices. Top execs: Robert B. Betts, chairman-ceo; John H. Peace, chairman, executive committee; Gordon Bushell, vice-chairman, and Paul R. Dooling, president. Phone: (212) 697-1600.

Foote, Cone & Belding

Gross Income	1981	1980
U.S.	$116,521,000	$109,187,000
International	53,745,000	55,297,000
Total	$170,266,000	$164,504,000

Foote, Cone & Belding Communications, Chicago, reported gross income of $170,266,000 in 1981 on billings of $1,153,344,000. Its gross income in 1980 was $164,504,000 on billings of $1,118,818,000.

The agency's U.S. volume was $794,863,000 in 1981 and $749,318,000. Those figures were not broken down.

The agency's overseas volume was $358,481,000 in 1981 and $369,500,000 in 1980.

FCB's figures include the billings and gross income of Foote, Cone & Belding/Honig; Wahlstrom & Co.; Aitkin-Kynett; Albert- Frank/FCB; Deutsch, Shea & Evans, and Carl Byoir Associates, a pr shop.

In 1981, it gained the following accounts: Kitchens of Sara Lee; Pearle Vision Centers, billing $15,000,000, from Bozell & Jacobs; Volume Shoe Corp.; Corning Glass; Woodside Travel; Knapp Communications; Lipton; California Milk Advisory Board; First Interstate Bank of Oregon; INA Ross Loos Healthplan Inc.; Dreyer's Grand ice cream, and Alaska Tourism.

It lost Hiram Walker; Noxell Corp. (Lestoil, new products) billing $3,000,000; Tahiti Tourist Board; Velvet Turtle Restaurants, and Hunt-Wesson Refrigerated Foods.

The agency's overseas account gains included Spies Rejser (Denmark); Banque Bruxelles Lambert (Belgium); Toshiba (England); Wrigley (England); Sony (France); British Leyland (England, Europe); International Harvester (Europe, Africa, Middle East); Elf Gasoline (Italy); Black & Decker (Spain); Clorox (Puerto Rico); Cinzano (various countries); General Mills Toys (Europe), and Duracell batteries (South Africa).

Its overseas losses: Douwe Egberts (France); Pfanni (Germany); GFT men's suits (Italy); Gillette (Spain & Australia); Jack in the-Box (Brazil), and IBM Computers (Hong Kong).

Billings breakdown: Newspapers 6.5%, magazines 21.8%, supplements 5%, radio 6.7%, network tv 44.4%, spot tv 15%, outdoor 0.6%.

The agency has 3,790 employes in 35 offices, including 2,250 in eight U.S. offices. A year ago it had 3,750 employes in 33 offices, including 2,330 in eight U.S. offices.

Top execs: Arthur W. Schultz, chairman, executive committee; John E. O'Toole, chairman-chief creative officer; Norman W. Brown, president-ceo; Robert M. Trump, chairman, finance committee; Willard R. Wirth Jr., exec vp-administration; Allan Wilson Jr., senior vp-finance; Abbott C. Jones, president, FCB Advertising; David Ofner, president, Foote, Cone & Belding Advertising; Louis E. Scott, vice-chairman, FCB/Honig; Thomas F. Randolph, president, FCB/Honig, and Eduard Grosse, chairman, FCB International. Phone: (312) 467-9200.

Grey Advertising

Gross Income	1981	1980
U.S.	$94,400,000	$78,700,000
International	39,000,000*	40,721,000*
Total	$133,400,000*	$119,421,000*

*AA Estimate

Grey Advertising, New York, is estimated by Advertising Age to have had gross income of $133,400,000 in 1981 on billings of $889,800,000. In 1980 it was estimated to have had gross income of $119,421,000 on billings of $795,509,000.

AA estimated Grey's 1981 performance because the agency uses a formula that includes the total income and billings of overseas agencies, some of which it does not own 100%.

The agency's 1981 U.S. volume of $629,800,000 included $595,100,000 in media and $34,700,000 in capitalized fees. Its 1980 U.S. volume of $524,900,000 included $495,900,000 in media, and $29,000,000 in capitalized fees.

The agency's overseas volume is estimated at $260,000,000. Its 1980 foreign volume was estimated at $270,609,000.

Included in the agency's U.S. figures are the gross income of Grey, Lyon & King; Grey Direct; Grey Medical; Lexington Broadcast Services; Entertainment/Leisure division; Beaumont-Bennett, and Grey & Davis, a pr operation.

In 1981, the agency gained the following accounts: Northwest Orient Airlines, billing $10,000,000, from Campbell-Mithun; Panasonic, billing $9,000,000; Renault; Brown & Williamson's Viceroy cigarets; STP Corp., billing $17,000,000, from Henderson Advertising; Remington, billing $7,000,000; AMAX Inc.; Boehringer Ingelheim; Revlon's Scoundrel; Mennen's Balm Barr; Timex gift advertising; Kenner's Spirograph; Intl. Harvester; White Stores; Aldens; State National Bank of Evanston; Continuous Curve contact lenses; Barnes-Hind Pharmaceuticals; Horizon Industries; Pickwick Discount Book, and J.B. 2 Corp.

It lost Elaine Powers and Kendall oil.

Its overseas account gains included American Home Products (Peru); Bank of America (travelers

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checks worldwide assignment); Beecham (Japan); British American Tobacco (Hong Kong); Ciba-Geigy (Venezuela); Citroen (Germany); Damel (Spain); Eurocard (Denmark); Goodrich (14 countries); Hush Puppies (Germany); Irish Distillers (South Africa, United Kingdom); Mennen (Austria, Chile, Germany); Pfanni (Germany); Revlon Health Care (Chile, Peru, Venezuela); Taco Bell (Canada); Timex (Belgium), and Wrigley (Japan, Hong Kong). Account losses overseas: BMW (Australia); Carnation Foods (United Kingdom); Citibank (Argentina); Eduscho (Germany), and Temana Shell (France).

Billings breakdown: Newspapers 6%, magazines 17%, radio 3%, network tv 53%, spot tv 20%, outdoor 1%. The agency has 3,285 employes in 45 offices, including 1,725 in six U.S. offices. A year ago it had 3,128 employes in 36 offices, including 1,522 in six U.S. offices.

Top execs: Edward H. Meyer, chairman and president; Steven K. Zimmerman, exec vp, account services and administration; Richard Karp, Richard Kiernan, exec vps-directors of creative services.

Phone: (212) 546-2000.

Jordan, Case & McGrath

Gross Income	1981	1980
U.S.	$16,600,000	$12,000,000
Total	$16,600,000	$12,000,000

Jordan Case & McGrath, New York, reported gross income of $16,600,000 in 1981 on billings of $110,500,000. Its gross income in 1980 was $12,000,000 on billings of $81,000,000.

The agency's 1981 volume included $88,000,000 in media, $2,500,000 in materials and services and $20,000,000 in capitalized fees. Its 1980 U.S. volume of $81,000,000 included $66,000,000 in media, $2,000,000 in materials and services and $13,000,000 in capitalized fees.

In 1981, the agency gained the following accounts: Bausch & Lomb, billing $1,000,000; Block Drug (TNT Chemicals); Norcliff-Thayer's Tums brand, billing $7,000,000, from Leo Burnett Co.; E.R. Squibb & Son (Theragran vitamins), billing $4,000,000, from Grey Advertising; Mentholatum Co., billing $2,000,000 from J. Walter Thompson Co., and Nestle Co. ($100,000 candy bar, cocoa mix and Montclair sparkling water). It lost New York Shakespeare Festival and Banquet Foods.

Billings breakdown: Newspapers 4%, magazines 31%, radio 10%, network tv 30%, spot tv 21%, outdoor 1%, business papers 2%, other 1%. The agency has 155 employes in one office; a year ago it had 130 employes in one office.

Top execs: James Jordan, chairman; Gene Case, creative director; Patrick McGrath, president; John L. Taylor, exec vp. Phone: (212) 832-1800.

Keller-Crescent Co.

Gross Income	1981	1980
U.S.	$16,032,000	$15,509,000
Total	$16,032,000	$15,509,000

Keller-Crescent Co., Evansville, Ind., reported gross income of $16,032,000 on billings in 1981 of $84,637,000. Its gross income in 1980 was $15,509,000 on billings of $81,877,000.

Volume in 1981 consisted of $19,457,000 in media, $22,270,000 in materials and services and $42,910,000 in capitalized fees. In 1980, volume consisted of $18,731,000 in media, $21,752,000 in materials and services and $41,394,000 in capitalized fees.

In 1981, the agency gained the following accounts: Batesville Casket Co., Field Packing Co., Kano Laboratories, Manior Intl., O.D.I. Inc., Ryder Truck Leasing, Schweiger Industries, Empire National Bank, EZ Paintr Corp., Rajowalt/Carters, Anheuser-Busch, Conn Keyboard, Dorman Products, Douglas Products, Glenmore Distilleries, Hollywood Brands, Indian Summer Inc., Intl. Yarn Co., Libby, McNeill & Libby, Magic Chef, McDonald Dairy Co., Morgan Yacht Co., Toastmaster Inc., Valley Packing Co., Union Underwear Co., Scor Reinsurance Cos., ai Rent-A-Car, American Television & Communications, Dallas Federal Savings, The Registry Hotel Corp., O.P.T.I.C.S. Inc., ECS Telecommunications, J. L. Williams Co., Jones-Blair Paint Co. and United Services Automobile Assn.

It lost American Tredex Corp., Aetna Life & Casualty, Johnson Corp., American Standard Canada, Analytic Equipment Co., Berwind Instrument Group, Bindicator Co., John Boos & Co., Flowcon Corp., Merit Clothing, Moisture Register Co., Newell Window Furnishing Co., Kenny Kent Chevrolet, Executive Inn Motel, American Standard Inc., Hart Fireplace Furnishings, Hossier Desk Co., Indiana Department of Commerce, Mallors Timers Co., Maxon Corp., Red Spot Paint & Varnish Co., Supreme Corp., Bank Building Corp., Bucyrus Erie Co.

It also lost Citizens Bank & Trust, Wickes Corp.'s Yorktowne division, First National Bank of Springfield, Ill., First National Bank of Elkhart, Ind., Horizon Communications, Possum Trot Co., Southern Indiana Gas & Electric.

Billings breakdown: Newspapers 8.4%, magazines 18.7%, radio 7%, tv 21%, outdoor 2.8%, business papers 7%, collateral 24.5%, public relations 1.7%, market research 7%, other 1.9%.

The agency has 585 employes in two offices; a year ago it had 550 employes in two offices. Top execs: Alan Graf, chairman; Thomas Smythe, president; Ray Trapp, president (Southwest); Fred Thomson, exec vp-creative director; Chuck Bua, exec vp-creative director (Southwest). Phone: (812) 464-2461.

Kenyon & Eckhardt

Gross Income	1981	1980
U.S.	$48,056,000	$40,946,000
International	15,000,000	15,000,000
Total	$63,056,000	$55,946,000

Kenyon & Eckhardt, New York, reported gross income of $63,056,000 in 1981 on billings of $411,924,145. Its gross income in 1980 was $55,946,000 on billings of $379,140,039.

The agency's 1981 U.S. volume of $311,924,145 included $244,028,094 in media, $30,063,304 in materials and services and $37,832,747 in capitalized fees. Its 1980 U.S. volume of $279,140,039 included $232,187,061 in media, $25,435,498 in materials and services and $21,517,480 in capitalized fees.

The agency's 1981 overseas volume was at $100,000,000 in both 1981 and 1980.

In 1981, the agency gained the following accounts: Bristol-Myers' Drackett division, billing $7,000,000, from Grey Advertising; Clairol shampoo and conditioner, billing $7,000,000, from Ogilvy & Mather.

It also added Ramblin root beer.

It lost Texas Instruments, John Morrell & Co. and New York Savings Bank Assn. of New York State.

Overseas, it gained 50 accounts, including E.F Hutton (Switzerland); Helena Rubinstein (Belgium); Prime Computers (France and Scandinavia); TSI (Germany); South African Airways (Italy); Banco di Spagna (Spain); H.J. Heinz Co. (Australia); Bio-Tex detergents (Hong Kong); BASF agricultural chemicals (India); Weane cars (Malaysia); Ricoh watches (Japan); New Zealand Wool Board; Metro department stores (Singapore); Nestle (Sri Lanka); Kawasaki motorcycles (Thailand), Carven accessories (Mexico), and Southern Bros. (South Africa). It lost 17 accounts overseas, including Coty (England); Reynolds Tobacco (Hong Kong), and Hennessy (Malaysia).

Billings breakdown: Newspapers 7%, magazines 17%, supplements 5%, radio 15%, network tv 34%, spot tv 21%, Yellow Pages 1%. The agency has 2,578 employes in 65 offices, including 772 in 15 U.S. offices. A year ago it had 2,322 employes in 55 offices, including 741 in 14 U.S. offices.

Top execs: Leo Arthur Kelmenson, president-ceo; John Morrissey, chairman; Stephen O. Frankfurt, director, creative planning and development; Ronald DeLuca and John Balson, exec vps. Phone: (212) 880-2045.

Houston Chronicle
New employment figures point up Houston strength
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DAILY READERSHIP: PROFESSIONAL, MANAGERIAL, TECHNICAL *Total Chronicle: 307,000 or 67%* *Source: Scarborough Report, 1980*

Reads Chronicle only: 44%

Ketchum Communications

Gross Income	1981	1980
U.S.	$38,567,000	$32,888,000
International	10,103,100	9,875,500
Total	$48,660,100	$42,763,500

Ketchum Communications, Pittsburgh, the new name of what was formerly KM&G International, reported gross income of $48,660,100 in 1981 on billings of $342,148,800. Its gross income in 1980 was $42,763,500 on billings of $301,579,100.

U.S. volume of $257,200,000 in 1981 consisted of $183,500,000 in media, $24,100,000 in materials and services and $49,600,000 in capitalized fees. In 1980, U.S. volume of $219,200,000 consisted of $154,900,000 in media, $19,400,000 in materials and services and $44,900,000 in capitalized fees.

The agency's overseas volume was $84,948,800 in 1981 and $82,379,100 in 1980.

In 1981, the agency gained the following accounts: Rockwell Intl.; American Olean Tile Co.; Laventhal & Horwath; C. Schmidt & Sons (Ortlieb's, McSorley's cream ale and Coqui malt liquor); Conard Pyle Co.; Fostoria Glass Co.; Creative Label; Transco; PULSE; Hunt-Wesson (Wesson Oil and new products) billing $5,500,000 from BBDO; Beef Industry Council; Granny Goose Foods; General Consumer Electronics; Bank of America (agribusiness and world banking division); Seven-Up Co. (ICB root beer); Ventura Coastal Corp.; Arrigoni Computer Graphics; Technology for Communications Intl.; ICOT Corp.; I/O Industries; Pier 39; Penn. Commerce Dept., and Tandem Computers.

It lost Brown Derby Restaurants; Texas Commerce Bank; Dow Corning Corp.; Alcoa (closure division); Foremost-McKesson; Tree-Sweet; Johnson & Johnson baby products; Metropolitan Federal S&L; One Industry Intl.; Philadelphia Museum of Art; Aircraft Owners & Pilots Assn., and SmithKline Instruments.

Overseas, the agency gained nearly 20 accounts, including Red Label hams; Poulan; Gene Sarazen Sports Wear and Rowente-Werke GmbH. It lost seven accounts overseas, including Kent cigarets (Japan) and BASF agricultural chemicals (France).

Billings breakdown: Newspapers 7.2%, magazines 15.2%, radio 6.8%, network tv 27%, spot tv 30.5%, outdoor 0.8 %, business papers 12.5%.

The agency has 1,035 employes in 14 offices, including 835 employes in nine U.S. offices. A year ago it had 1,052 employes in 15 offices, including 777 in eight U.S. offices.

Top execs: William H. Genge, chairman-president; Edward L. Graf, exec vp-finance and law; Donald G. Sullivan, president, Botsford Ketchum; Joseph M. Coogle Jr., president, Ketchum International, and Gerald J. Voros, president, Ketchum PR. Phone: (412) 456-3500.

Leber Katz Partners

Gross Income	1981	1980
U.S.	$22,854,000	$19,580,000
Total	$22,854,000	$19,580,000

Leber Katz Partners, New York, reported gross income of $22,854,000 in 1981 on billings of $189,500,000. Its gross income in 1980 was $19,580,000 on billings of $149,800,000.

Volume in 1981 consisted of $155,125,000 in media, $5,125,000 in materials and services and $29,250,000 in capitalized fees. In 1980, volume consisted of $125,800,000 in media, $3,750,000 in materials and services and $20,250,000 in capitalized fees.

In 1981, the agency gained: Chipwich Inc.; Pepperidge Farm; IBM's information records division, billing $1,000,000; Stern's Garden Products; *Vanity Fair*; Texas Boot, and ArtCarved Rings.

It lost Warner/Lauren Cosmetics and Herman's World of Sporting Goods.

Billings breakdown: Newspapers 18%, magazines 27%, radio 11%, network/spot tv 21%, outdoor 7%, sales promotion 11%, other 5%.

The agency has 249 employes in one office; a year ago it had 210 employes in one U.S. office. Top execs: Stanley H. Katz, chairman; John C. Walsh, president; Murray A. Valenstein, vice-chairman, and Jerry Davidow, Sam Eisnitz, Laurel Cutler and Dennis McClain, exec vps. Phone: (212) 826-3900.

Marschalk Campbell-Ewald

Gross Income	1981	1980
U.S.	$ 64,879,000	$ 55,830,000
International	41,156,000	49,567,000
Total	$106,035,000	$105,397,000

Marschalk Campbell-Ewald Worldwide, including Clinton E. Frank Inc., reported 1981 gross income of $106,035,000 in 1981 on billings of $707,252,000. Its gross income in 1980 was $105,397,000 on billings of $702,998,000. Marschalk Campbell-Ewald is a member of the Interpublic Group of Cos., whose other units include McCann-Erickson and SSC&B Inc.

Interpublic had total gross income of $493,642,000 in 1981 on billings of $3,292,592,000. Interpublic's gross income in 1980 was $475,627,000 on billings of $3,118,165,000.

Marschalk Campbell-Ewald's U.S. volume was $432,742,000 in 1981 and $372,386,000 in 1980. It did not break down those figures. The agency's overseas volume was $274,510,000 in 1981 and $330,612,000 in 1980.

Campbell-Ewald

Campbell-Ewald, Warren, Mich., had 1981 gross income of $36,524,000 on billings of $243,615,000. Its 1980 gross income was $28,476,000 on billings of $189,935,000.

Its international gross income was $41,156,000 on volume of $274,510,000. Its 1980 gross income was $49,567,000 on billings of $330,612,000.

Campbell-Ewald last year gained Eastern Air Lines, billing $54,000,000 from Young & Rubicam, and Ditzler automotive finishes. It lost National Steel Co.

Its overseas gains included Hush Puppies (Belgium); Johnson & Johnson (Brazil); Citizen watches (England); L'Oreal (France); Reemstma cigarets (Germany); Compar Bata shoes (Italy); Eastern Air Lines (Mexico); Unigrant insurance (Netherlands), and Frank & Hirsch cameras (South Africa).

Marschalk Co.

The New York-based agency had 1981 gross income of $23,511,000 on billings of $156,818,000. Its 1980 gross income was $23,598,000 on billings of $157,398,000.

The agency gained ABC Radio Enterprises; Thompson Medical Co.; Formfit Rogers (You panties), and Coca-Cola Foods, billing $6,000,000. It lost Thom McAn; Paine Webber, billing $5,000,000; Diamonair; RPM Fashions; Finance-America Seligman & Latz, and *Family Circle*.

Clinton E. Frank Inc.

The Chicago-based agency had 1981 gross income of $4,844,000 on billings of $32,309,000. Its 1980 gross income was $3,756,000 on billings of $25,053,000.

The agency gained John Morrell & Co. and WMAQ-TV.

Over-all, Marschalk Campbell-Ewald has 1,922 employes, including 1,081 in the U.S. A year ago it had 1,863 employes, including 983 in the U.S.

Top exec: Philip H. Geier Jr., chairman, Interpublic. Top execs at Marschalk Campbell-Ewald: Thomas B. Adams, chairman (Warren, Mich.); Lester A. Delano, president-ceo (New York); Harry R. Thompson, exec vp, and Edward J. Palevich, senior vp. Phone: (212) 489-6200.

Coming April 19: Foreign agencies

In the April 19 issue of Advertising Age Magazine, income, billings and financial details will be reported for foreign agencies. Countries in the report include Canada, Europe, the Far East, Australia and South America.

Marsteller Inc.

Gross Income	1981	1980
U.S.	$50,157,000	$44,675,000
International	21,553,000	21,268,000
Total	$71,690,000	$65,943,000

Marsteller Inc., Chicago, a sub-

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sidiary of Young & Rubicam, reported gross income of $71,690,000 in 1981 on billings of $478,172,000. Its gross income in 1980 was $65,943,000 on billings of $439,840,000.

The agency's 1981 U.S. volume was $334,547,000, compared with U.S. volume of $297,982,000 in 1980. The agency's overseas volume was $143,625,000 in 1981 and $141,858,000 in 1980.

In 1981, the agency gained the following accounts: AMF bowling products; Arthritis Foundation; Allegheny Ludlum Steel Corp.; James B. Beam Distilling Co.; Eljer Plumbingware; Exxon Office Systems; R.T. French Co.; Fort Howard Paper Co. (consumer group); Grumman Corp., billing $2,500,000 from Creamer Inc.; Investors Diversified Services; Metropolitan Water District of Southern California; Informatics Co.; Metro Intl. Airlines; Mitsubishi Construction Machinery Group; New American Library (Signet Books); National Steel Corp.; Milnot Co.; Rusco Electronics Systems; Stauffer Seeds division; Singer Co.; Stop-N-Go Food Stores; USA Cable Network; Vernors Inc.; Wendy's Western Pennsylvania restaurants and David Weis Jewelers.

It lost Armour Food Service; Babcock & Wilcox Chemical Bank, billing $3,000,000, to N W Ayer Inc.; Northern Telcom; Renault U.S.A.; Rockwell Intl. and Thrift Drugs.

The agency did not supply a breakdown of its billings for 1981 or 1980. The agency has 1,492 employes, including 967 in the U.S. In 1980 it had 1,505 employes, including 980 in the U.S.

Top execs: Richard C. Christian, chairman; Louis A. Magnani, president; Robert S. Leaf, president, Burson-Marsteller; Christian F. Norgaard, president, Marsteller International. Phone: (312) 329-1100.

McCaffrey & McCall

Gross Income	1981	1980
U.S.	$19,866,000	$18,482,000
Total	$19,866,000	$18,482,000

McCaffrey & McCall, New York, reported gross income of $19,866,000 in 1981 on billings of $134,500,000. Its gross income in 1980 was $18,482,000 on billings of $125,300,000.

In 1981, the agency gained Bantam Books and lost Exxon Office Systems.

Billings breakdown: Newspapers 15%, magazines 29%, radio 2%, network tv 45%, spot tv 5%, outdoor 4%. The agency has 301 employes in one office; a year ago it had 310 employes in one office.

Top execs: David B. McCall, chairman-creative director; Donald C. Goss, account management; R. Bruce Montgomery, John A. Sidebotham Jr., William Shaw, cocreative directors; Richard Passanant, finance; Harris Lefkon, media director, and Linden A. Davis Jr., research director. Phone: (212) 421-7500.

McCann-Erickson

Gross Income	1981	1980
U.S.	$ 75,757,000	$ 64,812,000
International	201,497,000	204,074,000
Total	$277,254,000	$268,686,000

McCann-Erickson Worldwide, New York, reported gross income of $277,254,000 in 1981 on billings of $1,849,284,000. Its gross income in 1980 was $268,686,000 on billings of $1,792,136,000.

The agency's U.S. volume was $505,209,000 in 1981 and $430,962,000 in 1980. Those figures were not broken down. The agency's 1981 overseas volume was $1,343,985,000 in 1981 and $1,361,174,000 in 1980.

Interpublic, whose other units include Marschalk Campbell-Ewald Worldwide and SSC&B, had total gross income of $493,642,000 in 1981 on billings of $3,292,592,000. Interpublic's 1980 gross income was $475,627,000 on billings of $3,118,165,000. The Interpublic totals for both years include only 49% of the gross income of SSC&B:Lintas International since Unilever has a 51% interest in that operation.

The agency last year gained AmSouth Bancorp.; Alcan Cable; Robinson Humphrey; Mead Packaging; Trust Co. of Georgia; Bechtel Petroleum; Continental Bank of Fort Worth; Six Flags Over Texas; F. Ahlgrens; National Medical Enterprises; Nestle Co. (Nescafe and Quik), billing $11,000,000; Trinidad & Tobago Tourist Board; Lockheed Space Missiles; Milk Advisory Board; Hyster Co.; Hoyang Polaris, and Lockheed Shipbuilding.

It lost BarclaysAmerican; Six Flags Over Georgia; Kraft Inc; Sears, Roebuck & Co.; Coca-Cola Bottling of Chicago; Coca-Cola Bottling of Wisconsin; Detroit Coca-Cola Bottling Co; Western World Food; Whataburger; Houwhatco; Laura Scudders; Aderans Co.; Movieland Wax Museum; Stars Hall of Fame; Gillette Co. (Atra razor), billing $10,000,000, to BBDO; Mennen Co.; Phillips Information Systems; United Vintners, and Foster & Marshall.

Overseas, it gained over 300 accounts while losing more than 80. Gains included B.A.T. (Belgium); Associated Business Systems (Britain), and American Express (Germany). Losses included Tampax (Canada) and Colgate (Mexico).

The agency did not supply a billings breakdown.

The agency has 5,880 employes, including 1,273 in the U.S. A year ago it had 5,741 employes, including 1,277 in the U.S.

Top execs at Interpublic: Philip H. Geier Jr., chairman-ceo; Paul Foley, chairman-finance committee; Neal Gilliatt, chairman-exec committee; J. Donald McNamara, president; Eugene B. Beard and Donald M. Casey, exec vps. Interpublic phone: (212) 399-8000.

Top execs at McCann-Erickson Worldwide: Eugene H. Kummel, chairman; Willard C. Mackey Jr., president-ceo; Barry Day, vice-chairman; Robert L. James, vice chairman/USA operations; Bohdan I. Kurylko, exec vp.

Top McCann-Erickson (U.S.A.) execs: Eugene Kummel, chairman; John F. Bergin, president; Charles J. Hamm, vice-chairman, and exec vps, Eugene A. DeWitt, George B. Hatch, Eleanor Holtzman, Frank C. Perkins and Francis J. Van Bortel. McCann-Erickson phone: (212) 697-6000.

NCK Organization

Gross Income	1981	1980
U.S.	$ 4,944,000	$ 9,300,000
International	51,756,000	45,150,000
Total	$56,700,000	$54,450,000

NCK Organization Ltd., New York, reported gross income of $56,700,000 in 1981 on billings of $378,000,000. Its gross income in 1980 was $54,450,000 on billings of $363,000,000.

The agency's 1981 U.S. volume of $39,240,000 included $29,035,000 in media, $2,354,000 in materials and services and $7,851,000 in capitalized fees. Its 1980 U.S. volume of $62,000,000 included $47,100,000 in media and materials and services and $14,900,000 in capitalized fees.

The agency's overseas volume was $338,760,000 in 1981 and $301,000,000 in 1980. The billings and gross income of its U.S. operation, Altschiller-Reitzfeld Solin/NCK, are included in the parent company's report. In 1981, the agency gained the following accounts: Georgia Pacific (consumer products), billing $6,000,000; Westinghouse-Teleprompter Cable TV; Generale Biscuit. It lost Walden Books, Knickerbocker Toys and Poland Spring.

Overseas, it gained nearly 50 accounts in 16 countries, including Colgate (Mexico); American Airlines (Trinidad); Life Savers (U.K.); Seagram (Germany); Chrysler & Evinrude outboard motors (Norway); Air Florida (Jamaica), and Sandeman Port (Portugal). It did not report its overseas account losses.

In 1981, NCK concluded the initial phase of an equity purchase agreement with Publicidad Siboney, a Latin American agency billing $48,000,000 through 10 field offices in Central and Latin America.

Billings breakdown: Newspapers 20%, magazines 20%, radio 10%, network tv 10%, spot tv 40%. The agency has 933 employes in 32 offices, including 51 in one U.S. offices. A year ago it had 1,011 employes in 18 offices, including 105 in one U.S office.

Top execs: Edward A. Roncarelli, chairman; Emine Messiqua, president; Michael D. Woodward, exec vp; W. Graham Lockey, vice-chairman; John P. Corban, senior vp, and D.B. Mason, vp. Phone: (212) 751-0900.

Nationwide Advertising

Gross Income	1981	1980
U.S.	$19,050,308	$15,979,923
International	2,809,006	2,315,782*
Total	$21,859,314	$18,295,705*

*AA Estimate

Nationwide Advertising Service, Cleveland, an agency specializing in recruitment advertising, reported gross income of $21,859,314 in 1981 on billings of $90,306,929. Its gross income in 1980 was $18,295,705 on billings of $79,202,184.

The agency's U.S. volume was $79,035,801 in 1981 and $69,553,089 in 1980. The agency's overseas volume was $11,271,128 in 1981 and $9,649,095 in 1980.

It did not list 1981 account gains or losses.

Billings breakdown: Newspapers 95%, magazines 4%, other 1%.

The agency has 386 employes in 34 offices, including 348 in 28 U.S. offices. A year ago it had 345 employes in 35 offices, including 295 in 28 U.S. offices.

Top execs: Theodore J. Stepien, president; Thomas A. Richey, exec vp, and Charles T. Hurley, vp-finance. Phone: (216) 579-0300.

Needham, Harper & Steers

Gross Income	1981	1980
U.S.	$59,205,000	$51,200,000
International	14,400,000	10,300,000
Total	$73,605,000	$61,500,000

Needham, Harper & Steers, New York, reported gross income of $73,605,000 in 1981 on billings of $490,000,000. Its gross income in 1980 was $61,500,000 on billings of $410,500,000.

The agency's 1981 U.S. volume of $395,000,000 included $258,300,000 in media, $58,800,000 in materials and services and $77,900,000 in capitalized fees. Its 1980 U.S. volume of $341,600,000 included $235,900,000 in media, $46,300,000 in materials and services and $59,400,000 in capitalized fees.

The agency's 1981 overseas volume of $95,000,000 included $92,800,000 in media and $2,200,000 in materials and services. Its 1980 foreign volume of $68,900,000 included $66,700,000 in media and $2,200,000 in materials and services.

In 1981, the agency gained the following accounts: Sandoz Inc.'s Dorsey Labs division, billing $3,000,000; Lands' End; Dutch Boy Paints (new assignment); General Mills' Wheaties cereal, billing $5,500,000, from DFS; Rubbermaid Inc. (new product); Shasta Beverages, billing $8,000,000, from Tracy-Locke; Avery Label, KABC Talkradio; Rike's Department Store; Xerox Corp. (dealer ads, sales promotion); The Leadership Network; the *Washington Post*; First Federal S&L of Broward County, Fla.; Merchant's Tire & Auto Centers; Can Mfrs. Institute; *Decorating & Craft Ideas*, and the Washington Bullets basketball team.

It lost McDonald's Corp., billing $53,000,000, to Leo Burnett Co.; Triangle Publications; Campbell Soup Co. (V-8 juice); Columbia Pictures, a $50,000,000 account involving national media handled on a fee basis, to Ogilvy & Mather; Northrop Corp.; the *Los Angeles Times*; American Forest Institute, and Koni shock absorbers.

Billings breakdown: Newspapers 5.8 %, magazines 24%, supplements 0.2%, radio 7.8%, network tv 53.1%, spot tv 7.7%, outdoor 0.3%, transit 0.2%, other 0.9%.

The agency has 1,778 employes in 29 offices, including 992 in six U.S. offices. A year ago it had 1,781 employes in 29 offices, including 980 in six U.S. offices. Top execs: Paul C. Harper, chairman-ceo; B. Blair Vedder, coo and chairman, executive committee; Keith L. Reinhard, president NH&S Chi-

Grey Advertising

Grey's Brand Character philosophy aspires to advertising that is distinctive, appealing, and enduring in the category a product or service competes in. This concept is exemplified in Grey's works for Revlon, B.F. Goodrich and Shearson/American Express.

cago; Joel P. Baumwoll, president NH&S New York; Peter A. Nelson, exec vp-finance & administration; Norman F. Steen, president, NH&S International; Barry Biederman, president, NH&S/Issues & Images; Richard C. Anderson, exec vp-corporate director of media programing; C.A. Wolfe, exec vp-managing director, NH&S/Chicago, Gerrold R. Rubin, president, NHS, Los Angeles. Phone: (212) 758-7600.

Ogilvy & Mather International

Gross Income	1981	1980
U.S.	$157,459,000	$125,508,000
International	129,043,000	120,372,000
Total	$286,502,000	$245,880,000

Ogilvy & Mather International, New York, reported gross income of $286,502,000 in 1981 on billings of $1,933,842,000. Its gross income in 1980 was $245,880,000 on billings of $1,661,889,000.

The agency's 1981 U.S. volume of $1,050,252,000 was not broken down by the agency, but is estimated to have included $860,000,000 in media and $190,252,000 in materials and services. Its 1980 U.S. volume of $837,138,000 is estimated to have included $670,000,000 in media and $167,138,000 in materials and services.

The agency's overseas volume was $883,590,000 in 1981 and $824,751,000 in 1980. In 1981, the agency gained the following accounts: Columbia Pictures ($50,000,000 national media account handled on fee basis); 1982 World's Fair; Gallo; Nimslo Corp.; Warner Amex Securities System, Hallmark's Ambassador Cards; Shoney's Restaurants; Pringles of Scotland, and Wagner power sprays.

It lost Marriott Great America; F &M. Schaefer Brewing, billing $5,000,000; Warner-Amex Satellite Entertainment; Clairol Condition products, billing $7,000,000, and Monsieur Henri Ltd.

Its overseas gains: Chesebrough-Pond's, Oce, Richardson-Vicks, Seagram, Phillips, PepsiCo, Anderson Clayton, Radio N.Z., Arcade Records and Confederation of British Road & Passenger Transport. Its overseas losses: Control Data, Knorr, Bristol-Myers, Mars-Effem, Best Foods, Wendy's, Milk Board.

The agency's figures include the gross income and billings of the following U.S. subsidiaries: Ogilvy & Mather Partners; Scali, McCabe, Sloves; Ogilvy & Mather Direct Response; Sussman & Sugar; Cole & Weber; Schiller Ogilvy & Mather; Van Melick/Barrus and North American Personnel Systems (parent of North American advertising), and EuroAmerica Translations.

Billings breakdown: Newspapers 9.1%, magazines 15.1%, supplements 0.7%, radio 4.9%, network tv 39.4%, spot tv 23.8%, outdoor 0.2%, business papers 1.7%, direct mail 5.1%.

The agency has 6,000 employes in 115 offices. A year ago it had 6,000 employes in 100 offices, including 2,160 in 16 U.S. offices. Top execs: William E. Phillips, O&MI chairman-ceo; Kenneth Roman, O&M president; Henry P. Bernhard, vice-chairman; execs vps, Graham Phillips, Hal Riney, Michael Turner, Jules Fine, Alden Sulger, David Scott, Norman Berry. Phone: (212) 688-6100.

SSC&B Inc.

Gross Income	1981	1980
U.S.	$ 41,650,000	$ 28,136,000
International	134,702,000	128,553,000
Total	$176,352,000	$166,689,000

SSC&B Inc., New York, a unit of the Interpublic Group of Cos., reported gross income of $176,352,000 in 1981 on billings of $1,168,319,000. Its gross income in 1980 was $166,689,000 on billings of $1,202,957,000. Interpublic owns SSC&B and holds a 49% interest in SSC&B:Lintas International. Interpublic has previously announced it expects to acquire the remaining 51% of SSC&B:Lintas this year.

Interpublic, whose other units include Marschalk Campbell-Ewald Worldwide and McCann-Erickson Worldwide, had total gross income of $493,642,000 in 1981 on billings of $3,292,592,000. Interpublic's gross income in 1980 was $475,627,000 on billings of $3,118,165,000.

SSC&B's U.S. volume was $277,807,000 in 1981 and $254,364,000 in 1980. It did not break down those figures.

The agency's overseas volume through SSC&B:Lintas was $890,512,000 in 1981 and $948,593,000 in 1980.

In 1981, the agency gained the following accounts: Van Munching & Co.; Textron Inc.'s Homelite division, billing $12,000,000; Steak & Ale Restaurants, billing $5,000,000; Kenwood Electronics, billing $1,500,000; Komatsu (fork lifts); Harada Industries of America; Bearing Engineers Inc.; Compotite Shower Pan, and California Cablesystems.

It lost lost Sperry & Hutchinson Co., Sheraton Corp. and Julius Wile & Sons.

Gains by SSC&B:Lintas last year included: Cica canned vegetables (Argentina); Lever Bros. (Australia); Rowntree Mackintosh (Austria); CBS Records and Gerber (Belgium); Reckitt & Colman (Brazil); Amstel Brewery Canada and Lipton herbal teas (Canada); El Mercurio (Chile); Bayer Kemi (Denmark); General Biscuit Lu (Finland); Goodyear (France); Henniger Brau (Germany); Lever's Signal mouthwash (Greece); Lever (Hong Kong); Eldorado ice cream (Italy); Richardson-Vicks (Mexico); Perrier (Netherlands); Abbott Labs (Philippines); Pripps beer (Stockholm), and Citibank (Britain).

Among its overseas losses: Suchard (Argentina); McMahon dairy products (Australia); Interchron watches (Vienna); Belflam (Brazil); Nordania (Copenhagen); 3M (Greece); Union Carbide (India), and United Tobacco (South Africa).

SSC&B did not supply a billings breakdown. The agency has 3,603 employes, including 577 in the U.S. A year ago it had 3,325 employes, including 575 in the U.S.

Top execs: Philip H. Geier Jr., chairman, Interpublic; and at SSC&B: William V. Weithas, chairman-ceo; Malcolm MacDougall, president-creative director; Kenneth L. Robbins, Harold V. Rover, vice-chairmen, and exec vps William J. Ryan, Martin H. Hummel and Larry Lamattina.

Phone: (212) 644-5000.

Scali, McCabe, Sloves

Gross Income	1981	1980
U.S.	$19,013,061	$15,837,414
International	8,176,246	5,675,529
Total	$27,189,307	$21,512,943

Scali, McCabe, Sloves, New York, a subsidiary of Ogilvy & Mather, reported gross income of $27,189,307 in 1981 on billings of $185,560,122. Its gross income in 1980 was $21,512,943 on billings of $143,491,330.

The agency's U.S. volume was $131,024,561 in 1981 and $105,635,551 in 1980.

The agency's overseas volume

Frequent Flyer flies higher than Time T, U.S. News Blue Chip, Executive Newsweek and Inc.

Higher in efficiency because we're lower in CPM when it comes to reaching the responsible decision-makers in business, government and the professions. 88% are professional-managerial, 37% are top-management and their typical age is 40. Their average income is $78,000.

They average 48 airline trips a year.

90% read 3.3 of the last 4 issues according to a recent study by Erdos and Morgan.

So you do a lot for the total efficiency of your print schedule when you add *Frequent Flyer* to it. For more details about how we stack up against business media—or anyone else for that matter—just call Bill Schachter, Advertising Director, or Martin Deutsch, Editor and Publisher, at (212) 977-8227.

	Frequent Flyer	Executive Newsweek	U.S. News Blue Chip	Time T	Inc.
$35 M+ Income*	48.49	67.94	81.46	96.58	74.58
Professional/ Managerial*	38.13	49.20	50.09	50.22	53.27

*CPM

Official Airline Guides
a company of The Dun & Bradstreet Corporation
Travel Magazines Division

*Source: Current subscriber studies of each publication.

Gross income over $15,000,00

was $54,535,561 in 1981 and $37,855,779 in 1980.

In 1981, the agency gained the following accounts: Nikon cameras, billing $10,000,000, from Gilbert, Felix & Sharf/DFS; Showtime, billing $2,000,000; Squibb, billing $5,000,000, and Warner-Amex, billing $2,000,000.

It lost Flushco, Beech-Nut baby foods, Showtime and Scandinavian Airlines System.

Overseas account gains: Hertz Canada, Bristol-Myers, Carnation Co., Smith's Crisps, Chesebrough-Pond's de Mexico. Its overseas losses: Hoseasons Holidays and Associated Biscuits of Canada.

Billings breakdown: Newspapers 12%, magazines 34%, radio 6%, network tv 20%, spot tv 23%, cable tv 2%, outdoor 3%.

The agency has 375 employes in five offices, including 284 in one U.S. office. A year ago it had 360 employes in four offices, including 268 in one U.S. office.

Top execs: Marvin Sloves, chairman; Edward A. McCabe, president and worldwide creative director: Alan D. Pesky, president-intl. and chief financial officer; Sam Scali, vice chairman-chief art director; Robert A. Schmetterer, exec vp-managing director; Richard Roth, exec vp-director of account services; Michael Ephron, exec vp-director of media. Phone: (212) 421-2050.

For additional information, see profile of parent agency, Ogilvy & Mather.

J. Walter Thompson Co.

Gross Income	1981	1980
U.S.	$153,700,000	$135,300,000*
International	178,000,000	184,700,000
Total	$331,700,000	$320,000,000*

*Revised by AA

J. Walter Thompson Co., New York, reported gross income of $331,700,000 in 1981 on billings of $2,212,700,000. Its gross income in 1980 is estimated by Advertising Age to have been $320,000,000 on billings of $2,120,700,000. The revision by AA consisted of a reduction of $2,500,000 in the agency's gross income and $17,000,000 from its U.S. billings for 1981 in connection with JWT's pre-tax writeoff of $18,000,000 stemming from fictitious transactions uncovered within its JWT Syndication & Spot TV Sales unit for the years 1978-81.

JWT, the largest subsidiary of J. Walter Thompson Group, a holding company formed in June, 1980, had U.S. volume of $1,025,400,000 in 1981 and estimated volume of $901,900,000 in 1980. Those figures were not broken down.

Included in the agency's figures are the billings and gross income of World Wide Agency, specializing in recruitment advertising, and Brouillard Communications. These units, coupled with other subsidiaries operating within JWT Group, gave the parent company gross income of $403,900,000 in 1981 on revenues of $2,694,300,000. In 1980, JWT Group's reported gross income of $359,500,000 on billings of $2,384,200,000. Other units within JWT Group include Hill & Knowlton, the world's largest pr agency; Euro-Advertising; Lord, Geller, Federico, Einstein; Survival Anglia, and Simmons Market Research Bureau. Among the subsidiaries, only Lord Geller, Federico, Einstein is included among profiles in this issue.

The agency's overseas volume was $1,187,300,000 in 1931 and $1,218,800,000 in 1980. In 1981, the agency gained the following accounts: Genesco Inc., billing $6,500,000; Hewlett Packard; Home Federal S&L; Lowes Inc. (kitty litter); Munsingwear Inc., billing $3,000,000; Nestle Co.; Northern Telecom; OTC NET Inc.; Six Flags Over Georgia; Southern Pacific Communications; Terson Co. (snack candies); Castle & Cooke Foods, billing $4,000,000, and Sears, Roebuck & Co. (Los Angeles and Southwest Group).

The entertainment division gained New York City Opera; Lansdowne added Christian Dior; Duro-Test Corp., and Knomark (Ty-D-Bol), and Brouillard gained Bendix Corp.; Harris Corp.; Penn Central Corp. and Southern Natural Resources.

JWT's losses included a portion of the $25,000,000 Southland Corp. (7-Eleven Stores) account, to Young & Rubicam; Bausch & Lomb, billing $1,000,000; Blue Cross of Southern California; California Milk Advisory Board; Mentholatum, billing $2,000,000; Salada Foods, and Teledyne Water Pik, billing $5,000,000.

Among JWT's overseas gains: Campari (Belgium); CMA and Herte (Germany); Pepsi-Cola (Britain, Philippines); Kodak (Greece); Calve (Holland); Gureola-Scott (Spain); Orlando wines (Australia); Christian Dior (Japan); Kodak (Philippines); Kellogg (New Zealand); Dole bananas (Argentina); Zanussi and Goodyear (Venezuela); R.J. Reynolds (Brazil), and Olivetti (Peru).

Among its overseas losses: Guinness and Beecham Foods (England), Bacardi (Italy); Singer (Spain); Johnson & Johnson's Tylenol (Hong Kong), and Kodak Ektra (Brazil).

Billings breakdown: Newspapers 12.6%, magazines 12.7%, radio 6.4%, network tv 29.6%, spot tv 21.4%, outdoor 1.5%, farm publications 2.4%, direct mail 0.5%, other 12.9%.

The agency has 7,419 employes in 104 offices, including 3,102 in 61 U.S. offices. A year ago it had 7,242 employes in 104 U.S. offices, including 2,868 in 61 offices.

Top execs: Don Johnston, chairman-ceo; Hugh P. Connell, secretary; Denis Lanigan, ceo; Burt Manning, vice-chairman, creative resources, and chairman JWT U.S.A; George M. Black, exec vp, and chairman Brouillard Communications; Jeremy Bullmore, exec vp, and chairman JWT Ltd. (U.K.); David Campbell-Harris, exec vp and chairman, JWT Italy; John J. Cronin, president-Europe; Herbert H. Eames Jr., exec vp-finance and administration; Walter J. O'Brien, president-coo, JWT U.S.A; John E. Peters, exec vp (Ford worldwide) and vice-chairman, JWT U.S.A., Burton B. Petersen, exec vp and president, Thompson Recruitment Advertising; W. Lee Preschel, president, Latin America; Donald C. Robertson, exec vp, corporate development; Ronald K. Sherman, exec vp and president-entertainment division; Tom Sutton, exec vp; Don Thompson, president, Asia Pacific, and William C. Thompson, exec vp (Kodak worldwide).

Phone: (212) 210-7000.

Tracy-Locke Advertising

Gross Income	1981	1980
U.S.	$15,828,456	$19,342,400
Total	$15,828,456	$19,342,400

Tracy-Locke Advertising, Dallas, reported gross income of $15,828,456 in 1981 on billings of $139,106,153. Its gross income in 1980 was $19,342,400 on billings of $122,658,200.

Tracy-Locke was acquired last month by BBDO International. For information about its parent, see profile on BBDO elsewhere in issue.

The agency's volume included $80,589,514 in media, $16,127,215 in materials and services and $42,389,424 in capitalized fees. Its 1980 volume of $122,658,200 included $77,225,500 in media, $15,566,400 in materials and services and $29,866,300 in capitalized fees.

Tracy-Locke's 1980 figures included certain advertising accounts on which the agency had worked jointly with Point Communications, which was not involved in the BBDO acquisition.

In 1981, the agency gained the following accounts: Best Products Inc., billing $1,500,000; Borden Inc. dairy products, billing $5,000,000; Nichols-Kusan (ceiling fans); Pepsi-Cola Bottling Group; Snowmass Cos./Snowmass Resort Assn.; Ben Hogan Co. (golf equipment).

It lost CasaBlanca Fan Co.; Old El Paso Foods; Denver RTD; Environmental Developers Inc.; Igloo Corp., and North Texas Commission.

Billings breakdown: Newspapers 11%, magazines 5%, radio 11%, network tv 39%, spot tv 30%, business papers 2%, point of sale 1%, direct mail 1%.

The agency has 287 employes in two offices; a year ago it had 356 employes in three offices.

Top execs: Norman W. Campbell, chairman; R.H. Stewart Mitchell, vice-chairman; Howard W. Davis, president; Donald C. Mitchum, president, Denver division; David H. Hudnall, chief financial officer; Jonathan H. McLagan, Lawrence H. Spiegel, Arthur W. Taylor, Rodney W. Underhill, senior vps. Phone: (214) 742-3131.

Warwick, Welsh & Miller

Gross Income	1981	1980
U.S.	$15,600,000	$14,250,000
International	600,000	900,000
Total	$16,200,000	$15,150,000

Warwick Welsh & Miller, New York, reported gross income of $16,200,000 in 1981 on billings of $108,000,000. Its gross income in 1980 was $15,500,000 on billings of $101,000,000.

U.S. volume in 1981 consisted of $70,800,000 in media, $5,200,000 in materials and services and $28,000,000 in capitalized fees. In 1980, volume consisted of $66,500,000 in media, $3,500,000 in materials and services and $25,000,000 in capitalized fees.

The agency's overseas volume was $4,000,000 in 1981 and $6,000,000 in 1980.

In 1981, the agency gained the following accounts: Pfizer Inc.'s Coty division (Emeraude fragrances and Stetson men's cologne), billing $3,500,000; Costa Cruises; Prestige Appliance Guardian Groups (specialty insurance); Lehn & Fink (new product); Plough Inc.'s PAAS Activity Center, and Economics Laboratory (Mildew's Gone and Clean 'n Smooth liquid soap).

Billings breakdown: Newspapers 6%, magazines 44%, radio 6%, network/spot tv 33%, outdoor 2%, business papers 3%, other 6%.

The agency has 260 employes in two offices; a year ago it had 320 employes in four offices. Top execs: John P. Warwick, chairman; Wilder D. Baker, exec vp-account services; John P. Chervokas, exec vp-director of creative services; Michael F. Pedone, exec vp-account service; James R. Driscoll, D. Kyle Felt and John J. Meskil, group senior vps, and Jerry Prestomburgo, senior vp. Phone: (212) 751-4700.

Wells, Rich, Greene

Gross Income	1981	1980
U.S.	$63,970,000	$61,693,500
International	1,238,000	785,000
Total	$65,217,000	$62,398,500

Wells, Rich, Greene, New York, reported gross income of $65,217,000 in 1981 on billings of $434,997,000. Its gross income in 1980 was $62,398,500 on billings of $416,197,600.

The agency's 1981 U.S. volume of $426,740,000 included $305,532,000 in media, $40,534,000 in materials and services and $80,674,000 in capitalized fees. Its 1980 U.S. volume of $411,495,600 included $302,496,500 in media, $38,582,600 in materials and services and $70,416,500 in capitalized fees.

The agency's 1981 overseas volume of $8,257,000 included $5,388,000 in media, $1,021,000 in materials and services and $1,848,000 in capitalized fees. Its 1980 foreign volume of $4,702,400 included $2,881,400 in media, $605,600 in materials and services and $1,215,400 in capitalized fees.

Included in the agency's figures are the billings and income of Gardner Advertising, St. Louis, and Gardner's subsidiaries: Advanswers; Vanguard Communications; Westgate Research; Paul Schulman Co.; Johns, Cohen & Pasqualina.

In 1981, WRG gained the following accounts: Chase Manhattan Bank, billing $6,000,000, from DFS; Pan American World Airways, billing $35,000,000 from Doyle Dane Bernbach; Nasher Co.; Docutel; Telecake; Mr. Build; Big Red Q; Pridemark; Wisdom Imports, and Racal Decca Electronics.

It lost Citizen Watch, billing $4,000,000; Standard Brands (Julius Wile, American Distilled Spirits) billing $5,000,000, and Braniff Airlines, billing $18,000,000, to Bloom Advertising.

Overseas accounts gained by WRG were: Chase Manhattan Bank, Union Underwear and Pan Am. Overseas losses: Citibank and Hawaiian Tropic.

Gardner gained Pet Inc. and Sun Corporate Energy; Johns, Cohen & Pasqualina gained Gallo, Sahara (Del Webb) and Continental Airline, billing $18,000,000.

WRG billings breakdown: Newspapers 9%, magazines 13%, radio 6%, network tv 47%, spot tv 13%, outdoor 3%, other 9%. WRG has 676 employes in seven offices, including 662 in six U.S. offices. A year ago it had 704 employes in nine U.S. offices.

For Gardner, billings breakdown was: Newspapers 4%, magazines 8%, radio 13%, network 40%, spot tv 35%.

Gardner has 277 employes in four offices.

Top WRG execs: Mary Wells Lawrence, chairman; Charlie Moss, vice-chairman; Frederick L. Jacobs, vice-chairman; Ken Olshan, chairman WRG/U.S.A.; William Luceno, president. Phone: (212) 758-4300.

Gardner is headed by C. Kelly O'Neill, president. Phone: (314) 444-2000.

Wunderman, Ricotta & Kline

Gross Income	1981	1980
U.S.	$15,854,000	$14,803,000
International	7,747,000	10,331,000
Total	$23,601,000	$25,134,000

Wunderman, Ricotta & Kline, New York, a subsidiary of Young & Rubicam, reported gross income of $23,601,000 in 1981 on estimated billings of $157,420,000. Its gross income in 1980 was $25,134,000 on billings of $167,644,000.

The agency's U.S. volume is estimated at $105,747,000 in 1981 and $98,736,000 in 1980. The agency's overseas volume is estimated at $51,673,000 in 1981 and $68,908,000 in 1980.

In 1981, the agency gained C.I.T. Financial Corp.

Overseas it gained over two dozen accounts, including Permanent Pantry, (Australia); Bell Canada (Canada); Kodak (Denmark); Avis (England); Regie Cassette Video (France); BP (Germany). Overseas account losses: CBS Records (Australia); Polygone (Canada); Carey (Denmark); Time-Life Books (England); La Redoute (France), and Merrill Lynch (Germany).

Billings breakdown: Newspapers 24.9%, magazines 23.5%, supplements 11.3%, radio 1.8%, network tv 1.5%, spot tv 29.3%, business papers 0.9%, transit 0.5%, direct mail 3%, other 3.3%.

The agency has 374 employes in 13 offices, including 239 in two U.S. offices. A year ago it had 399 employes in 13 offices, including 215 in two U.S. offices.

Top execs: Lester Wunderman, chairman-ceo; James M. Stetler, exec vp-general manager; Thomas Knowlton, exec vp; Gary T. Andrews, Ray Dempsey, Anthony Bossone, senior vps. Phone: (212) 909-0100.

For more information, see profile on parent agency, Young & Rubicam.

Young & Rubicam

Gross Income	1981	1980
U.S.	$222,829,000	$190,951,000
International	130,171,000	149,865,000
Total	$353,000,000	$340,816,000

Young & Rubicam, New York, reported gross income of $353,000,000 in 1981 on billings of $2,355,000,000. Its gross income in 1980 was $340,816,000 on billings of $2,273,000,000.

The agency's 1981 U.S. volume was estimated at $1,490,000,000. That figure is estimated to have included $990,000,000 in media, $290,000,000 in materials and services and $210,000,000 in capitalized fees. Its estimated 1980 U.S. volume was $1,334,000,000. That figure is estimated to have included $880,000,000 in media, $273,000,000 in materials and services and $181,000,000 in capitalized fees.

The agency's overseas volume was estimated at $865,000,000 in 1981 and $939,000,000 in 1980.

Also included in Y&R's figures are the billings and gross income of the following subsidiaries: Hutchins/Y&R; Sive Associates; Creswell, Munsell, Fultz & Zirbel; Brewer Advertising; Rives, Smith, Baldwin & Carlberg; W.M. Zemp & Associates; Frye-Sills; Cato Johnson Inc.; Chapman Direct Marketing; Stone & Adler; Sudler & Hennessey, Wunderman, Ricotta & Kline and Burson-Marstelier.

In 1981, the agency gained the following accounts: Xerox Retail Stores; Jamaica Tourist Board, billing over $5,000,000; Richardson-Vicks, billing $14,000,000, from BBDO; Atari corporate and home computers; United Vintners; Southland Corp. (7-Eleven Stores), billing $25,000,000, and AT&T corporate.

It lost E. & J. Gallo Winery, billing $25,000,000, and Eastern Air-Lines, billing $50,000,000, to Campbell-Ewald.

Billings breakdown: Newspapers 10.2%, magazines 15.4%, supplements 1.2%, radio 6.5%, network tv 35.1%, spot tv 16.0%, cable tv 1.2%, outdoor 1.4%, business papers 5.5%, farm publications 1.2%, transit 0.3%, direct mail 5.6%, other 0.4%.

Overseas, the agency gained Singer Co. (Europe); Jamaica Tourist Board (Germany, U.K., Canada); Atari (Hong Kong, Puerto Rico, Sweden); Labatt Brewing (Canada); Kodak (Denmark, Chile); Du Pont (Singapore, Japan), and Gervais Danone (Japan). Its overseas losses included Eastern Air Lines (Switzer-

land); Merker coffee (Australia); Lee Jeans (Australia), and Peter Eckes/Klosterberg (Germany).

The agency has 6,861 employes in 126 offices, including 3,957 in 35 U.S. offices.

A year ago it had 6,556 employes in 120 offices, including 3,804 in 35 U.S. offices.

Top execs: Edward N. Ney, chairman, president-ceo; Alexander Brody, exec vp and president of Y&R International; Alexander Kroll, exec vp and president, Y&R USA; exec vps, George C. Deecken, Harold Burson, Richard Christian, Matthew J. Hennessey, Robert Jellinek, Arthur Klein and Les Wunderman.

Phone: (212) 210-3000.

Agencies: $5,000,000 to $15,000,000

AC&R Advertising

Gross Income	1981	1980
U.S.	$8,540,000	$8,101,000
International	898,000	734,000
Total	$9,438,000	$8,835,000

AC&R Advertising, New York, reported gross income of $9,438,000 in 1981 on billings of $64,466,000. Its gross income in 1980 was $8,835,000 on billings of $53,748,000. Totals include international gross income of $898,000 in 1981 and $734,000 in 1980.

U.S. volume of $56,642,000 in 1981 consisted of $41,354,000 in media, $12,667,000 in materials and services and $2,621,000 in capitalized fees. In 1980, U.S. volume of $48,259,179 consisted of $36,999,888 in media, $9,378,351 in materials and services and $1,880,940 in capitalized fees.

The agency's 1981 overseas volume of $7,824,000 consisted of $5,246,000 in media, $1,451,000 in materials and services and $1,127,000 in capitalized fees. Its 1980 international volume of $5,488,821 consisted of $3,866,172 in media, $1,022,649 in materials and services and $600,000 in capitalized fees.

In 1981, the agency gained Laser Beams, Salton, Sun Line, Kastillon Renault, Trifari, Cyprus Wines, Ron Chereskin, Lady Arrow, Tamron, RPM, Sankro Sport Products.

It lost Jotul, Leitz, Karageorgis, Gunlocke Furniture, Live-In Jeans and Nan Duskin.

Billings breakdown: Newspapers 8.43%, magazines 29.07%, radio 1.14%, spot tv 54.35%, outdoor 0.47%, business papers 6.54%.

The agency has 178 employes in two offices with 168 in the one U.S. office; a year ago it had 165 employes. Top execs: Stephen Rose, chairman; Alvin Chereskin, president; Louis Miano, exec vp-creative services; Kaz Kudo, exec vp-director of client services; Harry Koenig, exec vp-finance & administration; Sheldon Marks, exec vp-account services. Phone: (212) 758-5780.

For more information, see profile on parent agency, Ted Bates & Co.

Advertising To Women

Gross Income	1981	1980
U.S.	$7,200,000	$6,200,000
Total	$7,200,000	$6,200,000

Advertising To Women, New York, reported gross income of $7,200,000 in 1981 on billings of $55,000,000. Its gross income in 1980 was $6,200,000 on billings of $47,000,000. The agency does not break out its volume.

In 1981, the agency gained National Coffee Assn. of U.S.A.

It did not lose any accounts.

Billings breakdown: Newspapers 1%, magazines 9%, radio 2%, network tv 74%, spot tv 13%, cable tv 1%.

The agency has 94 employes in one U.S. office; a year ago it had 79 employes. Top execs: John Ernst, chairman; Lois Geraci Ernst, president. Phone: (212) 688-4675.

Ally & Gargano

Gross Income	1981	1980
U.S.	$11,750,000	$7,286,600
Total	$11,750,000	$7,286,600

Ally & Gargano, New York, reported gross income of $11,750,000 in 1981 on billings of $82,884,000. Its gross income in 1980 was $7,286,600 on billings of $51,580,000.

Volume in 1981 consisted of $69,530,000 in media, $7,478,000 in materials and services and $5,876,000 in capitalized fees. In 1980, volume consisted of $44,234,000 in media, $6,499,000 in materials and services and $847,000 in capitalized fees.

In 1981, the agency gained the following accounts: Canadair Inc., Comprehensive Accounting Corp., Bank of New York, *Time* and *Fortune* magazines, Scandinavian Airlines Systems and Calvin Klein Ltd. It lost Huffman-Koos and Baybanks.

Billings breakdown: Newspapers 4.9%, magazines 23.2%, radio 4.8%, network tv 38.1%, spot tv 27.3%, business papers 1.3%, other 0.4%.

The agency has 155 employes; a year ago it had 112 employes. Top execs: Carl Ally, chairman; Amil Gargano, president; Edward Gallagher, exec vp-chief operating officer; Harold Weston, exec vp-chief financial officer, and Michael Tesch, senior vp-associate creative director. Phone: (212) 688-5300.

Ammirati & Puris

Gross Income	1981	1980
U.S.	$6,000,000	$5,100,000
Total	$6,000,000	$5,100,000

Ammirati & Puris, New York, reported gross income of $6,000,000 in 1981 on billings of $40,000,000. Its gross income in 1980 was $5,100,000 on billings of $34,000,000.

Volume in 1981 consisted of $33,500,000 in media, $4,500,000 in materials and services and $2,000,000 in capitalized fees. In 1980, volume consisted of $27,900,000 in media, $3,600,000 in materials and services and $2,500,000 in capitalized fees.

In 1981, the agency gained BMW Motorcycles, Data General Eclipse Business Systems, Sony General Stereo Products. It lost Gold Seal.

Billings breakdown: Newspapers 10%, magazines 40%, radio 5%, network tv 5%, spot tv 40%.

The agency has 70 employes in two U.S. offices. A year ago it had 60 employes. Top execs: Martin Puris, president; Ralph Ammirati, chairman, Clayton Wilhite, Ted Hazard and Art Molesphini, senior vps. Phone: (212) 752-8500.

Arnold & Co.

Gross Income	1981	1980
U.S.	$6,405,312	$5,961,960
Total	$6,405,312	$5,961,960

Arnold & Co., Boston, reported

WHEN LINAGE IS PLACED IN DENVER
THE NEWS IS FIRST IN LINE
Rocky Mountain News
Friday
Reagan basks in tax-cut victory
'We are leaving no one behind'
Iranian earthquake toll estimated at 8,000 dead
Social Security minimum subject of new House vote

THE 1981 FIGURES ARE IN...

Denver's Rocky Mountain News has been positioned by local and national advertisers, as the market leader in full-run advertising linage.

The News has not only increased its already commanding lead in daily linage during the past year, but has claimed the important combined daily and Sunday leadership as well.

Denver's first newspaper...first in the morning, first in circulation and first in full-run advertising linage.

	*DAILY	*TOTAL
NEWS	56,772,604	70,339,155
POST	40,183,630	68,753,652
The Rocky Mountain News leads	16,588,974	1,585,503

*Media Records for twelve months cumulative, January 1, 1981 through December 31, 1981.

DENVER'S CIRCULATION AND LINAGE LEADER

Rocky Mountain News

A Scripps-Howard Newspaper. Represented nationally by Story & Kelly-Smith, Inc.

ATLANTA • NEW YORK • BOSTON • SAN FRANCISCO • CHICAGO • DALLAS • LOS ANGELES • PHILADELPHIA • DETROIT

Gross income of $5,000,000 to $15,000,000

gross income of $6,405,312 in 1981 on billings of $42,756,875. Its gross income in 1980 was $5,961,080 on billings of $36,538,602.

The agency did not break out its 1981 volume. In 1980, volume consisted of $34,871,302 in media and $1,667,300 in capitalized fees.

The agency has subsidiaries in Portland, Me., Syracuse, Albany, Rochester, and Buffalo.

In 1981, the agency gained the following accounts: Cristy Chemical Corp., First American Bank for Savings, McDonald's of Albany, McDonald's of Buffalo North East Apparel, Composite Container Corp., Patriot Bancorporation, Instrumentation Labs (Pixel division), Wolfe Ford/Toyota, American Cablesystems, Int'l. Automotive Associates and Starcase.

It lost American Discount Auto Parts, Computer Corp. of American, Nashua (tape and graphic products division) and Starcase.

Billings breakdown: Newspapers 8%, magazines 1%, radio 16%, network tv 4%, spot tv 46%, outdoor 1%, business papers 9%, transit 1%, point of sale 0.5%, direct mail 0.5%, other 13%.

The agency opened a new office in Portland, Me., last year and now has 150 employes in six U.S. offices. A year ago it had 125 employes in five U.S. offices.

Top execs: Arnold Z. Rosoff, chairman; Gerard Golden, president; Steve Cosmopulos, Lenny Karsakov, Marie Kachinski, Jack Cantwell and Lee LeBlanc, senior vps. Phone: (617) 357-1900.

Avrett, Free & Fischer

Gross Income	1981	1980
U.S.	$7,487,000	$6,396,000
Total	$7,487,000	$6,396,000

Avrett, Free & Fischer, New York, reported gross income of $7,487,000 in 1981 on billings of $67,431,500. Its gross income in 1980 was $6,396,000 on billings of $57,073,000.

Volume in 1981 consisted of $54,800,000 in media, $6,295,000 in materials and services and $6,336,500 in capitalized fees. In 1980, volume consisted of $45,800,000 in media, $4,770,000 in materials and services and $6,503,000 in capitalized fees.

In 1981, the agency added Beecham Products, De Lorean Motors and Ponderosa.

It lost Commerce Drug.

Billings breakdown: Newspapers 4%, magazines 10%, supplements 6%, radio 4%, network tv 20%, spot tv 54%, business papers 2%. The agency has 89 employes in one office. A year ago it had 79 employes. Top execs: John Avrett, chairman; Marcella Free, co-chairman; Keith Fischer, president-ceo; Frank Ginsberg, exec vp-creative director; senior vps—Ron Thomas, Donald Bandman, Sheldon Holzer, Phil Parker, Hal Altman, Kathryn Werlein, Bruce Hoenig. Phone: (212) 832-3800.

The Bloom Cos.

Gross Income	1981	1980
U.S.	$12,500,000	$10,200,000
Total	$12,500,000	$10,200,000

The Bloom Cos., Dallas, reported gross income of $12,500,000 in 1981 on billings of $83,400,000. Its gross income in 1980 was $10,200,000 on billings of $72,200,000.

Financial results of Mathieu, Gerfen & Bresner, New York, a shop Bloom acquired late last year, will be reflected in the company's report next year. *(See Page 66 for this year's report on the Mathieu agency.)* Bloom's other subsidiaries include the Bloom Agency; Impact Promotions of the Southwest; The Collateral Group; Automated Production Inc., and Bloom Advertising Too.

In 1981, the agency gained the following accounts: Braniff Intl.; Bulova Watch Co. (special markets); Cibco Importing; Hill's Pet Products, Libby, McNeill & Libby; Liggett & Myers Tobacco Co. (Eve cigarets, new products); Schering-Plough Corp.

It lost Pet Grocery Products, Dallas Federal Savings and Six Flags Over Texas.

Billings breakdown: Newspapers 28%, magazines 10%, radio 22%, network tv 12%, spot tv 24%, outdoor 4%.

The agency has 350 employes in three offices. A year ago it had 277 employes in one office.

Top execs: Robert Bloom, chairman; Sam R. Bloom, chairman, executive committee, and Aaron S. Pearlman, vice-chairman. Phone: (214) 638-8100.

Calet, Hirsch, Kurnit & Spector

Gross Income	1981	1980
U.S.	$8,500,000	$8,000,000
Total	$8,500,000	$8,000,000

Calet, Hirsch, Kurnit & Spector, New York, reported gross income of $8,500,000 in 1981 on billings of $70,000,000. Its gross income in 1980 was $8,000,000 on billings of $60,000,000.

Volume in 1981 consisted of $50,000,000 in media, $7,000,000 in materials and services and $13,000,000 in capitalized fees. In 1980, volume consisted of $45,000,000 in media, $5,500,000 in materials and services and $9,500,000 in capitalized fees.

In 1981, the agency gained PepsiCo Wines & Spirits Intl.

It lost Talon zippers.

Billings breakdown: Newspapers 15%, magazines 25%, radio 5%, tv 50%, outdoor 2%, business papers 1%, transit 1%, point of sale 1%.

The agency has 160 employes in one U.S. office, the same number it had a year ago. Top execs: Shepard Kurnit, chairman; Larry Spector, president; Neil Calet and Peter Hirsch, exec vps-creative directors. Phone: (212) 489-7300.

Chiat/Day

Gross Income	1981	1980
U.S.	$13,646,412	$7,669,170
Total	$13,646,412	$7,669,170

Chiat/Day, Los Angeles, reported gross income of $13,646,412 and net income of $2,120,000 in 1981 on billings of $125,355,707. In 1980, its gross income was $7,669,170 and net income was $1,326,313 on billings of $81,868,871.

Volume in 1981 consisted of $76,679,821 in media, $17,777,317 in materials and services and $30,898,569 in capitalized fees. In 1980, volume consisted of $45,368,962 in media, $11,124,006 in materials and services and $25,375,903 in capitalized fees.

Chiat/Day has subsidiaries in Seattle, San Francisco and New York.

In 1981, the agency gained: Olympia beer, The Newporter, Holland America Cruises, Robert Half of New York, Ziff-Davis Publishing, Apple Computer Services, Ask Computer Systems, Intel Corp., Shugart Associates, Wienerschnitzel Operators Assns. of San Francisco, San Jose, Fresno, Sacramento, Stockton, Cal., and Las Vegas, the Seattle Aquarium, TOM Inc., Woodland Zoo.

It lost Executive Life Insurance, Teleflora, Thai Airways, Industrial Indemnity Co., American Motors Intl., Jay Jacobs Inc., Sherwood & Roberts, Sova Enterprises.

Billings breakdown: Newspapers 10%, magazines 38%, radio 13%, network tv 20%, spot tv 13%, outdoor 5%, transit 1%.

The agency has 262 employes in four U.S. offices. A year ago it had 216 employes in five U.S. offices. Top execs: Montgomery McKinney, chairman; Jay Chiat, creative director; Neil Donavan, president; Guy Day, director; Hy Yablonka, exec vp; Chuck Phillips, exec vp-general manager, San Francisco; Mark Mullin, exec vp-general manager, New York; Roger Livingston, exec vp-general manager, Seattle. Phone: (213) 622-7454.

Cole & Weber

Gross Income	1981	1980
U.S.	$11,422,224	$9,773,300
Total	$11,422,224	$9,773,300

Cole & Weber, Seattle, an Ogilvy & Mather subsidiary, reported gross income of $11,422,224 in 1981 on billings of $79,218,777. Its gross income in 1980 was $9,773,300 on billings of $67,252,300.

Volume in 1981 consisted of $48,525,911 in media, $10,656,766 in materials and services and $20,036,100 in capitalized fees. In 1980, volume consisted of $46,474,900 in media, $6,759,700 in materials and services and $14,017,700 in capitalized fees.

In 1981, the agency gained Adams Foods, Bower, Emil Villa Original Hick'ry Pit Restaurant, Newdel Holding, Oregon State Fair, Pacific Express and Pacifico.

It lost Blue Mountain Pet Food and Princess Tours.

Billings breakdown: Newspapers 16%, magazines 14%, radio 15%, network tv 14%, spot tv 19%, outdoor 4%, business papers 17%, other 1%.

The agency has 219 employes in four U.S. offices; a year ago it had 197. Top execs: Harold C. Dixon, chairman; Harold A. Newsom, president; Lee Jacobi, chairman-finance committee; Leonard L. Bartlett, vice-chairman; James W. Schulz, treasurer. Phone: (206) 433-6200.

Cramer-Krasselt

Gross Income	1981	1980
U.S.	$5,780,000	$3,075,000
Total	$5,780,000	$3,075,000

Cramer-Krasselt, Milwaukee, reported gross income of $5,780,000 in 1981 on billings of $41,000,000. Its gross income in 1980 was $3,075,000 on billings of $22,050,000.

The agency does not break out its volume. Its subsidiaries, Cramer-Krasselt/Chicago and Cramer-Krasselt/Southwest are included in its totals.

In 1981, the agency gained Del E. Webb Corp.'s recreational properties, Duo-Temp, Rand McNally, Exel Industries, Bigsby & Kruthers, Granada Royale Hotels, La Salle Street Market, McGraw Edison Intl. metal products division, MAACO Dealers, Refco Commodities, United Medical Management, WBBM-FM, Ziegler Thrift Trading, Guarantee Savings & Loan, Health Evaluation & Longevity Foundation.

It lost Bigsby & Kruthers, Pepsi-Cola Bottling Group of Milwaukee.

Billings breakdown: Newspapers 10%, magazines 19.5%, radio 4%, network tv 16%, spot tv 30%, outdoor 1%, business papers 8.5%, direct mail 11%.

The agency has 102 employes in three U.S. offices. A year ago it had 64 employes in two U.S. offices. Top exec: Theodore J. Wing, president. Phone: (414) 276-3500.

Davis, Johnson, Mogul & Colombatto

Gross Income	1981	1980
U.S.	$6,080,000	$4,618,000
Total	$6,080,000	$4,618,000

Davis, Johnson, Mogul & Colombatto, Los Angeles, reported gross income of $6,080,000 in 1981 on billings of $38,000,000. Its gross income in 1980 was $4,618,010 on billings of $30,473,724.

Volume in 1981 consisted of $30,040,000 in media, $5,300,000 in materials and services and $2,660,000 in capitalized fees. In 1980, volume consisted of $21,843,739 in media, $4,097,493 in materials and services and $1,532,492 in capitalized fees.

In 1981, the agency gained Casablanca Fan Co., Ralphs, First Business Bank and Toyota Dealers Northwest.

It lost Golden Gate Airlines.

Billings breakdown: Newspapers 10%, magazines 5%, radio 18%, network tv 1%, spot tv 50%, outdoor 4%, point of sale 1%, direct mail 1%, other 10%.

The agency has 150 employes in three U.S. offices. A year ago it had 101 employes. Top execs: Robert Davis and Robert J. Colombatto, presidents; Frank McKibbin, exec vp; Ron Kojis, John Turner and Fred Wilson, senior vps, client services; Brad Ball, senior vp-creative director; Tom Nipper, Mike Trueblood, Keith Linde, senior vps. Phone: (213) 383-3332.

Diener/Hauser/Bates

Gross Income	1981	1980
U.S.	$10,016,000	$9,202,000
Total	$10,016,000	$9,202,000

Diener/Hauser/Bates, New York, a subsidiary of Ted Bates & Co., reported gross income of $10,016,000 in 1981 on billings of $84,709,000. Its gross income in 1980 was $9,202,000 on billings of $77,165,000.

Volume in 1981 consisted of $77,038,000 in media and $7,671,000 in materials and services. In 1980, volume consisted of $68,741,000 in media and $8,424,000 in materials and services.

In 1981, Diener gained American Film Market. It lost American Cinema Releasing and International Picture Show Co.

Billings breakdown: Newspapers 49%, magazines 3%, radio 3%, network tv 10%, spot tv 32%, outdoor 3%. The agency has 190 employes in four U.S. offices. A year ago it had 166 employes in four U.S. offices. Top execs: Herbert Hauser, chairman; Henry Weintraub, president; Ed Brodkin and David Dember, exec vps, and Norman Trell, senior vp. Phone: (212) 840-3300.

For more information, see profile on parent agency, Ted Bates & Co.

David W. Evans Inc.

Gross Income	1981	1980
U.S.	$9,075,000	$8,550,000
Total	$9,075,000	$8,550,000

David W. Evans Inc., Salt Lake City, reported gross income of $9,075,000 in 1981 on billings of $60,500,000. Its gross income in 1980 was $8,550,000 on billings of $57,000,000.

Volume in 1981 consisted of $30,500,000 in media, $10,000,000 in materials and services and $20,000,000 in capitalized fees. In 1980, volume consisted of $29,500,000 in media, $9,500,000 in materials and services and $18,000,000 in capitalized fees.

In 1981, the agency gained Alaska Seafood Marketing, Gibraltar S&L, F.N. Sports (Browning Golf Clubs), Gardco, Minit Lube, Three D Bed & Bath, Wyoming Bancorp.

It lost Pepsi-Cola Bottling of Los Angeles, Pizza Hut (California, Oregon, Washington, Arizona and New Mexico) and Union Bank.

Billings breakdown: Newspapers 18%, magazines 26%, radio 25%, spot tv 27%, outdoor 3.5%, other .5%.

The agency has 206 employes in eight U.S. offices. A year ago it had 210. Top execs: L. Glen Snarr, ceo; G. Robert Ruff, president; Jon Johnson, Arthur Anderson and Richard Marshall, senior vps. Phone: (801) 364-7452.

Fahlgren & Ferriss

Gross Income	1981	1980
U.S.	$7,550,000	$6,400,000
Total	$7,550,000	$6,400,000

Fahlgren & Ferriss, Parkersburg, W. Va., reported gross income of $7,550,000 in 1981 on billings of $50,360,000. Its gross income in 1980 was $6,400,000 on billings of $42,688,000.

Volume in 1981 consisted of $24,675,000 in media, $4,850,000 in materials and services and $20,835,000 in capitalized fees. In 1980, volume consisted of $22,586,220 in media, $3,705,320 in materials and services and $16,396,460 in capitalized fees.

In 1981, the agency gained Lane Drug Co., College Football Hall of Fame, Schoenling Brewing Co., WVOK Ad Assn., Charleston Zone Chevrolet Dealers, Villa Blanca.

It lost Cincinnati Gas & Electric and Union National Bank.

Billings breakdown: Newspapers 5%, magazines 7%, radio 10%, network and spot tv 58%, outdoor 2%, business papers 17%, other 1%.

The agency has 165 employes in six U.S. offices; a year ago it had 140 employes. Top execs: H. Smoot Fahlgren, president; Vincent J. Backley, James W. Swearingen, Don Rice, exec vps; William J. Farson, secretary-treasurer; B. Charles Wild, Rodney B. Stegall, Fred Harrington and Tom Welly, senior vps. Phone: (304) 424-3591.

Geer, DuBois Inc.

Gross Income	1981	1980
U.S.	$7,200,000	$5,760,000
Total	$7,200,000	$5,760,000

Geer, DuBois, New York, reported gross income of $7,200,000 in 1981 on billings of $48,240,000. Its gross income in 1980 was $5,760,000 on billings of $38,600,000.

The agency did not break out its volume for either year.

In 1981, the agency gained Allied Corp. (Anso IV Carpet Fiber), Almay Cosmetics, Apple & Eve Juices, Brown & Williamson Tobacco Corp. and Colorplus Cosmetics. The agency did not lose any accounts.

Billings breakdown: Newspapers 8%, magazines 43%, radio 14%, network tv 8%, spot tv 27%.

The agency has 120 employes; a year ago it had 102 employes. Top execs: Peter Geer, chairman; Richard Seclow, president; Edward Parella, treasurer; Jim Adair, John Allen, Rea Brown, Fred Irwin, Alan Johnson, Steve Olderman, Brian Sherwood, Doria Steedman, senior vps. Phone: (212) 741-1900.

Geers Gross Inc.

Gross Income	1981	1980
U.S.	$11,300,000	$9,065,000
Total	$11,300,000	$9,065,000

Geers Gross Inc., New York, reported gross income of $11,300,000 in 1981 on billings of $79,500,000. It reported gross income of $9,065,000 on billings of $65,204,400 in 1980.

The agency is the largest in a network under the umbrella of parent, Geers Gross Ltd., London, England, and which also includes Geers Gross Advertising Ltd. and Geers Gross West, both in London.

The network reported gross income of $22,000,000 in 1981 on billings of $157,000,000. In 1980 it reported gross income of $19,500,000 on billings of $129,250,000.

Accounts gained by the New York office include BP Intl., BP Oil, W&J Sloane, Light & Lively Dairy Products, Lucille Roberts. The New York agency lost Jos. Garneau Co. Account gains by U.K. subsidiaries include English Country Cheese Council, Olympia Business Machines, Silentnight Beds, United Rum Merchants, Liberty Life Assurance, House of Holland.

Media breakdown for the consolidated shops: Newspapers 29%, magazines 11%, supplements 5%, radio 6%, tv 43%, outdoor 4%, business press 2%.

Phone: (212) 350-9200.

Griswold-Eshleman Co.

Gross Income	1981	1980
U.S.	$6,961,800	$6,724,805
Total	$6,961,800	$6,724,805

Griswold-Eshleman, Cleveland, reported gross income of $6,961,800 in 1981 on billings of $43,013,204. Its gross income in 1980 was $6,724,805 on billings of $41,815,616.

Volume in 1981 consisted of $29,604,658 in media, $7,649,274 in materials and services and $5,759,272 in capitalized fees. In 1980, volume consisted of $29,272,493 in media, $7,476,229 in materials and services and $5,066,894 in capitalized fees. Its subsidiaries in New York, Pittsburgh and Columbus are included in the total.

In 1981, the agency gained Bendix Warner & Swasey Finance Corp., Howard Johnson's Ground Round & Red Coach Grill, Coalition for Environmental Energy Balance and Carrier Transicold Co.

It lost Hankison, Diamond Shamrock and Harnischfeger.

Billings breakdown: Newspapers 9.2%, magazines 25.9%, radio 5.4%, network tv 20.8%, spot tv 8%, outdoor 0.1%, business papers 30.1%, farm publications 0.5%.

The agency has 156 employes in seven U.S. offices. A year ago it had 127 employes in six U.S. offices. Top execs: Richard Gerbracht, chairman; Patrick Morin, president. Phone: (216) 696-3400.

Group Three Advertising

Gross Income	1981	1980
U.S.	$5,161,075	$4,348,832
Total	$5,161,075	$4,348,832

Group Three Advertising, Pompano Beach, Fla., had gross income of $5,161,075 in 1981 on billings of $19,385,754. In 1980, it reported gross income of $4,348,832 on billings of $17,352,124.

Volume in 1981 consisted of $5,621,484 in media, $1,254,852 in materials and services and $12,509,418 in capitalized fees. In 1980, volume consisted of $4,788,905 in media, $1,095,389 in materials and services and $11,467,830 in capitalized fees.

The agency added to its list of accounts: Mitel Inc., Intl. Precious Metals, Basic Technologies, Univis, Net Com.

It lost Intl. Precious Metals, Naples Federal, Data Medix.

Billings breakdown: Newspapers 13%, magazines 21%, radio 10%, spot tv 14%, business papers 10%, point of sale 2%, direct mail 5%, other (collateral) 25%.

The agency had 28 employes in 1981. It had 40 in 1980. Top exec: Philip Rushlow, president. Phone: (305) 785-9000.

Helfgott Towne & Silverstein

Gross Income	1981	1980
U.S.	$5,555,000	$4,800,000
Total	$5,555,000	$4,800,000

Helfgott Towne & Silverstein, New York, reported gross income of $5,555,000 in 1981 on billings of $37,000,000, all from media. Its gross income in 1980 was $4,800,000 on media billings of $32,000,000.

In 1981, Helfgott gained Purolator Products automotive filter division, Ideal Toy Corp. doll division, and Crown Sporting Goods' Kiffe Luggage division.

It did not lose any accounts in 1981.

Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, network tv 20%, spot tv 40%, outdoor 5%, point of sale 5%.

The agency has 54 employes in one office; a year ago it had 52. Top execs: Les Towne, ceo; D. William Silverstein, president; Steve Rotter, senior vp-account services; Michael O'Connell, senior vp-creative; Binnie Levin, senior vp-financial; Mike Mulieri, senior vp-media. Phone: (212) 582-2100.

Hicks & Greist

Gross Income	1981	1980
U.S.	$6,400,000	$6,250,000
Total	$6,400,000	$6,250,000

Hicks & Greist, New York, reported its gross income at $6,400,000 on 1981 billings of $46,000,000. Its 1980 gross income was $6,250,000 on billings of $43,000,000.

The agency's 1981 volume included $42,000,000 in media, $1,500,000 in materials and services and $2,500,000 in capitalized fees. Its 1980 volume included $39,000,000 in media, $1,500,000 in materials and services and $2,500,000 in capitalized fees. Its total includes its subsidiary, Irving Smith Kogan & Co.

Hicks last year gained the Port Authority New York/New Jersey, Nickerson Seafoods, Coty Cosmetics, Pot Noodle accounts.

Billings breakdown: Newspapers 11%, magazines 23%, supplements 3%, radio 8%, network tv 20%, spot tv 23%, cable tv 2% and outdoor 10%.

The agency has 113 employes in one office, the same number it had a year ago.

Top execs: Charles V. Skoog Jr., chairman; William L. Roper, chairman-exec committee; D. Edward Ricchiuto, president; Hank Selden, exec vp; Ralph Seden and William Wurtzel, senior vps. Phone: (212) 370-9600.

Ogilvy & Mather

Our philosophy is not to have a style, but to make sure we have the best advertising in every category and advertising that works, including for such clients as Aramco and Paco Rabanne.

Arabian desert dwellers engaged in traditional game

ARAMCO

Hill, Holliday, Connors, Cosmopulos

Gross Income	1981	1980
U.S.	$7,431,000	$6,975,000
International	$784,000	$310,000
Total	$8,215,000	$7,285,000

Hill, Holliday, Connors, Cosmopulos, Boston, reported gross income of $8,215,000 in 1981 on billings of $61,488,000. Its gross income in 1980 was $7,285,000 on billings of $46,106,000. Of those totals, non-U.S. income was $784,000 in 1981 and $310,000 in 1980.

U.S. volume in 1981 consisted of $20,082,000 in media, $6,184,000 in materials and services and $30,355,000 in capitalized fees. In 1980, U.S. volume consisted of $21,627,000 in media, $4,705,000 in materials and services and $17,706,000 in capitalized fees.

The agency's overseas volume was $4,867,000 in 1981, with $3,387,000 in media, $299,000 in materials and services and $1,181,000 in capitalized fees. Overseas volume in 1980 consisted of $1,905,000 in media and $163,000 in materials and services.

In 1981, the agency gained Baybanks, Jordan Marsh, Bureau of Solid Waste (Massachusetts), Corporation for a Cleaner Commonwealth.

Its overseas pr unit lost Spalding (U.K.), Greenway Sports, World Wildlife and Mobil.

Billings breakdown: Newspapers 12%, magazines 17%, supplements 1%, radio 4%, network tv 13%, spot tv 46%, cable tv 1%, outdoor 1%, business papers 4%, transit 1%.

The agency has 181 employes with 175 in two U.S. offices. A year ago it had 145 with 139 employes in the U.S. Top execs: John M. Connors Jr., president; George J. Hill, chairman; Walter M. Pile, senior vp-general manager; John Fitzgerald, William Matteson, senior vps-account service; Richard Pantano, Anthony Winch, senior vps-creative directors. Phone: (617) 437-1600.

Hoffman York & Compton

Gross Income	1981	1980
U.S.	$6,631,412	$6,045,605
Total	$6,631,412	$6,045,605

Hoffman York & Compton, Milwaukee, a subsidiary of Compton Advertising, reported gross income of $6,631,412 in 1981 on billings of $44,209,400. Its gross income in 1980 was $6,045,605 on billings of $40,300,000.

The agency does not break out its dollar volume.

In 1981, the agency gained Kirby Vacuum Cleaners (national media advertising), Novotel Hotels and Sofitel Hotel in the U.S.

It lost Republic Airlines.

The agency employs 108 persons in two U.S. offices; a year ago it had 122.

Top execs: Eugene P. Lawler, president-ceo; Joel Kursel, chairman. Phone: (414) 259-2000.

For more information, see profile of parent agency, Compton Advertising, on Page 8.

Humphrey Browning MacDougall

Gross Income	1981	1980
U.S.	$8,100,000	$7,368,000
Total	$8,100,000	$7,368,000

Humphrey Browning MacDougall, Boston, reported gross income of $8,100,000 in 1981 on billings of $54,027,000. Its gross income in 1980 was $7,368,000 on billings of $49,144,560.

The agency did not break out its volume except to indicate capitalized fees of $2,500,000 in 1981 and $2,700,000 in 1980. Results include billings of a subsidiary, HBM/MacDonald & Co.

In 1981, the agency gained Nixdorf Computer Corp., Olin Corp., Westin/Boston Hotel, Codex Corp., Springhouse Products Co., Lexidata Corp., Consumer Value Stores and Paine Furniture Co.

It lost Brady Enterprises.

Billings breakdown: Newspapers 8%, magazines 20%, radio 6%, network tv 27%, spot tv 36%, other 3%.

The agency has 173 employes in three U.S. offices. A year ago it had 137 employes in two U.S. offices. Top execs: Richard S. Humphrey Jr., chairman; Edward Eskandarian, president-ceo; Franklin S. Browning Jr., treasurer; Peter W. Evans, Edmund C. Fitzmaurice, Douglas W. Houston, Arthur McGinnes, Mary Moore, Michael H. Reingold, Anna Ungar, senior vps. Phone: (617) 723-7770.

Ingalls Associates

Gross Income	1981	1980
U.S.	$7,000,000	$6,000,000
Total	$7,000,000	$6,000,000

Ingalls Associates, Boston, reported gross income of $7,000,000 in 1981 on billings of $51,000,000. Its gross income in 1980 was $6,000,000 on billings of $40,000,000.

Volume in 1981 consisted of $28,500,000 in media, $6,500,000 in materials and services and $16,000,000 in capitalized fees. In 1980, volume consisted of $24,000,000 in media, $5,000,000 in materials and services and $11,000,000 in capitalized fees.

In 1981, the agency gained Spectacor Management (Worcester Civic Center), Computrend Inc., Converse Rubber Co., Instrumentation Labs, Urban Development Corp. (Copley Place), Interface, Lovitt Foods, Laconia Shoe, I.S.S.A. Corp., SCA Services, V.R. Business Brokers, N.E. Brown Egg Council, Philip Morris Merit (pr).

It lost Brooks Shoe Manufacturing Co., Photoquick of America, Beaconway Fabric Co., Hartford National Bank.

Billings breakdown: Newspapers 20%, magazines 7%, radio 25%, spot tv 30%, outdoor 1%, business papers 16%, transit 1%.

The agency has 100 employes; a year ago it had 130 employes. Top exec: S. Joseph Hoffman, president. Phone: (617) 437-7000.

Kallir, Philips, Ross

Gross Income	1981	1980
U.S.	$6,470,000	$5,132,000
Total	$6,470,000	$5,132,000

Kallir, Philips, Ross, New York, a healthcare communications and marketing agency, reported gross income of $6,470,000 in 1981 on billings of $55,403,000. Its gross income in 1980 was $5,132,000 on billings of $43,405,000.

Volume in 1981 consisted of $12,982,000 in media, $7,450,000 in materials and services and $34,971,000 in capitalized fees. In 1980, volume consisted of $9,613,000 in media, $5,518,000 in materials and services and $28,274,000 in capitalized fees. Totals include those of its subsidiary, KPR Infor/Media.

Gross income of $5,000,000 to $15,000,000

In 1981, the agency gained Ciba-Geigy Corp., Glaxo Inc. and Ortho Diagnostics System.

It did not lose any accounts.

Billings breakdown: Magazines (journals) 58%, direct mail 22%, other 20%.

The agency has 135 employes; a year ago it had 125. Top exec: John Kallir, president. Phone: (212) 878-3700.

Lee King & Partners

Gross Income	1981	1980
U.S.	$6,875,000	$6,995,000
Total	$6,875,000	$6,995,000

Lee King & Partners, Chicago, reported gross income of $6,875,000 in 1981 on billings of $46,050,000. Its gross income in 1980 was $6,995,000 on billings of $46,757,000.

Volume in 1981 consisted of $31,851,000 in media, $4,027,000 in materials and services and $10,172,000 in capitalized fees. In 1980, volume consisted of $34,214,000 in media, $3,425,000 in materials and services and $9,118,000 in capitalized fees.

In 1981, the agency gained the following accounts: Leaf Confectioners, Illinois Dept. of Commerce & Community Affairs, Mead Johnson & Co. and International Multifoods.

It lost Beef Industry Council, Jensen Sound Laboratories and Curtiss Candy division of Standard Brands.

Billings breakdown: Newspapers 9%, magazines 24%, supplements 1%, radio 2%, network tv 25%, spot tv 35%, outdoor 1%, business papers 3%.

The agency has 148 employes in one office; a year ago it employed 165.

Top execs: Lee King, president-ceo; Paul Greenfield, Bernard Merker, Kenneth Murison and S. Jerome Reshkin, partners-exec vps. Phone: (312) 645-6600.

Kornhauser & Calene

Gross Income	1981	1980
U.S.	$9,100,000	$6,222,900
Total	$9,100,000	$6,222,900

Kornhauser & Calene, New York, reported gross income of $9,100,000 in 1981 on billings of $80,154,600. Its gross income in 1980 was $6,222,900 on billings of $60,544,700.

Volume in 1981 consisted of $77,654,600 in media and $2,500,000 in capitalized fees. In 1980, volume consisted of $58,631,800 in media and $1,912,900 in capitalized fees.

In 1981, the agency gained American Contex Corp., Bahamasair, C-E Minerals Corp., C-E Refractories, Chromalloy R&T, Commodore Business Machines' computer systems division, Grow Group, Stal-Laval, Sumitomo Corp. of America, Thyssen, Union Carbide Corp. and American Home Products' Whitehall Laboratories' Prepcort anal itch remedy.

It did not lose any accounts in 1981.

Billings breakdown: Newspapers 3%, magazines 3%, supplements 1%, radio 3%, network tv 70%, spot tv 15%, business papers 4%, farm publications 1%.

The agency has 108 employes in one office; a year ago it had 90. Top execs: Henry Kornhauser, chairman-ceo; John Calene, president; Michael Cotter, Richard L. Matthews, Stanley M. Turk and Robert Wise, exec vps. Phone: (212) 684-6700.

Kurtz & Tarlow

Gross Income	1981	1980
U.S.	$8,739,000	$5,177,000
Total	$8,739,000	$5,177,000

Kurtz & Tarlow, New York, reported gross income of $8,739,000 in 1981 on billings of $63,204,000. Its gross income in 1980 was $5,177,000 on billings of $40,604,000.

Volume in 1981 consisted of $50,209,000 in media, $6,241,000 in materials and services and $6,754,000 in capitalized fees. In 1980, volume consisted of $31,294,000 in media, $4,101,000 in materials and services and $5,209,000 in capitalized fees.

In 1981, the agency gained Celebrity Inc., Prestige Place, Pierre Fabre Co., First Bank of New Haven, Gold Seal Co., LJN Toys, Nature's Organics, Schiff Natural Vitamins, Topps Bubble Gum & Baseball Cards, Warner Communications' Warner Cosmetics division, Schenley Industries, Purolator Courier Convenience Centers and Cuisinart Commercial Cookware.

It lost Allegheny-Ludlum and resigned Tyco Toys and Coty.

Billings breakdown: Newspapers 1%, magazines 36%, supplements 3%, radio 3%, network tv 26%, spot tv 31%.

The agency has 98 employes in one U.S. office; a year ago it had 83. Top execs: Donald Kurtz, president; Lou Goldman, Chris Hansen, Gerard Hyde, Ira Matathia, senior vps-management supervisors; Sandy Carlson, Alan Chalfin, Ellen Azorin, senior vps-associate creative directors, art; Elmer Skahan, senior vp-associate creative director, copy; Russ Gilsdorf, senior vp-media director. Phone: (212) 935-1010.

Laurence, Charles & Free

Gross Income	1981	1980
U.S.	$14,250,000	$11,850,000
Total	$14,250,000	$11,850,000

Laurence, Charles & Free, New York, created in December, 1981, with the merger of Daniel & Charles and F. William Free & Co., and reporting as Daniel & Charles for 1981, had gross income of $14,250,000 on billings of $95,000,000. Its gross income in 1980 was $11,850,000 on billings of $79,000,000.

Volume in 1981 consisted of $85,000,000 in media, $5,000,000 in materials and services and $5,000,000 in capitalized fees. In 1980, volume consisted of $70,000,000 in media, $4,000,000 in materials and services and $5,000,000 in capitalized fees.

In 1981, the agency gained Bristol-Myers' Bufferin, Extra Strength Bufferin and Comtrex Nighttime, Abbott Labs' Selsun Blue and Murine ear drops, Drackett's Endust. New clients for the Free agency: American Brands' Carlton cigarets, Adidas, Alfa-Romeo, Heublein, Coca-Cola Foods.

It lost Oscar de la Renta Menswear and Maidenform Inc.

Billings breakdown: Newspapers 17%, magazines 21%, supplements 2%, radio 2%, network tv 27%, spot tv 18%, outdoor 6%, business papers 1%, transit 4%, point of sale 2%.

The agency has 179 employes in one office; a year ago it had 175 employes in one office. Top execs: Charles Goldschmidt, chairman; F. William Free, vice-chairman; Laurence D. Dunst, president; Brett Shevack, exec vp-creative director; Martin Smith, exec vp-account services; Bonnie Piven, Russell K. Shaffer, Alfred L. Evans, Jr., senior vps-management supervisors; Richard Walken, senior vp-marketing service and media; Paul Hiromura, senior vp-marketing research; Jack Mitnick, senior vp-production; Herman Feingold, senior vp-treasurer; Ellen Goldschmidt, senior vp-broadcast production; Herbert Kepke, Shelly Isaacs, Paul Hodges, senior vp-associate creative directors, and Basil Thomsen, senior vp-account supervisor. Phone: (212) 661-0200.

Al Paul Lefton Co.

Gross Income	1981	1980
U.S.	$8,460,000	$7,755,000
International	$240,000	$195,000
Total	$8,700,000	$7,950,000

Al Paul Lefton Co., New York, reported gross income of $8,700,000 in 1981 on billings of $58,000,000. Its gross income in 1980 was $7,950,000 on billings of $53,000,000. Of the total, non-U.S. income was $240,000 in 1981 and $195,000 in 1980.

The agency's U.S. billings were $56,400,000 in 1981 and $51,700,000 in 1980. Lefton does not break out its dollar volume. The agency's overseas volume was $1,600,000 in 1981 and $1,300,000 in 1980.

In 1981, the agency gained Kendall Refining Co., Pitney Bowes and Delaware River Port Authority.

It lost Commonwealth of Pennsylvania Department of Commerce, Saxon Business Machines and resigned Union Mutual Life Insurance.

Billings breakdown: Newspapers 12%, magazines 11%, supplements 2%, radio 13%, network tv 25%, spot tv 18%, business papers 9%, farm publications 3%, transit 1%, direct mail 2%, other 4%.

The agency has 185 employes in two U.S. offices. A year ago it had 188 employes. Top execs: Al Paul Lefton Jr., president-ceo; Grayson Lathrop, chairman; James W. North, exec vp. Phone: (212) 867-5100.

Levine, Huntley, Schmidt, Plapler & Beaver

Gross Income	1981	1980
U.S.	$6,327,000	$5,477,500
Total	$6,327,000	$5,477,500

Levine, Huntley, Schmidt, Plapler & Beaver, New York, reported gross income of $6,327,000 in 1981 on billings of $41,937,000. Its gross income in 1980 was $5,477,500 on billings of $36,550,000.

Volume in 1981 consisted of $34,000,000 in media, $1,227,000 in materials and services and $6,710,000 in capitalized fees. In 1980, volume consisted of $27,075,000 in media, $1,425,000 in materials and services and $8,050,000 in capitalized fees.

In 1981, the agency gained Saucy Susan Products, The Entertainment Channel, Pollio Dairy Products, Natl Foundation for Ileitis & Colitis.

It resigned Commodore Intl.

Billings breakdown: Newspapers 10%, magazines 20%, supplements 3%, radio 18%, network tv 27%, spot tv 15%, cable tv 2%, outdoor 3%, business papers 1%, transit 1%.

The agency has 85 employes in one office. A year ago it employed 74 persons.

Top execs: Harold Levine, chairman; Robert H. Schmidt, president; Allan Beaver and Larry Plapler, exec vps-co-creative directors. Phone: (212) 557-0900.

Lewis & Gilman

Gross Income	1981	1980
U.S.	$8,850,000	$8,340,000
Total	$8,850,000	$8,340,000

Lewis & Gilman, Philadelphia, reported gross income of $8,850,000 in 1981 on billings of $59,000,000. Its gross income in 1980 was $8,340,000 on billings of $55,600,000.

Volume in 1981 consisted of $33,900,000 in media, $9,400,000 in materials and services and $15,700,000 in capitalized fees. In 1980, volume consisted of $29,950,000 in media, $8,650,000 in materials and services and $17,000,000 in capitalized fees.

In 1981, the agency gained Exide Intl., Pennwalt Stokes and Sharples-Stokes division.

It lost American Olean Tile division, RCA Corp., Tasty Baking Co. and Thermo-Rite Mfg.

Billings breakdown: Newspapers 13%, magazines 5%, radio 14%, spot tv 41%, outdoor 2%, business papers 17%, farm publications 2%, direct mail 1%, other 5%.

The agency has 200 employes in one U.S. office; a year ago it had 215. Top execs: Robert G. Wilder, president; John Kaiser, exec vp-advertising division. Phone: (215) 568-3775.

Lord, Geller, Federico, Einstein

Gross Income	1981	1980
U.S.	$6,695,662	$4,677,090
Total	$6,695,662	$4,677,090

Lord, Geller, Federico, Einstein, New York, a J. Walter Thompson Co. subsidiary, reported gross income of $6,695,662 in 1981 on billings of $52,912,730. Its gross income in 1980 was $4,677,090 on billings of $34,265,153.

Volume in 1981 consisted of $29,362,550 in media, $6,333,356 in materials and services and $17,216,824 in capitalized fees. In 1980, volume consisted of $18,866,277 in media, $4,310,468 in materials and services and $11,088,408 in capitalized fees.

In 1981, the agency gained Callard & Bowser, Fischbach Corp., IBM Personal Computer, Laker Airways Ltd., Munsingwear Inc.'s Vassarette division, Savings Banks Assn. of New York State, *Scientific American* and South Street Seaport.

It lost Citibank and Teledyne Acoustic Research.

Billings breakdown: Newspapers 9%, magazines 30%, radio 4%, network tv 21%, spot tv 30%, outdoor 1%, business papers 2%, transit 1%, other 2%.

The agency has 126 employes in one office; a year ago it had 101 employes. Top execs: Richard Lord, president; Norman Geller, Gene Federico, Arthur Einstein and Edward Yaconetti, exec vps; Thomas Mabley and Richard Thomas, senior vp-creative directors. Phone: (212) 421-6050.

For more information, see profile of parent agency, J. Walter Thompson.

MCA Advertising

Gross Income	1981	1980
U.S.	$10,350,000	$9,350,000
Total	$10,350,000	$9,350,000

MCA Advertising, New York, a wholly-owned subsidiary of Marketing Corp. of America, Westport, Conn., reported gross income of $10,350,000 in 1981 on billings of $85,300,000. Its gross income in 1980 was $9,350,000 on billings of $75,000,000.

Volume in 1981 consisted of $77,725,000 in media and $7,575,000 in capitalized fees. In 1980, volume consisted of $71,000,000 in media and $4,000,000 in capitalized fees.

In 1981, the agency gained Nabisco Brands (Fleischmann's and Blue Bonnet margarines and spreads, Royal pudding and gelatin, Curtiss Candy's Babe Ruth and Butterfinger and new products) and F&M Schaefer Co. (Schaefer and Piels beers).

It did not lose any accounts.

Billings breakdown: Newspapers 12%, magazines 15%, supplements 2%, radio 1%, network tv 28%, spot tv 11%, outdoor 28%, transit 3%.

The agency has 65 employes in two offices, the same number it had a year ago. Top execs: James R. McManus, chairman; Morgan V. Hunter, president. Phone: (212) 661-5491.

William Douglas McAdams Inc.

Gross Income	1981	1980
U.S.	$7,900,000	$7,550,000
Total	$7,900,000	$7,550,000

William Douglas McAdams Inc., New York, a leading healthcare agency, reported gross income of $7,900,000 in 1981 on billings of $52,621,000. Its gross income in 1980 was $7,550,000 on billings of $50,325,000.

Volume in 1981 consisted of $36,225,000 in media, $8,320,000 in materials and services and $8,076,000 in capitalized fees. In 1980, volume consisted of $34,500,000 in media, $8,025,000 in materials and services and $7,800,000 in capitalized fees.

In 1981, the agency gained Laboratorios Bago and Roche Products.

It lost Reed & Carnrick.

Billings breakdown: Magazines/journals 62%, direct mail 29%, other 9%.

The agency has 165 employes; a year ago it had 160. Top execs: Irwin C. Gerson, president; William M. Wolf, exec vp; Anthony J. D'Onofrio, senior vp-general manager; Eugene Fine, Howard Mandelbaum, Ron Vignone, senior vps-account services; Victor Trasoff, Tom Domanico, Walter Scott, senior vps-art; Claire Anderley, senior vp-copy; Murray Weinstein, financial vp. Phone: (212) 759-6300.

McDonald & Little

Gross Income	1981	1980
U.S.	$7,448,000	$6,829,500
Total	$7,448,000	$6,829,500

McDonald & Little, Atlanta, now a subsidiary of Ted Bates & Co., reported gross income of $7,448,000 in 1981 on billings of $51,200,000. Its gross income in 1980 was $6,829,500 on billings of $47,500,800.

Volume in 1981 consisted of $24,494,200 in media, $4,543,800 in materials and services and $22,162,000 in capitalized fees. In 1980, volume consisted of $19,869,300 in media, $5,830,500 in materials and services and $21,801,000 in capitalized fees. The agency's subsidiary, 23-Skidoo, is not included in the total.

In 1981, the agency gained Bordens Inc. snack food division and Turner Broadcasting System.

It lost Coca-Cola Foods division Hi-C brand, First National Bank of Birmingham, McDonald's Corp. Atlanta Co-op and WXIA-TV.

Billings breakdown: Newspapers 8.7%, magazines 5.3%, radio 9.5%, network tv 22.1%, spot tv 50.5%, outdoor 3.9%.

The agency has 112 employes in one U.S. office; a year ago it had 125 employes. Top execs: Michael McDonald, ceo; Oliver Kiss, exec vp-coo; Virgil Shutze, exec vp-creative director. Phone: (404) 881-8700.

For more information, see profile of parent agency, Ted Bates & Co.

McKinney Silver & Rockett

Gross Income	1981	1980
U.S.	$5,403,491	$4,544,064
Total	$5,403,491	$4,544,064

McKinney Silver & Rockett, Raleigh, N.C., reported gross income of $5,403,491 in 1981 on billings of $36,024,967. Its gross income in 1980 was $4,544,064 on billings of $30,295,208.

Volume in 1981 consisted of $28,534,260 in media, $4,106,736 in materials and services and $3,383,971 in capitalized fees. In 1980, volume consisted of $23,673,122 in media, $3,736,531 in materials and services and $2,885,555 in capitalized fees.

In 1981, the agency gained General Mills' Darryl's Restaurants and National Bank of Washington.

It lost Pine State Creamery Co.

Billings breakdown: Newspapers 14%, magazines 18%, radio 14%, spot tv 43%, outdoor 2%, business papers 9%.

The agency has 73 employes in one office; a year ago it had 66. Top execs: Charles C. McKinney, chairman-president; Michael J. Silver, Howard G. Rockett, exec vps; Robert C. Doherty, Michael N. Winslow, Charles G. Ashby, John W. Ketchum, Donald Heineman and L. Lloyd Jacobs, senior vps. Phone: (919) 828-0691.

Medicus Intercon International

Gross Income	1981	1980
U.S.	$4,942,000	$4,792,000
International	5,937,000	5,293,000
Total	$10,879,000	$10,085,000

Medicus Intercom International, New York, reported gross income of $10,879,000 in 1981 on billings of $96,420,000. Its gross income in 1980 was $10,085,000 on billings of $83,885,000.

The agency's 1981 U.S. volume consisted of $6,481,000 in media, $6,931,000 in materials and services and $29,415,000 in capitalized fees. In 1980, volume consisted of $4,139,000 in media, $5,218,000 in materials and services and $29,734,000 in capitalized fees.

The agency's overseas billings were $53,593,000 in 1981 and $44,794,000 in 1980.

Consolidated figures are from reporting agencies in Frankfurt, London, Paris, Milan, Tokyo, Toronto, New York and Zug, Switzerland.

In 1981, U.S. accounts gained were Chesebrough-Pond's, Smith-Kline & French Labs, Miles Pharmaceuticals, Richardson-Vicks. U.S. accounts lost: Anderson Clayton, Morton Salt, Boehringer-Mannheim Diagnostics.

Accounts added overseas by country: Germany—Astra Chemicals, Abbott Diagnostics, Cyanamid Benelux, Boehringer Mannheim, G.D. Searle, Dr. Thiemann. Germany's AVS division-Homburg-Degussa Pharma Gruppe, L. Merckle, Milupa, Schering, Teekanne, Zyma; England—Coloplast, London Rubber, Surgimed A/S; Italy—Bayer Italia, Becton Dickinson, Essex Italia, Cyanamid Italia, Laboratori Glaxo, Masson, Midi, Pfizer Italiana, Recordati Industria, Vita Delagrange, TIE; Japan—SmithKline Fujisawa, Rhone-Poulenc/Kissei, Terumo; Canada—H.J. Heinz, McNeil Laboratories (Canada), Miles, Procter & Gamble, SmithKline & French (Canada), Standard Brands, Syntex.

Accounts lost overseas: Germany—Much AG. Germany's Interconcept division-Eli Lilly; England—Nicholas Labs, Richardson-Vicks Ltd., A.H. Robins.

Billings breakdown: Business papers 35%, direct mail 10%, other (salesmen's materials, audiovisual programs, company-sponsored publications) 55%.

The agency has 250 employes in 14 offices, including 108 in two U.S. offices. A year ago it had 250 employes in 19 offices, including 111 in four U.S. offices.

Top execs: Lawrence J. Lesser, chairman, ceo; William Castagnoli, president-U.S. operations; Hartwig Ellmer, president-intl. operations; Anthony Stayner, exec vp-intl. Gary Elman, comptroller-U.S.; Wilhelm Rall, comptroller-intl.

Phone: (212) 826-0760.

For additional information, see profile of parent agency, Benton & Bowles.

Meldrum & Fewsmith

*Gross Income	1981	1980
U.S.	$6,750,000	$6,375,000
International	600,000	600,000
Total	$7,350,000	$6,975,000

*AA estimates

Meldrum & Fewsmith, Cleveland, is estimated to have had gross income of $7,350,000 in 1981 on estimated billings of $49,000,000. Its estimated gross income in 1980 was $6,975,000 on billings of $46,500,000. Foreign gross income was estimated at $600,000 for each year.

The agency's U.S. volume in 1981 was estimated at $45,000,000, while its 1980 volume was estimated at $42,500,000. The agency's overseas volume was estimated at $4,000,000 for both 1981 and 1980.

In 1981, the agency gained B.F. Goodrich Tire Group (trade and Yellow Pages), Euclid National Bank, Towmotor Corp., Caterpillar Tractor Co., Michigan Rivet Corp., Peninsular Steel Co. and Webasto North America.

It lost WFLD-TV and Lumberman's Insurance Co.

Overseas, the agency gained Famous Grouse Scotch whisky, Federal Mogul, South African Airways, Creyff's Interim and Gerber Scientific Instruments. It lost Mobil Plastics Europe.

Billings breakdown: Newspapers 3%, magazines 5%, radio 10%, network tv 20%, spot tv 15%, outdoor 0.5%, business papers 28%, farm publications 7%, direct mail 1.5%, other 10%.

The agency has 170 employes in four offices, with 153 in the three U.S. offices. A year ago it had 165 employes, with 150 in the U.S. offices.

Top execs: Arthur Earley, chairman-ceo; Terrence G.E. Parmelee, president; Warren J. Eggly, senior vp-secretary/treasurer; W. Dean Neill, exec vp-Detroit; Jeffrey H. Bryden, Robert Iredell, senior vps-management supervisors; Bruce S. Childers, senior vp-marketing services, and Thomas E. Butterfield, senior vp-general manager, Chicago.

Phone: (216) 241-2141.

Nadler & Larimer

Gross Income	1981	1980
U.S.	$7,800,000	$6,800,000
International	900,000	900,000
Total	$8,800,000	$7,500,000

Nadler & Larimer, New York, reported gross income of $8,800,000 in 1981 on billings of $59,000,000. Its gross income in 1980 was $7,500,000 on billings of $50,000,000.

The agency did not break out its 1981 volume. Its 1980 volume consisted of $40,000,000 in media and $4,000,000 in materials and services.

Overseas volume came to $6,000,000 in 1981 and 1980, with $5,000,000 in media and $1,000,000 in materials and services.

In 1981, the agency gained the following accounts: Avis Car Leasing, Consolidated Cigar Corp., Johnson & Higgins and Restaurant

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Gross income of $5,000,000 to $15,000,000

Associates. Overseas, it added Royal Insurance Co., Superga athletic footwear and Pit Stop (auto mufflers).

It lost Geo magazine, Her Majesty and Lily of France.

Billings breakdown: Newspapers 15%, magazines 20%, supplements 5%, radio 20%, network tv 10%, spot tv 25%, outdoor 5%.

The agency has 150 employes in two offices, the same number it had a year ago.

Top execs: Arch Nadler, chairman; Robert Larimer, president. Phone: (212) 245-7300.

Rosenfeld, Sirowitz & Lawson

Gross Income	1981	1980
U.S.	$10,571,000	$9,015,000
Total	$10,571,000	$9,015,000

Rosenfeld, Sirowitz & Lawson, New York, reported gross income of $10,571,000 in 1981 on billings of $85,000,000. Its gross income in 1980 was $9,015,000 on billings of $73,100,000.

Volume in 1981 consisted of $59,537,200 in media, $5,662,900 in materials and services and $19,800,000 in capitalized fees. In 1980, volume consisted of $53,196,000 in media, $4,163,500 in materials and services and $15,740,500 in capitalized fees.

In 1981, the agency gained Harlequin Enterprises, International Playtex, Oppenheimer Management Corp., Pfizer Inc., American Home Products Corp. (Dry & Clear, Diet Gard).

It lost John Hancock Mutual Life Insurance Co.

Billings breakdown: Newspapers 4%, magazines 15%, radio 7%, network tv 17%, spot tv 56%, outdoor 1%.

The agency has 170 employes; a year ago it had 176 employes.

Top execs are: Thomas E. Lawson, president; Ronald Rosenfeld and Leonard Sirowitz, exec vp-co-creative directors; Larry Osborne, exec vp-associate creative director; Robert W. Hinson, exec vp-director media services; Peter Heinz and Richard Flaxman, exec vps-account group directors. Phone: (212) 765-2900.

Rumrill-Hoyt

Gross Income	1981	1980
U.S.	$8,550,000	$8,350,000
Total	$8,550,000	$8,350,000

Rumrill-Hoyt, New York, a subsidiary of Compton Advertising, reported gross income of $8,550,000 in 1981 on billings of $57,000,000. Its gross income in 1980 was $8,350,000 on billings of $55,700,000.

Volume in 1981 consisted of $20,464,000 in media, $2,652,000 in materials and services and $33,884,000 in capitalized fees. In 1980, volume consisted of $20,025,000 in media, $2,592,000 in materials and services and $33,083,000 in capitalized fees.

In 1981, the agency gained Allied Corp. specialty chemicals and plastics divisions and Newell Cos.

It lost Pharmacraft, Shakespeare Fishing Tackle, Crouse Hinds and Community Savings Bank.

Billings breakdown: Newspapers 4.1%, magazines 59.8%, radio 12.5%, network tv 8.8%, spot tv 6.9%, outdoor 2.2%, other 5.7%.

The agency has 165 employes in two U.S. offices; a year ago it had 200. Top execs: Gene Novak, president-ceo; D.B. Miller, chairman; Joseph Valerio, exec vp-general manager, Rochester officer; Paul Goldsmith, exec vp-general manager, New York; Richard Peters, president-Computer Market Service; C.N. Gleason and David Fisher, senior vps. Phone: (212) 753-1770.

For more information, see parent agency, Compton Advertising.

Sawdon & Bess

Gross Income	1981	1980
U.S.	$5,235,000	$3,900,000
Total	$5,235,000	$3,900,000

Sawdon & Bess, New York, a Ted Bates & Co. subsidiary, reported gross income of $5,235,000 in 1981 on billings of $35,000,000. Its gross income in 1980 was $3,900,000 on billings of $26,900,000.

Volume in 1981 consisted of $28,700,000 in media, $4,200,000 in materials and services and $2,100,000 in capitalized fees. In 1980, volume consisted of $21,800,000 in media, $3,800,000 in materials and services and $1,300,000 in capitalized fees.

In 1981, the agency gained the following accounts: Burlington Industries' Lees Carpets, Monticello Carpets, Burlington House Carpets and Contract Carpets divisions; Johanna Farms' La Yogurt; Savin Canada; Kinney Corp. Foot Locker Outlet, Kinney Factory Outlets and Fredelle; Pontiac Dealer Assn. of Greater Miami, and Ronson Corp..

It lost Pontiac Dealers of Massachusetts.

Billings breakdown: Newspapers 5%, magazines 10%, radio 15%, network tv 65%, other 5%.

The agency has 64 employes in two U.S. offices. A year ago it had 60 employes in two U.S. offices. Top execs: Jerome Bess, president; Martin Mitchell Jr., exec vp-general manager; John Paul Jones, exec vp-management group head; Carl Koehler, senior vp-creative group head; Angelo LaValle, and Robert Conroy, senior vps-management group heads. Phone: (212) 751-6660.

For more information, see profile of parent agency, Ted Bates & Co.

Sieber & McIntyre

Gross Income	1981	1980
U.S.	$6,924,165	$5,262,644
International	$368,760	$239,640
Total	$7,292,925	$5,502,284

Sieber & McIntyre, Chicago, reported gross income of $7,292,925 in 1981 on billings of $51,362,951. Its gross income in 1980 was $5,502,284 on billings of $45,453,939. Of the totals, non-U.S. income was $368,760 in 1981 and $239,640 in 1980.

U.S. volume in 1981 consisted of $7,735,051 in media, $5,846,065 in materials and services and $35,147,835 in capitalized fees. In 1980, U.S. volume consisted of $6,845,178 in media, $5,173,509 in materials and services and $32,149,073 in capitalized fees.

The agency's overseas volume was $2,634,000 in 1981, of which $666,350 was in materials and services and $1,967,650 was in capitalized fees. Overseas volume was $1,286,179 in 1980, with $565,819 in materials and services and $720,360 in capitalized fees.

In 1981, the agency gained Burroughs Wellcome Co., Boots Pharmaceuticals, Bristol Laboratories, Dorsey Laboratories, Marion Laboratories, Pennwalt Prescription Products, Searle Laboratories, Wyeth Laboratories, Whitehall Laboratories, American Sterilizer Co., Bausch & Lomb, American Scientific Products, Morton Salt and Survival Technology. Overseas, it gained Nippon Roussel K.K., Roussel Medica K.K. and Chugai Pharmaceuticals K.K.

It lost Parke-Davis' Anusol.

Billings breakdown: Magazines 65.3%, direct mail 12.4%, other 22.3%.

The agency has 133 employes in four offices, with 127 in two U.S. offices. A year ago it had 126 employes with 121 in the U.S. Top execs: R. Joseph McIntyre, president; Ethelrita Gleeson, James Robinson, Pat McTigue, Fred Fitzsimmons, Dave McCarty, exec vps; Ken March, Bruno Ruegg, Ray Taylor and Todd Mahony, senior vps. Phone: (312) 266-9200.

Ted Bates & Co.

The Ted Bates philosophy of USP advertising (Unique selling proposition) provides powerful and distinctive advertising to a wide spectrum of our clients, including package goods, consumer durables, services, corporate communications and the U.S. Government. The USP "Get a piece of the Rock," has set Prudential apart from all other insurance companies. The advertising for Rolaids asks the question, how do you spell relief? And, the USP answers it, "Rolaids spells 100% relief." Maybelline's Great Lash is set apart from all other mascaras with the USP "Conditions as it thickens." The excitement and entertainment value of Home Box Office is communicated in the USP, "HBO people don't miss out."

Smith/Greenland

Gross Income	1981	1980
U.S.	$5,300,000	$5,120,000
Total	$5,300,000	$5,120,000

Smith/Greenland, New York, reported gross income of $5,300,000 in 1981 on billings of $34,000,000. Its gross income in 1980 was $5,120,000 on billings of $32,000,000.

Volume in 1981 consisted of $27,465,000 in media, $3,200,000 in materials and services and $3,335,000 in capitalized fees. In 1980, volume consisted of $26,018,460 in media, $2,900,000 in materials and services and $3,081,540 in capitalized fees.

In 1981, the agency gained: Hotel Intercontinental, Health-Chem Corp. and Chevrolet Dealers Metro Tri-State Assn. It lost *Town & Country* magazine and *Next* magazine.

Spiro & Associates

Gross Income	1981	1980
U.S.	$5,521,600	$5,126,100
Total	$5,521,600	$5,126,100

Spiro & Associates, Philadelphia, reported gross income of $5,521,600 in 1981 on billings of $40,901,000. Its gross income in 1980 was $5,126,100 on billings of $36,215,130.

Volume in 1981 consisted of $13,033,000 in media, $4,343,000 in materials and services and $23,525,000 in capitalized fees. In 1980, volume consisted of $12,010,000 in media, $5,336,000 in materials and services and $18,869,130 in capitalized fees.

In 1981, the agency gained Abraham & Straus, AM Cable TV Industries, Betz Laboratories, Comcast, General Accident Group, Mediq, Orrefors, Tannen Towers, Dunfey Marquette Hotel, Hershey Philadelphia Hotel, Philadelphia Centre Hotel and Skirvin Plaza.

It lost Abington Hospital and National Institute of Infant Services. Billings breakdown: Newspapers 20%, magazines 23%, supplements 1%, radio 14%, spot tv 25%, outdoor 6%, business papers 9%, direct mail 2%.

The agency has 120 employes; a year ago it had 103. Top execs: Walter Spiro, chairman; Norman Tissian, president; Robert Bolger, secretary; Nelson Fellman Jr., exec vp; Harry Egbert, Gerald Oakes, Martin Kramer, Gordon Lawrence, senior vps; Charles Bofinger, senior vp-assistant to the chairman. Phone: (215) 923-5400.

Sudler & Hennessey

Gross Income	1981	1980
U.S.	$10,200,000	$ 9,275,000
International	3,600,000	2,780,000
Total	$13,800,000	$12,055,000

Sudler & Hennessey, New York, a subsidiary of Young & Rubicam, reported gross income of $13,800,000 in 1981 on billings of $92,000,000. Its gross income in 1980 was $12,055,000 on billings of $80,500,000.

The agency's U.S. volume was $68,000,000 in 1981 and $62,000,000 in 1980. The agency's overseas volume was $24,000,000 in 1981 and $18,500,000 in 1980.

In 1981, the agency gained the following accounts: Abbott Labs.; Ames; Ciba-Geigy; Parke Davis

(consumer products); Revlon Health Care; Stuart Pharmaceutical (consumer products), and CooperVision.

Overseas it gained over 20 accounts, including Beecham Labs, Johnson & Johnson and Upjohn (all Australia); Mead-Johnson (England); Abbott Labs (France); DuPont (Germany), and Sandoz Pharmaceutical (Japan). It did not report overseas losses.

It did not supply a billings breakdown.

The agency has 232 employes in nine offices, including 172 in three U.S. offices, the same as a year ago.

Top execs: Matthew J. Hennessey, ceo; William B. Gibson, president, and exec vps de Paul Trunk, Robert Gouterman, Neil Leiner, Arthur M. Rosen and Donald Howard.

Phone: (212) 265-8000.

For more information, see profile of parent agency, Young & Rubicam.

Tatham-Laird & Kudner

Gross Income	1981	1980
U.S.	$14,000,000	$13,965,000
Total	$14,000,000	$13,965,000

Tatham-Laird & Kudner, Chicago, reported gross income of $14,600,000 in 1981 on billings of $98,000,000. Its gross income in 1980 was $13,965,000 on billings of $94,000,000.

Volume in 1981 consisted of $61,000,000 in media, $9,000,000 in materials and services and $28,000,000 in capitalized fees. In 1980, volume consisted of $59,900,000 in media, $8,000,000 in materials and services and $26,100,000 in capitalized fees.

In 1981, the agency gained the following accounts: R.J. Reynolds Tobacco Co.'s Royal Comfort & Prince Albert mild pipe tobaccos; Miles Laboratories Bactine hydrocortisone; Ralston Purina Co. Top Secret Cat Litter deodorizer; Kimberly-Clark Corp.'s Tough Cat cleaning cloths. TL&K's direct marketing division, based in New York, gained Mattel Inc. U.S. Toys division; Hearst/ABC Video Services, and Cable TV Promotions.

TL&K Direct Marketing lost RCA Music Services.

Billings breakdown: Newspapers 17.5%, magazines 12%, supplements 2.1%, radio 2%, network tv 29%, spot tv 30.7%, outdoor 0.1%, business papers 3%, direct mail 3.6%. The agency has 300 employes in two U.S. offices. A year ago it had 320 employes in two offices. Top execs: Jerome Birn, chairman-ceo; Charlotte Beers, coo; William Bienemann, managing partner; David Heneberry, general manager, N.Y. Phone: (312) 337-4400.

Tucker Wayne & Co.

Gross Income	1981	1980
U.S.	$6,210,000	$5,100,000
Total	$6,210,000	$5,100,000

Tucker Wayne & Co., Atlanta, reported gross income of $6,210,000 in 1981 on billings of $43,258,000. Its gross income in 1980 was $5,100,000 on billings of $37,400,000.

Volume in 1981 consisted of $35,757,000 in media, $3,937,000 in materials and services and $3,564,000 in capitalized fees. In 1980, volume consisted of $30,195,000 in media, $3,583,500 in materials and services and $3,621,500 in capitalized fees.

In 1981, the agency did not gain any accounts and resigned Life Insurance Co. of Virginia.

Billings breakdown: Newspapers 13%, magazines 4%, radio 24%, network tv 1%, spot tv 45%, outdoor 2%, business papers 2%, farm publications 9%.

The agency has 106 employes; a year ago it had 104. Top execs: Matthew Connor, chairman; Knox Massey Jr., president; Sidney L. Smith, exec vp; Leslie E. Parker Jr., senior vp-creative director; William H. Zuspan, senior vp-media director. Phone: (404) 522-2383.

Venet Advertising

Gross Income	1981	1980
U.S.	$5,241,005	$4,768,705
Total	$5,241,005	$4,768,705

Venet Advertising, New York, reported gross income of $5,241,005 in 1981 on billings of $38,159,967. Its gross income in 1980 was $4,768,705 on billings of $34,270,400.

Volume in 1981 consisted of $21,973,000 in media, $6,942,300 in materials and services and $9,244,667 in capitalized fees. In 1980, volume consisted of $19,981,100 in media, $6,404,200 in materials and services and $7,885,100 in capitalized fees.

In 1981, Venet gained the Hudson Vitamins division of Cadence Industries; Surprise Stores; Marcal Paper Products; Rockford Furniture; Diamonair division of Litton Industries; Parrott Chemical special assignments, and R&S/Strauss Auto Stores. It lost Johnson Chemical Co. and Lacto Milk Products.

Billings breakdown: Newspapers 15%, magazines 5%, supplements 5%, radio 15%, network tv 15%, spot tv 43%, outdoor 1%, business papers 1%.

The agency has 129 employes in two U.S. offices. A year ago it had 118 employes in both offices. Top execs: Zal Venet, chairman; George Coscia, president (Venet/N.J.); Mark Cooper and Murray Skurnik, exec vps. Phone: (212) 489-6700.

Waring & LaRosa

Gross Income	1981	1980
U.S.	$9,450,000	$8,700,000

HARDWARE AGE
POWER TOOL.
Hardware Age . . . best-read in both home center and hardlines markets according to 26 manufacturers' studies.
New studies by some of America's leading hardware and hardlines manufacturers cite *Hardware Age* as best read and most useful of all home center and hardlines publications. And we can list nearly two dozen other readership studies to back them up.
Hardware Age.
Now with over 71,700 expanded circulation . . . 10,000 more than the nearest competitor. Covering 13,500 more home center and hardware retail units than any other book according to our new unit audit.
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Gross income of $5,000,000 to $15,000,000

International	$300,000	$300,000
Total	$9,750,000	$9,000,000

Waring & LaRosa, New York, reported gross income of $9,750,000 in 1981 on billings of $65,000,000. Its gross income in 1980 was $9,000,000 on billings of $60,000,000. Of the total, $300,000 was in non-U.S. gross income for both 1981 and 1980.

U.S. volume in 1981 consisted of $50,600,000 in media, $6,900,000 in materials and services and $5,500,000 in capitalized fees. In 1980, U.S. volume consisted of $46,800,000 in media, $6,200,000 in materials and services and $5,000,000 in capitalized fees.

The agency's overseas volume was $2,000,000 in 1981 and 1980.

In 1981, the agency gained AMF Inc. (for Voit sports equipment, Pacer track and field equipment, Whitley fitness equipment); Aziza Cosmetics Shine-On lip gloss, Really Waterproof mascara; Fisher-Price Toys (arts and crafts, tape recorder); Great Waters of France (Perrier mineral water, Poland Spring water); Julius Wile Sons & Co. (Souverain wines, Prats & Chanson wines), Ragu Foods' Pizza Quick Crust mix and Homestyle spaghetti sauce.

It lost Swissair.

Billings breakdown: Newspapers 5%, magazines 25%, radio 8%, network tv 40%, spot tv 20%, outdoor 2%.

The agency has 130 employes in one U.S. office, the same number it had a year ago. Top execs: Joe LaRosa, chairman-creative director; Saul Waring, president; Mort Grossman, exec vp-finance/administration; John McCrosky, exec vp-marketing and account services; Charles Fredericks, exec vp; Irwin Levy, senior vp-management supervisor; Chuck Cohen, Francesca Blumenthal, Robert Oksner, Vince Salmieri, senior vps-associate creative directors; Marty Narva, senior vp-media director. Phone: (212) 755-0700.

Wyse Advertising

Gross Income	1981	1980
U.S.	$6,579,490	$5,197,388
Total	$6,579,490	$5,197,388

Wyse Advertising, Cleveland, reported gross income of $6,579,490 in 1981 on billings of $48,157,348. Its gross income in 1980 was $5,197,388 on billings of $41,294,250.

Volume in 1981 consisted of $25,000,174 in media, $5,970,118 in materials and services and $17,187,056 in capitalized fees. In 1980, volume consisted of $24,340,469 in media, $3,847,885 in materials and services and $13,105,896 in capitalized fees. Income from its subsidiary American Telepages is included in the total.

In 1981, the agency gained *House & Garden*, First Seneca Bank & Trust, Goebel Brewing Co., Woodward & Lathrop, Clairol Born Blonde hair color.

It lost Food Marketing and Martin Senour Paint Co.

Billings breakdown: Newspapers 15.5%, magazines 28%, supplements 2%, radio 13.5%, network tv 4.5%, spot tv 18%, outdoor 1%, business papers 3%, transit 0.5%, other 14%.

The agency has 172 employes in four U.S. offices. A year ago it had 141 employes in three U.S. offices. Top execs: Marc A. Wyse, chairman; James B. Rucker, vice-chairman; Lois H. Wyse, president; Ron Campana, president/Cleveland; James E. Kline, president/American Telepages. Phone: (216) 696-2424.

Agencies: $1,000,000 to $5,000,000

A&M Associates, Phoenix, reported gross income of $2,610,000 in 1981 on billings of $19,516,750. In 1981, it reported gross income of $1,846,000 on billings of $12,633,500. Volume in 1981 consisted of $18,500,000 in media, $850,000 in materials and services and $166,750 in capitalized fees. In 1980, volume consisted of $11,500,000 in media, $800,000 in materials and services and $333,500 in capitalized fees. Account gained: U-Haul Hitch World. Billings breakdown: Newspapers 1%, magazines 31%, radio 1%, outdoor 1%, business papers 2%, point of sale 3%, direct sale 1%, other 60%. Employes: 30 in one office. Top execs: Duane P. Swanson, president; Franklin N. Ashton, exec vp. Phone: (602) 263-6504.

Abelson-Taylor Inc., Chicago, reported gross income of $1,497,237 in 1981 on billings of $10,632,931. In 1980, it reported gross income of $1,195,505 on billings of $8,625,819. Volume in 1981 consisted of $500,351 in media, $1,140,000 in materials and services and $8,992,580 in capitalized fees. In 1980, volume consisted of $390,250 in media, $978,883 in materials and services and $7,256,686 in capitalized fees. Accounts gained: Medical Concepts, Carapace, Litton Medical Electronics, Juno Lighting, Graphic Controls. Lost: Shared Medical Systems, Rio Sound, division of Boehringer Mannheim. Billings breakdown: Magazines 5%, business papers 22%, direct mail 25%, other 48%. Employes: 28 in one office. Top execs: N. Abelson, president; D. Taylor, exec vp. Phone: (312) 781-1700.

Abert, Newhoff & Burr, Los Angeles, reported gross income of $2,420,232 in 1981 on billings of $20,599,054. In 1980, it reported gross income of $2,191,087 on billings of $17,225,534. Volume in 1981 consisted of $14,563,707 in media, $2,406,141 in materials and services and $3,629,206 in capitalized fees. In 1980, volume consisted of $10,372,743 in media, $2,090,398 in materials and services and $4,762,393 in capitalized fees. Accounts gained: Fairchild's Xincom Systems, Bipolar, Microprocessor, CMOS/MOS, Digital, Analog, CCD Imaging, and LSI Products, General Foods (GuadalaHARRY's), ITT's Components and Defense Communications, Laker Airways, Pup 'n' Taco, Sheraton Hotels, Storage Equities, World Kasei. Lost: TMX Systems, Telephone Communications Industries. Billings breakdown: Newspapers 10%, magazines 20%, radio 20%, spot tv 20%, outdoor 2%, business papers 10%, direct mail 8%, other (collateral) 10%. Employes: 60 in one office. Top exec: Tom Burr, president. Phone: (213) 552-2217.

Ackerman & McQueen, Oklahoma City, reported gross income of $2,214,208 in 1981 on billings of $14,176,700. In 1980, it reported gross income of $1,744,412 on billings of $11,822,018. Volume in 1981 consisted of $5,072,280 in media, $915,554 in materials and services and $8,188,866 in capitalized fees. In 1980, volume consisted of $4,153,051 in media, $1,148,142 in materials and services and $6,520,825 in capitalized fees. Accounts gained: Lee May Motor Freight, National Rifle Assn., Sheraton Park-Central (Dallas), Sheraton New Orleans. Lost: Klipsch & Associates, First Natl. Bank of Tulsa. Billings breakdown: Newspapers 8%, magazines 26%, radio 24%, spot tv 15%, outdoor 3%, business papers 24%. Employes: 60 in three offices. Top execs: Ray Ackerman, Marvin McQueen, Angus McQueen, Bruce Anderson, Peggy Howard. Phone: (405) 843-9451.

The Ad Agency, New York, had gross income of $1,108,000 in 1981 on billings of $7,387,000. In 1980, it reported gross income of $998,000 on billings of $6,655,000. It did not break out volume for either year. Accounts gained: *Uncle Sam* magazine, *The Investor* magazine, Buck Books, Premier Publishing. Billings breakdown: Newspapers 40%, magazines 25%, supplements 10%, spot tv 5%, direct mail 20%. Employes: Four. Top exec: Andrew Kapociunas, president. Phone: (212) 581-2000.

AdCom Inc., Chicago, had estimated gross income of $2,800,000 in 1981 on billings of $18,903,000. In 1981, it had estimated gross income of $2,300,000 on billings of $15,766,700. Volume in 1981 consisted of $16,353,000 in media, $1,981,000 in materials and services and $567,000 in capitalized fees. In 1980, volume consisted of $14,700,000 in media, $1,000,000 in materials and services and $66,700 in capitalized fees. Account gained: Quaker Chewy Granola Bars. Lost: None. Billings breakdown: Newspapers 1%, magazines 8%, network tv 68%, spot tv 23%. Employes: 39 in one office. Top exec: Elizabeth Harrington, president. Phone: (312) 222-8900.

Adler, Schwartz, Englewood Cliffs, N.J., had gross income of $1,030,905 in 1981 on billings of $6,701,991. In 1980, it reported gross income of $822,272 on billings of $5,797,480. Volume in 1981 consisted of $396,300 in media, $520,800 in materials and services and $5,784,891 in capitalized fees. In 1980, volume consisted of $384,600 in media, $382,420 in materials and services and $5,030,460 in capitalized fees. Accounts gained: Keene Lighting, Sansui Electronics, Serge Elevators, APCO, Southern Cross Overseas Agency. Lost: Becker of North America, Butler & Smith. Billings breakdown: Newspapers 10%, business papers 40%, other (sales promotion) 50%. Employes: 15 in one office. Top exec: Richard Schwartz, president. Phone: (201) 461-8450.

Advertising Inc., Tulsa, had estimated gross income of $2,650,000 in 1981 on billings of $17,679,759. It did not report for 1980. Volume in 1981 consisted of $6,999,000 in media, $2,571,000 in materials and services and $8,109,759 in capitalized fees. Accounts gained: Arrow Specialty Co., Christensen Down Hole Tools, Camelot Hotels, Central National Bank, KWTV. Lost: The Crosby Group, Fred S. James (resigned both). Billings breakdown: Newspapers 5%, magazines 24%, radio 23%, spot tv 35%, outdoor 4%, business papers 5%, farm publications 1%, transit 1%, point of sale 1%, direct mail 1%. Employes: 65 in two offices. Top execs: Tom J. Tripp, chairman; Robert O. Daily, president; Jack B. Harwood, senior vp. Phone: (918) 747-8871.

Alexander Marketing Services, Grand Rapids, Mich., reported gross income of $1,824,217 in 1981 on billings of $12,167,527. In 1980, it reported gross income of $1,224,114 on billings of $8,164,840. Volume in both 1981 and 1980 was in capitalized fees. Accounts gained: Trans-america Distribution Services, Miller Fluid Power, Nalco Chemical (cooling water treatment chemicals), Midco Intl. (pr). Lost: None. No billings breakdown was provided. Employes: 43 in two offices. Top execs: James S. Alexander, president; Thomas J. Kreuger, exec vp. Phone: (616) 957-2000.

Allen & Dorward, San Francisco, reported gross income of $4,297,538 and net income of $150,000 in 1981 on billings of $27,828,500. In 1980, it reported gross income of $3,719,799 and net income of $206,652 on billings of $30,341,891. Volume in 1981 consisted of $17,985,550 in media, $3,636,350 in materials and services and $6,206,600 in capitalized fees. In 1980, volume consisted of $20,012,382 in media, $3,656,648 in materials and services and $6,672,861 in capitalized fees. The agency generated $125,348 in gross income abroad in 1981 compared with $64,876 in 1980. Foreign billings were included in volumes reported. Account gained: Castle & Cooke. Lost: Magic Pan Restaurant. Billings breakdown: Newspapers 12%, magazines 10%, supplements 6%, radio 16%, spot tv 17%, outdoor 1%, business papers 5%, farm publications 9%, transit 1%, point of sale 3%, direct mail 10%, other 10%. Employes: 95 in two offices. Top exec: Donald F. Dorward, president. Phone: (904) 355-1505.

Altman, Stoller, Weiss, New York, had gross income of $3,300,000 in 1981 on billings of $22,000,000. In 1980, it reported gross income of $3,000,000 on billings of $22,000,000. Volume in both years consisted entirely of media. Accounts gained: Chantre (wines and liquors), Gerson & Gerson (children's wear), Opticut Diamonds, John O. Butler Co. (dental aids), Schildkraut Giftware Corp., "Colette" and "Sugar Babies" theatrical productions. Lost: Courtauld's Fibers; Park, Benziger & Co. (wines and spirits), and Roberts Proprietaries. Billings breakdown: Newspapers 10%, magazines 25%, radio 10%, network tv 30%, spot tv 25%. Top execs: David R. Altman, chairman; Melvin D. Weiss, president; Samuel Ferber, John Dundas, exec vps. Employes: 45 in one office. Phone: (212) 421-6633.

Ash/LeDonne, New York, reported gross income of $4,500,000 in 1981 on billings of $33,000,000. In 1980, it reported gross income of $4,000,000 on billings of $30,000,000. Volume in 1981 consisted of $23,000,000 in media, $6,000,000 in materials and services and $4,000,000 in capitalized fees. In 1980, volume consisted of $22,000,000 in media, $5,000,000 in materials and services and $3,000,000 in capitalized fees. Figures include those of subsidiary, Ash/LeDonne West, Leisure Time Promotions. Accounts gained: Actors Fund, "Monday After the Miracle," Wometco Home Theatre, "Candida," "Macbeth," "Smart Alecks," American Ballet Theatre, "Georgia Brown," Manhattan Cable, N.Y. Subways, "Is There Life After High School?," "The Little Prince," N.Y. Racing Assn., "Joseph & the Technicolor Dreamcoat," Genovese Drugs, "The Little Foxes," "7 Brides for 7 Brothers," "Cotton Patch Gospel," U.S. Professional Gymnastics Classic. Lost: "A Life," "A Matter of Opinion," "Bring Back Birdie," Moony Shapiro Songbook. Billings breakdown: Newspapers 40%, magazines 5%, radio 10%, spot tv 25%, outdoor 10%, transit 10%. Phone: (212) 221-0140.

BBDM Inc., Chicago, reported gross income of $1,628,413 in 1981 on billings of $10,856,086. In 1980, it reported gross income of $1,543,675 on billings of $10,291,167. Volume in 1981 consisted of $4,547,673 in media, $1,942,498 in materials and services and $4,365,915 in capitalized fees. In 1980, volume consisted of $4,859,406 in media, $2,226,472 in materials and services and $3,205,289 in capitalized fees. Accounts gained: Admiral, Base Network, Chamberlain Mfg., Ingersoll-Rand (corporate), Management Group, NEC, Omron Electronics. Lost: Pullman Inc. (merged with Wheelabrator-Frye). Billings breakdown: Newspapers 30%, magazines 10%, radio 5%, spot tv 25%, business papers 20%, direct mail 5%, other 5%. Employes: 32 in one office. Top execs: Walter S. Browning, president-director; John T. Dolby, David M. Bender, Todd D. Lief, directors; Richardson Sanderson, exec vp. Phone: (312) 644-9600.

Bader Rutter & Associates, Brookfield, Wis., reported gross income of $3,574,748 in 1981 on billings of $23,831,659. In 1980, it reported gross income of $2,638,306 on billings of $17,588,709. Volume in 1981 consisted of $15,134,740 in media, $4,631,554 in materials and services and $4,065,365 in capitalized fees. In 1980, volume consisted of $11,856,421 in media, $3,976,318 in materials and services and $1,755,970 in capitalized fees. Accounts gained: Didier Mfg., Dow Chemical U.S.A., Du Pont Biochemicals (product publicity, agricultural products), Harley-Davidson Motor Co. (motorcycle parts and accessories and golf cars), Harnischfeger Corp. (materials handling division), Waukesha Engines (parts product department), Windworks Inc. Lost: McGraw Edison. Billings breakdown: Newspapers 3%, magazines 4%, radio 9%, spot tv 19%, business papers 11%, farm publications 30%, direct mail 1%, other 23%. Employes: 59 in one office. Top execs: Ronald L. Bader, president; James K. Rutter, exec vp. Phone: (414) 784-7200.

Bailey Lewis & Associates, Lincoln, Neb., reported gross income of $1,112,357 in 1981 on billings of $7,066,987. In 1980, it reported gross income of $936,281 on billings of $6,093,949. Volume in 1981 consisted of $2,786,887 in media, $689,586 in materials and services and $3,590,514 in capitalized fees. In 1980, volume consisted of $2,052,265 in media, $773,664 in materials and services and $3,268,020 in capitalized fees. Accounts gained: American Waterbed Gallery, Anderson Cos., Archbishop Bergan Mercy Hospital, D&D Distributors, Dawson County Bankers Assn., Drum Savings Corp., First Natl Bank & Trust of Grand Island, Foote & Davies/San Francisco, Gothenburg State Bank, Health Central, Hill Aero, Kearney Area Chamber of Commerce, Harry A. Koch Co., Lenco Co., Lincoln Electric System, Omaha Convention & Visitors Bureau, Pas-coe Building Systems (Pomona, Cal.), Sports Courts of Lincoln, Video Service of Nebraska, Wendy's Co-op of Nebraska, York Mfg. Rodco Products, McDonald State Bank, Broken Bow State Bank, Nebraska State Bank (Ord, Neb.). Lost: Commonwealth Savings Co. Billings breakdown: Newspapers 13%, magazines 4%, radio 17%, spot tv 21%, outdoor 4%, business papers 3%, farm publications 8%, direct mail 1%, other 29%. Employes: 32 in two offices. Top execs: Richard W. Bailey, president; Bart Lewis, exec vp; Jim Lauerman, senior vp-account services, George Meininger, senior vp-creative services. Phone: (402) 475-2800.

Baker, Abbs, Cunningham & Klepinger, Birmingham, Mich., reported gross income of $1,515,217 in 1981 on billings of $10,106,499. In 1980, it reported gross income of $1,283,175 on billings of $8,558,778. Volume in 1981 consisted of $3,315,972 in media, $1,620,985 in materials and services and $5,169,542 in capitalized fees. In 1980, volume consisted of

materials and services and $4,879,425 in capitalized fees. Accounts gained: Allied Film Laboratory, Borg & Beck division of Borg-Warner, Comshare, DESTA-CO division of Dover Corp., Harris O. Machus Enterprises, Observer & Eccentric Newspapers, *Renaissance Scene* Magazine, Speas Co., Tuff-Kote Inc., Votrax. Lost: American Natural Resource (ANR freight division). Billings breakdown: Newspapers 20%, magazines 32%, radio 24%, spot tv 15%, outdoor 1%. Employes: 31 in one office. Top execs: E.W. Baker Jr., chairman exec committee; J.K. Abbs, chairman; R.L. Klepinger, president; R.J. Cunningham, exec vp; B.H. Cunningham, treasurer. Phone: (313) 645-0300.

Barkley & Evergreen, Overland Park, Kan., reported gross income of $2,536,300 in 1981 on billings of $24,864,800. In 1980, it reported gross income of $2,388,500 on billings of $23,969,900. Volume in 1981 consisted of $7,671,200 in media, $1,294,500 in materials and services and $15,899,100 in capitalized fees. In 1980, volume consisted of $7,790,900 in media, $1,344,100 in materials and services and $14,834,900 in capitalized fees. Accounts gained: ALCO Discount Stores, CR Industries, DAB, Fixtures Mfg., Harlan Corp., Helzberg's Diamond Shops, Information Industries, McCormick Distillery, Standard Milling (charcoal division), United Information Systems, Uninet. Lost: Kansas City Kings. Billings breakdown: Newspapers 12.4%, magazines 13.5%, radio 6.1%, network tv 51.3%, spot tv 16.2%, outdoor 0.3%, other 0.2%. Employes: 50 in one office. Top execs: William Fromm, president; Michelle DeLaurier, secretary; Clarence Foxworthy, treasurer; Bill Costello, Mike McGarry, Sherman Titens, senior vps; Richard Mantz, Don Stokes, vps. Phone: (913) 381-7100.

Barnum Communications, New York, an agency specializing in healthcare, had gross income of $4,610,950 in 1981 on billings of $30,343,000. In 1980, it reported gross income of $3,191,165 on billings of $21,000,000. Volume in 1981 consisted of $8,900,000 in media, $2,300,000 in materials and services and $19,143,000 in capitalized fees. In 1980, volume consisted of $5,400,000 in media, $1,593,000 in materials and services and $14,007,000 in capitalized fees. Figures include those of subsidiaries John Myers Inc., Tyree & Gardner and Barnum/Secunda. Accounts gained: Bio Products, Ortho Pharmaceuticals, Goodman's Noodles. Billings breakdown: Newspapers 5%, magazines 73%, radio 2%, network tv 10%, direct mail 10%. Employes: 70 in eight offices, including one overseas. Top execs: Dr. H.J. Barnum, chairman; Carroll H. Walter, president; Dorothy M. Philips, exec vp; John Woodcock and Renton Bond, senior vps. Phone: (212) 221-7363.

Basso & Associates, Newport Beach, Cal., had estimated gross income of $1,675,000 in 1981 on billings of $11,176,750. It did not report in 1980. Volume in 1981 consisted of $8,047,260 in media and $3,129,490 in materials and services. Billings breakdown: Newspapers 22%, magazines 15%, radio 17%, network tv 16%, outdoor 2%, business papers 18%, direct mail 5%, other 5%. Employes: 30 in one office. Phone: (714) 641-0111.

Batz-Hodgson-Neuwoehner, St. Louis, reported gross income of $4,069,036 in 1981 on billings of $28,700,810. In 1980, it reported gross income of $2,837,188 on billings of $19,272,571. Volume in 1981 consisted of $16,006,078 in media, $3,798,306 in materials and services and $8,895,526 in capitalized fees. In 1980, volume consisted of $12,280,755 in media, $2,105,507 in materials and services and $4,886,305 in capitalized fees. Accounts gained: Federal Order 62 (marketing fluid milk in St. Louis-Ozarks region), Adam's Mark Hotel (Philadelphia), Bi-State Oldsmobile Dealers Assn., Hazel Inc., *The State Journal-Register*, Springfield, Il., Trebla Chemical Co., Lenco Inc. Lost: Milnot Co., Mayrose Processed Meat, National Stockyards. Billings breakdown: Newspapers 12%, magazines 16%, radio 19%, spot tv 19%, outdoor 3%, business papers 25%, farm publications 4%, other 2%. Employes: 126 in eight offices. Top execs: Kenneth C. Johnson, president-ceo; Charles A. Hodgson, chairman;Robert Zeitinger, George Gale, exec vps. Phone: (314) 241-1200.

Baxter, Gurian & Mazzei, Beverly Hills, Cal., had estimated gross income of $1,988,000 in 1981 on billings of $13,250,000. In 1980, it had estimated gross income of $1,950,000 on billings of $13,000,000. Volume in 1981 consisted of $3,600,450 in media, $1,437,980 in materials and services and $8,211,570 in capitalized fees. In 1980, volume consisted of $3,424,000 in media, $1,430,000 in materials and services and $8,145,900 in capitalized fees. Accounts gained: Syntex Anaprox, Mercantile National Bank (Phoenix), SmithKline Diagnostics. Lost: ATL, Riker. Billings breakdown: Newspapers 10%, magazines 20%, transit 5%, direct mail 25%, other (collateral) 40%. Employes: 34 in two offices. Top execs: Donald J. Baxter, president; Kenneth J. Gurian, exec vp. Phone: (213) 657-5050.

Beaumont, Heller & Sperling, Reading, Pa., had gross income of $1,497,918 in 1981 on billings of $11,502,720. In 1980, it reported gross income of $1,555,200 on billings of $11,981,468. Volume in 1981 consisted of $2,440,387 in media, $1,907,284 in materials and services and $7,155,049 in capitalized fees. In 1980, volume consisted of $2,665,803 in media, $1,799,195 in materials and services and $7,516,470 in capitalized fees. Accounts gained: Adidas U.S.A., Garland Commercial Industries, Multilectric Inc. Lost: Hamilton Precision Metals, Lift-All Co., Third National Bank & Trust, Weiler Brush Co. Billings breakdown: Newspapers 1%, radio 0.5%, spot tv 0.5%, outdoor 0.5%, business papers 20%, direct mail 15%, Yellow Pages 0.5%, pr 16%, collateral materials 5%, client service/marketing/creative 41%. Employes: 60 in one office. Donald T. Beaumont, chairman-ceo; Robert D. Beaumont, president; Donald T. Beaumont Jr., senior exec vp-treasurer; Robert Kline, consultant to chairman; James Buchanan, Nelson LeRoy, Douglas Scheifley, Alfred Walter, senior vps. Phone (215) 375-4311.

Robert A. Becker Inc., New York, a healthcare specialist agency, had an estimated gross income of $4,875,000 in 1981 on billings of $31,715,300. In 1980, it had estimated gross income of $4,600,000 on billings of $30,399,000. Volume in 1981 consisted of $15,502,000 in media, $4,837,700 in materials and services and $11,375,600 in capitalized fees. In 1980, volume consisted of $17,549,000 in media, $3,539,000 in materials and services and $9,311,000 in capitalized fees. Accounts gained: Cranbury Medical Labs, Roerig division of Pfizer Inc. Billings breakdown: Medical/health industry journals 61.3%, radio 2.7%, direct mail 13.8%, other 22.2%. Employes: 85 in one office. Top execs: Robert A. Becker, president; Joel Lauber, Edward F. Maitland, Norman Franklin, David Charney, Raymond Perry, senior vps. Phone: (212) 922-1000.

Behrends & Co., High Point, N.C., reported gross income of $1,149,850 in 1981 on billings of $7,739,060. In 1980, it reported gross income of $703,950 on billings of $4,693,250. Volume in 1981 consisted of $1,500,000 in media, $1,450,000 in materials and services and $4,789,060 in capitalized fees. In 1980, volume consisted of $902,000 in media, $623,000 in materials and services and $3,168,250 in capitalized fees. Accounts gained: Fisher Stove (Eastern U.S.), Tomlinson Furniture, Ciba-Geigy (home and garden collateral), Shamrock, No Nonsense Fashion (trade). Lost: Gateway Bank, South Boston. Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, spot tv 75%, outdoor 2%, point of sale 8%. Employes: 37 in one office. Top execs: Richard Behrends, president; Oliver Trone III, exec vp. Phone: (919) 882-4151.

Louis Benito Advertising, Tampa, Fla., reported gross income of $1,720,000 in 1981 on billings of $12,477,000. In 1980, it reported gross income of $1,402,000 on billings of $9,352,000. Volume in 1981 consisted of $9,562,000 in media and $2,915,000 in capitalized fees. In 1980, volume consisted of $7,404,000 in media and $1,948,000 in capitalized fees. Accounts gained: Circus World, White Lab-

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oratories, JP Hotels, Girard Jewelers. Lost: Oceans 11 Resorts, Chloride Inc. Billings breakdown: Newspapers 19%, magazines 14%, radio 12%, spot tv 33%, outdoor 5%, other 17%. Employes: 60 in one office. Top execs: Louis Benito, chairman; Jack Painter, president-ceo; Ken Bernhardt, exec vp. Phone: (813) 877-8200.

Bentley, Barnes & Lynn, Chicago, reported gross income of $4,804,044 in 1981 on billings of $32,026,960. In 1980, it reported gross income of $3,941,880 on billings of $26,279,000. Volume in 1981 consisted of $31,726,960 in media and $300,000 in materials and services. In 1980, volume consisted of $26,079,000 in media and $200,000 in materials and services. Accounts gained: Qualicare of Louisiana, Commonwealth Edison (special project). Lost: Italian Institute for Foreign Trade. Billings breakdown: Newspapers 75%, magazines 5%, radio 6%, spot tv 4%, outdoor 1%, direct mail 1%, other 8%. Employes: 109 in two offices. Top execs: Peter Postelnek, chairman; Stanley Tannenbaum, president; Merrill Litow, secretary-treasurer; Paul Oleff, exec vp; Agostino Unti, creative director. Phone: (312) 467-9350.

Berenson & Isham, Boston, had gross income of $1,068,763 and net income of $36,356 in 1981 on billings of $5,796,127. In 1980, it reported gross income of $1,318,124 and net income of $46,134 on billings of $6,718,070. Volume in 1981 consisted of $3,995,020 in media, $360,387 in materials and services and $1,440,720 in capitalized fees. In 1980, volume consisted of $4,232,630 in media, $204,300 in materials and services and $2,281,140 in capitalized fees. Accounts gained: Brewer & Lord, Hytec Systems, Michaud Trailways, PPALU Explorations, Russo Mfg. Corp. Lost: Home Box Office/Colony Communications, Heathdelle Associates, ARP Instruments, *Real Paper*, Brands-Mart. Billings breakdown: Newspapers 38%, magazines 10%, radio 20%, spot tv 12%, cable tv 2%, business papers 5%, farm publications 3%, point of sale 2%, direct mail 8%. Employes: 16 in one office. Top execs: Paul Berenson, president; Carolynn Isham, exec vp; Robert Hoffman, senior vp. Phone: (617) 742-4390.

Bergelt Advertising, New York, had gross income of $1,260,600 in 1981 on billings of $8,404,000. In 1980, it reported gross income of $1,160,000 on billings of $7,680,000. Volume in 1981 consisted of $3,639,000 in media, $2,744,000 in materials and services and $2,021,000 in capitalized fees. In 1980, volume consisted of $4,097,000 in media, $1,602,000 in materials and services and $1,981,000 in capitalized fees. Accounts gained: Watson Food Co., Murray Electronics Co. veterinary division, and Schering Intl. animal health. Lost: Church & Dwight agricultural products. Billings breakdown: Newspapers 15%, magazines 10%, radio 8%, spot tv 1%, business papers 10%, farm publications 25%, point of sale 1%, direct mail 5%, other 25%. Employes: 22. Top execs: Edward Bergelt, president; John Fraioli, exec vp. Phone: (212) 490-2666.

Bergthold, Fillhardt & Wright, San Jose, Cal., reported gross income of $1,096,314 in 1981 on billings of $7,310,621. In 1980, it reported gross income of $691,673 on billings of $4,613,047. Volume in 1981 consisted of $2,735,341 in media, $856,648 in materials and services and $3,718,632 in capitalized fees. In 1980, volume consisted of $1,400,110 in media, $543,149 in materials and services and $2,669,788 in capitalized fees. Accounts gained: GE-Calma, Personal Software Inc., Otrona Corp., Ungermann & Bass, Valley Honey Assn., SmithKline-Branson/IPC. Lost: None. Billings breakdown: Newspapers 19%, magazines 17%, radio 7%, spot tv 6%, outdoor 3%, business papers 46%, direct mail 2%. Employes: 13 in one office. Top execs: Curtis Wright, president; Charles Fillhardt, vp-creative director; Lynn Battenberg, treasurer; Dee Cravens, vp-account services. Phone: (408) 287-8500.

Berk & Co., Boston, had estimated gross income of $1,350,000 in 1981 on billings of $9,000,000. In 1980, it had an estimated gross income of $750,000 on billings of $5,000,000. It did not break out its figures for either year. Included are billings of subsidiary W. J. Haughey Co. Accounts gained: Canada Dry bottler, Pizzeria Uno Restaurants. Billings breakdown: Newspapers 15%, magazines 2%, supplements 1%, radio 20%, spot tv 60%, outdoor 1%, transit 1%. Employes: 35 in two offices. Top execs: Kenneth Berk, president; Donald Shanbar, president, W.J. Haughey Co. subsidiary. Phone: (617) 247-2800.

William R. Biggs Associates, Kalamazoo, Mich., reported gross income of $2,150,000 and net income of $50,000 in 1981 on billings of $18,987,000. In 1980, it reported gross income of $2,122,000 and net income of $86,000 on billings of $18,200,000. Volume in 1981 consisted of $8,300,000 in media, $2,337,000 in materials and services and $8,350,000 in capitalized fees. In 1980, volume consisted of $7,900,000 in media, $3,000,000 in materials and services and $7,300,000 in capitalized fees. Accounts gained: Aero-Motive Mfg. Co., Ludwig Industries of Chicago, Camp Intl., The Upjohn Co. (consumer products division), Harter Chair Co., Pension & Group Services Inc. Lost: Crested Butte Ski Resort in Colorado, Michigan Credit Union, Warner Vineyards. Billings breakdown: Newspapers 1%, magazines 63%, radio 1%, spot tv 1%, outdoor 1%, farm publications 33%. Employes: 49 in four offices. Top execs: William R. Biggs, president; Jack Gauntlett, exec vp; Donald J. Davis, David Hunt, senior vps. Phone: (616) 349-7711.

Blair Advertising, Rochester, N.Y., a subsidiary of BBDO, had gross income of $1,264,393 in 1981 on billings of $8,429,288. In 1980, it reported gross income of $1,331,517 on billings of $8,876,780. Volume in 1981 consisted of $5,220,890 in media, $2,218,630 in materials and services and $989,768 in capitalized fees. In 1980, volume consisted of $6,161,663 in media, $2,264,892 in materials and services and $450,225 in capitalized fees. Account gained: Bausch & Lomb instruments systems. Lost: Hickory Farms Sales Corp., Raybestos Industrial Products, Black & Decker Canada, Ellio's Pizza, Monroe Muffler and Plantation Pecans. Billings breakdown: Newspapers 10%, magazines 25%, supplements 1%, radio 20%, network tv 1%, spot tv 20%, cable tv 1%, business papers 20%, farm publications 1%, direct mail 1%. Employes: 22 in one office. Top execs: Albert Goldberg, chairman; Francis Cosentino, president. Phone: (716) 473-0440.

For more information, see profile of parent agency, BBDO Intl.

Barry Blau & Partners, Wilton, Conn., had estimated gross income of $1,380,400 in 1981 on billings of $17,768,640. In 1980, it had estimated gross income of $1,022,230 on billings of $12,453,784. Figures include those of subsidiary, Blau & VanNimwegen of Beverly Hills, Cal. Accounts gained: Avco, Avis Truck Leasing, American Educational Television Network, Direct Marketing Corp. of America, Food and Wine magazine, Frank H. Hall, Pan Am. Lost: None.

Billings breakdown: Newspapers 6%, magazines 2%, supplements 2%, spot tv 2%, direct mail 86%, other 2%. Employes: 42 in two offices. Top execs: Barry Blau, chairman; Derrik VanNimwegen, managing partner; Dennis Eastham, exec vp; Ronald Friedman, senior vp-creative director; Shawn Blau, senior vp. Phone: (203) 762-8643.

William J. Bologna International, New York, had gross income of $1,266,000 including $66,000 from overseas in 1981 on billings of $8,447,000. No figures were reported for 1980. Volume in 1981 consisted of $163,000 in media, $7,844,000 in capitalized fees in the U.S. and $440,000 in capitalized fees overseas. Accounts gained: Skylark, Merieux Institute, Ketchum Distributors and Riker Laboratories.

Billings breakdown: Newspapers 5%, magazines 60%, direct mail 30%, other 5%.

Top execs: Bill Bologna, president; Steve Girgenti, exec vp; Frank Hughes, creative director. Employes: 14 in one office. Phone: (212) 988-0919.

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The Brady Co., Menomonee Falls, Wis., reported gross income of $1,154,688 in 1981 on billings of $7,704,569. In 1980, it reported gross income of $1,033,456 on billings of $6,891,103. Volume in 1981 consisted of $2,537,000 in media, $1,229,968 in materials and services and $3,937,601 in capitalized fees. In 1980, volume consisted of $2,561,200 in media, $1,559,332 in materials and services and $2,770,571 in capitalized fees. Accounts gained: Chris Hansen's Laboratories, Pope Scientific, D P Way, Milwaukee Psychiatric. Lost: Gehl Co. Billings breakdown: Newspapers 4%, magazines 38%, radio 2%, farm publications 56%. Employes: 32 in one office. Top exec: Karl Ohm, president. Phone: (414) 255-0100.

BrainReserve, New York, had estimated gross income of $1,200,000 in 1981 on billings of $8,037,000. In 1980, it had estimated gross income of $910,000 on billings of $6,069,500. Volume in 1981 consisted of $700,000 in materials and services and $7,337,000 in capitalized fees. In 1980, volume consisted of $400,000 in materials and services and $5,002,500 in capitalized fees in the U.S. and $667,000 in capitalized fees overseas. Accounts gained: American Cyanamid's Lederle Labs, AT&T, Burlington, Gallo, Richardson-Vicks, Scannon and Tom's of Maine. Billings breakdown: Magazines 20%, network tv 70%, other (annual reports) 10%. Employes: 22 in one office. Top execs: Faith Popcorn, co-founder-president; Stuart Pittman, co-founder-creative director; Peter East, exec vp-marketing; Joy Golden, senior vp-creative. Phone: (212) 371-3131.

Bramson & Associates, Los Angeles, reported gross income of $2,575,500 and net income of $1,050,000 in 1981 on billings of $15,130,000. In 1980, it reported gross income of $2,519,000 and net income of $1,025,000 on billings of $14,800,000. Volume in 1981 consisted of $1,490,000 in media, $2,040,000 in materials and services and $11,606,000 in capitalized fees. In 1980, volume consisted of $1,460,000 in media, $2,000,000 in materials and services and $11,340,000 in capitalized fees. Figures are a consolidation of the three Bramson offices in Los Angeles, Dallas and New York City. Accounts gained: Surgidev Corp. (Minneapolis), Tony Roma's, N.W Master Franchisee Intl. Lost: Karl Store, West Germany, Investmore, Singapore. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, outdoor 5%, business papers 30%, point of sale 10%, other (collateral) 25%. Employes: 35 in three offices. Top execs: Gene Bramson, president-ceo; Shirley Gieras, Ross B. Mandel, vps; Rhonda Grey, secretary, R. Bramson, treasurer. Phone: (213) 938-3595.

Brand Advertising, Chicago, reported total gross income of $1,538,943, including $4,553 in overseas business, in 1981 on billings of $11,803,000, including $37,949 overseas. In 1980, it reported total gross income of $1,608,268, of which $5,556 was overseas, on billings of $11,913,100. U.S. volume in 1981 consisted of $7,397,317 in media, $1,242,954 in materials and services and $3,134,780 in capitalized fees. Overseas billings included $31,624 in media and $6,325 in materials and services. In 1980, U.S. volume consisted of $7,045,206 in media, $1,442,994 in materials and services and $3,368,600 in capitalized fees. Overseas contributions were $50,744 in media and $5,556 in materials and services. Accounts gained: S-K Hand Tool division of Dresser Industries, Big Wheel Restaurants (25 restaurants), Great Godfrey Daniels Restaurants, Optibelt, WXFM—all involving advertising, sales promotion and pr—and Parker Hannifin Corp., E. Edelmann Overseas division. Lost: CR Industries, FirstBank Evanston. Billings breakdown: Newspapers 10%, magazines 35%, supplements 3%, radio 23%, spot tv 1%, outdoor 1%, business papers 20%, transit 1%, point of sale 2%, direct mail 1%, other 3%. Employes: 25 in one office. Top exec: Perry L. Brand, president. Phone: (312) 839-7777.

Brand Edmonds Associates, Salem, Va., had gross income of $1,529,035 and net income of $295,477 in 1981 on billings of $10,807,605. In 1980, it reported gross income of $1,318,891 and net income of $117,465 on billings of $9,470,559.

Volume in 1981 consisted of $7,935,742 in media, $1,168,645 in materials and services and $1,703,218 in capitalized fees. In 1980, volume consisted of $6,371,366 in media, $1,300,267 in materials and services and $1,798,926 in capitalized fees. Accounts gained: Tread Corp., Peat, Marwick, Mitchell (regional), Ceres Co. (cosmetics), Lucky Heart Cosmetics, Advance Stores Inc., Holiday Inn (Roanoke, Va.). Lost: Stark Brothers Nurseries, S&K Famous Brands, Petersburg Ford. Billings breakdown: Newspapers 14%, magazines 19%, radio 21%, network tv 1%, spot tv 24%, outdoor 4%, business papers 8%, farm publications 1%, point of sale 6%, direct mail 2%.

Employes: 35 in two offices. Top execs: Cecil Edmonds, president; Howard Packett, Jule Bolio, exec vps. Phone: (703) 389-8151.

Brewer Advertising, Kansas City, reported gross income of $4,000,524 in 1981 on billings of $26,670,160. In 1980, it reported gross income of $4,264,525 on billings of $28,430,166. No volume breakout was provided. Accounts gained: BenchMark Tool Co., Crown Center Redevelopment Corp., Olin Corp., Crop Protection Chemicals, Security Benefit Group of Cos., Kentucky Fried Chicken Co-ops of Amarillo/Lubbock and Albuquerque. Lost: BASF Wyandotte, Life Care Services Corp., Massey Ferguson, Hill's Pet Products, Farm & Home S&L. Billings breakdown: Newspapers 9%, magazines 54%, radio 5%, network tv 1%, spot tv 14%, farm publications 16%, other (Yellow Pages) 1%. Employes: 75 in one office. Phone: (816) 471-4610.

For more information, see profile of parent agency, Young & Rubicam.

E.H. Brown Advertising Agency, Chicago, reported gross income of $1,540,519 in 1981 on billings of $10,270,128. In 1980, it reported gross income of $1,735,732 on billings of $11,571,544. No volume breakout was provided. Accounts gained: Wurlitzer, Roosevelt University, North Bank Inc., Cargil, AAR Corp., Hycor, Career Guild, Frisch, Wally Findlay, McCormick, Pryor, Substral. Lost: None. Billings breakdown: Newspapers 20%, magazines 30%, tv and radio 20%, business papers 10%, other (collateral) 20%. Employes: 39 in two offices. Top execs: E.H. Brown Sr., president; E.H. Brown Jr., exec vp; W.W. Bokman, J.D. Kenner, E.J. Murnane, G.W. Stokes, W.A. Vernon, senior vps. Phone: (312) 372-9494.

Earle Palmer Brown & Associates, Washington, had gross income of $3,675,000 in 1981 on billings of $26,726,313. In 1980, it reported gross income of $2,667,000 on billings of $18,832,995. Volume in 1981 consisted of $15,412,815 in media, $2,732,856 in materials and services and $8,580,642 in capitalized fees. In 1980, volume consisted of $10,186,635 in media, $2,364,608 in materials and services and $6,281,752 in capitalized fees. Accounts gained: AMF/Head Racquet Sports, American Security Bank, Davco Food, U.S. Department of Justice, Hechinger, Head Sportswear, Marriott Hotels, Wendy's of Minnesota, National Public Radio. Lost: *Washington Post*. Billings breakdown: Newspapers 40%, magazines 4%, radio 21%, spot tv 25%, business papers 8%, direct mail 2%. Employes: 105 in one office. Top exec: Earle Palmer Brown, chairman; Jeremy E. Brown, president. Phone: (301) 986-0510.

John Brown & Partners, Seattle, reported gross income of $1,160,972 in 1981 on billings of $7,634,046. In 1980, it reported gross income of $820,762 on billings of $6,023,664. Volume in 1981 consisted of $5,655,661 in media, $684,405 in materials and services and $1,293,980 in capitalized fees. In 1980, volume consisted of $2,909,882 in media, $824,645 in materials and services and $2,289,137 in capitalized fees. Accounts gained: Valiant Yachts, AEI, Chemgrate, KPLZ, Sonics Superchannel. Lost: King County Medical Blue Shield, Warn Industries, VMC Corp. (went in-house). Billings breakdown: Newspapers 20%, magazines 4%, supplements 1%, radio 30%, spot tv 40%, cable tv 1%, outdoor 0.5%, transit 0.5%, direct mail 3%. Employes: 16 in one office. Top exec: John Brown,

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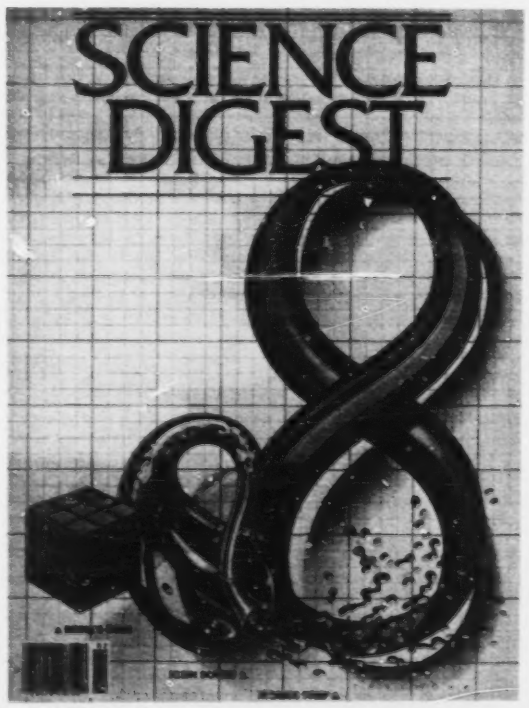

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president. Phone: (206) 622-9306.

Broyles Allebaugh & Davis, Englewood, Cal., reported gross income of $2,194,505 in 1981 on billings of $16,055,133. In 1980, it reported gross income of $1,881,734 on billings of $13,751,167. Volume in 1981 consisted of $5,811,100 in media, $1,397,685 in materials and services and $8,846,348 in capitalized fees. In 1980, volume consisted of $5,256,900 in media, $889,307 in materials and services and $7,604,960 in capitalized fees. Accounts gained: Sheraton Resort in Steamboat, Sheraton Denver Airport, Mine & Smelter Corp., Granville-Phillips Corp., Talley Corp., N.L. Rucker Co., Manville Intl. division (Johns-Manville), GTE-Lenkurt. Lost: U.S. Home Corp. (Colorado division), Otero S&L. Billings breakdown: Newspapers 6%, magazines 55%, radio 6%, spot tv 24%, outdoor 1%, farm publications 3%, point of sale 1%, direct mail 2%, other 2%. Employes: 45 in one office. Top execs: George H. Eakins, president; Kent L. Eggleston, vp; James D. McCoy, secretary. Phone: (303) 770-2000.

Burrell Advertising, Chicago, reported gross income of $3,250,000 in 1981 on billings of $26,494,600. In 1980, it reported gross income of $2,400,000 on billings of $19,726,000. Volume in 1981 consisted of $6,600,600 in media, $5,220,000 in materials and services and $14,674,000 in capitalized fees. In 1980, volume consisted of $4,065,000 in media, $2,461,000 in materials and services and $13,200,000 in capitalized fees. Accounts gained: Jos. Schlitz Brewing Co. Lost: U.S. Navy. Billings breakdown: Newspapers 3%, magazines 35%, radio 32%, outdoor 30%, Employes: 51 in one office. Top exec: Thomas J. Burrell, president-ceo. Phone: (312) 266-4600.

Burton Advertising, Detroit, had gross income of $1,593,000 in 1981 on billings of $10,619,500. In 1980, it reported gross income of $1,770,000 on billings of $11,800,000. Volume in 1981 consisted of $9,411,000 in media, $875,000 in materials and services and $333,000 in capitalized fees. In 1980, volume consisted of $10,550,000 in media, $950,000 in materials and services and $300,000 in capitalized fees. Accounts gained: National Bank of Detroit, Canada, Bonanza Restaurants of Peoria and St. Louis, Ross Chemical, Motors Insurance Corp. Billings breakdown: Newspapers 18%, magazines 13%, radio 17%, spot tv 39%, outdoor 4%, business papers 5%, other 4%. Employes: 33. Top execs: Rod Burton, president; Warren Kruger, exec vp; Michael Vogel, senior vp-media director. Phone: (313) 961-1166.

Burton-Campbell, Atlanta, had gross income of $3,012,026 in 1981 on billings of $22,477,003. In 1980, it reported gross income of $1,724,949 on billings of $12,614,800. Volume in 1981 consisted of $13,294,621 in media, $2,728,857 in materials and services and $6,453,525 in capitalized fees. In 1980, volume consisted of $6,981,916 in media, $1,777,151 in materials and services and $3,855,733 in capitalized fees. Accounts gained: Blue Cross & Blue Shield of Florida, Holland Intl. Foods, Quincy Farms, True Temper Corp., Wendy's Intl., Wilkinson Sword. Billings breakdown: Newspapers 20%, magazines 15%, radio 15%, network tv 20%, spot tv 25%, other 5%. Employes: 70 in one office. Top exec: Ron Scharbo, president-chairman. Phone: (404) 881-8585.

Busse & Cummins, San Francisco, had estimated gross income of $1,413,000 in 1981 on billings of $9,229,358. In 1980, it had gross income of $1,428,347 on billings of $9,664,560. Volume in 1981 consisted of $7,053,482 in media, $1,401,162 in materials and services and $774,714 in capitalized fees. In 1980, volume consisted of $7,425,665 in media, $1,471,878 in materials and services and $767,017 in capitalized fees. Accounts gained: San Francisco Opera. Lost: None. Billings breakdown: Newspapers 14%, magazines 36%, supplements 4%, radio 20%, network tv 15%, spot tv 10%, outdoor 1%. Employes: 22 in one office. Top execs: Walter G. Busse Jr., president; Bernard J. Cummins Jr., exec vp. Phone: (415) 957-0300.

Harold Cabot & Co., Boston, had estimated gross income of $4,500,000 in 1981 on billings of $30,000,000. In 1980, it had estimated gross income of $3,900,000 on billings of $26,000,000. The agency did not report volume breakdown for either year. Accounts gained: Textron's Shuron division, Home Theatre Network, Prism/New England, Shamie for U.S. Senate, Massachusetts State Republican Committee. Lost: Howard Johnson's. Billings breakdown: Print 44%, radio/tv 44%, production 12%. Employes: 85 in one office. Top exec: James I. Summers, president. Phone: (617) 426-7600.

Cadwell Davis Savage, New York, a Compton Advertising subsidiary, had gross income of $3,360,000 in 1981 on billings of $28,980,000. In 1980, it reported gross income of $2,851,000 on billings of $25,074,000. Volume in 1981 consisted of $23,178,000 in media and $5,802,000 in capitalized fees. In 1980, volume consisted of $19,398,000 in media and $5,676,000 in capitalized fees. Accounts gained: Sotheby's Auction House, NoSalt, Lee Jofa Fabrics. Billings breakdown: Newspapers 2%, magazines 31%, radio 1%, network tv 54%, spot tv 12%. Employes: 30. Top execs: Franchellie Cadwell, president; Herman Davis, exec vp-creative director; Neve Savage, exec vp-account service director, Jeffrey Zeiler, Lois Underhill, Warren Greene, all senior vps. Phone: (212) 350-1500.

For more information, see parent agency, Compton Advertising.

Cal-Ad Co., Burbank, Cal., reported gross income of $1,750,000 in 1981 on billings of $10,113,250. In 1980, it reported gross income of $1,500,000 on billings of $8,729,250. Volume in 1981 consisted of $275,000 in media and $9,838,250 in capitalized fees. In 1980, volume consisted of $225,000 in media and $8,504,250 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 30%, point of sale 5%, direct mail 60%. Employes: 29 in one office. Top exec: Patricia L. Garrett, president. Phone: (213) 845-3748.

Caraway Kemp Communications, Jacksonville, Fla., reported gross income of $1,516,000 in 1981 on billings of $11,918,297. In 1980, it reported gross income of $1,101,861 on billings of $7,201,710. Volume in 1981 consisted of $9,052,968 in media, $714,921 in materials and services and $2,150,408 in capitalized fees. In 1980, volume consisted of $5,301,000 in media, $480,000 in materials and services and $1,420,710 in capitalized fees. Results for Caraway Kemp's two subsidiaries, Advertising Services Group and Pest Control Productions, were not included. Accounts gained: Prudential Insurance; South Central home office; American Dairy Queen Assn.; Kenco Chemical & Mfg.; Rid-A-Bug products; Products Four Inc.; Four Plus One products; WAIV-fm; WAPE-am; Jacksonville Airport Hilton; TRECO Inc.; TRECO Property Services; Ashland Oil Emulsofire division; Florida Wire & Cable; General Electric central air-conditioning division; Omega Insurance; Phillips Highway Automobile Dealers Assn.; Saxelbye, Power, Roberts & Ponder; Van Wagenen & Searcy. Lost: WFYV-fm (resigned), Regency Square Properties. Billings breakdown: Newspapers 22%, magazines 15%, radio 10%, spot tv 26%, outdoor 12%, business papers 10%, farm publications 5%. Employes: 29 in one office. Top execs: William D. Kemp Jr., president; John E. Caraway, chairman. Phone: (904) 355-1505.

Carlson, Liebowitz & Olshever, Los Angeles, reported gross income of $2,552,096 and net income of $34,707 in 1981 on billings of $16,232,143. In 1980, it reported gross income of $2,052,988 and net income of $64,614 on billings of $15,639,361. Volume in 1981 consisted of $13,580,897 in media, $1,359,314 in materials and services and $1,291,932 in capitalized fees. In 1980, volume consisted of $14,415,913 in media and $1,223,448 in materials and services. Accounts gained: Mattel Communications, Doans, Mayer Group (real estate). Lost: Doans, U.S. Life Savings. Billings breakdown: Newspapers 2.3%, magazines 30%, supplements 1.1%, radio 1.6%, network tv 25%, spot tv 40%. Employes: 50 in one office. Top execs: Janet Carlson, president; Israel Liebowitz, Rod Damrow, exec vps; Leon Olshever, secretary; Nola Franklin, treasurer. Phone: (213) 935-5571.

Carmichael-Lynch Advertising, Minneapolis, reported gross income of $3,969,000 in 1981 on billings of $26,677,000.

In 1980, it reported gross income of $3,174,000 on billings of $20,816,000. Volume in 1981 consisted of $14,658,000 in media, $3,168,000 in materials and services and $8,851,000 in capitalized fees. In 1980, volume consisted of $11,437,000 in media, $3,336,000 in materials and services and $6,043,000 in capitalized fees. Accounts gained: Harley-Davidson motorcycles (from collateral only to full account), Honeywell Communication Systems, Polaris Industries snowmobiles, Satellite Music Network, WCCO-AM, WCCO-FM. Lost: Plywood Minnesota, Wagner Spray-Tech. Billings breakdown: Newspapers 11%, magazines 13%, radio 8%, network tv 27%, spot tv 23%, outdoor 3%, business papers 2%, point of sale 11%, direct mail 2%. Employes: 100 in one office. Top execs: Leland Lynch, chairman-ceo; Lou Bacig, president; Duane Johnson, exec vp-creative director; I.E. Coleman, senior vp-finance/administration. Phone: (612) 871-8300.

Carr Liggett Inc., Cleveland, reported gross income of $3,478,019 in 1981 on billings of $26,292,714. In 1980, it reported gross income of $2,566,179 on billings of $21,492,387. Volume in 1981 consisted of $9,791,467 in media, $3,827,220 in materials and services and $12,674,027 in capitalized fees. In 1980, volume consisted of $12,385,276 in media, $1,090,798 in materials and services and $8,016,313 in capitalized fees. Accounts gained: Imperial-Clevite Corp. (formerly Gould Engine Parts), Bendix Automotive Worldwide, The Coliseum, Playhouse Square Foundation, Peabody Barnes Corp. Lost: Bendix Heavy Vehicle Systems. Billings breakdown: Newspapers 7.6%, magazines 3%, radio 7.7%, spot tv 39%, outdoor 5%, business papers 34.4%, transit 3.3%. Employes: 84 in one office. Top execs: Harold A. Shoup, president-ceo; John M. Morton, vice-chairman; Michael W. Carlton, Davis Young, senior vps. Phone: (216) 696-0330.

Carrafiello-Diehl & Associates, Irvington, N.Y., had gross income of $3,765,000 in 1981 on billings of $25,100,000. In 1980, it reported gross income of $2,580,000 on billings of $17,200,000. Volume in 1981 consisted of $17,400,000 in media, $4,600,000 in materials and services and $3,100,000 in capitalized fees. In 1980, volume consisted of $11,450,000 in media, $3,650,000 in materials and services and $2,100,000 in capitalized fees. Accounts gained: Roerig's Navane, Lederle Labs' new products, Richardson-Vicks' Denquel, Norcliff-Thayer and Pfizer's Leeming/Pacquin division. Billings breakdown: Newspapers 1%, magazines 26%, radio 3%, network tv 26%, spot tv 10%, business papers 20%, point of sale 4%, direct mail 5%, other 5%. Top execs: A. Louis Carrafiello, president; Anthony Bennett, Robert C. Brandt, Edward B. Cohen, Austin H. Gedney Jr., Edward J. Leahy, Thomas M. Sweeney, senior vps. Employes: 56. Phone: (914) 591-9191.

Carter, Callahan & Associates, San Jose, Cal., had estimated gross income of $1,348,483 in 1981 on billings of $9,073,895. In 1980, it had estimated gross income of $934,693 on billings of $5,976,462. Volume in 1981 consisted of $1,008,712 in media, $1,177,554 in materials and services and $6,887,629 in capitalized fees. In 1980, volume consisted of $775,664 in media, $725,795 in materials and services and $4,475,003 in capitalized fees. Accounts gained: Xidex, Marathon, Carma, Howard Johnsons, St. Claire, Meridian National

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Bank, ICOT, Nutech, Intersil, CompuThink, Evotek, Pinetree Communications, Systems Control Group, Micro Air Systems, Peripheral Marketing, Cabot Cabot & Forbes. Lost: Daon Corp., Fuller Commercial Brokerage, Ashwill Burke, Clear Springs Trout, Daiwa Corp., Liberty Vinyl. Billings breakdown: Newspapers 35%, magazines 20%, radio 15%, spot tv 5%, outdoor 2%, business papers 11%, direct mail 12%. Employes: 34 in two offices. Top execs: Peter S. Carter, president; Edna M. Markham, secretary-treasurer. Phone: (408) 998-5433.

Cavalieri, Kleier, Pearlman, New York, had gross income of $1,500,000 in 1981 on billings of $12,000,000. In 1980, it reported gross income of $1,750,000 on billings of $12,400,000. Volume in 1981 consisted of $6,000,000 in media, $2,000,000 in materials and services and $4,000,000 in capitalized fees. In 1980, volume consisted of $6,500,000 in media, $1,900,000 in materials and services and $4,000,000 in capitalized fees. Accounts gained: Tryall Golf & Beach Club, Brown Cow Yogurt, Janovic Plaza. Lost: Regent Hotels. Billings breakdown: Newspapers 25%, magazines 40%, radio 25%, spot tv 10%. Employes: 25 in one office. Top execs: John Cavalieri, Ian Kleier, Robert Pearlman, partners. Phone: (212) 758-7428.

ClarkeGowardCarr&Fitts, Boston, formerly ClarkeAronsonGoward, reported gross income of $1,400,000 in 1981 on billings of $7,200,000. In 1980, it reported gross income of $820,000 on billings of $5,247,000. Volume in 1981 consisted of $4,900,000 in media and materials and services combined and $2,300,000 in capitalized fees. In 1980, volume consisted of $3,150,000 in media, $630,000 in materials and services and $1,467,000 in capitalized fees. Figures include those of subsidiary, Clarke & Co. Public Relations. Accounts gained: Brigham's Ice Cream, Data General Corp., Eastern Capital Corp., Mirage Speakers. Lost: Rockport Shoes. Billings breakdown: Newspapers 20%, magazines 25%, radio 20%, spot tv 30%, outdoor 3%, transit 2%. Employes: 19 in one office. Top execs: Terence M. Clarke, president; Sharen Carr, treasurer. Phone: (617) 367-8600.

The Coakley Heagerty Cos., Santa Clara, Cal., reported gross income of $1,147,919 and net income of $56,204 in 1981 on billings of $7,656,620. In 1980, it reported gross income of $864,729 and net income of $49,125 on billings of $5,028,895. Volume in 1981 consisted of $1,382,054 in media, $932,983 in materials and services and $5,341,583 in capitalized fees. In 1980, volume consisted of $764,637 in media, $650,332 in materials and services and $3,613,926 in capitalized fees. Accounts gained: American Bank & Trust, Coast Commercial Bank, Century 21 (pr-Santa Clara County), Shapell (pr), State S&L Assn., Volvo Dealers of San Francisco Bay Area. Billings breakdown: Newspapers 56%, magazines 15%, radio 5%, spot tv 16%, outdoor 3%, business papers 5%. Employes: 22 in one office. Top execs: David A. Heagerty, managing director-ceo; John D. Heagerty, president; Gary L. Bolen, creative director. Phone: (408) 249-6242.

Robert L. Cohn Inc., Northbrook, Il., reported gross income of $1,672,350 in 1981 on billings of $11,149,000. In 1980, it reported gross income of $1,310,800 on billings of $8,740,000. Volume in 1981 consisted of $9,030,000 in media, $919,000 in materials and services and $1,200,000 in capitalized fees. In 1980, volume consisted of $6,900,000 in media, $1,040,000 in materials and services and $800,000 in capitalized fees. Accounts gained: Wilmot Mountain ski resort, American Acoustics Labs, Mellon Financial Services Corp. Lost: Vacation Center travel agency. Billings breakdown: Newspapers 10%, magazines 20%, radio 15%, spot tv 50%, business papers 5%. Employes: 20 in one office. Phone: (312) 291-2300.

Colle & McVoy Advertising Agency, Minneapolis, reported gross income of $4,095,517 in 1981 on billings of $27,317,078. In 1980, it reported gross income of $4,030,487 on billings of $26,883,322. Volume in 1981 consisted of $14,298,195 in media, $11,006,738 in materials and services and $2,012,165 in capitalized fees. In 1980, volume consisted of $13,557,720 in media, $10,297,455 in materials and services and $3,028,147 in capitalized fees. Accounts gained: Sen. David Durenberger, First Federal of Winter Haven, Fla., First American Federal, Greensboro, N.C., Bohemian Savings of Cedar Rapids, Doboy Packaging, H.B. Fuller, The Gehl Co., Denver Dry Goods Co., Paramount Pictures, Genesee Village Condominium Developers, Gelco Travel Services, *Rocky Mountain News*, Midwest Realty Co., Chesley & Dunn, Vericel Co., Greater St. Paul/Minneapolis Auto Show, NAPA Auto Parts, Denver, Lockwood Corp., Viracon, United Sea Trade, Gemini Systems. Lost: Cuckler Building Systems, Monticello, Iowa, First National Bank of Marion, Iowa, Dynamic Air, Home Federal Palm Beach, Rudy Luther, Registry Hotel, Polaris/E-Z-Go, Clearwater Federal. Billings breakdown: Newspapers 22%, magazines 6%, radio 13%, network tv 19%, outdoor 2%, business papers 21%, farm publications 15%, other (Yellow Pages) 2%. Employes: 104 in five offices. Top execs: Clarence M. Thompson Jr., chairman-ceo; Ray Foley, president. Phone: (612) 861-7181.

Ralph Kent Cooke Inc., Los Angeles, reported gross income of $1,950,004 in 1981 on billings of $13,000,000. In 1980, it reported gross income of $1,775,000 on billings of $11,500,000. Volume in 1981 consisted of $9,432,600 in media, $1,500,000 in materials and services and $2,067,700 in capitalized fees. In 1980, volume consisted of $8,515,700 in media, $1,050,000 in materials and services and $1,934,300 in capitalized fees. No billings breakdown was provided. Employes: 35 in one office. Top exec: Michael R. Hooper, president. Phone: (213) 879-5885.

Frank J. Corbett Inc., Chicago, reported gross income of $2,600,000 in 1981 on billings of $17,300,000. In 1980, it reported gross income of $2,300,000 on billings of $15,400,000. Figures include subsidiary, Vis-U-Com Inc. No volume breakout was provided. Accounts gained: Abbott Diagnostics, Blistex Inc. Billings breakdown: Point of sale 5%, direct mail 40%, other (medical journals) 55%. Employes: 50 in one office. Top execs: Frank J. Corbett, chairman; John F. Swift, president; John J. Fisher, exec vp; Judy H. Raymond, treasurer-secretary. Phone: (312) 664-5310.

For additional information, see profile of parent agency, BBDO Intl.

Craig, Lamm, Hensley & Alderman Advertising, Houston, reported gross income of $1,987,969 in 1981 on billings of $13,259,753. In 1980, it reported gross income of $1,763,144 on billings of $11,760,168. Volume in 1981 consisted of $3,839,515 in media, $3,634,013 in materials and services and $5,786,225 in capitalized fees. In 1980, volume consisted of $4,400,674 in media, $2,769,560 in materials and services and $4,589,934 in capitalized fees. Totals also include subsidiary, Hill Audio-Visual Productions. Accounts gained: Commercial Bancshares, Galleria Bank, Gundle Lining Systems, Holt Machinery, RSI. Lost: IMSL, Jet-Lube, National Pipe & Tube, Protexa. Billings breakdown: Newspapers 2%, magazines 1%, radio 1%, outdoor 1%, business papers 93%, farm publications 1%, other 1%. Employes: 40 in two offices. Top execs: Douglas S. Craig, chairman; Donald C. Lamm, president. Phone: (713) 621-2680.

Cummins, MacFail & Nutry, Somerset, N.J., reported gross income of $1,566,122 in 1981 on billings of $5,534,000. In 1980, it reported gross income of $1,092,247 on billings of $3,887,000. Volume in 1981 consisted of $1,810,807 in media, $712,141 in materials and services and $3,011,052 in capitalized fees. In 1980, volume consisted of $1,073,978 in media, $533,624 in materials and services and $2,279,398 in capitalized fees. Figures include subsidiaries, Cummins, MacFail & Nutry in Stroudsburg, Pa., and Graphic Art Studios in Somerset. Accounts gained: Xomed Inc. of Jacksonville, Fla., Dyonics Inc. of Andover, Mass., Marcus Jewelers, Cheeca Lodge of Islamorada, Fla., Cook Pacemaker Corp. of Leechburg, Pa. Lost: First National Bank of Central Jersey in Bridgewater, Professional Disposables Inc. of Mt. Vernon, N.Y. Billings breakdown: Newspapers 20%, magazines 10%, business papers 30%, other (collateral, sales support literature) 40%. Employes: 24 in two offices. Top execs: George MacFail, president; Ralph Martinson, exec vp; Albert Del Vecchio, vp-treasurer; E.A. Donegan, vp-secretary. Phone: (201) 469-3300.

DBG&H Unlimited, Dallas, reported gross income of $3,330,508 in 1981 on billings of $22,214,488. In 1980, it reported gross income of $2,327,250 on billings of $15,522,757. The agency does not bill media or outside supplier charges through its billing system, but bills only for time services. Accounts gained: Pulte Homes of Texas, The Merit Report, Temple Eastex, Brookhollow Corp., Crow Development Co. Lost: Olympia & York of Texas, Pandick Press. Billings breakdown: Newspapers 50%, magazines 20%, radio 10%, network tv 5%, outdoor 5%, direct mail 10%. Employes: 110 in three offices. Top execs: David C. Dozier, president; Martha L. Gallier and Sharon J. Baca, senior vps. Phone: (214) 638-7723.

The DR Group, New York, had estimated gross income of $1,750,000 in 1981 on billings of $18,295,000. In 1980, it reported gross income of $1,461,000 on billings of $14,610,000. Volume in 1981 consisted of an estimated $270,000 in media, $6,326,000 in materials and services and $11,699,000 in capitalized fees. In 1980, volume consisted of $105,000 in media, $5,027,000 in materials and services and $9,478,000 in capitalized fees. Accounts gained: Pan American World Airways Cargo (general media advertising), Dictaphone. Lost: Exxon Office Systems. Billings breakdown: Newspapers 1%, magazines 2%, direct mail 50%, other (printed promotional materials) 47%. Employes: 52 in two offices. Top execs: George J. Zahka, chairman; C. James Schaefer, president; Arthur R. Wilson, exec vp; William S. Stockdale, William C. Allen, and Peter F. Rossi, senior vps. Phone: (212) 687-2100.

Dawson, Johns & Black, Chicago, reported gross income of $1,680,000 in 1981 on billings of $11,200,000. In 1980, it reported gross income of $1,542,000 on billings of $10,285,000. Volume in 1981 consisted of $7,100,000 in media and $4,100,000 in capitalized fees. In 1980, volume consisted of $7,909,500 in media and $2,375,500 in capitalized fees. Accounts gained: Lowe's Inc. (Tidy Cat), Heinold Commodities, *Success* magazine, Chicago Sting (pro soccer club). Lost: AJP Food Products. Billings breakdown: Newspapers 11%, magazines 10%, radio 10%, network tv 5%, spot tv 62%, outdoor 2%. Employes: 19 in one office. Top execs: Powell Johns Jr., president; Robert Kaplan, James Black and Marion Dawson, all exec vps. Phone: (312) 670-2200.

Desmond & Associates, Oak Park, Mich., had estimated gross income of $1,635,000 in 1981 on billings of $10,900,000. In 1980, it had estimated gross income of $1,485,000 on billings of $9,900,000. No volume breakout was provided. Accounts gained: The Westin Hotel, Renaissance Center, The World of Shops, Ford Land Development/Renaissance Center Partnership, Arthur Treacher's Seafood (Detroit area), WCZY-FM, "it" Subscription Television, Dykema, Gossett, Spencer, Goodnow & Trigg. Lost: Studio Camera & Electronics, Hyatt Regency in Dearborn, Radio Distributing Co. Billings breakdown: Newspapers 25%, magazines 4%, supplements 0.5%, radio 15%, spot tv 35%, outdoor 5%, business papers 0.5%, point of sale 5%, direct mail 10%. Employes: 40 in one office. Top execs: J. Bittker, chairman; J. Kolon, T. Jordan, exec vps; P. Bittker, president. Phone: (313) 967-1313.

David Deutsch Associates, New York, had gross income of $1,950,000 in 1981 on billings of $13,000,000. In 1980, it reported gross income of $1,811,000 on billings of $12,000,000. Volume in 1981 consisted of $11,700,000 in media, $470,000 in materials and services and $830,000 in capitalized fees. In 1980, volume consisted of $10,800,000 in media, $433,000 in materials and services and $767,000 in capitalized fees. Accounts gained: Letts of London, Sero Shirtmakers, Grand Metropolitan Hotels and Phillips Auctioneers. Lost: Meridien Hotels and Oppenheimer Management Group. Billings breakdown: Newspapers 5%, magazines 30%, radio 15%, spot tv 25%, business papers 10%, other 15%. Employes: 25. Top execs: David Deutsch, chairman; Stephen Fajen, president; Rocco Campanelli and James Aucone, exec vps; Kevin Buckley, senior vp. Phone: (212) 867-0044.

DiIorio, Wergeles, New York, had gross income of $1,100,000 in 1981 on billings of $7,000,000. In 1980, it reported gross income of $900,000 on billings of $6,000,000. Volume in 1981 consisted of $6,700,000 in media and $300,000 in materials and services. In 1980, volume consisted of $5,700,000 in media and $300,000 in materials and services. Accounts gained: Van de Kamp's Frozen Foods, and Ashley's Inc. Billings breakdown: Newspapers 10%, magazines 5%, radio 15%, spot tv 70%. Employes: 10. Top execs: Donald Wergeles, chairman, Julio DiIorio, president-creative director. Phone: (212) 986-7850.

Dix & Eaton, Cleveland, reported gross income of $2,900,000 in 1981 on billings of $16,104,000. In 1980, it reported gross income of $2,770,000 on billings of $15,230,200. Volume in 1981 consisted of $5,600,000 in media, $2,500,000 in materials and services and $8,004,000 in capitalized fees. In 1980, volume consisted of $5,380,000 in media, $2,800,000 in materials and services and $7,050,200 in capitalized fees. Accounts gained: "Automatic" Sprinkler Corp. of America, Ceramics division of Brush Wellman, Eriez of Canada, select divisions of Ferro Corp., TOCCO division of Park-Ohio Industries, Guam Oil & Refining, Terramar Corp. Lost: None. Billings breakdown: Newspapers 20%, magazines 15%, radio 2%, spot tv 3%, business papers 55%, other 5%. Employes: 53 in four offices. Dix & Eaton established two independent Cleveland-based operating units—Dix & Eaton/Advertising (with Edward M. Stevens as president) and Dix & Eaton/Corporate Communications (John A. Kinley, president)—under the parent shell in August, 1981. Dix & Eaton/Advertising also has a major office in Erie, Pa., and the corporate communications arm has offices in both New York City and Dallas. Top exec: Henry F. Eaton, chairman. Phone: (216) 241-0405.

Doe-Anderson Advertising, Louisville, had gross income of $2,456,746 in 1981 on billings of $19,318,048. In 1980, it reported gross income of $2,224,572 on billings of $16,622,282. Volume in 1981 consisted of $7,643,782 in media, $2,131,164 in materials and services and $9,543,102 in capitalized fees. In 1980, volume consisted of $6,064,400 in media, $2,046,875 in materials and services and $8,511,007 in capitalized fees. Accounts gained: AMF Wheel Goods, Conna Corp., Meldinger Inc., North American Van Lines, Yellow Pages. Lost: Batesville Casket Co. Billings breakdown: Newspapers 15%, magazines 35%, radio 9%, spot tv 9%, outdoor 4%, business papers 28%. Employes: 59. Top exec: Robert Allison, president. Phone (502) 589-1700.

Dorland & Sweeney, Philadelphia, had gross income of $1,183,686 in 1981 on billings of $8,096,398. In 1980, it reported gross income of $999,391 on billings of $6,750,630. Volume in 1981 consisted of $95,004 in media, $367,839 in materials and services and $7,633,555 in capitalized fees. In 1980, volume consisted of $97,994 in media, $568,142 in materials and services and $6,084,494 in capitalized fees. Billings breakdown: Newspapers 10%, journals/magazines 50%, direct mail 25%, other 15%. Top execs: Harry A. Sweeney Jr., president; Richard Jones, senior vp. Employes: 28 in two offices. Phone: (215) 625-0111.

Drossman Yustein Clowes, New York, autonomous affiliate of Della Femina, Travisano & Partners, had gross income of $4,300,000 in 1981 on billings of $29,000,000. In 1980, it reported gross income of $4,200,000 on billings of $28,000,000. Volume in 1981 consisted of $27,000,000 in media and $2,000,000 in materials and services. In 1980, volume consisted of $26,000,000 in media and $2,000,000 in materials and services. Accounts gained: CBS Cable, Hirsh Enterprises, Monarch Import Co., St. Laurie Ltd., P. Wallenberg Development Co. Billings breakdown: Newspapers 20%, magazines 10%, supplements 2%, radio 10%, network tv 36%, spot tv 23%. Employes: 30 in one office. Top execs: Everett Clowes, president; Neil Drossman, Mark Yustein, exec vps. Phone: (212) 753-8383.

For additional information, see profile of parent agency, Della Femina, Travisano & Partners.

Dugan/Farley Communications Associates, Montvale, N.J., had gross income of $2,738,034 in 1981 on billings of $17,967,000. In 1980, it reported gross income of $1,896,680 on billings of $12,450,000. Volume in 1981 consisted of $3,425,000 in media, $1,656,000 in materials and services and $12,886,000 in capitalized fees.

In 1980, volume consisted of $2,740,000 in media, $1,120,000 in materials and services and $8,590,000 in capitalized fees. Accounts gained: Becton-Dickinson needles/syringes, respiratory systems; Alcon's Tobrex and Naphcon A; Lederle's Aristocort-A, Leucovorin Calcium, Methotrexate and Thiotepa. Billings breakdown: Magazines 65%, direct mail 15%, other 20%. Employes: 30. Top execs: John Dugan, president; E. John Farley, exec vp; Clayton Warrington, vp-director, client services; Eric Rathje, vp-co-creative director, art; Martin Ross, vp-co-creative director, copy. Phone: (201) 391-1500.

Dwelley, Bolger & Citrin, Poughkeepsie, N.Y., had gross income of $1,570,736 in 1981 on billings of $9,087,874. In 1980, it reported gross income of $1,313,599 on billings of $7,172,880. Volume in 1981 consisted of $824,030 in media, $644,710 in materials and services and $7,619,134 in capitalized fees. In 1980, volume consisted of $1,200,428 in media, $426,821 in materials and services and $5,545,631 in capitalized fees. Accounts gained: Sarum Tea Co., American Craft Enterprises, Advance Technologies Systems, Effron Fuel Oil. Lost: Newburgh Savings Bank. Billings breakdown: Newspapers 15%, magazines 15%, radio 25%, outdoor 2%, business papers 25%, direct mail 15%, other 3%. Employes: 10 in one office. Top exec: Lewis T. Bolger, president. Phone: (914) 452-8080.

Ehrig & Associates, Seattle, reported gross income of $1,470,348 in 1981 on billings of $10,239,905. In 1980, it reported gross income of $1,445,114 on billings of $9,882,695. Volume in 1981 consisted of $6,116,195 in media, $1,201,345 in materials and services and $2,922,365 in capitalized fees. In 1980, volume consisted of $6,451,334 in media, $1,297,786 in materials and services and $2,133,575 in capitalized fees. Accounts gained: Bellevue Square Managers, Ernst & Whinney, Korean Tourism (Pacific NW rep), Family Life Insurance Co., Fisher Broadcasting Co., Space Needle. Lost: E.A. Nord Sales Co., Peter Pan Seafoods, Aiphone. Billings breakdown: Newspapers 8.69%, magazines 2.53%, radio 16.14%, network tv 7%, spot tv 30.29%, outdoor 2.8%, business papers 1.95%, transit 0.71%, other 29.89%. Employes: 40 in one office. Top execs: Jack Ehrig, chairman-ceo; Fred H. Burrow, president. Phone: (206) 623-6666.

Ehrlich Manes & Associates, Bethesda, Md., had estimated gross income of $4,000,000 in 1981 on billings of $26,224,000. In 1980, it had estimated gross income of $3,250,000 on billings of $20,944,000. Volume in 1981 consisted of $18,462,000 in media, $2,701,000 in materials and services and $5,061,000 in capitalized fees. In 1980, volume consisted of $14,650,000 in media, $2,699,000 in materials and services and $3,595,000 in capitalized fees. Accounts gained: 19 including Airline Publishing Group, American Security Bank, Haag Drug Stores, Magicsilk Flowers, Storer Cable Communications, Sta-Dri and York Florist. Lost: American Security Bank and JKJ/Koons Auto Dealers. Billings breakdown: Newspapers 20%, magazines 7%, radio 12%, spot tv 18%, business papers 13%, direct mail 8%, other 22%. Employes: 62. Top execs: Alvin Q. Ehrlich, chairman; Nella C. Manes, president; Jerry Caplan, Neal Edwards, Charles L. Smith and Sherwin Stein, senior vps. Phone: (301) 657-1800.

Eisner & Associates, Baltimore, had gross income of $1,624,342 in 1981 on billings of $10,731,125. In 1980, it reported gross income of $1,338,214 on billings of $8,829,500. Volume in 1981 consisted of $7,008,000 in media, $805,000 in materials and services and $2,918,125 in capitalized fees. In 1980, volume consisted of $5,515,000 in media, $699,500 in materials and services and $2,615,000 in capitalized fees. Accounts gained: Air Techniques, City of Baltimore (Task Force on Vandalism), American Biltrite, Hess Shoes, Mash's Hams, 92 Star Radio, Versailles Condos & Apartments. Lost: Fradkin Bros. Billings breakdown: Newspapers 26%, magazines 8%, radio 20%, spot tv 31%, outdoor 3%, business papers 6%, point of sale 3%, direct mail 3%. Employes: 35 in one office. Top exec: Henry Eisner, president. Phone: (301) 685-3390.

Elkman Advertising, Bala Cynwyd, Pa., had gross income of $3,500,000 in 1981 on billings of $24,116,740. In 1980, it reported gross income of $3,155,000 on billings of $21,043,800. Volume in 1981 consisted of $15,050,000 in media, $2,250,000 in materials and services and $6,816,740 in capitalized fees. In 1980, volume consisted of $12,373,000 in media, $2,100,800 in materials and services and $6,570,000 in capitalized fees. Accounts gained: Caloric Corp., Commonwealth Relocation Services, Greenwood Group, Hill Intl., Josco Office Supplies, Mediq Inc., A.P. Orleans Co., Resorts Intl. Hotel & Casino, Sixers Basketball, Tannen Towers, WIP and WMMR Radio, Spectacor, Yellow Cab Co. Lost: Pep Boys, WCAU Radio, Taft Broadcasting. Billings breakdown: Newspapers 10%, magazines 3%, supplements 1%, radio 13%, spot tv 65%, outdoor 2%, business papers 2%, point of sale 2%, direct mail 1%, other 1%. Employes: 92 in two offices. Top execs: Stanley Elkman, ceo; Donald Tuckerman, president; Donald Rosenblit, exec vp; David Phillips, senior vp. Phone: (215) 835-2400.

Ensslin & Hall Advertising, Tampa, reported gross income of $1,177,385 in 1981 on billings of $7,656,704. In 1980, it reported gross income of $757,365 on billings of $5,056,735. Volume in both years was all in fees. Accounts gained: Dolphin Airways, Exchange Bank & Trust, Jesto Industries, McJunkin Hotels, Ride Control Systems, The Wilson Co. Lost: Florida Department of Commerce, First Natl. Bank of Clearwater. Billings breakdown: Newspapers 26%, magazines 18%, radio 20%, spot tv 30%, outdoor 6%. Employes: 32 in one office. Top exec: H. Thomas Hall, president. Phone: (813) 223-5684.

Epstein Raboy Advertising, New York, had gross income of $3,217,500, including $97,500 in non-U.S. income, in 1981 on billings of $21,450,000. In 1980, it reported gross income of $3,015,000, including $75,000 in non-U.S. income, on billings of $20,100,000. Volume in 1981 consisted of $15,050,000 in media, $2,300,000 in materials and services and $3,450,000 in capitalized fees, all in the U.S., and $650,000 in media overseas. In 1980, volume consisted of $13,275,000 in media, $1,845,000 in materials and services and $4,480,000 in capitalized fees, all in the U.S., and $500,000 in media overseas. Accounts gained: E.F. Hutton (projects), Bobbie Brooks Inc., AFIA Worldwide Insurance, The Post House, People Resources, In-World Guide, Smith & Wollensky and E.T. Browne Drug Co. Lost: Formby's Inc., Celebrity Inc. and Bert Pulitzer. Billings breakdown: Newspapers 20%, magazines 30%, radio 14%, spot tv 25%, outdoor 4%, transit 1%, other 6%. Top execs: Mitchell Epstein, chairman; Myron Poloner, president; Richard Raboy, exec vp; Alexander Tsao Sr., Erwin Ephron, senior vps. Employes: 33. Phone: (212) 688-4000.

Fairfax Inc., New York, reported gross income of $1,750,000 in 1981 on billings of $18,000,000. In 1980, it reported gross income of $1,900,000 on billings of $16,000,000. Volume in 1981 consisted of $16,500,000 in media, $1,000,000 in materials and services and $500,000 in capitalized fees. In 1980, volume consisted of $14,500,000 in media, $1,000,000 in materials and services and $500,000 in capitalized fees. Accounts gained: Lenca Inc. in Los Angeles, Phelps Dodge decorative brass division, Michael Davidson Ltd., Gurney's Inn, Streamline Fashions, Bowmar Marketing in London, England, Kalikow Development Corp., Baybridge Condominium. Lost: Baltimore *Bulletin*, Foster & Gallagher, Laurel Hollow Realty, Roslyn Associates. Billings breakdown: Newspapers 27%, magazines 23%, supplements 40%, radio 2%, spot tv 1%, outdoor 3%, business papers 1%, farm publications 1%, transit 1%, other 1%. Employes: 42 in one office. Top execs: James W. Fishel, president; Stanley I. Fishel, chairman. Phone: (212) 350-1800.

Faller Klenk & Quinlan, Buffalo, N.Y., had gross income of $2,872,000 in 1981 on billings of $16,532,350. In 1980, it reported gross income of $2,020,711 on billings of $13,686,920. Volume in 1981 consisted of $10,135,000 in media, $5,030,000 in materials and services and $1,367,350 in capitalized fees. In 1980, volume consisted of $8,486,000 in media, $4,027,000 in materials and services and $1,173,920 in capitalized fees. Accounts gained: BarclaysAmerican; Mirafi Inc.; Mader Capital; Tops Supermarkets, and Darien Fun Country. Billings breakdown: Newspapers 8%, magazines 20%, radio 6%, network tv 8%, spot tv 12%, business papers 20%, point of sale 10%, direct mail 14%, other 2%. Employes: 75 in two offices. Phone: (716) 688-1177.

G.M. Feldman & Co., Chicago, reported gross income of $2,940,000 in 1981 on billings of $19,600,000. In 1980, it reported gross income of $2,831,550 on billings of $18,877,000. Volume in both years was completely from media. Accounts gained: McDonald's Restaurant Co-op Assn. of Madison, Wis. Lost: Blistex. Billings breakdown: Newspapers 7.9%, magazines 5.1%, radio 24.5%, spot tv 54.7%, outdoor 7.8%. Employes: 79 in six offices. Top exec: Gerald M. Feldman, president. Phone: (312) 644-1800.

Feldman McPherson Topin Inc., Chicago had estimated gross income of $1,400,000 in 1981 on billings of $9,650,000. In 1980, it had estimated gross income of $1,130,000 on billings of $7,550,000. No volume breakout was provided. Accounts gained: American V. Mueller (surgical instrument division of American Hospital Supply), Zurich American Insurance Co., Signature Marketing (Wards Wide World of Travel), Unimed Inc., Division Sales Inc., Bee Discount. Lost: None. Employes: 20 in one office. Top execs: Roger S. Feldman, president; J. Robb McPherson, Alan J. Topin, exec vps. Phone: (312) 642-4300.

Thomas G. Ferguson Associates, Parsippany, N.J., healthcare specialists, had gross income of $3,265,654 in 1981 on billings of $25,120,412. In 1980, it reported gross income of $2,449,967 on billings of $18,833,193. Volume in 1981 consisted of $1,200,000 in media, $2,576,412 in materials and services and $21,344,000 in capitalized fees. In 1980, volume consisted of $937,581 in media, $1,867,016 in materials and services and $16,028,596 in capitalized fees. Accounts gained: Revlon Inc.'s USV Laboratories; Warner-Lambert consumer products; C.R. Bard Inc.'s implants division and Bard Intl.; Becton, Dickinson & Co.'s B-D immunodiagnostics; BBL microbiology systems and the advanced business development group, and Nordisk, U.S.A. Billings breakdown: Magazines 22%, other 78%. Employes: 60. Top execs: Thomas Ferguson, chairman-president; Thomas Atkinson, senior vp-marketing; Karen Blunt, senior vp-director creative services; Dwayne Hann, senior vp-director client services, and M.J. Pankow, vp-account group supervisor. Phone: (201) 540-8000.

Fern/Hanaway, Providence, R.I., had gross income of $1,350,675 in 1981 on billings of $9,009,000. In 1980, it reported gross income of $1,085,369 on billings of $7,239,412. Volume in 1981 consisted of $3,676,817 in media, $4,439,471 in materials and services and $892,712 in capitalized fees. In 1980, volume consisted of $3,116,914 in media, $3,404,766 in materials and services and $717,732 in capitalized fees. Accounts gained: Chace Leather, Reed National, Sarama Lighting. Lost: Outlet Department Stores. Billings breakdown: Newspapers 30%, magazines 20%, radio 10%, spot tv 10%, business papers 30%. Employes: 38 in one office. Top execs: Sanford M. Fern, president; James F. Hanaway, exec vp. Phone: (401) 421-7202.

Firestone & Associates, New York, had gross income of $2,755,400 in 1981 on billings of $18,372,160. In 1980, it reported gross income of $2,651,000 on billings of $17,706,600. Volume in 1981 consisted of $10,980,000 in media, $1,736,000 in materials and services and $5,656,160 in capitalized fees. In 1980, volume consisted of $10,100,000 in media, $1,710,000 in materials and services and $5,898,600 in capitalized fees. Billings breakdown: Newspapers 13%, magazines 21%, radio 10%, network

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tv 6%, spot tv 43%, business papers 5%, transit 2%. Employes: 34. Top exec: Murray Firestone, president. Phone: (212) 247-4900.

J. Douglas Fischer Associates, New York, had gross income of $1,500,000 in 1981 on billings of $10,000,000, all in media. In 1980, it reported gross income of $900,000 on media billings of $6,000,000. Account gained: WIZ audio-electronic distributor. Billings breakdown: Magazines 3%, radio 5%, spot tv 85%, outdoor 5%, business papers 2%. Employes: 15 in one office. Top exec: James D. Fischer, president-ceo. Phone: (212) 949-1199.

Fisher/Feld Inc., New York, had estimated gross income of $3,150,000, of which an estimated $450,000 was from overseas, in 1981 on billings of $21,000,000, including $5,000,000 in non-U.S. volume. In 1980, it had estimated gross income of $3,500,000, including an estimated $750,000 from non-U.S. business, on billings of $25,000,000, including $5,000,000 in overseas volume. Volume in 1981 consisted of $15,000,000 in media, and $1,000,000 in capitalized fees. In 1980, U.S. volume consisted of $20,000,000 in media. Accounts gained: Andorn, Bergida & Danks, First Jersey Securities, Fisher Camuto Inc., Hirsh Enterprises, Meyers Mfg., Wolf & Macklowe Inc. Billings breakdown: Newspapers 7%, magazines 15%, radio 5%, network tv 25%, spot tv 35%, outdoor 2%, business papers 5%, transit 5%, direct mail 1%. Employes: 23 in two offices. Top execs: Joseph Fisher, chairman; Daniel Feld, president; Ellen Cohen, creative director; Jo-Ann Harding, account director; Jeffrey Todder, media director. Phone: (212) 246-3900.

Fitzgerald Advertising, New Orleans, had gross income of $1,262,946 in 1981 on billings of $8,969,319. In 1980, it reported gross income of $1,061,928 on billings of $6,611,682. Volume in 1981 consisted of $4,605,262 in media, $1,080,328 in materials and services and $3,283,729 in capitalized fees. In 1980, volume consisted of $4,037,728 in media, $897,584 in materials and services and $1,676,370 in capitalized fees. Accounts gained: Arthur Young & Co., H.P. Bulmer U.S.A. Ltd., Central Marine Service. Billings breakdown: Newspapers 17.3%, magazines 36.9%, radio 11.6%, spot tv 32.2%, outdoor 2%. Employes: 31 in one office. Top exec: Joseph Killeen, president; Leslie G. Galivan, treasurer. Phone: (504) 529-3161.

Fletcher/Mayo/Associates, St. Joseph, Mo., reported gross income of $4,706,000 and net income of $819,000 in 1981 on billings of $42,285,000. In 1980, it reported gross income of $3,554,000 and net income of $428,000 on billings of $33,009,000. Volume in 1981 consisted of $7,813,000 in media, $3,903,000 in materials and services and $30,569,000 in capitalized fees. In 1980, volume consisted of $7,607,000 in media, $2,577,000 in materials and services and $22,825,000 in capitalized fees. Figures do not include those of subsidiary, Agricom Inc. Fletcher/Mayo was acquired in February by Doyle Dane Bernbach. Its totals will be reflected in DDB's profile in next year's issue. Accounts gained: Agriplex, Elanco Products (trees and vines and Sonar), Environmental Products Corp., Hitachi America, McNally Pittsburg Inc. Lost: Behlen Mfg., Carey Salt, Cargill Seeds, Missouri-Kansas Pontiac Dealers Assn., Raincat Irrigation Systems, Riley Advertising, Vendo Co. Billings breakdown: Newspapers 9%, magazines 3%, radio 9%, spot tv 10%, outdoor 2%, business papers 14%, farm publications 32%, point of sale 9%, other (pr) 10%. Employes: 124 in two offices. Top execs: (In St. Joseph) R.W. Fletcher, president; G.R. Mayo, exec vp; J.L. Richie, senior vp-treasurer; G.E. Clement, H.P. Lammers, senior vps. (In Atlanta) E.W. White, senior vp. Phone: (816) 233-8261.

The Food Group, New York, had gross income of $2,698,066 in 1981 on billings of $8,511,341. In 1980, it reported gross income of $2,557,387 on billings of $6,523,586. Volume in 1981 consisted of $1,106,163 in media, $566,634 in materials and services and $6,838,544 in capitalized fees. In 1980, volume consisted of $1,339,680 in media, $518,201 in materials and services and $4,665,705 in capitalized fees. Billings breakdown: Magazines 90%, direct mail 10%. Top execs: Don Axleroad, president; Harold J. Delaney, exec vp. Employes: 15 in one office. Phone: (212) 725-5766.

Fry Associates, Tulsa, reported gross income of $1,293,214 and net income of $395,551 in 1981 on billings of $4,994,607. In 1980, it reported gross income of $826,475 and net income of $235,414 on billings of $3,154,299. Volume in 1981 consisted of $640,411 in media and $4,354,196 in capitalized fees. In 1980, volume consisted of $415,924 in media and $3,154,299 in capitalized fees. Accounts gained: Arrow Oil Tools, Auto Crane Co., Hughes Anderson Engineering, HydraService, Kroblin Tranportation Systems, Terra Energy, Tital Rig Corp. Lost: ACS Inc., Cooper Mfg., Giant Petroleum. Billings breakdown: Magazines 49.3%, outdoor 0.2%, direct mail 1.8%, other 48.7%. Employes: 10 in one office. Top exec: Tom Fry, president. Phone: (918)492-3620.

Furman Roth Advertising, New York, had gross income of $1,130,000 in 1981 on billings of $7,533,000. In 1980, it reported gross income of $1,101,000 on billings of $7,340,000. Volume in 1981 consisted of $6,324,000 in media, $375,000 in materials and services and $834,000 in capitalized fees. In 1980, volume consisted of $6,333,000 in media, $420,000 in materials and services and $587,000 in capitalized fees. Accounts gained: Veston Warehouse, Leader Candies and Horowitz Margareten Matzohs. Lost: Olsten Temps. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, network tv 5%, spot tv 50%. Employes: 24 in two offices. Top execs: Nat Roth, president; Ernie Roth, exec vp; Estelle Krasna, senior vp. Phone: (212) 757-7393.

GGK New York, New York, part of the international GGK network headquartered in Basel, Switzerland, reported gross income of $1,400,000 in 1981 on billings of $9,400,000. In 1980, it reported gross income of $1,050,000 on billings of $7,000,000. Accounts gained: Carrier Air Conditioning, Sikorsky, IBM Europe. Lost: IBM GMG, Fischer Technik. Billings breakdown: Newspapers 20%, magazines 25%, radio 10%, tv 10%, outdoor 5%, business papers 10%, point of sale 10%, other 10%. Employes: 15 in one office. Top exec: Wolf D. Rogosky, president. Phone: (212) 840-1250.

Gerber Advertising Agency, Portland, Ore., reported gross income of $1,850,000 in 1981 on billings of $13,350,000. In 1980, it reported gross income of $1,800,000 on billings of $13,300,000. Volume in 1981 consisted of $8,500,000 in media, $3,750,000 in materials and services and $1,100,000 in capitalized fees. In 1980, volume consisted of $8,000,000 in media, $4,000,000 in materials and services and $1,300,000 in capitalized fees. Figures include those of subsidiary, Gerber/Myers Wolfe & Kilgore in Seattle. Accounts gained: Animated Electronics, Blue Mountain pet foods, Hall Laboratories, 20/10 Automotive Products, Shakertown Siding, and KKSN, KWJJ and KJIB radio stations. Lost: None. Billings breakdown: Newspapers 15%, magazines 15%, radio 18%, spot tv 40%, outdoor 2%, point of sale 10%. Employes: 43 in two offices. Phone: (503) 221-0100.

Giardini/Russell, Watertown, Mass., had gross income of $1,963,418 in 1981 on billings of $13,096,000. In 1980, it reported gross income of $1,519,860 on billings of $10,026,645. Volume in 1981 consisted of $2,858,411 in media, $1,204,061 in materials and services and $9,033,528 in capitalized fees. In 1980, volume consisted of $1,972,914 in media, $983,591 in materials and services and $7,070,140 in capitalized fees. Accounts gained: American Optical Corp. (soft contact lens division), Infocom, Management Decision Systems. Lost: California Products Corp., Burroughs Corp. (Context division). Billings breakdown: Newspapers 10%, magazines 40%, radio 15%, outdoor 5%, business papers 25%, transit 5%. Employes: 38 in one office. Top execs: Robert H. Russell, chairman; Richard L. Warren, president. Phone: (617) 926-5030.

Gilbert, Whitney & Johns, Morristown, N.J., had gross income of $1,680,000 in 1981 on billings of $11,200,000. In 1980, it reported gross income of $1,500,000 on billings of $10,000,000. Accounts gained: Alpha Wire Corp., Maruka Machinery Corp., National Starch & Chemical Corp.'s resins division and flavorings and seasonings, Adolph Gottscho Inc. (pr). Lost: Boeing Computer Services division of Boeing Corp., Profesco Corp. Billings breakdown: Newspapers 15%, magazines 60%, network tv 15%, spot tv 5%, direct mail 5%. Employes: 31. Top execs: John Daltner, president; John Mimnaugh, exec vp-creative director; Kenneth Van Reekum, exec vp-operations; Paul Richartz and Lawrence J. Everling, vp-account supervisors. Phone: (201) 538-7766.

Goodwin, Dannenbaum, Littman & Wingfield, Houston, reported gross income of $3,628,800 in 1981 on billings of $24,189,000. In 1980, it reported gross income of $3,290,200 on billings of $21,935,000. Volume in 1981 consisted of $14,586,000 in media, $3,600,000 in materials and services and $6,003,000 in capitalized fees. In 1980, volume consisted of $14,300,000 in media, $3,300,000 in materials and services and $4,335,000 in capitalized fees. Accounts gained: Bennett/Barnes/-Connally Interests, Century 21 in Houston, Corpus Christi and New Orleans, Chemical Enterprises, Emerald Airlines, Enterprise Development, Grubb & Ellis, Interfin, McRae's Department Stores and South Shore Harbour. Lost: Kelly Associates, Weingarten Supermarkets, National Child Care Centers, Warwick Hotel, Houston Police Dept. and Wyatt Cafeterias. Billings breakdown: Newspapers 20%, magazines 5%, radio 10%, spot tv 50%, outdoor 7%, business papers 5%, transit 3%. Employes: 70 in one office. Top execs: Earl Littman, president; Barry Silverman, exec vp, Anna Wingfield, senior vp; Gene Key Monigold, senior vp and secretary; Rich Witmer, senior vp and treasurer; Jake Elliott, vp, Mildred Edwards, vp and comptroller. Phone: (713) 977-7676.

Chester Gore Co., New York, had gross income of $2,096,000 in 1981 on billings of $13,950,791. In 1980, it reported gross income of $1,922,700 on billings of $12,819,545. Volume in 1981 consisted of $8,785,000 in media, $1,809,780 in materials and services and $3,356,011 in capitalized fees. In 1980, volume consisted of $8,060,000 in media, $1,668,000 in materials and services and $3,091,545 in capitalized fees. Accounts gained: Buitoni Wines, Lily of France Intimate Apparel, Perugina Chocolates, Babolat Maillot Witt Tennis Strings and Talon Zippers. Lost: Carillon Importers. Billings breakdown: Newspapers 4%, magazines 70%, radio 1%, network tv 23%, spot tv 2%. Top execs: Chester A. Gore, chairman; Michael Keenan, president; Marilyn A. Bane, senior vp. Employes: 25 in one office. Phone: (212) 759-6600.

Gottlieb-Miller, Englewood Cliffs, N.J., had gross income of $1,220,000 in 1981 on billings of $7,629,860. In 1980, it reported gross income of $1,060,000 on billings of $6,385,450. Volume in 1981 consisted of $2,070,000 in media, $504,000 in materials and services and $5,055,860 in capitalized fees. In 1980, volume consisted of $1,720,000 in media, $430,000 in materials and services and $4,235,450 in capitalized fees. Account gained: Schneider North America. Billings breakdown: Newspapers 15%, magazines 25%, radio 15%, spot tv 10%, outdoor 5%, point of sale 15%, other 15%. Employes: 17. Top execs: Edwin Gottlieb, chairman; Paul Miller, president. Phone: (201) 569-7200.

Graber & Cohen, New York, had gross income of $1,650,000 in 1981 on billings of $10,270,000. In 1980, it reported estimated gross income of $1,200,000 on billings of $8,150,000, $750,000 of which was in non-U.S. billings. Volume in 1981 consisted of $7,800,000 in media, $200,000 in materials and services and $2,270,000 in capitalized fees. It did not break out 1980 revenues. Accounts gained: Citibank (lower Hudson division), Cointreau Ltd., Singer Sewing Notions. Lost: Whitney Communications, United Federation of Teachers. Billings breakdown: Newspapers 30%, magazines 20%, supplements 10%, radio 10%, spot tv 25%, outdoor 5%. Employes: 33 in one office. Top execs: Julia Cohen, president; Allen Milman, exec vp; George Klas, senior vp. Phone: (212) 421-5200.

Grant/Jacoby, Chicago, reported gross income of $3,600,000 in 1981 on billings of $31,000,000. In 1980, it reported gross income of $3,000,000 on billings of $27,889,000. Volume in 1981 consisted of $17,000,000 in media, $660,000 in materials and services and $13,340,000 in capitalized fees. In 1980, volume consisted of $16,000,000 in media, $550,000 in materials and services and $11,339,000 in capitalized fees. Accounts gained: General Housewares Corp., Ceco Corp. Lost: None. Billings breakdown: Employes: 65 in one office. Top execs: R.L. Flink, president; B.I. Carlson, exec vp; R.W. Krewer, R.W. Lavender, C.A. Norris, senior vps. Phone: (312) 664-2055.

Green & Burkhard, Atlanta, had gross income of $1,762,209 and net income of $47,285 in 1981 on billings of $11,626,240. In 1980, it reported gross income of $949,000 and a net loss of $91,725 on billings of $6,381,580. Volume in 1981 consisted of $5,104,000 in media, $706,000 in materials and services and $5,816,240 in capitalized fees. In 1980, volume consisted of $2,641,200 in media, $312,000 in materials and services and $3,428,380 in capitalized fees. Figures include billings for Right Arm, mechanical studio subsidiary. Accounts gained: The Byrne Corp., Columbia Management Co., Intergraph Corp., The Marriott Corp. (Atlanta Hotels), The H.J. Wilson Co. Lost: Cramer Inc. Billings breakdown: Newspapers 19%, magazines 6%, radio 26%, spot tv 47%, outdoor 2%. Employes: 34. J. Keith Green, president; Peter Burkhard, creative director; David Fitzgerald, Don Gill, senior vps. Phone: (404) 874-8100.

Greengage Associates, New York, had gross income of $1,284,000 in 1981 on billings of $7,500,750. In 1980, it reported gross income of $1,005,150 on billings of $5,800,350. Volume in 1981 consisted of $6,000,000 in media and $1,500,750 in capitalized fees. In 1980, volume consisted of $5,100,000 in media and $700,350 in capitalized fees. Account gained: Regent Intl. Hotels. Billings breakdown: Newspapers 30%, magazines 30%, radio 1%, spot tv 25%, business papers 5%, point of sale 9%. Employes: 20 in one office. Top execs: Richard Ferrelli, president; Reggie Troncone, exec vp. Phone: (212) 752-8866.

Greenstone & Rabasca, Melville, N.Y., had gross income of $1,500,000 in 1981 on billings of $10,000,000. In 1980, it reported gross income of $1,200,000 on billings of $8,000,000. Volume in both years was all in media. Accounts gained: Associated Air Freight, Standard Motor Products, Lundy Electronics, Hitachi (video camera division), General Instruments (discrete semi-conductor division). Lost: Amdax, Dionics Inc., Symbol Technologies. Billings breakdown: Newspapers 25%, magazines 60%, radio 10%, outdoor 1%, business papers 4%. Employes: 40 in two offices. Top execs: Kenneth Rabasca, president; Ronald Greenstone, chairman; Jerry Harmon, exec vp; Howard Kent, senior vp. Phone: (516) 249-2121.

Grey Direct, New York, direct marketing subsidiary of Grey Advertising, had gross income of $1,893,200 and net income of $143,000 in 1981 on billings of $11,189,200. In 1980, it reported gross income of $1,156,000 and net income of $91,000 on billings of $7,166,000. Volume in 1981 consisted of $200,000 in media, $53,700 in materials and services and $10,935,500 in capitalized fees. In 1980, volume consisted of $75,000 in media, $21,000 in materials and services and $7,070,000 in capitalized fees. Subsidiaries in Minneapolis and San Francisco are included in the totals. Accounts gained: Bristol-Myers, B.F. Goodrich, *Ladies' Home Journal*, Direct Mail/Marketing Assn., National Liberty Inc., New Process Co., Renfield Importers, Revlon, *Technology Illustrated*, Times Mirror magazines. Accounts resigned: Elaine Powers, Guitar Study Center. Billings breakdown: Newspapers 10%, magazines 10%, spot tv 40%, direct mail 40%. Employes: 41 in three offices. Top execs: George Wiedemann, president; Roy Beauchamp, senior vp-creative; Iris Shokoff, senior vp-media. Phone: (212) 546-1800.

For more information, see profile of parent agency, Grey Advertising.

Group Two Advertising, Philadelphia, had gross income of $1,867,000 in 1981 on billings of$11,000,000, all in media. In 1980, it reported gross income of $1,510,000 on billings of $10,000,000, all in media. Accounts gained: Jack W. Blumenfeld & Co., The Cherry Hill Inn, Nan Duskin, Egg Harbor Boat Co., Ocean Reef, C&S Railcar, Golden Sails, The Gigliotti Corp., Levitt Homes, AIRCOA. Lost: Tabas Enterprises, Tannen Towers. Billings breakdown: Newspapers 35%, magazines 15%, radio 15%, network tv 15%, outdoor 10%, business papers 5%, direct mail 5%. Employes: 50 in four offices. Top execs: Richard Elkman, president: Ronald

Elkman, senior vp. Phone: (215) 561-2200.

Gulf State Advertising Agency, Houston, reported gross income of $1,057,654 and net income of $302,614 in 1981 on billings of $7,415,220. In 1980, it reported gross income of $1,141,302 and net income of $399,513 on billings of $7,649,798. Volume in 1981 consisted of $3,914,224 in media, $965,621 in materials and services and $2,535,374 in capitalized fees. In 1980, volume consisted of $3,849,313 in media, $1,052,925 in materials and services and $2,747,560 in capitalized fees. Billings breakdown: Newspapers 15%, magazines 3%, radio 14%, spot tv 28%, outdoor 15%, business papers 3%, transit 3%, other 19%. Phone: (713) 776-9000.

Gumpertz/Bentley/Fried, Los Angeles, reported gross income of $1,753,000 in 1981 on billings of $14,164,167. In 1980, it reported gross income of $1,561,924 on billings of $10,412,830. Volume in 1981 consisted of $9,734,154 in media, $1,016,457 in materials and services and $3,413,556 in capitalized fees. In 1980, volume consisted of $7,084,384 in media, $498,442 in materials and services and $2,830,004 in capitalized fees. Accounts gained: American Home Shield (Home Warranty Insurance), Coldwell Banker, Conroys Flowers, Sheraton Industry Hills Hotel, Fostex Corp. of America audio equipment. Lost: TEAC Corp. of America, KNX-FM. Billings breakdown: Newspapers 3%, magazines 20%, radio 12%, network tv 25%, spot tv 34%, outdoor 2%, business papers 4%. Employes: 32 in one office. Top execs: Gordon M. Gumpertz, president; Richard H. Fried, exec vp; Bruce C. Walter, senior vp. Phone: (213) 931-6301.

Haddon Advertising, Chicago, reported gross income of $1,771,500 in 1981 on billings of $11,928,900. In 1980, it reported gross income of $1,650,000 on billings of $11,452,000. Volume in 1981 consisted of $3,550,000 in media, $3,910,000 in materials and services and $4,468,900 in capitalized fees. In 1980, volume consisted of $3,400,000 in media, $3,850,000 in materials and services and $4,202,100 in capitalized fees. Accounts gained: Amdek Corp., Cash Station, Fulton House Associates, 666 North Lake Shore Drive Associates, Urban Investment & Development. Billings breakdown: Newspapers 20%, magazines 20%, radio 20%, spot tv 20%, direct mail 20%. Employes: 35 in one office. Top exec: Harvey L. Haddon, president; Jacqueline Wagner, vp. Phone: (312) 943-6266.

Hammond Farrell Inc., New York, had gross income of $1,882,361 in 1981 on billings of $12,688,749. In 1980, it reported gross income of $1,673,666 on billings of $11,837,621. Volume in 1981 consisted of $2,173,037 in media, $1,460,621 in materials and services and $9,055,091 in capitalized fees. In 1980, volume consisted of $1,734,856 in media, $1,209,240 in materials and services and $8,893,525 in capitalized fees. Accounts gained: Chemical Engineering magazine, General Electric Co.'s battery business department and Pfizer Inc.'s calcium business area. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, business papers 70%, other 10%. Employes: 36 in one office. Top execs: Hugh Farrell, president; James Carter, senior vp; Jeffrey Kaumeyer, vp; Michael Rosen, vp-exec art director. Phone: (212) 557-3600.

Ross Hancock Advertising, Hollywood, Fla., reported gross income of $1,022,955 in 1981 on billings of $7,182,951. In 1980, it reported gross income of $735,000 on billings of $5,006,721. Volume in 1981 consisted of $5,632,140 in media, $837,121 in materials and services and $713,690 in capitalized fees. In 1980, volume consisted of $3,810,005 in media, $643,106 in materials and services and $553,610 in capitalized fees. Accounts gained: Acoustat Corp., American Express (Southern regional operations center), Bayshore Bank of Florida, Broward County Tourist Development Council, Commonwealth S&L, County Natl Bank of Southern Florida, Cypress Savings Assn., Dade/Broward Olds Dealers, Eller & Co., Memorial Hospital, Metro/Denver Olds Dealers, Sicily Inn. Lost: Broward County Tourist Development Council, Broward Industrial Board, Dynacolor Graphics, First Natl Bank of Palm Beach, Florida Coast Banks, Gallery of Lights, Master Host Dinner Services, Lee Myles Transmission, Natl Health Food Central, Louisville Olds Dealers, Rentokil, Swim & Sport Shops, TNT Chemical, Ziebart Rustproofing. Billings breakdown: Newspapers 12%, magazines 3%, supplements 1%, radio 21%, spot tv 55%, outdoor 1%, business papers 3%, direct mail 2%, other 2%. Employes: 21 in one office. Top execs: Ross Hancock Jr., president; Donald Barnes, exec vp. Phone: (305) 925-6612.

Handley & Miller, Indianapolis, reported gross income of $2,142,860 in 1981 on billings of $12,812,134. In 1980, it reported gross income of $2,021,600 on billings of $12,062,240. Volume in 1981 consisted of $7,036,280 in media, $998,000 in materials and services and $4,777,854 in capitalized fees. In 1980, volume consisted of $6,638,000 in media, $942,000 in materials and services and $4,482,240 in capitalized fees. Accounts gained: Williams Industries, Kartes Productions, Paula's % Off (Paul Harris), WXTZ Radio, Indiana Underground Plant Protection Services Inc. Lost: Indiana National Bank. Billings breakdown: Newspapers 15%, magazines 9%, radio 15%, spot tv 40%, cable tv 3%, outdoor 4%, business papers 4%, point of sale 5%, direct mail 5%. Employes: 30 in one office. Top execs: Richard N. Miller, chairman; Richard T. Kreusser, president. Phone: (317) 927-5500.

Hanson, Fassler & Associates, New York, had gross income of $1,219,000 in 1981 on billings of $8,130,770. The agency reported the same results for 1980, putting volume at $3,619,050 in media, $1,951,320 in materials and services and $2,560,400 in capitalized fees. Accounts gained: AT&T (special projects), Cordis Laboratories, Sandy Corp., Symons Corp. Lost: Siemens Corp. Billings breakdown: Newspapers 5%, magazines 45%, supplements 5%, radio 5%, spot tv 5%, direct mail 35%. Employes: 40 in three offices. Top exec: Charles Hanson, president. Phone: (212) 840-3890.

James Neal Harvey Inc., New York, had gross income of $2,700,000 in 1981 on billings of $18,700,000. In 1980, it reported gross income of $3,100,000 on billings of $25,200,000. Volume in 1981 consisted of $16,300,000 in media, $1,850,000 in materials and services and $550,000 in capitalized fees. In 1980, volume consisted of $21,600,000 in media, $2,100,000 in materials and services and $1,500,000 in capitalized fees. Accounts gained: La Maison Edery, Canada Dry Corp. Lost: Georgia Pacific Corp., Norwich Pharmaceutical Corp. Billings breakdown: Newspapers 3%, magazines 35%, radio 2%, network tv 55%, spot tv 5%. Employes: 35 in one office. Top exec: James N. Harvey, president. Phone (212) 759-2800.

Healthmark Communications, New York, a healthcare agency, had gross income of $3,000,000 in 1981 on billings of $23,476,000. In 1980, it reported gross income of $2,500,000 on billings of $20,050,000. Volume in 1981 consisted of $2,800,000 in media, $2,000,000 in materials and services and $18,676,000 in capitalized fees. In 1980, volume consisted of $2,300,000 in media, $1,000,000 in materials and services and $16,750,000 in capitalized fees. Accounts gained: G.D. Searle, Mead Johnson, Dow Chemical Latin America, Merrell Dow. Lost: Dow Corning Ophthalmics. Billings breakdown: Journals 20%, direct mail 20%, other 60%. Employes: 50 in one office. Top execs: Robert Dempsey, president; Glenn DeSimone, senior vp. Phone: (212) 765-6162.

Healy-Schutte & Comstock Advertising, Buffalo, had gross income of $1,492,446 on billings of $11,562,136. In 1980, it reported gross income of $1,315,749 on billings of $9,072,608. Volume in 1981 consisted of $3,436,079 in media, $1,426,889 in materials and services and $6,699,168 in capitalized fees. In 1980, volume consisted of $4,325,794 in media, $1,594,992 in materials and services and $3,151,822 in capitalized fees. Accounts gained: Merchants Insurance Group, Koch's/Vaux and Rich-Turner Foods. Lost: R.T. French foodservice division. Billings breakdown: Newspapers 14%, magazines 19%, radio 8%, spot tv 23%, outdoor 1%, other 35%. Top exec: Alden F. Schutte, president. Employes: 36. Phone: (716) 884-2120.

Homer & Durham, New York, had gross income of $1,933,720 in 1981 on billings of $14,894,410. In 1980, it reported gross income of $1,687,140 on billings of $12,051,845. Volume in 1981 consisted of $6,871,723 in media, $2,131,852 in materials and services and $5,890,835 in capitalized fees. In 1980, volume consisted of $4,614,021 in media, $1,842,139 in materials and services and $5,595,685 in capitalized fees. Accounts gained: Manhattan Life Corp., Citibank Investment Management Group, Parliament Import Co (Chantefleur wines), Span-Chile S.A., Christofle Silver, Habanita Parfum, Sisley Paris (skincare products), American Mushroom Institute. Lost: Norwegian American Cruises, New York Hilton. Billings breakdown: Newspapers 15%, magazines 41%, supplements 3%, radio 3%, spot tv 20%, point of sale 15%, direct mail 3%. Employes: 32. Top execs: Tamara Homer, president; Guy Durham, exec-vp. Phone: (212) 370-9700.

Hood, Hope & Associates, Tulsa, reported gross income of $3,076,014 in 1981 on billings of $20,844,437. In 1980, it reported gross income of $2,714,193 on billings of $20,762,853. Volume in 1981 consisted of $5,198,203 in media, $6,987,454 in materials and services and $8,658,780 in capitalized fees. In 1980, volume consisted of $8,108,380 in media, $9,518,533 in materials and services and $3,135,940 in capitalized fees. Accounts gained: Sooner Federal S&L, Beverage Products Corp., Hines Industrial, Williams Energy, Warren Place. Lost: Geosource, Gott Corp., Reda Pump. Billings breakdown: Newspapers 6%, magazines 35%, radio 4%, network tv 2%, spot tv 6%, cable tv 1%, outdoor 2%, business papers 15%, farm publications 1%, transit 2%, point of sale 3%, direct mail 3%, other 20%. Employes: 75 in one office. Top execs: Charles H. Hood, chairman; John S. Hope, president, James R. Roberts, senior vp-account services; B.E. Fick Sr., vp-marketing services, James B. Bowers, senior vp-creative services. Phone: (918) 749-4454.

Huntsinger, Jeffer, Van Groesbeck, Richmond, Va., which changed its name from Huntsinger & Jeffer, had estimated gross income of $1,096,974 in 1981 on billings of $7,313,158. The agency had estimated gross income of $829,188 on billings of $5,527,922 in 1980. Volume in 1981 consisted of $1,196,882 in media, $734,413 in materials and services and $5,381,863 in capitalized fees. Accounts gained: Natl Republican Senatorial Committee, Memorial Sloan Kettering. Lost: World Relief, Successful Life Ministries. Billings breakdown: Newspapers 5%, magazines 34%, radio 1%, network tv 2%, spot tv 3%, direct mail 55%. Employes: 16 in one office. Top execs: Jerald Huntsinger, chairman; Donald Jeffer, president; Kevin Van Groesbeck, exec vp. Phone: (804) 266-2499.

Image Dynamics Inc., Baltimore, had gross income of $1,122,258 and net income of $49,748 in 1981 on billings of $4,302,178. In 1980, it reported gross income of $694,160 and a net loss of $1,323 on billings of $2,661,062. Volume in 1981 consisted of $561,129 in media and $3,741,049 in capitalized fees. In 1980, volume consisted of $347,080 in media and $2,313,982 in capitalized fees. Accounts gained: McCormick Properties, Intl. Motor Inns, Jonas Brodie Co., Carroll County Economic Development Commission, Air Business Center of Carroll County, Jacyn Development Group, Rusty Scupper, KRAVCO Inc., Nottingham Properties, Collective Impressions, Copy Service Inc., City Venture Corp., Hyatt Regency Baltimore, Davidson Conference Center of the USC, Etta Gowns, Holiday Inn Chevy Chase, Rich's Place. Lost: Merit Oil, The Travel Committee. Billings breakdown: Newspapers 25%, magazines 17%, radio 27%, spot tv 20%, outdoor 4%, business papers 3%, transit 1%, direct mail 1%, other 2%. Employes: 14 in one office. Top exec: Phyllis Brotman, president. Phone: (301) 539-7730.

Intervision Communications, West Hollywood, Cal., formerly American World Advertising, Teaneck, N.J., had gross income of $1,587,708 and net income of $301,541 in 1981 on billings of $10,589,189. In 1980, it reported gross income of $1,302,250 and net income of $268,450 on billings of $8,685,367. Volume in 1981 consisted of $960,650 in media, $685,270 in materials and services and $8,943,269 in capitalized fees. In 1980, volume consisted of $764,500 in media, $516,400 in materials and services and $7,404,467 in capitalized fees. Accounts gained: A.R.E. Inc., ABC Theatrical Films, ABC Circle Films, Pacific Electric Pictures Corp., Cineflex Films, Steve Binder Productions, Bob Banner Productions, Columbia Pictures Corp., CBS Theatrical Films, N.J. Motion Pictures & TV Commission, Chartoff-Winkler Productions, Dino DeLaurentiis Productions, Filmways Pictures Co., Sonny Fox Productions, Gaylord Productions, Merv Griffin Productions, Irwin Allen Productions, Waves Video Corp., KLOS-KABC Radio, MCA-Video Cassettes, NBC (special projects), New World Pictures, Paramount Pictures (special projects), Producer's Sales Organization, Polygram Pictures & Records, Paramount Pictures (special projects) and Louis Mayer Foundation. Lost: 20th Century-Fox (special projects), Warner Bros. Records, Edward J. Schuck Realty, United Artists, Interstab Chemicals, Scotti Properties and Filmworks. Billings breakdown: Newspapers 10%, magazines 15%, supplements 1%, radio 5%, network tv 40%, spot tv 5%, cable tv 5%, outdoor 1%, business papers 15%, transit 1%, direct mail 2%. Employes: 47 in two offices. Top execs: Iain Anderson, president; Chip Miller, vp-creative; Renee Dean, vp-administrative; Ralph Zucker, vp-sales. Phone: (706) 876-8683.

John Paul Itta Inc., New York, had gross income of $2,065,000 in 1981 on billings of $13,093,000. In 1980, it reported gross income of

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Gross income of $1,000,000 to $5,000,000

$1,742,000 on billings of $11,070,000. Volume in 1981 consisted of $9,333,000 in media, $1,710,000 in materials and services and $2,050,000 in capitalized fees. In 1980, volume consisted of $8,115,000 in media, $1,550,000 in materials and services and $1,405,000 in capitalized fees. Accounts gained: Coty, New England Soy Dairy. Billings breakdown: Newspapers 12%, magazines 8%, radio 7%, network tv 30%, spot tv 32%, cable tv 1%, outdoor 1%, business papers 2%, transit 1%, point of sale 3%, direct mail 3%. Employes: 18. Top exec: John Paul Itta, president. Phone: (212) 541-4460.

The Jaqua Co., Grand Rapids, Mich., reported gross income of $1,400,000 in 1981 on billings of $10,000,000. In 1980, it reported gross income of $1,100,000 on billings of $7,500,000. No volume breakout was provided. Accounts gained: Oliver Machinery Corp., Passavant Corp., Universal Electric Co., Southwestern Porcelain, Gulf & Western Mfg. Co., Great Lakes Chemical Co. Lost: Dexter Locks, Ausco Jacks, Kysor Industrial Corp. Billings breakdown: Business trade press 80%, farm publications 5%, point of sale 5%, direct mail 10%. Employes: 30 in one office. Top execs: Jack Brouwer, chairman; David W. Friend, president. Phone: (616) 241-6701.

The Jayme Organization, Beachwood, O., reported gross income of $1,889,000 in 1981 on billings of $14,381,000. In 1980, it reported gross income of $1,802,000 on billings of $13,633,000. Volume in 1981 consisted of $1,369,000 in media, $1,319,000 in materials and services and $11,693,000 in capitalized fees. In 1980, volume consisted of $1,373,000 in media, $1,228,000 in materials and services and $13,633,000 in capitalized fees. Accounts gained: AGA Burdox, Stock Equipment, Mor-Flo, Mills Alloy Steel, Republic Steel/storage rack division, Mueller Electric. Lost: Cole Consumer Products, Avery Intl.'s Fasson division. Billings breakdown: Newspapers 2%, business papers 79%, farm publications 2%, point of sale 2%, direct mail 15%. Employes: 45 in one office. Top execs: Edward D. Young, chairman; George N. Havens, president; Michael E. Cargile, exec vp, Lawrence R. Kavanaugh, senior vp. Phone: (216) 931-0110.

Jim Johnston Advertising, New York, had gross income of $2,626,732 in 1981 on billings of $17,513,500. In 1980, it reported gross income of $2,570,544 on billings of $17,138,840. Volume in 1981 consisted of $12,672,143 in media, $927,928 in materials and services and $3,913,429 in capitalized fees. In 1980, volume consisted of $12,477,312 in media, $894,826 in materials and services and $3,766,702 in capitalized fees. Accounts gained: Equitable Life Assurance Society of the U.S. (pension operations), Frenkel & Co., Fred F. French Co., Quality Mills and Record Bar. Lost: Viking-Penguin. Billings breakdown: Newspapers 23%, magazines 43%, radio 5%, spot tv 3%, business papers 15%, direct mail 1%, other 10%. Employes: 58 in five offices. Top execs: James J. Johnston, Patricia C. Johnston, J. Reid Murchison III, all directors. Phone: (212) 490-2121.

Jordan/Tamraz/Caruso Advertising, Chicago, reported gross income of $2,190,000 in 1981 on billings of $14,600,000. In 1980, it reported gross income of $1,980,000 on billings of $13,200,000. Volume in 1981 consisted of $10,814,000 in media, $2,419,000 in materials and services and $1,367,000 in capitalized fees. In 1980, volume consisted of $9,369,000 in media, $2,120,000 in materials and services and $1,711,000 in capitalized fees. Accounts gained: Business Computer Systems, Indeck Power Equipment, In Town Houses, Shutan Camera, Wilson Pet Supply, York division of Borg-Warner (Midwest). Lost: Sony (Midwest). Billings breakdown: Newspapers 25%, magazines 15%, radio 20%, spot tv 20%, outdoor 5%, business papers 5%, other (collateral) 10%. Employes: 45 in one office. Top execs: Joseph A. Caruso, president; Charles A. Jordan, Dan Gustafson, vps; Raymond J. Heiderscheidt, office manager. Phone: (312) 951-2000.

Juhl Advertising Agency, Elkhart, Ind., had estimated gross income of $2,290,000 in 1981 on billings of $15,325,000. In 1980, it had estimated gross income of $1,946,250 on billings of $12,975,000. Volume in 1981 consisted of $2,900,000 in media, $2,425,000 in materials and services and $10,000,000 in capitalized fees. In 1980, volume consisted of $2,450,000 in media, $2,525,000 in materials and services and $8,000,000 in capitalized fees. Accounts gained: American Blade, American Oak Preserving Co., Area Companies Inc., Coachmen Recreational Vehicles, Indiana Cablevision Corp., Miles Laboratories, Citro-Tech division, Red Ball Products. Lost: Wells Mfg. Billings breakdown: Newspapers 6%, magazines 50%, radio 10%, spot tv 10%, outdoor 1%, point of sale 3%, direct sale 20%. Employes: 65 in two offices. Top exec: Howard Blackwood, president. Phone: (219) 293-5621.

Kaiser Kuhn Bennett & Sharp, Atlanta, had gross income of $1,317,990 on billings of $8,787,900 in 1981, its first year in business. Volume consisted of $4,347,400 in media, $1,839,200 in materials and services and $2,601,300 in capitalized fees. Included are billings of subsidiaries KKB&S, Tampa Bay, Fla., and KKB&S, Los Angeles. Accounts gained: Christian Children's Fund, Six Flags Inc., Sunnyland Refining Inc., M&M Products Co., STV of Atlanta, Quality Bakers of America, Don Cesar beach resort, Rutland Bank, WCKX, Tampa; Tampa Maid Seafoods, Holiday Rent-A-Car. Billings breakdown: Newspapers 8%, magazines 27%, supplements 4%, radio 21%, spot tv 17%, outdoor 3%, transit 3%, point of sale 5%, direct mail 12%. Employes: 28 in three offices. Top execs: William Sharp, chairman; Todd W. Kaiser, vice-chairman; Brent Kuhn, president. Phone: (404) 233-5900.

The Kamber Group, Washington, had gross income of $1,405,265 and net income of $160,850 in 1981 on billings of $4,088,298. In 1980, it reported gross income of $351,255 and net income of $79,903 on billings of $1,293,611. Volume in 1981 consisted of $250,010 in media, $470,899 in materials and services and $3,367,389 in capitalized fees. In 1980, volume consisted of $47,220 in media, $57,724 in materials and services and $1,188,667 in capitalized fees. Accounts gained: United Food & Commercial Workers Union, Iron Workers Intl. Union, Industrial Union Department AFL-CIO, Strike Inc., Jobs For Youth, National Committee for an Effective Congress, National Policy Exchange, Plasterers & Cement Masons Intl. Union, American Federation of Government Employes, Building & Construction Trades Department AFL-CIO. Billings breakdown: Newspapers 35%, magazines 15%, supplements 5%, radio 25%, spot tv 10%, direct mail 10%. Employes: 30 in three offices. Top execs: Victor Kamber, Ray Marshall, Allen Zack, John Leslie, Frank Greer, Kathy Kinsella, Dennis Walston, senior associates. Phone: (202) 223-8700.

Weightman Inc.

Weightman Inc.'s goal is to have the consumer say, "Wow! What a great product," not "Wow! What a great commercial." The paradox in getting this message across is the use of sophisticated research as a guide in what essentially is an art—persuasive communications. In the final analysis, we measure our success or failure the same way clients do—sales. Our philosophy of advertising is illustrated by the Alpo dog food campaign. In the fiercely competitive dog food industry, Alpo continues to be the No. 1 canned dog food, a position it has held the past 10 years.

Kamstra Communications, St. Paul, Minn., had estimated gross income of $1,410,000 in 1981 on billings of $9,400,000. In 1980, it had estimated gross income of $900,000 on billings of $6,000,000. Volume in 1981 consisted of $1,200,000 in media, $1,600,000 in materials and services and $6,600,000 in capitalized fees. In 1980, volume consisted of $750,000 in media, $250,000 in materials and services and $5,000,000 in capitalized fees. Accounts gained: 3M's agricultural products (turf-related), ceramic fiber, electro-products division, electronic products division (microwave) and industrial optics, Smith Equipment division of Tescom Corp., Syncom division of Schwan's Sales Enterprises. Lost: None. Billings breakdown: Business papers 15%, point of sale 5%, direct mail 10%, other (collateral 40%, audiovisual/sales training 30%) 70%. Employes: 27 in one office. Top execs: K.M. Kamstra, president, V.T. Verrecchio, exec vp-creative director. Phone: (612) 228-1449.

Kaufman, Lansky, Baker, San Diego, had estimated gross income of $2,000,000 in 1981 on billings of $13,600,000. In 1980, it had estimated gross income of $1,000,000 on billings of $6,700,000. Accounts gained: Aerojet-General, Central Federal Savings, Hutton Life, KJQY Radio, Leisure Systems Inc., Lehr's Greenhouse Restaurant, Playboy Clubs (Dallas, San Diego), San Diego Padres, Shapell. Lost: (All resigned) The Bank of San Diego, Chino Valley Bank, Townsend Lincoln-Mercury. Billings breakdown: Newspapers 20%, magazines 20%, radio 10%, spot tv 14%, cable tv 1%, outdoor 5%, business papers 10%, point of sale 10%, direct mail 5%, other 5%. Employes: 40 in one office. Top execs: Jordan Lansky, president; Jerry Baker, exec vp. Phone: (714) 235-6361.

Kelly Advertising, Lancaster, Pa., had gross income of $1,540,000 in 1981 on billings of $9,787,288. In 1980, it reported gross income of $1,097,661 on billings of $10,287,888. Volume in 1981 consisted of $1,692,800 in media, $1,934,357 in materials and services and $6,160,131 in capitalized fees. In 1980, volume consisted of $1,596,531 in media, $1,381,684 in materials and services and $7,309,673 in capitalized fees. Accounts gained: Syntax Dental Products, Lemans Group, Groff Inc., Identicard, Penn Communications, Sun Ohio, Historic Landmarks. Lost: United States Cold Storage, Multilectric, Rosenberg Inc. and Wilmington Savings Fund Society. Billings breakdown: Newspapers 15%, magazines 20%, radio 10%, spot tv 15%, outdoor 5%, business papers 15%, direct mail 2%, other 18%. Employes: 18. Top exec: Robert Kelly, president. Phone: (717) 393-9776.

Kenrick Advertising, St. Louis, reported gross income of $2,100,000 in 1981 on billings of $14,800,000. In 1980, it reported gross income of $1,100,000 on billings of $8,775,000. Volume in 1981 consisted of $4,171,000 in media, $1,845,000 in materials and services and $8,784,000 in capitalized fees. In 1980, volume consisted of $2,713,000 in media, $933,000 in materials and services and $5,129,000 in capitalized fees. Accounts gained: Jefferson Natl Expansion Historical Assn. (Gateway Arch), Bremners Jumbo Pies (Ralston Purina), Velsicol Chemical P.C.O. products, Kelly-Springfield natl. advertising (Kenrick already had Kelly retail advertising). Lost: None. Billings breakdown: Newspapers 6%, magazines 15%, supplements 2%, radio 20%, spot tv 15%, outdoor 1%, business papers 1%, farm publications 36%, point of sale 4%. Employes: 70 in two offices. Top execs: C. Ric Sides, president; Kenneth H. Hieronymus, Eugene D. Duncan, exec vps; Charles A. Stillwell, secretary-treasurer; P. Stephen Bunyard, Jefferson L. Miller, Elmer Dapron, senior vps. Phone: (314) 726-6020.

Kerker & Associates, Minneapolis, reported gross income of $2,649,500 in 1981 on billings of $17,829,800. In 1980, it reported gross income of $2,140,800 on billings of $14,469,100. Volume in 1981 consisted of $7,457,800 in media, $2,243,300 in materials and services and $8,128,700 in capitalized fees. In 1980, volume consisted of $6,269,700 in media, $1,702,800 in materials and services and $6,496,600 in capitalized fees. Accounts gained: McQuay Perfex, McQuay Group/HVAC Crystal Tips, Boisclair Corp., Mitsubishi Intl. Corp., EDM Group. Lost: Owatonna Tool Co., Henkel Corp.'s Ross Chemical Co., Standex Energy Systems. Billings breakdown was not available. Employes: 47 in one office. Top execs: Richard W. Kerker, chairman; Robert E. Marlow, president; Allen R. Sandvik, exec vp-client services director; Kenneth Oelschlager, exec vp. Phone: (612) 835-7922.

Keyes Martin & Co., Springfield, N.J., had gross income of $4,930,000, an estimated $34,500 of which was from overseas accounts, in 1981 on billings of $29,311,000, of which $230,000 was in non-U.S. billings. In 1980, it reported gross income of $4,824,000, an estimated $31,500 of which was overseas, on billings of $28,750,000, of which $210,000 was in non-U.S. billings. Volume in 1981 consisted of $17,275,000 in media, $1,488,000 in materials and services and $10,318,000 in capitalized fees. In 1980, volume consisted of $20,154,200 in media, $2,078,515 in materials and services and $6,307,285 in capitalized fees. Accounts gained: Maptours; The Parsippany Hilton; Somerset Tire Service; Pioneer Insurance Marketing Corp.; UTV Cable Network; Trukway Corp; Plastic Reel Corp. of America; Primex Plastics Corp.; 21st Century Video Corp.; Enerplex (Prudential); Bernat Yarn & Craft Corp., and People Express Airlines (pr). Lost: Midland Metals Corp.; Kidde Inc., and Engelhard Minerals & Chemicals Corp. Billings breakdown: Newspapers 30%, magazines 35%, radio 10%, spot tv 15%, direct mail 10%. Employes: 90 in two offices. Phone: (201) 276-7300.

Klemtner Advertising, New York, a subsidiary of Compton Advertising, specializing in health-care advertising, had gross income of $4,170,000 in 1981 on billings of $31,500,000. In 1980, it reported gross income of $3,700,000 on billings of $28,200,000. Volume in 1981 consisted of $9,500,000 in media, $2,650,000 in materials and services and $19,350,000 in capitalized fees. In 1980, volume consisted of $8,600,000 in media, $2,100,000 in materials and services and $17,500,000 in capitalized fees. Totals include billings of a subsidiary, Comtact Corp. Accounts gained: Pfizer Europe and Pfizer Intl. special assignments and USV Laboratories' new products. Billings breakdown: Journals 50%, direct mail 10%, other 40%. Employes: 80 in one office. Top execs: A.P.Molinaro, president; M.E. Cline, exec vp-director of operations; J.A. Broomhead, senior vp-chief financial officer; F.I. Mann, senior vp-creative director; C.P. Davis, senior vp-creative director, graphics; G.A. Scotti, senior vp-account management; R.J. Conlan,

senior vp-marketing and media planning. Phone: (212) 350-0400.

For more information, see parent agency, Compton Advertising.

Knoth & Meads, San Diego, reported gross income of $1,931,000 in 1981 on billings of $13,796,000. In 1980, it reported gross income of $1,655,000 on billings of $11,036,000. Volume in 1981 consisted of $5,835,000 in media, $1,945,000 in materials and services and $6,016,000 in capitalized fees. In 1980, volume consisted of $5,297,000 in media, $1,214,000 in materials and services and $4,525,000 in capitalized fees. Accounts gained: Computer Automation, Broadway stores, Automobile Club of Southern California, Natl. Medical Enterprises, Kelco, Proficient Foods, White Memorial Medical Center, SDG&E, Solar Turbines, Ironwood Country Club. Lost: Imperial Airlines, Parsons, Baker Oil, Willis Tool. Billings breakdown: Newspapers 83%, radio 8%, spot tv 6%, outdoor 3%. Employes: 42 in two offices. Top execs: Richard Knoth, chairman-ceo; Richard Meads, president-coo; Charles Buck, exec vp, Norman Foster, senior vp-general manager. Phone: (714) 297-4006.

Kobs & Brady Advertising, Chicago, reported gross income of $3,188,414 in 1981 on billings of $21,925,300. In 1980, it reported gross income of $2,801,673 on billings of $18,687,159. Volume in 1981 consisted of $1,784,900 in media, $2,889,300 in materials and services and $17,251,100 in capitalized fees. In 1980, volume consisted of $1,575,033 in media, $1,237,526 in materials and services and $15,874,600 in capitalized fees. Accounts gained: Helene Curtis, Honeywell, Littleton Stamp & Coin, New England Business Service, Premex, TRW-Fujitsu. Lost: Computer Sciences Corp. All Kobs & Brady accounts are full-service direct marketing accounts. Billings breakdown: Newspapers 9%, magazines 23%, radio 7%, spot tv 12%, business papers 7%, direct mail 40%, other 2%. Employes: 54 in one office. Top execs: Jim Kobs, president; Tom Brady, Bill Gregory, senior vps. Phone: (312) 944-3500.

Kraft Smith Inc., Seattle, reported gross income of $2,684,833 in 1981 on billings of $21,766,506. In 1980, it reported gross income of $2,536,882 on billings of $21,306,601. Volume in 1981 consisted of $13,963,651 in media, $2,515,753 in materials and services and $5,287,102 in capitalized fees. In 1980, volume consisted of $4,012,671 in media, $2,750,726 in materials and services and $4,543,204 in capitalized fees. Accounts gained: Olympic Stain/Canada, Thousand Trails Inc., Washington State Ferries, Metro Transit, Woburn Park, Cadillac-Fairview, Allison-Williams Advisers, Cornerstone Development, Washington State Department of Ecology. Lost: McDonald's Western Washington Operators, Simpson Timber Co. Billings breakdown: Newspapers and supplements 18.32%, magazines and farm publications 12.79%, broadcast 63.28%, outdoor and transit 0.74%, business papers 4.69%, other 0.18%. Employes: 59 in one office. Top execs: Donald B. Kraft, president; Hugh A. Smith, chairman, Warren E. Kraft Jr., secretary-treasurer. Phone: (206) 285-2222.

Kresser & Robbins, Los Angeles, had estimated gross income of $1,800,000 in 1981 on billings of $12,300,000. In 1980, it had estimated gross income of $1,230,000 on billings of $8,200,000. Volume in 1981 consisted of $8,500,000 in media, $2,500,000 in materials and services and $1,300,000 in capitalized fees. In 1980, volume consisted of $6,200,000 in media, $1,300,000 in materials and services and $700,000 in capitalized fees. Accounts gained: California/Arizona State Ad Council (Credit Union Financial Services), Giumarra Vineyards, Jack LaLanne European Health Spas, Southern California Datsun Dealers Assn. Lost: None. Billings breakdown: Newspaper/outdoor 10%, magazines 25%, radio 5%, spot tv 60%. Employes: 40 in one office. Top execs: Robert Kresser, president; Bud Robbins, Robert Vander Kamp, Louis Jacobs, vps. Phone: (213) 553-8254.

Lang, Fisher & Stashower Advertising, Cleveland, had estimated gross income of $3,000,000 in 1981 on billings of $20,175,000. In 1980, it had estimated gross income of $2,800,000 on billings of $18,681,000. Volume in 1981 consisted of $11,745,000 in media and $8,430,000 in capitalized fees. In 1980, volume consisted of $10,876,000 in media and $7,805,000 in capitalized fees. Accounts gained: Brown Derby restaurants, Rink's Discount department stores, Cole Consumer Products, Bede Industries, Steakhouse Outlet, Cleveland Area Board of Realtors and HGM Realty. Lost: Exide Battery. Billings breakdown: Newspapers 18%, magazines 7%, supplements 1%, radio 18%, network tv 2%, spot tv 41%, outdoor 2%, business papers 5%, point of sale 1%, direct mail 2%, other 3%. Employes: 49. Phone: (216) 771-0300.

Launey, Hachmann & Harris, New York, had gross income of $1,287,000 in 1981 on billings of $8,580,000. In 1980, it reported gross income of $1,244,000 on billings of $8,294,000. Volume in 1981 consisted of $4,785,000 in media, $795,000 in materials and services and $2,999,970 in capitalized fees. In 1980, volume consisted of $4,387,650 in media, $803,200 in materials and services and $3,103,000 in capitalized fees. Accounts gained: Aileen Inc., Mind Guidance Inc., Royal Brittania Collection, Imperial Reading Corp., A.H. Schreiber Co., Gerrards Ltd. Lost: Paula Payne. Billings breakdown: Newspapers 5%, magazines 35%, supplements 15%, radio 5%, spot tv 20%, outdoor 1%, business papers 10%, point of sale 1%, direct mail 5%, other 3%. Employes: 14. Top execs: Robert E. Launey, president; Henry Hachmann, vp-creative director; Joseph Harris, vp-media director. Phone: (212) 355-4100.

Lavey/Wolff/Swift, New York, a subsidiary of BBDO specializing in healthcare advertising, had gross income of $4,600,000 in 1981 on billings of $31,000,000. In 1980, it reported gross income of $3,800,000 on billings of $25,000,000. It did not break out its volume for either year. Results include billings of its Health Education Technologies, PR in Science & Medicine (PRISM), and London subsidiaries. Accounts gained: Scripps-Miles and new products assignments from Jelenko, Lever, Corning, Philips, Stuart, Organon Hospital Products, Abbott Intl., all in the U.S., and Bayer, Servier, Abbott overseas. Billings breakdown: Journals 50%, point of sale 5%, direct mail 5%, other (collateral) 40%. Employes: 75 in four offices, including 65 in its three U.S. offices. Top execs: John F. Swift, president; Kenneth H. Lavey, exec vp-creative director; Charles A. Rockefeller, Ronald J. Furedi, Joseph M. Noel, Peter Belliveau, Robert Levine and Miriam Goldstein, all senior vps. Phone (212) 593-3630.

For more information, see profile of parent agency, BBDO Intl.

S.R. Leon Co., Great Neck, N.Y., had gross income of $2,200,000 in 1981 on billings of $15,000,000. In 1980, it had estimated gross income of $2,600,000 on billings of $17,600,000. The agency did not break out volume. Accounts gained: Somerset Importers, Kensington Laboratories, Del Laboratories, Rocky Mountain Car Rental, Dairy Barn Stores, Associated Computers Inc., Med. Tech Laboratories. Lost: West Cabot Cosmetics. Billings breakdown: Newspapers 5%, magazines 10%, supplements 5%, radio 5%, network tv 10%, spot tv 30%, cable tv 5%, outdoor 5%, business papers 5%, point of sale 5%, direct mail 15%. Employes: 25. Top exec: Thomas Leon, president. Phone: (516) 487-0500.

Leslie Advertising, Greenville, S.C., had gross income of $1,826,622 in 1981 on billings of $12,178,707. In 1980, it reported gross income of $1,776,483 on billings of $12,117,239. Volume in 1981 consisted of $6,564,125 in media, $1,762,452 in materials and services and $3,852,130 in capitalized fees. In 1980, volume consisted of $7,428,912 in media, $1,750,040 in materials and services and $2,938,287 in capitalized fees. Accounts gained: Daniel Construction Co., S.C. Alcohol & Drug Abuse Commission, DeWitt Intl. Corp.'s Clinomint Smoker's toothpaste, United Metal Services, C.F. Cates & Sons' Cates pickles, Her Majesty's children's apparel, Spartan Express Inc.'s Motor Carrier. Account lost: Carolina Federal S&L. Billings breakdown: Newspapers 12%, magazines 25%, radio 10%, spot tv 50%, outdoor 3%. Employes: 45. Top execs: William A. Leslie, chairman; E. Dean Anderson, president. Phone: (803) 271-8340.

Jack Levy & Associates, Chicago, reported gross income of $1,629,790 in 1981 on billings of $10,865,273. In 1980, it reported gross income of $1,122,000 on billings of $8,240,000. Volume in 1981 consisted of $4,929,130 in media, $898,165 in materials and services and $5,037,978 in capitalized fees. In 1980, volume consisted of $3,351,000 in media, $757,000 in materials and services and $4,132,000 in capitalized fees. Accounts gained: Shure Bros., Amity Leather Products, Italian U-Boat Inc. Lost: Ludwig Industries, Dupli-Color Products. Billings breakdown: Newspapers 22%, magazines 33%, radio 11%, spot tv 18%, outdoor 1%, business papers 15%. Employes: 26 in one office. Top execs: Jack Levy, president; Richard Stack, vp-management super; Dan Sullivan, Alan Lieberman, vp-account supers; Alan Dordek, vp-research director; Mark Goldstein vp-media director; Norm Porter, vp-creative director. Phone: (312) 332-7540.

J.H. Lewis Advertising, Mobile, Ala., had gross income of $1,123,010 and net income of $70,075 in 1981 on billings of $8,108,183. In 1980, it reported gross income of $801,138 and net income of $50,000 on billings of $6,598,680. Volume in 1981 consisted of $3,635,881 in media, $528,010 in materials and services and $3,944,292 in capitalized fees. In 1980, volume consisted of $2,704,987 in media, $351,663 in materials and services and $3,542,030 in capitalized fees Billings breakdown: Newspapers 22%, magazines 51%, radio 6%, spot tv 15%, outdoor 6%. Employes: 28 in one office. Top exec: John H. Lewis, president. Phone: (205) 438-2507.

Lieberman-Appalucci, Allentown, Pa., reported gross income of $1,370,000 and net income of $52,000 in 1981 on billings of $9,468,000. In 1980, it reported gross income of $1,220,000 and net income of $35,400 on billings of $8,859,700. Volume in 1981 consisted of $4,100,000 in media, $1,600,000 in materials and services and $3,768,000 in capitalized fees. In 1980, volume consisted of $3,900,000 in media, $1,500,000 in materials and services and $3,459,700 in capitalized fees. Accounts gained: Muhlenberg College, Allentown Fair. Lost: None. Billings breakdown: Newspapers 5%, magazines 58.6%, radio 4.6%, spot tv 1%, outdoor 2%, direct mail 20.7%, other 8.1%. Employes: 27 in two offices. Top execs: George R. Lieberman, chairman; Joseph L. Appalucci, president. Phone: (215) 791-2011.

Liller Neal Inc., Atlanta, had gross income of $3,500,496 in 1981 on billings of $23,348,308. In 1980, it reported gross income of $3,192,500 on billings of $22,008,287. Volume in 1981 consisted of $10,066,311 in media, $1,089,291 in materials and services and $12,192,706 in capitalized fees. In 1980, volume consisted of $16,847,414 in media, $1,523,188 in materials and services and $3,637,685 in capitalized fees. Accounts gained: Community Coffee Co., Gardisette, McDonald's Atlanta area, Mayhill Homes, Moxie Industries, Sentry South Insurance and Peat, Marwick, Mitchell & Co. (Atlanta office). Lost: Life of Georgia, Norrell, Rich's department stores. Billings breakdown: Newspapers 9%, magazines 15%, radio 12%, network tv 18%, spot tv 40%, outdoor 1%, business papers 5%. Top execs: H.G. Axelberg, ceo; R.E. Hodges, chairman; Lucian Kapuscinski, president; J.D. Gonia, vice-chairman; Richard Helmsley, Merrill Williams, Charles Bazemore, exec vps; Michael Daniel, senior vp-secretary/treasurer; Everett Nelson, senior vp. Employes: 83. Phone: (404) 881-0221.

Lois Pitts Gershon, New York, had gross income of $3,912,000 in 1981 on billings of $32,630,000. In 1980, it reported gross income of $2,451,800 on billings of $27,500,000. Volume in 1981 consisted of $23,159,000 in media and $9,471,000 in capitalized fees. In 1980, volume consisted of $18,162,000 in media and $9,338,000 in capitalized fees. Accounts gained: Alexander's department stores (tv only), *Dun's Business Month, High Technology, Technology Illustrated*, Warner home video division of Warner Communications, CBS Publications, Simac Appliances Corp., Frankart Furniture (tv only). Lost: John Muir & Co., Georgette Klinger (resigned). Billings breakdown: Newspapers 17%, magazines 17%, radio 5%, network tv 32%, spot tv 25%, cable tv 1%, business papers 1%, transit 2%. Employes: 45. George Lois, chairman; Richard Gershon, president; Bill Pitts, exec-vp; Dennis Mazzella, Kurt Weihs, Richard Lynne, senior vps; Dale Pon, president, LPG/Pon subsidiary. Phone: (212) 974-1400.

Long, Haymes & Carr, Winston-Salem, N.C., reported gross income of $3,100,000 in 1981 on billings of $20,675,000. In 1980, it reported gross income of $2,150,000 on billings of $14,250,000. Volume in 1981 consisted of $13,400,000 in media, $3,175,000 in materials and services and $4,100,000 in capitalized fees. In 1980, volume consisted of $9,200,000 in media, $1,900,000 in materials and services and $3,150,000 in capitalized fees. Accounts gained: Hanes Knitwear new products, L'Eggs Products Inc. new products, Gravely Tractor Co., Fitting Pretty Pantyhose, Hanes Hosiery. Billings breakdown: Newspapers and supplements 19%, magazines and business papers 26%, radio 4%, spot tv 30%, outdoor 5%, other (sales promotion, research, service fees) 16%. Employes: 72 in one office. Top execs: Curtis E. Long, president-treasurer, Joseph A. Haymes Jr., Austin H. Carr, senior vps. Phone: (919) 765-3630.

Lord, Sullivan & Yoder, Marion, O., reported gross income of $3,878,429 in 1981 on billings of $27,492,399. In 1980, it reported gross income of $2,896,046 on billings of $20,430,971. Volume in 1981 consisted of $11,952,006 in media, $3,580,791 in materials and services and $11,959,603 in capitalized fees. Inbrid Co. subsidiary of Monsanto, Na-Churs Plant Food Co., Ohio Department of Natural Resources, Ohio Medical Indemnity Mutual

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Gross income of $1,000,000 to $5,000,000

Corp., Sheridan Mfg. division of Sheller-Globe, Toledo Scale, a division of Reliance Electric. Lost: Dean & Barry Co., Dollar Savings Marlyn Chemical. Billings breakdown: Newspapers 18%, magazines 16%, radio 16.5%, spot tv 20%, cable tv 0.1%, outdoor 2.5%, business papers 22%, farm publications 4%, direct mail 0.5%, other (Yellow Pages) 0.4%. Employes: 87 in two offices. Top execs: John K. Lord, president; Robert E. Sullivan, exec vp-treasurer. Phone: (614) 387-8500.

Sam Lusky Associates, Denver, reported gross income of $1,046,558 in 1981 on billings of $7,181,506. In 1980, it reported gross income of $1,040,067 on billings of $7,591,955. Volume in 1981 consisted of $2,996,075 in media, $1,071,241 in materials and services and $3,114,190 in capitalized fees. In 1980, volume consisted of $3,365,559 in media, $823,135 in materials and services and $3,403,261 in capitalized fees. Accounts gained: Allright Parking Inc., Applejack Liquors, Bicami Auto Parts, Marriott Hotels, S.S.O.E. Inc. of Colorado, Mountain States Legal Foundation, Ed Phillips & Sons, Weberg Furniture, Colorado Rock Products Assn. Lost: Alpert Homes, Gran Prix, Nu-West Inc., House of Mufflers. Billings breakdown: Newspapers 37%, magazines 13%, radio 33%, network tv 13%, outdoor 2%, other 2%. Employes: 34 in one office. Top exec: Sam Lusky, president. Phone: (303) 623-4141.

M.E.D. Communications, Hopelawn, N.J., a healthcare agency, had gross income of $3,950,000 in 1981 on billings of $32,646,500. In 1980, it reported gross income of $3,200,000 on billings of $26,044,000. Volume in 1981 consisted of $4,000,000 in media, $2,300,000 in materials and services and $26,346,500 in capitalized fees. In 1980, volume consisted of $3,500,000 in media, $1,200,000 in materials and services and $21,344,000 in capitalized fees. Accounts gained: Armour Pharmaceuticals, Bristol Laboratories, Reed & Carnrick, Mead-Johnson (Canada). Billings breakdown: Magazines 15%, supplements 40%, direct mail 5%, other 40%. Employes: 61 in one office. Top exec: Dr. Robert Portman, president. Phone: (201) 636-6600.

Mace Advertising Agency, Morton, Il., reported gross income of $1,408,093 in 1981 on billings of $20,883,131. In 1980, it reported gross income of $1,338,193 on billings of $15,896,261. Volume in 1981 consisted of $13,442,608 in media, $547,211 in materials and services and $6,893,312 in capitalized fees. In 1980, volume consisted of $8,249,590 in media, $571,168 in materials and services and $7,075,503 in capitalized fees. Accounts gained: Seafare Restaurants, several American Motors Dealers Assns. Billings breakdown: Newspapers and business papers 13.6%, magazines and farm publications 1.2%, radio 12.2%, spot tv 60.1%, outdoor 1%, transit 0.5%, other (Yellow Pages) 11.4%. Employes: 36 in eight offices. Top execs: Robert F. Voss, president; Robert D. Heubach, senior vp-treasurer. Phone: (309) 266-5371.

Maher, Pastor & Stevens, Hartford, Conn., reported gross income of $1,500,000 in 1981 on billings of $1,150,000. In 1980, it reported gross income of $13,500,000 on billings of $9,100,000. No volume breakout was provided. Accounts gained: Absolute Audio, Advest Inc., Seven-Up/Dr Pepper of Connecticut, Green Chevrolet, Heublein Intl. (Inglenook, Lancers, Fonseca brand portfolios), M.A. Peterson Inc., Signature (kitchen franchises), TRC Inc., United Cable Television. Lost: Willard Square Assn. condominiums. Billings breakdown: Newspapers 20%, magazines 5%, radio 20%, network tv 5%, spot tv 30%, direct mail 15%, other 5%. Employes: 25 in one office. Top execs: Ray Maher, president; John Pastor, senior vp-media; Charles Stevens, vp-assistant creative; Al Curt, senior vp-administration; Jeff Maker, senior vp-pr; Mike Watt, vp-consumer broadcast. Phone: (203) 549-4630.

John Malmo Advertising, Memphis, had estimated gross income of $1,875,000 in 1981 on billings of $12,500,000. In 1980, it had estimated gross income of $1,500,000 on billings of $10,000,000. No volume breakout was provided. Accounts gained: Allen & O'Hara, Baskin-Robbins (regional), Mercantile Bank of Jonesboro, Ark., Skyways Inc., Shelby-Skipwith. Lost: Motor Guide fishing motors. Billings breakdown: Newspapers 15%, magazines 20%, radio 10%, spot tv 40%, outdoor 1%, business papers 5%, farm publications 5%, transit 1%, point of sale 1%, direct mail 2%. Employes: 39 in one office. Top exec: John R. Malmo, president. Phone: (901) 523-2000..

Mandabach & Simms, Chicago, had estimated gross income of $4,600,000 in 1981 on billings of $30,888,000. In 1980, it had estimated gross income of $3,600,000 on billings of $24,580,000. Billings include those of the agency's Emeryville, Cal., subsidiary, Mandabach & Simms/Pacific. No volume breakout was provided. Accounts gained: Procter & Gamble industrial cleaning products, Roberts and Porter, Glenmore Corp., On-Line Software Intl., Red Bull Inns, Standard Meats, Carl Buddig Co., Computerland Associates, Diarymen Inc., Saga Corp., First Federal Savings of Kalamazoo, Italian Trade Commission, Litton Industries (commercial microwave division), Avoset Corp. (division of Anderson Clayton). Lost: Olympic S&L, A.E. Staley, Seneca Delco Corp. No billings breakdown was provided. Employes: 104 in three offices. Top execs: Irwin Simms, president; Paul Mandabach, chairman; Sheldon Kahn, exec vp; Lee Lippman, senior vp. Phone: (312) 236-5333.

Marc Associates, Mansfield, O., reported gross income of $1,024,546 in 1981 on billings of $6,864,458. In 1980, it reported gross income of $1,033,187 on billings of $6,922,352. Volume in 1981 consisted of $3,674,809 in media and $3,189,649 in materials and services. In 1980, volume consisted of $3,223,282 in media and $3,699,070 in materials and services. Accounts gained: Artesian Industries, Central Ohio Telephone Co. Lost: None. Billings breakdown: Newspapers 7%, magazines 42%, supplements 1%, radio 7%, spot tv 10%, outdoor 6%, business papers 10%, point of sale 9%, direct mail 8%. Employes: 12 in two offices. Top exec: Peter J. Dignan, president. Phone: (419) 522-7281.

Marc & Co., Pittsburgh, had gross income of $3,200,000 in 1981 on billings of $21,330,000. In 1980, it reported gross income of $2,850,000 on billings of $19,310,000. Volume in 1981 consisted of $17,500,000 in media, $2,600,000 in materials and services and $1,230,000 in capitalized fees. In 1980, volume consisted of $15,650,000 in media, $2,330,000 in materials and services and $1,330,000 in capitalized fees. Accounts gained: Forest City Enterprises, Great American S&L, Dodge Dealers Assn. of Philadelphia Metro & Zone, and Sears Philadelphia. Billings breakdown: Newspapers 8%, radio 15%, spot tv 59%, other 18%. Employes: 78. Top exec: Louis Cardamone, president. Phone: (412) 562-2000.

Marcoa Direct Advertising, Chicago, had estimated gross income of $1,900,000 in 1981 on billings of $13,300,000. In 1980, it had estimated gross income of $1,800,000 on billings of $12,200,000. No volume breakout was provided. Accounts gained: Aparacor's Career Guild, North American Van Lines, Investors Diversified Services (IDS), Signature Financial Marketing (Wards), Cass Bank and Xerox Corp. Lost: Airline Passengers Assn. Billings breakdown: Newspapers 13%, magazines 30%, supplements 2%, radio 2%, spot tv 2%, business papers 3%, point of sale 4%, direct mail 34%, other (collateral) 10%. Employes: 41 in one office. Top exec: David Hefter, president. Phone: (312) 454-0660.

Marcus Advertising Agency, Cleveland, reported gross income of $1,291,278 in 1981 on billings of $16,016,900. In 1980, it reported gross income of $1,904,113 on billings of $12,696,134. Volume in 1981 consisted of $8,744,935 in media, $526,720 in materials and services and $6,745,245 in capitalized fees. In 1980, volume consisted of $7,826,694 in media, $770,065 in materials and services and $4,099,375 in capitalized fees. Accounts gained: Drug Fair, Halle's. Lost: May Co. Billings breakdown: Newspapers 11%, magazines 10%, radio 16%, network tv 44%, outdoor 2%, other 17%. Employes: 35 in one office. Top exec: Donald Marcus, president. Phone: (216) 461-8000.

Margeotes, Fertitta & Weiss, New York, had gross income of $2,796,800 and net income of $37,138 in 1981 on billings of $14,720,000. Its 1981 non-U.S. gross income total of $176,640 was derived from overseas volume of $1,177,600, all in media. In 1980, it reported gross income of $1,594,963 and net income of $21,179 on billings of $10,178,451. There was no non-U.S. billing or income in 1980. Volume in 1981 consisted of $8,448,705 in media, $2,502,400 in materials and services and $2,591,295 in capitalized fees. In 1980, volume consisted of $7,774,821 in media, $1,767,179 in materials and services and $636,451 in capitalized fees. Accounts gained: Viletta China Co., Buccellati Inc., Hearst's magazine division (*Town & Country, Country Living*), Park Tower Development, Wilkes Group. Lost: Ventura Luggage. Billings breakdown: Newspapers 20%, magazines 45%, supplements 10%, radio 5%, spot tv 10%, direct mail 5%, other 5%. Employes: 28 in one office. Top exec: John Margeotes, president. Phone: (212) 687-8231.

Maris, West & Baker, Jackson, Miss., had estimated gross income of $1,080,000 in 1981 on billings of $7,200,000. In 1980, it had estimated gross income of $963,000 on billings of $6,420,000. It did not break out its results. Accounts gained: Federal Land Bank of New Orleans, National Bank of Commerce of Mississippi, McDonald's of Central Mississippi. Billings breakdown: Newspapers 28%, magazines 3%, supplements 1%, radio 25%, spot tv 34%, outdoor 2%, business papers 2%, farm publications 3%, point of sale 1%, direct mail 1%. Employes: 25 in one office. Top execs: Gerrit Maris, president; Norman West, vp-treasurer; Harry Brown, vp-secretary; Wayne Hood, vp-creative; George Talbott, vp-marketing director. Phone: (601) 362-6306.

Market Builders, Princeton, N.J., had gross income of $1,410,000 and net income of $705,000 in 1981 on billings of $5,901,200. In 1980, it reported gross income of $847,500 and net income of $420,000 on billings of $3,184,000. Volume in 1981 consisted of $3,500,000 in media and materials and services and $2,401,200 in capitalized fees. In 1980, volume consisted of $1,850,000 in media and materials and services and $1,334,000 in capitalized fees. Accounts gained: (for circulation projects) *High Technology, Technology Illustrated*, American Museum of Natural History, Manhattan Cable TV, *Executive Style, Avenue*. Lost: Telesound, Output. Billings breakdown: Newspapers 5%, magazines 15%, direct mail 80%. Employes: 16. Top exec: Donn Rappaport, president. Phone: (201) 874-4343.

Marketing Directions, Newport Beach, Cal., reported gross income of $1,052,036 in 1981 on billings of $4,549,786. In 1980, it reported gross income of $699,557 on billings of $3,274,655. Volume in 1981 consisted of $396,575 in media, $1,056,571 in materials and services and $3,096,640 in capitalized fees. In 1980, volume consisted of $395,080 in media, $595,800 in materials and services and $2,283,775 in capitalized fees. Accounts gained: United Medical Products, CompuMed Systems, California Maintenance Supply, Rancho Consultants. Lost: Transcon Lines, Fluid Filtration Systems/Marley. Billings breakdown: Newspapers 5%, magazines 10%, radio 5%, business papers 35%, direct mail 10%, other (collateral) 35%. Employes: 14 in one office. Top exec: Richard L. Lawrence, president. Phone: (714) 752-6211.

Marketing Support Inc., Chicago, reported gross income of $1,981,514 in 1981 on billings of $17,324,505. In 1980, it reported gross income of $1,721,222 on billings of $14,768,392. Volume in 1981 consisted of $1,720,000 in media, $2,387,807 in materials and services and $13,216,698 in capitalized fees. In 1980, volume consisted of $1,475,000 in media, $1,812,841 in materials and services and $11,480,551 in capitalized fees. Accounts gained: HOST carpet cleaning systems, American Lock, ORC Industries, Remington chain saws, Alvey Corp., Gold Medal furniture. Lost: None. Billings breakdown: Newspapers 15%, magazines 10%, supplements 5%, radio 10%, network tv 5%, spot tv 20%, outdoor 5%, business papers 15%, point of sale 10%, direct mail 5%. Employes: 40 in one office. Top execs: David L. Weiner, president, Dennis Hayes, exec vp. Phone: (312) 565-0044.

Marquardt & Roche, Stamford, Conn., reported gross income of $1,610,164 in 1981 on billings of $10,737,976. In 1980, it reported gross income of $1,360,240 on billings of $9,072,800. Volume in 1981 consisted of $3,634,800 in media and $7,103,176 in capitalized fees. In 1980, volume consisted of $2,587,960 in media and $6,484,840 in capitalized fees. Accounts gained: Copper Development Assn., General Electric Credit Corp. (promo), Peabody Intl. Corp. Lost: None. Billings breakdown: Newspapers 10%, business papers 80%, direct mail 5%, other 5%. Employes: 37 in one office. Top execs: James J. Marquardt, president; Edwin J. Roche, exec vp. Phone: (203) 327-0890.

Martin, Sturtevant, Silverman & Marshall, New York, had gross income of $1,232,550 and net income of $306,680 in 1981 on billings of $11,383,300. In 1980, it reported gross income of $1,120,500 and net income of $278,800 on billings of $9,803,000. Volume in 1981 consisted of $6,931,100 in media, $827,200 in materials and services and $3,625,000 in capitalized fees. In 1980, volume consisted of $6,301,000 in media, $752,000 in materials and services and $2,750,000 in capitalized fees. Accounts gained: Ben-Hur Hair Products, Christie's Fine Art Auctioneers. Lost: BMW Motorcycles. Billings breakdown: Newspapers 33.2%, magazines 44.6%, radio 1.9 %, spot tv 20%, transit 0.3%. Employes: 16 in one office. Top execs: Jack H. Silverman, chairman; John C. Martin, president; Robert S. Sturtevant, Daniel S. Marshall, David E. Bannister, exec vps. Phone: (212) 832-3750.

Martin/Williams, Minneapolis, reported gross income of $4,021,600, including $25,300 in non-U.S. income, in 1981 on billings of $26,647,600. The agency did not report for 1980. Volume in 1981 consisted of $10,871,200 in media, $4,440,000 in materials and services and $11,167,600 in capitalized fees. Overseas volume in 1981 was $168,800, all in media. Accounts gained: Peavey Retail Group, Golden Valley Foods, 3M Scientific Angler. Lost: Brenton Banks, First Federal S&L, Donaldsons Department Stores, Minnesota Northstars, Litton Microwave Cooking. Billings breakdown: Newspapers 7%, magazines 5%, radio 15%, network tv 6%, spot tv 20%, outdoor 1%, business papers 38%, direct mail 8%. Employes: 75 in one office. Top execs: Steven C. Martin, chairman; Don A. Hagg, president; David D. Floren, exec vp. Phone: (612) 340-0800.

Marvin & Leonard Advertising, Boston, had estimated gross income of $1,125,000 in 1981 on billings of $7,500,000, the same as in 1980. The agency did not break out its volume for either year. Accounts gained: Bank for Savings, Encore Shoe Corp., Jotul Stove, Puma USA, Sailboard, Proctor Trust, International Sports Management, Geze. Lost: Salomon USA, Stride Rite. Billings breakdown: Newspapers 20%, magazines 25%, radio 25%, spot tv 10%, business papers 10%, other 10%. Employes: 30 in one office. Top execs: Leonard S. Kanzer, chairman; Andrew B. Callen, president. Phone: (617) 262-1221.

Mason & Madison, formerly Langeler: Mason, Bethany, Conn., had estimated gross income of $1,400,000 in 1981 on billings of $9,300,000. In 1980, it had estimated gross income of $1,150,000 on billings of $7,500,000. Volume in 1981 consisted of $4,200,000 in media, $1,400,000 in materials and services and $3,700,000 in capitalized fees. In 1980, volume consisted of $3,100,000 in media, $1,500,000 in materials and services and $2,900,000 in capitalized fees. Accounts gained: Brent Chemicals, Beretta U.S.A., Buster Brown Textiles, Danbury Hilton Inn & Conference Center, Fidelity Bank & Trust Co., New Haven Veterans Memorial Coliseum, New Haven Convention & Visitors Bureau, Turner & Seymour Mfg. Co. Lost: Buster Brown Textiles, TIE/Communications. Billings breakdown: Newspapers 10%, magazines 10%, supplements 1%, radio 10%, spot tv 5%, cable tv 2%, outdoor 3%, business papers 40%, farm publications 5%, transit 1%, point of sale 3%, direct mail 10%. Employes: 30 in two offices. Phone: (203) 393-1101.

Mathieu, Gerfen & Bresner, New York, reported gross income of $3,500,000 in 1981 on billings of $23,350,000. In 1980, it reported gross income of $3,000,000 on billings of $20,000,000. Volume in 1981 consisted of $18,350,000 in media, $3,000,000 in materials and services and $2,000,000 in capitalized fees. In 1980, volume consisted of $13,500,000 in media, $2,500,000 in materials and services and $4,000,000 in capitalized fees. Mathieu was acquired late last year by The Bloom Cos., Dallas. Next year its totals will be accounted for in the Bloom profile. Accounts

Gross income of $1,000,000 to $5,000,000

gained: Amaretto di Soronno, Mandarine Napoleon. Lost: Great Waters of France. Billings breakdown: Newspapers 5%, magazines 35%, supplements 5%, network tv 15%, spot tv 25%, outdoor 10%, transit 5%. Employes: 55 in one office. Top execs: A.H. Mathieu, chairman-creative director; H.G. Gerfen, president; S. Bresner, exec vp; N. Norton, senior vp. Phone: (212) 370-1313.

McKinney Inc., Philadelphia, had gross income of $4,800,000 in 1981 on billings of $35,200,000. In 1980, it reported gross income of $3,810,000 on billings of $29,000,000. Volume in 1981 consisted of $9,463,000 in media, $3,410,000 in materials and services and $22,327,000 in capitalized fees. In 1980, volume consisted of $5,952,000 in media, $3,585,000 in materials and services and $19,463,000 in capitalized fees. Accounts gained: 17 companies including American Hospital Converters, Chase Econometrics, Gould Inc., Incom Intl., Ramada Energy Systems, Watts Regulator Co. Lost: J.W. Allen Co., Honeywell Process Controls division, Jacobs Mfg., Parker Hannifin Manatrol, Sedco Construction. Billings breakdown: Newspapers 5%, magazines 2%, radio 1%, network tv 1%, outdoor 1%, business papers 81%, direct mail 8%, other 1%. Empioyes: 130 in six offices. Phone: (215) 922-2635.

Mendoza, Dillon & Asociados, Newport Beach, reported gross income of $1,670,000 in 1981 on billings of $11,138,900. In 1980, it reported gross income of $851,081 on billings of $5,673,876. Volume in 1981 consisted of $1,667,500 in media, $1,467,400 in materials and services and $8,004,000 in capitalized fees. In 1980, volume consisted of $531,306 in media, $633,650 in materials and services and $4,508,920 in capitalized fees. Accounts gained: Johnson's Baby Oil, Post cereals, Maxwell House Master Blend Coffee, Schlitz beer, Schlitz Malt Liquor, Gillette Right Guard, Frito-Lay, Freshen-up. Lost: Sure & Natural, Ortega Chilies, Johnson's Baby Diapers, Sanka, AMC. Billings breakdown: Magazines 2%, radio 15%, network tv 40%, spot tv 40%, outdoor 3%, Employes: 13 in one office. Top execs: Richard E. Dillon, president, chairman of the board; Nicolas Mendoza, senior vp, creative director. Phone: (714) 851-1811.

R.L. Meyer Advertising & Promotions, Milwaukee, reported gross income of $1,194,436 in 1981 on billings of $8,069,321 In 1980, it reported gross income of $954,274 on billings of $6,244,972. Volume in 1981 consisted of $4,104,796 in media, $953,621 in materials and services and $3,010,904 in capitalized fees. In 1980, volume consisted of $2,641,107 in media, $645,974 in materials and services and $2,957,891 in capitalized fees. Accounts gained: W.H. Brady Co., Pacos Project, Downers Inc., McWhorter Resins, Wigwam Mills, Milwaukee County Parks. Lost: Aubrey Mfg., Biochem. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 15%, outdoor 3%, transit 1%, point of sale 1%, direct mail 1%, other 24%. Employes: 25 in one office. Top exec: Robert L. Meyer, president. Phone: (414) 933-3344.

Miller Advertising, New York, had gross income of $3,300,000 in 1981 on billings of $22,300,000. In 1980, it reported gross income of $3,000,000 on billings of $19,534,000. Volume in 1981 consisted of $20,000,000 in media, $300,000 in materials and services and $2,000,000 in capitalized fees. In 1980, volume consisted of $18,000,000 in media, $200,000 in materials and services and $1,334,000 in capitalized fees. Billings breakdown: Newspapers 65%, magazines 5%, radio 15%, spot tv 5%, other 10%. Employes: 80 in two offices. Top execs: Leonard Miller, chairman; Robert Miller, president. Phone: (212) 688-1300.

Howard H. Monk & Associates, Rockford, Il., reported gross income of $1,024,603 in 1981 on billings of $9,566,960. In 1980, it reported gross income of $1,054,275 on billings of $9,461,687. Volume in 1981 consisted of $1,537,382 in media, $1,347,372 in materials and services and $6,682,206 in capitalized fees. In 1980, volume consisted of $1,402,103 in media, $1,250,114 in materials and services and $6,809,470 in capitalized fees. Accounts gained: Lenox Machine Co., Colt Industries/Fairbanks Morse, Bendix Disc Grinder, Boye Needle Co., Data Specialties, Seymour Chemicals. Lost: Fyrnetics Inc., National Mfg. Co. Billings breakdown: Newspapers 2%, magazines 91%, radio 1%, spot tv 4%, outdoor 2%. Employes: 28 in one office. Top exec: John W Glynn, president. Phone: (815) 964-4631.

Montgomery & Associates, Bala Cynwyd, Pa., reported gross income of $1,650,000 in 1981 on billings of $11,000,000. In 1980, it reported gross income of $1,425,000 on billings of $9,420,000. Volume in 1981 consisted of $9,000,000 in media, $1,250,000 in materials and services and $750,000 in capitalized fees. In 1980, volume consisted of $7,900,000 in media, $950,000 in materials and services and $570,000 in capitalized fees. Accounts gained: H.B. Longacre of Franconia, First National Bank of Toms River, N.J., Farmers Bank of Wilmington, Del., Roberts' Packing Co. of Kimberton, Emlen House Productions of Philadelphia. Lost: None. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 55%, business papers 5%. Employes: 30 in one office. Top exec: H.B. Montgomery, president. Phone: (215) 667-7580.

Muir Cornelius Moore, New York, had gross income of $4,000,000 in 1981 on billings of $26,680,000. In 1980, it reported gross income of $3,500,000 on billings of $23,345,000. The agency did not break out volume figures. Accounts gained: General Instrument Corp., Sperry Corp.'s Sperry division, Welch-Allyn. Billings breakdown: Radio 3%, business papers 30%, point of sale 10%, other 57%. Employes: 60. Top execs: William P. Muir, president; James Cornelius and Richard Moore, exec vps. Phone: (212) 687-4055.

Muller Jordan Weiss, New York, had gross income of $4,635,573, including $153,600 in non-U.S. income, in 1981 on billings of $31,302,802. In 1980, it reported gross income of $4,066,599 on billings of $28,104,311. Volume in 1981 consisted of $21,192,565 in media, $4,778,170 in materials and services and $4,068,700 in capitalized fees, all in the U.S., and $1,263,367 in media overseas. In 1980, volume consisted of $19,281,036 in media, $4,531,092 in materials and services and $3,300,183 in capitalized fees, all in the U.S.. and $992,000 in media overseas. Accounts gained: Camp Pure Maple Syrup, Apollo Technologies, TVI Energy Corp. and Wallach Surgical Devices. Billings breakdown: Newspapers 3%, magazines 18%, radio 12%, network tv 4%, spot tv 35%, cable tv 1%, outdoor 2%, business papers 14%, farm publications 11%. Top execs: John T. Jordan, president; Frank B. Muller, exec vp-treasurer, Andrew Weiss, exec vp. Employes: 85 in three offices. Phone: (212) 399-2700.

Murray/Bradley, Anchorage, Alaska, reported gross income of $1,421,676 in 1981 on billings of $9,129,613. In 1980, it reported gross income of $1,279,191 on billings of $8,295,221. Volume in 1981 consisted of $1,272,686 in media, $580,431 in materials and services and $7,276,496 in capitalized fees. In 1980, volume consisted of $1,662,090 in media, $825,252 in materials and services and $5,807,879 in capitalized fees. Accounts gained: Quadrant, Alaska Aeronautical, Alaska Dept. of Environment, Capital Relocation, Golf Pin Fun Centers, Universal Services, Westside Federal Savings. Lost: Chevron USA, United Building Supply, Alaska Airlines, Security S&L, Seattle Sheraton Hotel, Alaska Buick. Billings breakdown: Newspapers 20%, magazines 11%, supplements 1%, radio 30%, network tv 34%, business papers 3%, direct mail 0.5%, other 0.5%. Employes: 38 in two offices. Top execs: Connel L. Murray, chairman; Rodney C. Bradley, president M/B; Erik Peterson, president M/B & Peterson. Phone: (907) 276-6353.

Mutual Media, Englewood Cliffs, N.J., had estimated gross income of $2,000,000 in 1981 on billings of $14,300,000, all from media. In 1980, it had estimated gross income of $1,650,000 on media billings of $11,200,000. Account gained: Epoch Corp. Billings breakdown: Newspapers 1%, magazines 1%, radio 8%, network tv 8%, spot tv 82%. Employes: 16. Top exec: David Blank, president. Phone: (201) 871-0690.

Frank C. Nahser Inc., Chicago, reported gross income of $2,073,000 in 1981 on billings of $15,373,000. In 1980, it reported gross income of $1,500,000 on billings of $11,399,000. Volume in 1981 consisted of $7,892,000 in media, $2,462,000 in materials and services and $5,019,000 in capitalized fees. In 1980, volume consisted of $6,334,000 in media, $1,717,000 in materials and services and $3,348,000 in capitalized fees. Accounts gained: Moore Business Forms (Toronto), Richard Ellis, Illinois Bell Telephone (special assignments for Chicago office). Lost: Vangard Laboratories, Scholl Shoes. Billings breakdown: Newspapers 2%, magazines 50%, supplements 10%, radio 10%, spot tv 2%, business papers 20%, other (Yellow Pages) 6%. Employes: 42 in two offices. Top execs: Frank C. Nahser, chairman; Frank B. Nahser, president. Phone: (312) 346-1260.

Noble & Associates, Springfield, Mo., reported gross income of $1,591,913 in 1981 on billings of $10,817,089. In 1980, it reported gross income of $725,491 on billings of $5,167,202. Volume in 1981 consisted of $4,022,519 in media, $1,244,530 in materials and services and $5,550,040 in capitalized fees. In 1980, volume consisted of $1,610,227 in media, $534,945 in materials and services and $3,022,030 in capitalized fees. Figures doe not include subsidiaries, Consumer Brands Inc., and Ontrac Research. Accounts gained: Tyson food service division, Pet food service division (Downey Flake, Old El Paso, Pet Ritz Pies), Gordos Intl. Corp., Ranch Hand Foods, Hardees (regional). Billings breakdown: Newspapers 7%, magazines 20%, radio 9%, spot tv 63%, outdoor 1%. Employes: 53 in one office. Top exec: Robert B. Noble, president. Phone: (417) 882-5050.

North Castle Partners, Greenwich, Conn., had gross income of $4,682,000 in 1981 on billings of $32,672,000. In 1980, it reported gross income of $3,174,000 on billings of $24,137,500. Volume in 1981 consisted of $19,800,000 in media, $2,000,000 in materials and services and $10,872,000 in capitalized fees. In 1980, volume consisted of $14,800,000 in media, $1,000,000 in materials and services and $8,337,500 in capitalized fees. Accounts gained: WABC Radio, *U.S. News & World Report*, Lea & Perrins. Lost: Marisa Christina. Billings breakdown: Newspapers 5%, magazines 27%, radio 1%, network tv 5%, spot tv 56%, outdoor 4%, transit 2%. Employes: 55 in one office. Top exec: William Ballard, president. Phone: (203) 622-1122.

Northrup & Teel, Pittsford, N.Y., had gross income of $1,588,000 in 1981 on billings of $10,805,000. In 1980, it reported gross income of $1,009,000 on billings of $6,733,000. Volume in 1981 consisted of $1,843,000 in media, $769,000 in materials and services and $8,193,000 in capitalized fees. In 1980, volume consisted of $1,104,000 in media, $1,334,000 in materials and services and $4,295,000 in capitalized fees. Billings breakdown: Newspapers 28%, magazines 40%, radio 8%, spot tv 24%. Employes: 49 in two offices. Top execs: William K. Northrup, president; George Teel Jr., exec vp. Phone: (716) 248-2460.

Nowak Barlow Johnson, Fayetteville, N.Y., had gross income of $1,417,655 and net income of $161,384 in 1981 on billings of $9,275,630. In 1980, it reported gross income of $1,121,585 and a net loss of $62,331 on billings of $7,848,942. Volume in 1981 consisted of $3,904,990 in media, $1,080,590 in materials and services and $4,290,050 in capitalized fees. In 1980, volume consisted of $3,111,517 in media, $1,028,098 in materials and services and $3,709,327 in capitalized fees. Results include billings of a subsidiary, Nowak Barlow Johnson, Albany, N.Y Accounts gained: Tops 'N Bottoms, WNDR/WNTQ Radio. Lost: Andico Diamond Co., Lipe Rollway Automation Equipment Group. Billings breakdown: Newspapers 30%, magazines 13.2%, radio 12.4%, spot tv 11.7%, outdoor 2%, point of sale 15.9%, other 14.8%. Employes: 42 in two offices. Top execs: Donald Nowak, president-ceo; Alfred Jensen, exec vp; Truman Nowak, senior vp; Nedwin Emerson, exec vp/Albany manager. Phone: (315) 637-9895.

Owens & Associates Advertising, Phoenix, reported gross income of $1,930,000 in 1981 on billings of $12,680,000. In 1980, it reported gross income of $1,740,000 on billings of $11,605,800. No volume breakout was provided. Accounts gained: Hughes Calihan, True Value Homes, Gold Canyon Ranch, Mathews Chevrolet, State of Sonora, Mexico, Ugly Duckling Rent-a-Car. Lost: Caf' Casino Restaurant, ProChem, Olive Grove Retirement Community, Doubletree Hotels. Billings breakdown: Newspapers 14%, magazines 12%, radio 12%, network tv 28%, cable tv 10%, business papers 9%, other (collateral) 15%. Employes: 35 in one office. Top exec: Bill Owens, president. Phone: (602) 264-5691.

Paragon Advertising Agency, Minneapolis, reported gross income of $3,244,000 in 1981 on billings of $23,174,000. In 1980, it reported gross income of $2,595,000 on billings of $17,300,000. Volume in 1981 consisted of $12,270,000 in media, $3,834,000 in materials and services and $7,070,000 in capitalized fees. In 1980, volume consisted of $11,600,000 in media and in materials and services, and $5,700,000 in capitalized fees. Accounts gained: American National Bank & Trust, Bankers Area-Wide Advertising Program, Great North AMC/Jeep/Renault Dealers Advertising Assn., HEI Inc., Plywood Minnesota, Raygo Inc., Ringer Corp., Pillsbury Co. (Margaret Baker's Cheesecake). Lost: Country Kitchen Intl., Medtronic Inc. (Neuro division), Minnesota Valley Engineering, Team Central Inc. Billings breakdown: Newspapers 9%, magazines 2%, radio 9%, network tv 3%, spot tv 40%, outdoor 8%, business papers 17%, direct mail 6%, other (collateral) 6%. Top execs: Trevor R. Gettelman, chairman; Robert L. Jones, president; Richard W. Dillon, Philip W. Hummel, senior vp-account supervisors; Kenton M. Jones, Skip Zetzman, vp-creative group heads; James D. Zitek, vp-account supervisor Phone: (612) 835-3707.

Pearson Clarke & Sawyer, Lakeland, Fla., had estimated gross income of $1,035,000 in 1981 on billings of $6,900,000. In 1980, it had estimated gross income of $870,000 on billings of $5,800,000. No volume breakout was provided. Employes: 35 in three offices. Top execs: Richard E. Pearson, president; Joe Magilligan, Barry Jones, senior vps; Art Smith, exec vp; J. Richard Sawyer, vp-partner. Phone: (813) 646-5071.

Pesin, Sydney & Bernard, New York, had gross income of $1,032,000 in 1981 on billings of $6,426,950. In 1980, it reported gross income of $856,500 and net income of $37,425 on billings of $5,162,351. Volume in 1981 consisted of $4,325,320 in media, $918,000 in materials and services and $1,183,630 in capitalized fees. In 1980, volume consisted of $3,203,111 in media, $812,000 in materials and services and $1,147,240 in capitalized fees. Accounts gained: *Cuisine* magazine, Aynsley Ovenware. Billings breakdown: Newspapers 20%, magazines 45%, supplements 5%, radio 5%, spot tv 5%, cable tv 3%, outdoor 3%, business papers 5%, point of sale 4%, direct mail 5%. Top execs: Harry Pesin, president; Sydney Cohn, exec vp. Employes: 24 in two offices. Phone: (212) 752-2212.

The Phillips Organisation, San Diego, reported gross income of $1,016,500 in 1981 on billings of $6,780,000. In 1980, it reported gross income of $900,000 on billings of $6,003,000. Billings breakdown: Newspapers 10%, magazines 30%, radio 10%, spot tv 10%, outdoor 2%, business/trade press 5%, transit 3%, direct mail 10%, other (collateral) 20%. Employes: 27 in one office. Top exec: Robert B. Phillips, president. Phone: (714) 274-8100.

Phillips Ramsey Co., San Diego, reported gross income of $3,389,252 and net income of $77,366 in 1981 on billings of $29,356,889. In 1980, it reported gross income of $2,911,411 and net income of $70,543 on billings of $25,076,147. Volume in 1981 consisted of $11,197,736 in media, $2,281,605 in materials and services and $15,877,548 in capitalized fees. In 1980, volume consisted of $11,356,351 in media and $13,719,796 in capitalized fees. Accounts gained: Mr. Steak, Seven-up (Phoenix), Honeywell (Phoenix), Daiwa Golf, National University, Polaris Vac-Sweep. Lost: American Federal Financial, Bell Helmets, Datagraphix, Second Sole. Billings breakdown: Newspapers 18%, magazines 15%, supplements 0.5%, radio 26%, spot tv 31%, outdoor 2%, business papers 4%, transit 0.5%, point of sale 0.5%, direct mail 0.5%, other 2%. Employes: 85 in two offices. Top execs: R. Page Jones, chairman; Richard D. Brooks, president; Robert F. Lewis, exec vp. Phone: (714) 574-0808.

The Pihas, Schmidt, Westerdahl Co., Portland, Ore., reported gross income of $1,114,592 and a net loss of $76,225 in 1981 on billings of $9,092,975. In 1980, it reported gross income of $1,261,520 and net income of $44,436 on billings of

Gross income of $1,000,000 to $5,000,000

$9,207,127. Volume in 1981 consisted of $1,422,559 in media, $1,214,370 in materials and services and $6,456,046 in capitalized fees. In 1980, volume consisted of $1,472,714 in media, $1,227,915 in materials and services and $6,506,498 in capitalized fees. Accounts gained: Brandon Travel, Denver Highlands (Colorado), KECH-22 TV, NW Oregon Council of Hospitals, Pacific NW Regional Commission (travel), Shari's Management Corp., Tektronix (design automation division). Lost: Canica Intl. Corp., Lab Systems Inc., Tri-County Metropolitan Transit District. Billings breakdown: Newspapers 36%, magazines 6%, radio 12%, spot tv 24%, business papers 5%, transit 2%, direct mail 7%, other (collateral) 8%. Employes: 30 in one office. Top exec: John S. Pihas, president. Phone: (503) 228-4000.

Pinne, Garvin & Hock, San Francisco, reported gross income of $2,363,802 and net income of $627,341 in 1981 on billings of $17,967,067. In 1980, it reported gross income of $1,726,307 and net income of $465,877 on billings of $13,999,337. Volume in 1981 consisted of $5,807,470 in media, $2,124,295 in materials and services and $10,035,302 in capitalized fees. In 1980, volume consisted of $4,873,150 in media, $1,781,156 in materials and services and $7,345,031 in capitalized fees. Accounts gained: VWR Scientific, Digital Research, Hewlett-Packard Analytical Group (SID and Avondale divisions), Econics Corp. Lost: Oliver Tire. Billings breakdown: Newspapers 5%, magazines 7%, radio 3%, business papers 50%, point of sale 10%, direct mail 10%, other 15%. Employes: 43 in one office. Top execs: Owen Hock, president; Donald Herbers, client services, Robert Pinne, creative director. Phone: (415) 956-4210.

The Pitluk Group, San Antonio, reported gross income of $3,045,000 in 1981 on billings of $20,280,000. In 1980, it reported gross income of $2,515,000 on billings of $16,750,000. No volume breakout was provided. Accounts gained: USAF Recruiting, USAA Life Insurance, Majestic Theatre, Baker Sand Control, Western Banks. Lost: Ancira Winton, KMOL-TV, Houston Hurricanes. Billings breakdown: Newspapers 23%, magazines 14%, radio 21%, spot tv 18%, outdoor 4%, business papers 10%, point of sale 2%, direct mail 8%. Employes: 79 in two offices. Top execs: Louis H. Pitluk, president of The Pitluk Group, James R. Shable, president of Shable, Sawyer & Pitluk. Phone: (512) 223-6131.

Popejoy & Fischel Advertising Agency, Dallas, had estimated gross income of $2,045,000 in 1981 on billings of $13,650,000. In 1980, it had estimated gross income of $1,905,000 on billings of $12,700,000. Billings breakdown: Newspapers 27%, magazines 18%, radio 5%, spot tv 42%, outdoor 3%, other 5%. Employes: 45 in one office. Top execs: Bert Fischel, chairman; Gerald G. Popejoy, president. Phone: (214) 233-8461.

Poppe Tyson Inc., New York, a division of D'Arcy-MacManus & Masius, had gross income of $1,650,000 in 1981 on billings of $11,000,000. In 1980, it reported gross income of $1,500,000 on billings of $10,000,000. The agency did not break out its volume. Accounts gained: Crouse-Hinds, Landis & Gyr, Olsten Temporary Services, PCK Technologies. Lost: Ebasco Services. Billings breakdown: Newspapers 2%, magazines 20%, network tv 3%, business papers 50%, other 25%. Employes: 40. Top execs: Fred C. Poppe, chairman; Fergus O'Daly, president; Roy Duffus, Mack Leblang, senior vps. Phone (212) 725-2900.

For more information, see profile on parent agency, D'Arcy-MacManus & Masius.

Posey, Parry & Quest, Greenwich, Conn., had gross income of $1,465,000 in 1981 on billings of $10,385,000. In 1980, it reported gross income of $1,160,000 on billings of $7,900,000. Volume in 1981 consisted of $8,100,000 in media, $850,000 in materials and services and $1,435,000 in capitalized fees. In 1980, volume consisted of $6,825,000 in media, $520,000 in materials and services and $555,000 in capitalized fees. Accounts gained: Bostonian Shoe Co., *Us* magazine, Macfadden Women's Group. Billings breakdown: Newspapers 25%, magazines 5%, network tv 70%. Employes: 12 in one office. Top execs: Chester L. Posey, chairman; James H. Quest, president; James D. Parry, exec vp-creative director. Phone: (203) 531-4900.

Potter Hazlehurst Inc., East Greenwich, R.I., had gross income of $1,319,566 and net income of $194,857 in 1981 on billings of $9,514,514. In 1980, it reported gross income of $1,241,387 and net income of $165,359 on billings of $7,685,514. Volume in 1981 consisted of $5,095,816 in media, $333,116 in materials and services and $4,085,582 in capitalized fees. In 1980, volume consisted of $3,397,026 in media, $439,100 in materials and services and $3,849,388 in capitalized fees. Accounts gained: Barclays American/Business Credit, General Electric Energy Management Systems, North Sails' North Sports division, Old Fox Lawn Care. Lost: Edward Parkinson Mfg. Billings breakdown: Newspapers 10%, magazines 66%, radio 2%, spot tv 1%, outdoor 1%, other 20%. Employes: 44 in one office. Top execs: Thomas A. Hazlehurst, president; Herbert Sawyer, exec vp; Nathaniel Frothingham, senior vp. Phone: (401) 885-4300.

Price/McNabb Advertising Agency, Asheville, N.C., reported gross income of $1,378,582 in 1981 on billings of $8,202,794. In 1980, it reported gross income of $988,788 on billings of $5,824,170. Volume in 1981 consisted of $6,288,613 in media and $1,914,181 in materials and services. In 1980, volume consisted of $4,476,560 in media and $1,347,610 in materials and services. Accounts gained: Waldensian Bakers, Macon Federal, First Federal of Hendersonville, WNC/World's Fair in Cullowhee, McDonald's Restaurants in Charleston & Florence, S.C., Wellco Enterprises, Biltmore Dairy Producers Co-op. Lost: Standard Federal of Columbia, S.C., Currier Piano Co. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 35%, outdoor 5%, business papers 20%. Employes: 37 in three offices. Top execs: George W. Krichbaum Jr., exec vp; Robert B. Boettcher, senior vp; Harris J. Fields Jr., vp-creative director. Phone: (704) 254-7461.

Pringle Dixon Pringle, Atlanta, had gross income of $1,007,400 in 1981 on billings of $7,005,000. In 1980, it had an estimated gross income of $900,000 on estimated billings of $6,000,000. Volume in 1981 consisted of $4,350,000 in media, $312,000 in materials and services and $2,343,000 in capitalized fees. It did not break out 1980 figures. Accounts gained: Sun Federal S&L, Jekyll Island Resort, ARMA Hardware, Better Brands, Stratton Carpets, Marriott Hotels (pr), and 23 clients in its recruitment unit. Lost: Jack's Foods, Milliken Carpet. Billings breakdown: Newspapers 17%, magazines 18%, supplements 2%, radio 9%, spot tv 30%, outdoor 2%, point of sale 1%, direct mail 1%, other 20%. Top execs: Jim Pringle, president; Jan Pringle, president/pr; Martin Brown, vp-recruitment division; Josie Martinez, vp-recruitment; Sherry McFarlane, vp-media. Employes: 26 in one office. Phone: (404) 261-9542.

Quinlan Keene Peck & McShay, Indianapolis, reported gross income of $3,649,070 in 1981 on billings of $10,273,348. In 1980, it reported gross income of $3,597,438 on billings of $9,743,519. Volume in 1981 consisted of $1,358,632 in media, $1,122,134 in materials and services and $7,792,582 in capitalized fees. In 1980, volume consisted of $1,352,037 in media, $1,161,437 in materials and services and $9,743,519 in capitalized fees. Accounts gained: Ivy Tech, First Federal Savings, Master-Fit Corp., Rock Island Refining, IFBCA, DeKalb Agresearch. Lost: Ransburg Corp. Billings breakdown: Newspapers 2%, magazines 5%, radio 4%, spot tv 3%, outdoor 1%, business papers 34%, point of sale 1%, other (collateral and special projects) 50%. Employes: 24 in one office. Top execs: Jack S. Peck, chairman of the board; John E. McShay, president; John C. McCaig, exec vp. Phone: (317) 546-4701.

Quinn & Johnson, Boston, wholly owned subsidiary of BBDO International, had gross income of $4,300,000 and net income of $321,000 in 1981 on billings of $28,600,000. In 1980, it reported gross income of $3,600,000 and net income of $295,000 on billings of $24,000,000. Volume in 1981 consisted of $23,000,000 in media, $2,900,000 in materials and services and $2,700,000 in capitalized fees. In 1980, volume consisted of $19,000,000 in media, $1,800,000 in materials and services and $3,200,000 in capitalized fees. Accounts gained: State Street Bank, Freixenet Sparkling Wines and Computervision. Billings breakdown: Newspapers 30%, magazines 31%, radio 14%, network tv 10%, spot tv 14%, outdoor 0.5%, transit 0.5%. Top execs: Robert S. Johnson, chairman; Richard C. Garrison, president, Edwin P. Carboni, exec vp-treasurer. Employes: 90. Phone: (617) 262-5800.

For more information, see profile of parent agency, BBDO Intl.

Red Barron Inc., Minneapolis, reported gross income of $1,078,800, including $9,100 in non-U.S. income, in 1981 on billings of $9,164,800. In 1980, it reported gross income of $898,400, including $16,600 in non-U.S. income, on billings of $7,343,600. U.S. volume in 1981 consisted of $5,390,600 in media, $423,800 in materials and services and $3,289,700 in capitalized fees. In 1980, volume consisted of $4,157,300 in media, $459,900 in materials and services and $2,616,000 in capitalized fees. Foreign volume included $60,700 in 1981 and $110,400 in 1980. Accounts gained: 3M Company (retail electrical products), Ball Electronic Display division, Vollrath Co. Lost: Fabri-Tek Inc. Billings breakdown: Magazines 20%, radio 14%, spot tv 50%, outdoor 1%, other (collateral) 15%. Employes: 30 in one office. Top execs: Barron B. Boe, president; Douglas G. Maxwell, chairman. Phone: (612) 933-2040.

Reimel Carter Advertising, Philadelphia, reported gross income of $1,870,000 in 1981 on billings of $12,000,000. In 1980, it reported gross income of $1,662,032 on billings of $11,120,000. Volume in 1981 consisted of $8,940,200 in media, $125,000 in materials and services and $2,934,800 in capitalized fees. In 1980, volume consisted of $8,175,200 in media, $110,050 in materials and services and $2,834,750 in capitalized fees. Accounts gained: Brighton Towers, City Line Holiday Inn, A.H. Hadley, Hollen Funeral Home, Janney Montgomery Scott Inc., Jemison & Co., Old Forge Condominiums, Mid-Atlantic Equipment. Lost: Gigliotti Corp., Old Forge Condominiums, Citizens State Bank. Billings breakdown: Newspapers 42%, magazines 4%, radio 27%, spot tv 14%, outdoor 7%, business papers 4%, transit 0.4%, point of sale 0.6%, direct mail 0.5%, other 0.5%. Employes: 19 in one office. Top exec: T.L. Reimel, president. Phone: (215) 735-3200.

Reiser Williams deYong, Irvine, Cal., had estimated gross income of $2,700,000 in 1981 on billings of $18,000,000. In 1980, it reported gross income of $1,800,000 on billings of $12,000,000. Volume in 1981 consisted of $7,380,000 in media, $2,700,000 in materials and services and $7,920,000 in capitalized fees. In 1980, volume consisted of $4,920,000 in media, $1,800,000 in materials and services and $5,280,000 in capitalized fees. Accounts gained: Tandon Corp., Eaton Corp., MSI Data Corp., I.S. Industries, Novation, Selanar Corp., State of the Art, Arizona Engine & Pump Co. Lost: Datum Inc., Micropolis. Billings breakdown: Newspapers 15%, magazines 70%, spot tv 4%, business papers 5%, farm publications 1%, point of sale 1%, direct mail 4%. Employes: 36 in two offices. Top exec: Richard J. Reiser, president. Phone: (714) 754-1193.

The Richards Group, Dallas, reported gross income of $3,839,000 and net income of $436,000 in 1981 on billings of $26,749,000. In 1980, it reported gross income of $3,036,000 and net income of $271,000 on billings of $20,946,000. Volume in 1981 consisted of $5,852,000 in media, $4,796,000 in materials and services and $16,101,000 in capitalized fees. In 1980, volume consisted of $4,653,000 in media, $3,787,000 in materials and services and $12,506,000 in capitalized fees. Figures include those of subsidiary, Richards, Sullivan, Brock & Associates/Pharr, Cox Communications. Accounts gained: Gaylord Broadcasting Co., Brookshire Grocery Co., Capital Bank/Houston, *Denver Post*, Excel Car Repair, KZEW, *Redbook*, Texas Power & Light, First Tulsa Bank, West Loop Bank/Houston, Metroplex Volvo Dealers, Execucom. Lost: Q102. Billings breakdown: Newspapers 14%, magazines 12%, supplements 18%, radio 8%, spot tv 30%, cable 2%, outdoor 5%, business papers 5%, transit 1%, direct mail 5%. Employes: 75 in three offices. Top exec: Stan Richards, president. Phone: (214) 231-2500.

Richardson, Myers & Donofrio, Baltimore, had gross income of $4,403,221 in 1981 on billings of $29,354,808. In 1980, it reported gross income of $2,904,140 on billings of $18,601,059. Volume in 1981 consisted of $20,557,296 in media, $5,861,113 in materials and services and $2,936,399 in capitalized fees. In 1980, volume consisted of $13,106,555 in media, $3,791,260 in materials and services and $1,703,244 in capitalized fees. Accounts gained: American Cyanamid (pesticides division products), Baltimore Gas & Electric Co., Baltimore Federal S&L, Finlay Fine Jewelry, Prince Mfg., Bayvet division-Cutter Laboratories. Billings breakdown: Newspapers 5%, magazines 10%, supplements 2%, radio 15%, network tv 10%, spot tv 35%, cable tv 1%, outdoor 3%, business papers 3%, farm publications 13%, transit 1%, point of sale 1%, direct mail 1%. Employes: 85 in three offices. Top exec: Hal C. Donofrio, president. Phone: (301) 539-0280.

Mel Richman Inc., Bala-Cynwyd, Pa., had gross income of $4,000,000 in 1981 on billings of $25,962,000. In 1980, it reported gross income of $4,478,000 on billings of $29,858,000. Volume in 1981 consisted of $7,500,000 in media, $4,000,000 in materials and services and $14,462,000 in capitalized fees. In 1980, volume consisted of $10,500,000 in media, $4,500,000 in

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Unicap M

materials and services and $14,858,000 in capitalized fees. Accounts gained: Environmental Testing Corp., Bank of New Jersey, Berkshire Fabrics, Personal Products Co. (Johnson & Johnson), A/V Unlimited, Valley Forge Military Academy Junior College. Lost: Omega Watch Corp., Downington Inn, Greenbrier, Callaway Gardens, Klearfold Box Co. Billings breakdown: Newspapers 15%, magazines 15%, radio 10%, spot tv 10%, business papers 25%, other 25%. Top execs: Mel Richman, chairman; William Robertson, president; Hank Kozlowski, exec vp-marketing, media and pr; Ron Tucker, exec vp-creative services; R.O. Bach, senior vp-creative director; Biff Maddock, senior vp-account service. Employes: 75 in one office. Phone: (215) 667-8900.

Rives Smith Baldwin & Carlberg/Y&R. Houston, reported gross income of $3,035,000 in 1981 on billings of $20,243,450. In 1980, it reported gross income of $2,667,000 on billings of $17,788,890. No volume breakout was provided. Accounts gained: 4 Seasons Place and Downtown, Bill Blass Men's/Billy the Kid, Gulf Trading & Transportation, Pro-Houston, First City Banks of Dallas. Lost: Schlumberger, Pizza Hut/South Center region. Billings breakdown: Newspapers 26.7%, magazines 9.3%, radio 12%, spot tv 27.4%, cable tv 0.2%, outdoor 5.2%, business papers 18.9%, other .3%. Employes: 65 in one office. Top execs: Ben A. Baldwin Jr., president; W. Charles Carlberg, senior vp-creative director; Ian Brookbanks, senior vp-director of client services. Phone: (713) 783-7640.

For more information, see profile of parent agency, Young & Rubicam.

Robinson Associates, Boston, had gross income of $1,169,371 and net income of $57,552 in 1981 on billings of $3,623,336. In 1980, it reported gross income of $273,710 and a net loss of $28,632 on billings of $1,784,941. Volume in 1981 consisted of $400,229 in media, $336,344 in materials and services and $2,886,763 in capitalized fees. In 1980, volume consisted of $105,054 in media, $148,742 in materials and services and $1,531,145 in capitalized fees. Accounts gained: Public Broadcasting Associates, BASF printing products division, American Tourister. Lost: Lyman Products. Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, spot tv 5%, outdoor 2%, business papers 20%, point of sale 15%, direct mail 3%, other 25%. Employes: 15 in one office. Top exec: Thomas A. Robinson, president. Phone: (617) 247-2120.

Robinsons Inc., Orlando, Fla., had estimated gross income of $4,850,000 in 1981 on billings of $32,364,450. In 1980, it had estimated gross income of $3,750,000 on billings of $25,008,000. Volume in 1981 consisted of $3,450,000 in media and $28,914,450 in capitalized fees. In 1980, volume consisted of $2,230,000 in media and $22,778,000 in capitalized fees. The agency reported billings from overseas accounts in volume figures. Accounts gained: Halloran Hotels, Buena Vista Palace Hotel, Hotel Royal Plaza, Central Florida Resorts, Mission Inn Golf & Tennis Resort. Overseas account gains: Doctor's Cave Beach Hotel, Hotel Capilla del Mar, Hotel Club Lagoon, Plantation Inn, St. Lucia Hotel Assn., Panama Government Tourist Board. Lost: Amelia Island Plantation, Sandals Resort Beach Club. Billings breakdown: Newspapers 30%, magazines 30%, radio 5%, spot tv 5%, outdoor 5%, direct mail 15%. Employes: 90 in four offices. Top execs: John E. Robinson Sr., chairman; John E. Robinson Jr., president; Peter C. Yesawich, exec vp; Perry Sears, secretary-treasurer. Phone: (305) 898-2808.

Albert Jay Rosenthal & Co., Chicago, reported gross income of $3,795,000 in 1981 on billings of $25,300,000. In 1980, it reported gross income of $3,480,000 on billings of $23,200,000. Volume in 1981 consisted of $17,457,000 in media, $2,503,500 in materials and services and $5,339,500 in capitalized fees. In 1980, volume consisted of $15,900,555 in media, $2,423,425 in materials and services and $4,876,020 in capitalized fees. Accounts gained: Ampro Video Productions, Huffman Koos furniture chain (New Jersey), Reader's Digest QSP division, American Lung Assn., additional assignments for Americana Hotels at Ocho Rios, Aruba and Lake Geneva, Pierre Cardin slacks (Jaymar Ruby division of Hart Schaffner & Marx), Metro Clubs, Pie Piper food products, Queens College (CUNY), Bank of Ravenswood in Chicago, E-Z POR (American Home Products), Insta-Foam Products (an Indian Head company). Lost: Good Humor, Ekco housewares. Billings breakdown: Newspapers 16%, magazines 18%, supplements 1%, radio 12%, network tv 10%, spot tv 30, outdoor 2%, business papers 6%, point of sale 3%, direct mail 2%. Employes: 110 in two offices. Top execs: A.J. Rosenthal, president; N. Maldman, Sy Dordick, B. Lyman, exec vps; A. Lazarus, M. Rosenstein, Yale Gordon, M. Haas, senior vps. Phone: (312) 337-8070.

Rolf Werner Rosenthal Inc., New York, an agency specializing in healthcare, had gross income of $4,560,931 in 1981 on billings of $30,406,206. In 1980, it reported gross income of $3,919,760 on billings of $26,778,107. Volume in 1981 consisted of $7,624,503 in media, $2,638,979 in materials and services and $20,142,724 in capitalized fees. In 1980, volume consisted of $7,349,049 in media, $1,853,141 in materials and services and $17,575,917 in capitalized fees. Accounts gained: Hitron Corp. and E.R. Squibb Worldwide. Lost: CooperCare and Connaught Laboratories. Billings breakdown: Journals 75%, direct mail 10%, other 15%. Employes: 76. Top execs: Rolf W. Rosenthal, president; Charles W. Riegle, exec vp; Sylvio deRouin and Ronald J. Souza, senior vps. Phone: (212) 673-9330.

Ross Advertising, Peoria, reported gross income of $1,314,685 in 1981 on billings of $9,673,317. In 1980, it reported gross income of $1,066,762 on billings of $7,745,049. Volume in 1981 consisted of $1,600,000 in media, $935,070 in materials and services and $7,138,247 in capitalized fees. In 1980, volume consisted of $1,500,000 in media, $713,098 in materials and services and $5,531,951 in capitalized fees. Accounts gained: Compre-Communications, Great Central Insurance. Lost: Houdaille Industries, Penberthy division. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, spot tv 5%, outdoor 1%, business papers 30%, farm publications 10%, point of sale 14%, direct mail 20%. Employes: 32 in one office. Top execs: A. Wayne Flittner, president; Kenneth Westerdale, exec vp, creative director; Frederick Kowalske, exec vp, operations. Phone: (309) 691-4436.

Ross Roy/New York-Compton, New York, a subsidiary of Compton Advertising, had gross income of $3,500,000 in 1981 on billings of $23,931,000. In 1980, it reported gross income of $3,100,000 on billings of $20,667,000. Volume in 1981 consisted of $14,475,000 in media, $1,956,000 in materials and services and $7,500,000 in capitalized fees. In 1980, volume consisted of $12,327,000 in media, $1,700,000 in materials and services and $6,640,000 in capitalized fees. Accounts gained: Sandvik Inc.'s corporate, cemented carbide, process systems; Disstore consumer, industrial and specialty steel businesses; ITT's USTS consumer; J.J. O'Darby and FBM Russian Prince. Billings breakdown: Newspapers 5%, magazines 72%, radio 1%, spot tv 4%, outdoor 18%. Top exec: Gary D. Landis, president. Employes: 55 in two offices, including one overseas. Phone: (212) 350-7999.

For more information, see parent agency, Compton Advertising.

Chuck Ruhr Advertising, Minneapolis, reported gross income of $2,445,440 and net income of $146,200 in 1981 on billings of $21,542,600. In 1980, it reported gross income of $2,288,900 and net income of $103,500 on billings of $19,721,100. Volume in 1981 consisted of $9,753,000 in media, $1,600,000 in materials and services and $10,189,600 in capitalized fees. In 1980, volume consisted of $9,755,900 in media, $1,837,200 in materials and services and $8,128,000 in capitalized fees. Accounts gained: East Bank Riverfront Partners, Cargill Inc., Gould Heavy Duty Battery, Charlton Construction Co., Lawson Associates, Newart Electronics, PMI Distribution Inc., Teleprompter Corp., United Central Bank of Des Moines. Lost: Goodman Jewelers, Thermo-Serv. Billings breakdown: Newspapers 9%, magazines 8%, radio 21%, network 4%, spot tv 31%, outdoor 2%, point of sale 1%, other 24%. Employes: 53 in one office. Top exec: Charles Ruhr, president. Phone: (612) 546-4323.

Ruvane, Leverte, New York, an agency specializing in healthcare, had gross income of $1,900,000 in 1981 on billings of $13,120,800. In 1980, it reported gross income of $1,600,000 on billings of $10,336,500. Volume in 1981 consisted of $1,850,000 in media, $3,000,000 in materials and services and $8,270,800 in capitalized fees. In 1980, volume consisted of $1,500,000 in media, $2,500,000 in materials and services and $6,336,500 in capitalized fees. Included are billings of subsidiaries, Druid Publications, Druid Graphic Services, Acorn Publications. Accounts gained: Novo Laboratories, Pharmacia Diagnostics, William H. Rorer Inc. Billings breakdown: Magazines 15%, direct mail 30%, other 55%. Employes: 30 in one office. Top execs: John Ruvane, chairman; Robert Leverte, president. Phone: (212) 867-1670.

SAAS Advertising, New York, had total gross income of $1,567,000 in 1981, including non-U.S. income of $37,000, on billings of $11,757,000 including $240,000 in overseas volume. In 1980, it reported gross income of $1,334,000 on billings of $9,875,550. U.S. volume in 1981 consisted of $9,200,000 in media, $850,000 in materials and services and $1,467,000 in capitalized fees. Overseas consisted of $200,000 in media and $40,000 in materials and services. In 1980, volume consisted of $8,100,000 in media, $675,000 in materials and services and $1,100,550 in capitalized fees. Accounts gained: Intl. Blimpie, E.G. Frances & Co. Lost: Sparkomatic of Europe, Jesse Jeans. Billings breakdown: Newspapers 8%, magazines 35%, radio 6%, spot tv 49%, outdoor 0.5%, business papers 1%, transit 0.5%. Employes: 13 in two offices. Top execs: Richard K. Schops, president-ceo; Guy Marino, exec vp-creative director; Sandra Schops, vp-treasurer. Phone: (212) 935-1141.

SCG Advertising, Overland Park, Kan., reported gross income of $1,230,397 in 1981 on billings of $9,099,298. In 1980, it reported gross income of $1,048,614 on billings of $9,001,306. Volume in 1981 consisted of $1,675,703 in media, $623,470 in materials and services and $6,800,125 in capitalized fees. In 1980, volume consisted of $1,676,465 in media, $787,854 in materials and services and $6,536,987 in capitalized fees. Accounts gained: Interstate Brands Variety breads, Genesco shoes, Genesco male jeans. Lost: Stokely Van Camp frozen vegetables, Volume shoes. Billings breakdown: Newspapers 20%, magazines 50%, radio 15%, spot tv 15%. Employes: 24 in one office. Top execs: Lewis A. Berey, president; Howard W. Gibson, senior vp, management supervisor; William P. Mackle, senior vp, creative director. Phone: (913) 384-4444.

SZF Inc., New York, had gross income of $1,090,000 in 1981 on billings of $10,319,500. In 1980, it reported gross income of $985,000 on billings of $8,856,200. Volume in 1981 consisted of $3,650,000 in media, $1,000,000 in materials and services and $5,669,500 in capitalized fees. In 1980, volume consisted of $2,620,000 in media, $900,000 in materials and services and $5,336,200 in capitalized fees. Accounts gained: Citibank for Brooklyn-Staten Island and Manhattan projects, Fidelity Bank of Philadelphia new and special projects, Republican National Bank special projects, Johnson & Johnson Personal Products Co.'s projects. Billings breakdown: Newspapers 10%, magazines 15%, supplements 10%, radio 5%, spot tv 5%, outdoor 5%, business papers 20%, point of sale 10%, direct mail 10%, other 10%. Employes: 20 in one office. Top execs: Robert Freedman, president; Robert Wilcox, managing partner-marketing director and account service; Kenneth Stein, partner, vp-finance and administration. Phone: (212) 759-6850.

Murray Salit & Associates, New York, had gross income of $1,149,000 in 1981 on billings of $7,660,000. In 1980, it reported gross income of $1,266,000 on billings of $8,444,220. Volume in each year was entirely in media billings. Accounts gained: Roure Bertrand DuPont, Bill Blass jeans, Oscar de la Renta jeans, Trimfit hosiery, Pep Sportswear, Christie Bros. furs. Lost: Crest apparel, Naarden. Billings breakdown: Newspapers 5%, magazines 30%, radio 5%, network tv 15%, spot tv 40%, business papers 5%. Employes: 15 in one office. Top execs: Murray Salit, president; Charles Auerbach, exec vp. Phone: (212) 354-4666.

Savitt Tobias Balk, New York, had gross income of $2,370,045 in 1981 on billings of $15,800,300. In 1980, it reported gross income of $2,134,500 on billings of $14,230,000. Volume in 1981 consisted of $7,818,780 in media, $1,745,236 in materials and services and $6,236,284 in capitalized fees. In 1980, volume consisted of $7,238,600 in media, $1,375,260 in materials and services and $5,616,140 in capitalized fees. Accounts gained: Flushco Inc., Knapp Communications, Hearst Corp. (corporate), Paternina Wines, Cusano Wines. Lost: Bond's Clothing Stores, Aunt Millie's sauces. Billings breakdown: Newspapers 12%, magazines 8%, supplements 1%, radio 29%, network tv 3%, spot tv 42%, outdoor 1%, business papers 1%, transit 1%, point of sale 2%. Employes: 36 in one office. Top execs: Seth Tobias, chairman; Hal Balk, president. Phone: (212) 421-7911.

Schaefer Advertising, Valley Forge, Pa., reported gross income of $1,710,000 in 1981 on billings of $11,400,000. In 1980, it reported gross income of $1,545,000 on billings of $10,300,000. Volume in 1981 consisted of $5,850,000 in media, $1,450,000 in materials and services and $4,100,000 in capitalized fees. In 1980, volume was not broken down. Figures include subsidiary

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Gross income of $1,000,000 to $5,000,000

Schaefer Advertising, Loxahatchee, Fla. Accounts gained: AC Mfg. Co., Datapro Research Corp., Namolco Inc. Transport Intl. Pool, Danyl Corp. Lost: Decision Data Corp., Datamedia Corp., Commonwealth Land Title. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, spot tv 10%, outdoor 2%, business papers 33%, direct mail 10%. Employes: 33 in two offices. Top execs: A.O. Schaefer Jr., president; Joseph A. Meehan Jr., vp-creative director; John Ciotti, vp-treasurer; Helene Sperka, vp-broadcasting production; Charles Ferrare, vp-account supervisor; Frank Byrne, vp-ag communications division (at Woodward & Schaefer); Joseph A. Roesser, exec vp. Phone: (215) 337-0550.

Schein/Blattstein Advertising, New York, had gross income of $1,275,000 in 1981 on billings of $7,688,388. In 1980, it reported gross income of $1,124,000 on billings of $6,777,600. Volume in 1981 consisted of $3,710,000 in media, $200,000 in materials and services and $3,778,388 in capitalized fees. In 1980, volume consisted of $2,658,000 in media, $117,600 in materials and services and $4,002,000 in capitalized fees. Accounts gained: *The New Republic*, *Trusteeship Magazine*, Stenotype Institute, The Poor Richard Co., Auction Index Inc. Lost: *Output* magazine, *Art Express*. Billings breakdown: Newspapers 20%, magazines 20%, radio 2%, spot tv 13%, business papers 5%, transit 5%, direct mail 35%. Employes: 18 in two offices. Top exec: Eliot DeY. Schein, president. Phone: (212) 758-1555.

Scott Lancaster Jackman Mills Atha, Los Angeles and Westport, Conn., reported gross income of $1,775,000 in 1981 on media billings of $19,500,000. In 1980, it reported gross income of $862,000 on media billings of $7,162,000. Accounts gained: American Toy & Furniture, Dep Corp., Giorgio Perfume, Tyco Industries. Billings breakdown: Newspapers 8%, magazines 19%, supplements 5%, radio 12%, network tv 10%, spot tv 36%, other 10%. Employes: 32 in two offices. Phone: (213) 552-6050 in Los Angeles, (203) 227-7665 in Westport.

Scroggin & Fischer Advertising, San Francisco, reported gross income of $1,758,634 and net income of $91,602 in 1981 on billings of $11,373,100. In 1980, it reported gross income of $1,594,410 and net income of $83,665 on billings of $10,349,950. Volume in 1981 consisted of $4,738,312 in media, $1,752,168 in materials and services and $4,882,620 in capitalized fees. In 1980, volume consisted of $4,320,905 in media, $1,594,329 in materials and services and $4,434,716 in capitalized fees. Accounts gained: Fireside Thrift, W.C. Dillon & Co., GRiD systems. Lost: Viking Engineering, Mini-Computer Technology, MicroPro. Billings breakdown: Newspapers 6.3%, radio 12.4%, spot tv 43%, outdoor 0.5%, business papers 34.3%, transit 0.5%, other 3%. Employes: 26 in two offices. Top execs: Martel Scroggin, ceo; Martin D. Fischer, president. Phone: (415) 391-2694.

Seideman & Moiselle Advertising/Marketing, Encino, Cal., reported gross income of $1,003,967 in 1981 on billings of $7,012,340. In 1980, it reported gross income of $769,649 on billings of $5,317,757. Volume in 1981 consisted of $5,631,892 in media, $821,936 in materials and services and $558,512 in capitalized fees. In 1980, volume consisted of $4,197,383 in media, $773,581 in materials and services and $346,793 in capitalized fees. Accounts gained: Brilliant Seafoods, Kings Hawaiian Bakery, H&R Sussman Financial Services, Continental Culture Specialists, BMX Products (Mongoose bicycles). Lost: Hoffman Packing Co. (Hoffy brand meat products). Billings breakdown: Newspapers 16%, magazines 11%, radio 11%, spot tv 52%, outdoor 2%, business papers 5%, point of sale 1%, direct mail 1%, other 1%. Employes: 23 in one office. Top exec: Edward D. Moiselle, president-treasurer. Phone: (213) 986-2233.

Serino, Coyne & Nappi, New York, had gross income of $1,677,000 in 1981 on billings of $11,180,000. In 1980, it reported gross income of $1,476,000 on billings of $8,416,000. Volume in 1981 consisted of $9,270,000 in media and $1,910,000 in materials and services. In 1980, volume consisted of $7,179,000 in media and $1,237,000 in materials and services. Accounts gained: Public Theatre shows, "Annie," "Pirates of Penzance," Lena Horne show, "Nicholas Nickelby," "Crimes of the Heart," "Mass Appeal," "The Dresser," "Dream Girls." Billings breakdown: Newspapers 31%, magazines 2%, radio 11%, spot tv 51%, outdoor 2%, transit 3%. Employes: 29 in one office. Top execs: Matthew Serino, president; Nancy Coyne and Nicholas Nappi, exec vps; Morris Mones, vp. Phone: (212) 869-9824.

Shailer Davidoff Rogers, Fairfield, Conn., had gross income of $1,600,000 and net income of $310,000 in the 1981 calendar year on billings of $7,800,000. In fiscal 1980, it reported gross income of $1,050,000 and net income of $80,000 on billings of $7,000,000. Volume in 1981 consisted of $2,800,000 in media, $2,000,000 in materials and services and $3,000,000 in capitalized fees. In 1980, volume consisted of $2,400,000 in media, $1,400,000 in materials and services and $3,200,000 in capitalized fees. Accounts gained: Fine Tool Shops, New York Medical College, Holland America Lines, Infoscan, Cavri, TIE Communications. Lost: First Bank Corp., J.M. Layton Insurance Co. Billings breakdown: Newspapers 40%, magazines 10%, radio 20%, network tv 15%, outdoor 7%, business papers 4%, transit 4%. Employes: 41. Top execs: Denise T. Davidoff, president-ceo; Harold Rogers, chairman; Samuel Zurich, exec vp-coo; Judith Eden, senior vp-copy. Phone: (203) 255-3425.

Shaller Rubin Associates, New York, had gross income of $4,100,000 in 1981 on billings of $27,200,000. In 1980, it reported gross income of $3,800,000 on billings of $25,700,000. Volume in 1981 consisted of $16,700,000 in media, $5,100,000 in materials and services and $5,400,000 in capitalized fees. In 1980, volume consisted of $15,500,000 in media, $5,100,000 in materials and services and $5,100,000 in capitalized fees. Accounts gained: Becton-Dickinson Corp.'s Ivers Lee division, Helena Rubinstein, Swank Inc., and Habitation Leclerc-Haiti. Billings breakdown: Newspapers 18%, magazines 22%, supplements 4%, radio 22%, network tv 25%, spot tv 9%. Employes: 74. Top execs: Mel Rubin, chairman; Milton Shaller, president; Mike Reid, senior exec vp; Arnold Winer, exec vp; Noreen Kremer, senior vp-finance, Robert Storch, vp-media director. Phone: (212) 980-5300.

Sherwood & Schneider, New York, successor to KSW&G Inc., had gross income of $2,040,000 on billings of $13,430,000 in 1981, its first year in business. The agency did not break out its 1981 volume. Accounts gained: Hush Puppies (coats and jackets), Beech-Nut baby food, Parr Securities, Pedro Domecq wines. Lost: *Psychology Today*. Billings breakdown: Newspapers 10%, magazines 35%, supplements 5%, spot tv 35%, business papers 10%, point of sale 5%. Employes: 23 in one office. Top execs: Marvin Schneider, chairman; Lew Sherwood, president; Brendan Hawk and James Massey, exec vps; Ed Zurndorfer, senior vp. Phone: (212) 486-8800.

For more information, see profile on parent agency, Della Femina Travisano & Partners.

The Siesel Co., New York, had estimated gross income of $1,500,000 in 1981 on billings of $10,239,582. In 1980, it had estimated gross income of $1,350,000 on billings of $9,000,000. Volume in 1981 consisted of $4,254,127 in media, $649,455 in materials and services and $5,336,000 in capitalized fees. The agency did not provide a volume breakdown for 1980. Billings breakdown: Newspapers 12%, magazines 40%, radio 10%, business papers 28%, point of sale 5%, direct mail 5%. Employes: 41 in two offices. Top exec: Alfred Siesel, president. Phone: (212) 759-6500

Silverman Mower Advertising, Syracuse, N.Y., had gross income of $3,084,851 in 1981 on billings of $20,057,595. In 1980, it reported gross income of $2,086,602 on billings of $14,837,271. Volume in 1981 consisted of $6,242,995 in media, $5,687,612 in materials and services and $8,126,988 in capitalized fees. In 1980, volume consisted of $4,537,746 in media, $3,316,266 in materials and services and $6,983,259 in capitalized fees. Accounts gained: Champion Products Inc., Raymond Corp., O'Brien & Gere Engineers, Municipal Electrical Utilities Assn. Lost: Blue Cross/Blue Shield of Central New York, Welch Allyn, Instruments for Cardiac Research. Billings breakdown: Newspapers 27%, magazines 12%, supplements 1%, radio 8%, spot tv 22%, outdoor 1%, business papers 3%, farm publications 5%, point of sale 9%, direct mail 12%. Employes: 72 in one office. Top execs: Eric Mower, president-ceo; Deborah Subbarao, senior vp-operations. Phone: (315) 472-4703.

Simons Michelson Zieve, Troy, Mich., reported gross income of $2,350,000 in 1981 on billings of $13,193,000. In 1980, it reported gross income of $1,900,000 on billings of $10,415,000. Volume in 1981 consisted of $9,537,000 in media, $1,200,000 in materials and services and $2,456,000 in capitalized fees. In 1980, volume consisted of $7,613,000 in media, $1,215,000 in materials and services and $1,587,000 in capitalized fees. Accounts gained: Hiram Walker brands—Walker's Deluxe Bourbon, Imperial, Ten High Bourbon, Two Fingers Tequila, Stainless Steel Inc., Royal Lincoln Mercury/AMC, Michigan Opera Theatre, Greater Lansing Auto Dealers Assn. Lost: Bob's Big Boy East. Billings breakdown: Newspapers 22%, magazines 9%, radio 18%, spot tv 27%, outdoor 18%, transit 3%, point of sale 2%, direct mail 1%. Employes: 50 in one office. Top execs: Morton Zieve, chairman; James A. Michelson, president; Evelyn Keller, exec vp. Phone: (313) 649-5600.

Simpson Marketing Communications, Columbus, O., reported gross income of $1,969,362 in 1981 on billings of $7,550,441. The agency did not report for 1980. Volume in 1981 consisted of $1,768,956 in media, $3,388,568 in materials and services and $2,392,917 in capitalized fees. Accounts gained: Bernardo Sandals, division of R.G. Barry Corp. Lost: None. Billings breakdown: Newspapers 5%, magazines 3%, supplements 2%, radio 31%, spot tv 46%, outdoor 3%, business papers 10%. Employes: 24 in one office. Top execs: George F. Fox, president; Huber R. Smith, exec vp. Phone: (614) 481-8371.

Slater, Hanft, Martin, New York, had gross income of $3,267,000 on billings of $21,900,000 in 1981, its first full year in business. Volume consisted of $18,632,000 in media, $600,000 in materials and services and $2,668,000 in capitalized fees. Accounts are: Richardson-Vicks, Konishiroku Corp., Group W, Can Corp. of America, MEM, Citicorp, Morrison's, Rainbow Services, Decorators Warehouse, Zoetrope Studios, New York School for Circus Arts. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, network tv 40%, spot tv 30%. Employes: 20 in one office. Top execs: Gerald Martin, president; Donald Slater, Adam Hanft, creative directors. Phone: (212) 753-3100.

Mike Sloan Inc., Miami, had gross income of $2,560,000 in 1981 on billings of $17,063,232. In 1980, it reported gross income of $2,400,000 on billings of $16,417,500. Volume in 1981 consisted of $13,500,385 in media, $1,473,616 in materials and services and $2,089,231 in capitalized fees. In 1980, volume consisted of $13,300,000 in media, $1,450,000 in materials and services and $1,667,500 in capitalized fees. Accounts gained: Saxon Business Products, For Eyes Optical Co. Billings breakdown: Newspapers 6%, magazines 17%, supplements 2%, radio 2%, network tv 40%, spot tv 20%, outdoor 2%, business papers 10%, direct mail 1%. Employes: 31 in one office. Top execs: Mike Sloan, president; David Schropfer, exec vp; Mel Richman, senior vp-creative director; Larry Leblang, vp-associate creative director; Phil Schwartz, vp-account supervisor; F.D. Plaia, vp-media director. Phone: (305) 358-4234.

Smith, Badofsky & Raffel, Chicago, reported gross income of $1,279,650 in 1981 on billings of $8,533,000. In 1980, it reported gross income of $390,067 on billings of $2,601,111. Volume in 1981 consisted of $2,998,000 in media, $1,373,000 in materials and services and $4,162,000 in capitalized fees. In 1980, volume consisted of $986,000 in media, $285,000 in materials and services and $1,330,111 in capitalized fees. Accounts gained: Greatways Corp., The Worldwide Club, Stand-Buys Ltd. Lost: Naked Furniture. Billings breakdown: Newspapers 22%, magazines 12%, radio 22%, spot tv 28%, outdoor 2%, business papers 8%, point of sale 1%, direct mail 5%. Employes: 17 in one office. Top execs: Robert J. Smith, president; Jack Badofsky, William D. Raffel, exec vps. Phone: (312) 661-1500.

Smith, Kaplan, Allen & Reynolds Advertising Agency, Omaha, Neb., reported gross income of $1,125,105 in 1981 on billings of $7,501,225. In 1980, it reported gross income of $901,608 on billings of $6,010,725. Volume in 1981 consisted of $4,321,580 in media, $2,128,540 in materials and services and $1,051,105 in capitalized fees. In 1980, volume consisted of $3,369,902 in media, $1,625,420 in materials and services and $1,015,403 in capitalized fees. Accounts gained: Applied Communications, Better Business Equipment, Computerland (Omaha-Lincoln-Des Moines), Sioux Tools. Lost: Great Plains Oldsmobile Dealers of Nebraska and Iowa. Billings breakdown: Newspapers 10%, magazines 12%, radio 15%, network tv 5%, spot tv 33%, outdoor 5%, business papers 3%, farm publications 2%, transit 1%, point of sale 2%, direct mail 1%, other 11%. Employes: 33 in one office. Top execs: H. Wayne Smith, president-treasurer; R.N. Kaplan, exec vp, LaVon C. Eby, first vp. Phone: (402) 330-0110.

Sohigian & Partners, Southfield, Mich., reported gross income of $1,425,000 in 1981 on billings of $9,500,000. In 1980, it reported gross income of $1,350,000 on billings of $9,000,000. Volume in 1981 consisted of $8,200,000 in media and $1,300,000 in materials and services. In 1980, volume consisted of $7,850,000 in media and $1,150,000 in materials and services. Accounts gained: Atlantic Consumers Product Mfg. Co., Chatham Complete Food Centers, Pak-N-Save Markets, Warehouse Way, CKLW-AM, Peschke Packing Co., Naturally Good division, General Electric Automotive Materials Center (pr). Billings breakdown: Newspapers 25%, magazines 5%, radio 15%, outdoor 5%, direct mail 10%. Employes: 35 in one office. Top execs: Arsen Sohigian, president-treasurer; Sy Lachiusa, exec vp-secretary. Phone: (313) 358-5570.

Specht, Gilbert & Partners, New York, had gross income of $2,299,000 in 1981, its first full year in business, on billings of $15,200,000. Volume in 1981 consisted of $14,000,000 in media, $700,000 in materials and services and $500,000 in capitalized fees. Accounts gained: Andrew Jergens, C.B. Fleet, Tender Corp. Billings breakdown: Radio 40%, network tv 40%, spot tv 20%. Employes: 16 in one office. Top execs: Ilon Specht, creative director; Donald Gilbert, president; Steve Bayer and Michael Kammerer, partners. Phone: (212) 371-0590.

Neal Spelce Associates, Austin, Tex., reported gross income of $1,018,003 in 1981 on billings of $6,786,679. In 1980, it reported gross income of $989,742 on billings of $6,598,281. Volume in 1981 consisted of $1,313,633 in media, $823,593 in materials and services and $4,649,453 in capitalized fees. In 1980, volume consisted of $1,409,467 in media, $778,807 in materials and services and $4,410,007 in capitalized fees. Accounts gained: Alabama Coushatta Indian Reservation, Austin Safe Place, Austin Sunbelt Corp. ("The Estates Above Lost Creek" project), Bennett-Barnes shopping center division, Block House Venture, Geneva Basin Ski Resort in Colorado, Independent Bankers Assn. of Texas, Kerr Cos. (Bradford Hotel), La Posada Hotels in McAllen and Laredo, Lockheed Missiles and Space Co., Austin division, OILTEX Intl., Trammell Crow Co., Austin. Billings breakdown: Newspapers 17%, magazines 35%, radio 6%, spot tv 38%, outdoor 4%. Employes: 23 in one office. Top execs: Neal Spelce, president; William Bennett Spelce, exec vp; Howard Falkenberg, senior vp. Phone: (512) 476-4644.

Franklin Spier Inc., New York, a subsidiary of BBDO International, had gross income of $2,649,977 and net income of $165,588 in 1981 on billings of $17,658,000. In 1980, it reported gross income of $2,527,544 and net income of $147,181 on billings of $16,834,000. Volume in 1981 consisted of $11,373,000 in media, $4,395,000 in materials and services and $1,890,000 in capitalized fees. In 1980, volume consisted of $10,915,000 in media, $4,453,000 in materials and services and $1,466,000 in capitalized fees. Accounts gained: Sabco Communications, Best Publications, Viking/Penguin Publishers, Harper & Row/San Francisco. Billings breakdown: Newspapers 50%, magazines 12%, radio 15%, network tv 2%, spot tv 5%, business papers 3%, transit 1%, point of sale 2%, direct mail 5%, other 5%. Employes: 44 in one office. Top exec: Lee. H. Sim-

mons, president. Phone: (212) 679-4441.

For more information, see profile of parent agency, BBDO Intl.

Starr/McCombs/Koch, Honolulu, had estimated gross income of $1,725,000 in 1981 on billings of $11,500,000. In 1980, it reported gross income of $1,425,000 on billings of $9,500,000. No volume breakout was provided. Accounts gained: County of Mawaii, Intl. S&L, Princeville Development. Lost: None. Billings breakdown: Newspapers 27%, magazines 12%, radio 23%, spot tv 37%, cable tv 1%. Employes: 33 in one office. Phone: (808) 524-5080.

Stephan & Brady, Madison, Wis., reported gross income of $2,338,656 in 1981 on billings of $16,979,549. In 1980, it reported gross income of $2,015,299 on billings of $15,141,354. Volume in 1981 consisted of $4,979,198 in media, $1,926,126 in materials and services and $10,074,225 in capitalized fees. In 1980, volume consisted of $4,313,772 in media, $1,848,759 in materials and services and $8,978,823 in capitalized fees. Accounts gained: Bradley Corp. in Menomonee Falls, Research Products, Express Foods Co., Louisville. Lost: Wisconsin Power & Light, McDonald's Corp. Madison stores, Northwest Fabrics. Billings breakdown: Newspapers 21%, magazines 9%, radio 5%, spot tv 26%, outdoor 1%, business papers 22%, direct mail 6%, other (collateral) 10%. Employes: 59 in one office. Phone: (608) 241-4141.

Stern/Monroe Advertising, Dallas, had estimated gross income of $2,400,000 in 1981 on billings of $16,000,000. In 1980, it had estimated gross income of $1,400,000 on billings of $9,500,000. Volume in 1981 consisted of $9,000,000 in media, $1,000,000 in materials and services and $6,000,000 in capitalized fees. In 1980, volume consisted of $5,000,000 in media, $500,000 in materials and services and $4,000,000 in capitalized fees. Accounts gained: Harrah's Hotels & Casinos in Reno, Lake Tahoe and Atlantic City, Pizza Inn Restaurants, First City Bank of Dallas. Billings breakdown: Employes: 27 in one office. Top execs: Lawrence N. Stern, Thomas F. Monroe, principals. Phone: (214) 698-1000.

Stern Walters/Earle Ludgin, Chicago, reported gross income of $4,503,006 in 1981 on billings of $34,786,286. In 1980, it reported gross income of $4,400,934 on billings of $33,657,388. Volume in 1981 consisted of $20,675,882 in media, $2,438,197 in materials and services and $11,672,207 in capitalized fees. In 1980, volume consisted of $20,160,866 in media, $2,626,137 in materials and services and $10,870,385 in capitalized fees. Accounts gained: Roper Sales Corp., Ra-Pid-Gro (division of Chevron Chemical Co.), Agar Food Products, Convenient Food Mart Inc., Ford City Bank & Trust, JoJo's Restaurants (division of W.R. Grace). Lost: A.E. Staley Mfg. Co., R.J. Maier Corp. Billings breakdown: Newspapers 5%, magazines 15%, radio 36%, network tv 32%, spot tv 6%, outdoor 1%, business papers 5%. Employes: 71 in two offices. Top execs: Gerald J. Stern, chairman-president; Lee J. Walters, William J. Lowney, vice-chairmen-exec vps; Vera M. McRae, S. Stuart Shryer, Ira Brichta. Phone: (312) 642-4990.

For more information, see profile of parent agency, Ted Bates & Co.

Philip Stogel Co., New York, had estimated gross income of $2,100,000 in 1981 on billings of $13,560,225. In 1980, it had estimated gross income of $2,200,000 on billings of $14,789,728. Volume in 1981 consisted of $9,550,165 in media, $3,195,450 in materials and services and $814,610 in capitalized fees. In 1980, volume consisted of $12,000,000 in media, $2,000,000 in materials and services and $789,728 in capitalized fees. Accounts gained: Hausguvana Motor Bikes, Osawa Lens division, Teknika Electronics, Westchester County Health Clinics. Lost: Charles Bacon & Co., American International, Video Information Systems. Billings breakdown: Newspapers 3%, magazines 58%, radio 6%, network tv 26%, spot tv 2%, outdoor 1%, direct mail 2%, other (publicity) 2%. Employes: 34. Top exec: Philip Stogel, president. Phone: (212) 682-7600.

Stolz Advertising, St. Louis, reported gross income of $2,019,647 in 1981 on billings of $12,466,958. In 1980, it reported gross income of $1,795,263 on billings of $9,929,552. Volume in 1981 consisted of $7,860,791 in media, $1,196,828 in materials and services and $3,409,339 in capitalized fees. In 1980, volume consisted of $7,151,661 in media, $923,448 in materials and services and $1,854,443 in capitalized fees. Accounts gained: Centerre Bank, Famous-Barr, Interstate Commercial Realty Network, McDonald's Restaurants of Nebraska and Western Iowa, Petragram, Plaza Motor Co., Switzer's (Switzer's, Rothchilds, Good & Plenty), Tindle Mills, V.P. Fair Inc. Lost: None. Billings breakdown: Newspapers 6.9%, magazines 6.9%, radio and spot tv 73%, business papers 6%, transit 7.3%. Employes: 47 in three offices. Top execs: Robert G. Stolz, chairman; John F. Eyler, president; Glennon D.Jamboretz, exec vp. Phone: (314) 863-0005.

Stone & Simons, Southfield, Mich., reported gross income of $1,632,584 in 1981 on billings of $8,730,394. In 1980, it reported gross income of $1,592,113 on billings of $8,459,684. Volume in 1981 consisted of $5,805,410 in media, $907,642 in materials and services and $2,017,342 in capitalized fees. In 1980, volume consisted of $5,735,569 in media, $969,865 in materials and services and $1,754,250 in capitalized fees. Accounts gained: C.A. Muer Corp., Coat Rack, Center Cos. (Crossroads, Eastland, Southland & Westland), Mohawk Liqueur Corp., Wendy's Old Fashioned Hamburgers (Southeast Michigan and Northwest Ohio). Lost: Detroit Coca-Cola, Perry Drug Stores, Suburban Communications, Sign of the Beefcarver. Billings breakdown: Newspapers 20%, magazines 14%, radio 33%, spot tv 30%, outdoor 1%, transit 1%, other 1%. Employes: 27 in one office. Top execs: Charles Stone, Robert Sorock, Sarah Martin. Phone: (313) 358-4800.

Sullivan & Brugnatelli, New York, had gross income of $1,305,023 in 1981 on billings of $14,248,626. In 1980, it reported gross income of $1,194,401 on billings of $11,974,396. Volume in 1981 consisted of $4,234,077 in media, $1,496,979 in materials and services and $8,517,570 in capitalized fees. In 1980, volume consisted of $3,216,839 in media, $894,361 in materials and services and $7,863,196 in capitalized fees. Billings breakdown: Newspapers 8%, magazines 3%, network tv 67%, spot tv 22%. Employes: 25. Top exec: John W. Sullivan, president. Phone: (212) 986-4200.

Sumner Berry Brown Advertising, Dallas, reported gross income of $1,032,900 in 1981 on billings of $6,886,030. In 1980, it reported gross income of $663,150 on billings of $4,420,980. Volume in 1981 consisted of $4,574,000 in media, $918,000 in materials and services and $1,394,030 in capitalized fees. In 1980, volume consisted of $2,927,360 in media, $587,520 in materials and services and $906,100 in capitalized fees. Accounts gained: Texas Dairy Queen Trade Assn., National Convenience Stores (Midwest division), Meads Fine Foods. Lost: None. Billings breakdown: Newspapers 17%, magazines 20%, supplements 1%, radio 7%, spot tv 40%, outdoor 3%, business papers 7%, point of sale 3%, direct mail 2%. Employes: 24 in one office. Top execs: Donald R. Sumner, Robert E. Berry, Robert D. Brown. Phone: (214) 521-0800.

Howard Swink Advertising Agency, Marion, O., reported gross income of $3,831,057 in 1981 on billings of $26,010,581. In 1980, it reported gross income of $3,486,243 on billings of $23,952,087. Volume in 1981 consisted of $8,277,041 in media, $3,314,888 in materials and services and $14,418,652 in capitalized fees. In 1980, volume consisted of $8,800,166 in media, $2,865,981 in materials and services and $12,285,940 in capitalized fees. Accounts gained: Volvo White Truck Corp., O.H. Materials, CompuServe, Greensboro (N.C.) Chamber of Commerce, Bendix Heavy Duty Vehicle Systems Group, Cardinal Industries, Dow Corning, Draw-Tite, Parker Hannifin Corp., Tait Pump, Gold Circle, O-I SeaGate. Lost: Ditzler Paints, Ryan Homes. Billings breakdown: Newspapers 12%, magazines 12%, radio, spot tv and network tv 19%, business papers 53%, other (Yellow Pages) 4%. Employes: 87 in four offices. Top execs: C.R. Fisher, ceo-president; Blaine Gutermuth, chairman; Robert F. Guirlinger, exec vp-general manager. Phone: (614) 387-3310.

Symon, Thomas & Hilliard, New York, had gross income of $2,136,000 in 1981 on billings of $22,250,000. In 1980, it reported gross income of $1,969,000 on billings of $20,100,000. Volume in both years consisted entirely of media billings. Account gained: Conran's Furniture. Billings breakdown: Newspapers 5%, magazines 11%, radio 4%, network tv 44%, spot tv 30%, business papers 3%, direct mail 2%, other 1%. Top execs: James Symon, chairman; James Thomas, president; Tony Hilliard, exec vp; Nadine Sprangers and Chuck Sprowl, senior vps. Employes: 20 in one office. Phone: (212) 935-6300.

TBWA, New York, had gross income of $3,750,000 in 1981 on media billings of $25,000,000. In 1980, it reported gross income of $3,000,000 on media billings of $20,000,000. TBWA is the U.S. subsidiary of a French-based agency with $186,000,000 in 1981 non-U.S. billings, for a worldwide billings total of $211,000,000 and worldwide gross income of $31,650,000, including $27,900,000 in non-U.S. gross income. Its 1980 non-U.S. gross income of $27,000,000 was on non-U.S. billings of $180,000,000. TBWA's 1980 worldwide billings totaled $200,000,000. Accounts gained: Avianca Airlines, Carillon Importers (Grand Marnier liqueur, Absolut vodka, Bombay gin), Fairchild Publications (*W* magazine), Ferragamo, Granada TV. Billings

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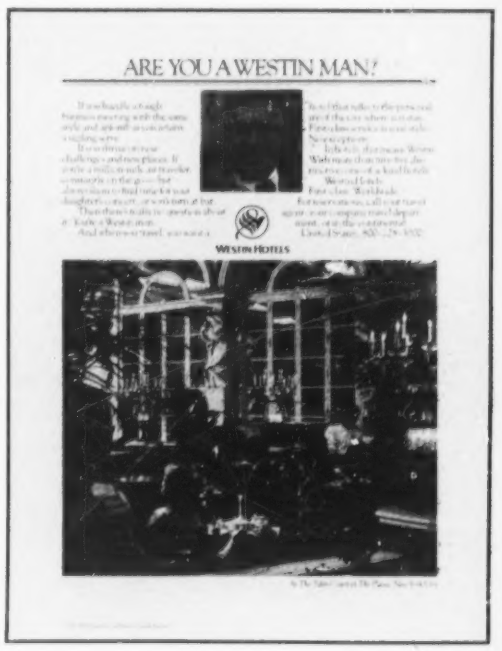

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Don Tennant Co., Chicago, reported gross income of $2,697,000 in 1981 on billings of $24,016,000. In 1980, it reported gross income of $2,291,000 on billings of $18,832,000. Volume in 1981 consisted of $19,534,000 in media, $2,141,000 in materials and services and $2,341,000 in capitalized fees. In 1980, volume consisted of $14,815,000 in media, $1,684,000 in materials and services and $2,333,000 in capitalized fees. Accounts gained: Ralston Purina, Thrive Cat Food, Resort Condominium Intl. Lost: Storck USA LP. Billings breakdown: Newspapers 4%, magazines 11%, supplements 4%, network tv 67%, spot tv 14%. Employes: 45 in one office. Top execs: Don Tennant, chairman; Roland Waller, vice-chairman; Thomas Prchal, president; Denis Naylor, senior vp. Phone: (312) 644-4600.

Three Arts Inc., Cedar Rapids, Iowa, reported gross income of $1,385,418 in 1981 on billings of $7,993,376. In 1980, it reported gross income of $1,020,238 on billings of $7,046,061. No volume breakdown was provided. Accounts gained: Chromalloy farm equipment division, Commuter Industries. Billings breakdown: Newspapers 4%, magazines 5%, radio 18%, spot tv 23%, outdoor 1%, farm publications 49%. Employes: 23 in one office. Top execs: Stanton L. Priske, president; Larry D. Buchanan, exec vp. Phone: (319) 365-7572.

Tromson Monroe Advertising, New York, had gross income of $2,550,000 in 1981 on billings of $17,000,000. In 1980, it reported gross income of $1,950,000 on billings of $13,000,000. Volume in 1981 consisted of $11,000,000 in media, $3,000,000 in materials and services and $3,000,000 in capitalized fees. In 1980, volume consisted of $8,000,000 in media, $2,400,000 in materials and services and $2,600,000 in capitalized fees. Accounts gained: Irish Tourist Board (projects), Party Cruises. Lost: Rye Town Hilton. Billings breakdown: Newspapers 65%, magazines 15%, radio 10%, spot tv 5%, point of sale 5%. Employes: 40 in two offices. Top execs: Mario Trombone, chairman-president; Diana Orban, president-T.M.P.R. division, Ilse Trombone, chief operating officer. Phone: (212) 752-8660.

Trout & Ries Advertising, New York, had gross income of $4,493,070 in 1981 on billings of $29,780,208. In 1980, it reported gross income of $3,535,362 on billings of $23,569,080. Volume in 1981 consisted of $21,138,000 in media, $1,156,000 in materials and services and $7,486,208 in capitalized fees. In 1980, volume consisted of $16,727,000 in media, $1,012,500 in materials and services and $5,829,580 in capitalized fees. Accounts gained: NBC Radio's fm group, Thrifty Rent-A-Car of New York and New Jersey. Billings breakdown: Newspapers 20%, magazines 24%, radio 27%, spot tv 16%, business papers 12%, transit 1%. Employes: 70 in one office. Top execs: Al Ries, chairman; Jack Trout, president; Steve Rivkin, exec vp. Phone: (212) 869-8888.

Douglas Turner Inc., Newark, N.J., and its Boston subsidiary Silton/Turner, had gross income of $1,434,884 in 1981 on billings of $10,203,000. In 1980, it reported gross income of $1,392,250 on billings of $10,178,000. It did not break out its volume for either year. Accounts gained: E.J. Brooks Co., Cynex Mfg. Corp., Gil-Flex Rentals, L'Orbette Co., Supersaver Heating Products, United Health Services' Acne Treatment Medical Center and its Nutri-System Weight Loss Centers. Lost: Carteret Savings & Loan Assn. Billings breakdown: Newspapers 25%, magazines 10%, radio 20%, spot tv 25%, business papers 20%. Employes: 40 in two offices. Top execs: Douglas J. Turner, president; Robert R. Chaffee, senior vp. Phone: (201) 623-4506.

Tycer-Fultz-Bellack, Palo Alto, Cal., reported gross income of $1,521,153 and net income of $93,252 in 1981 on billings of $10,753,493. In 1980, it reported gross income of $1,179,963 and net income of $26,055 on billings of $8,393,850. Volume in 1981 consisted of $2,879,771 in media, $609,252 in materials and services and $7,264,470 in capitalized fees. In 1980, volume consisted of $1,929,868 in media, $524,725 in materials and services and $5,939,257 in capitalized fees. Accounts gained: Centigram Corp., Falco Data Products, Software Publishing, Systel Computers. Lost: Avantek Inc., Logisticon Inc. Billings breakdown: Magazines 95%, other 5%. Employes: 35 in one office. Top execs: Del Tycer, Robert Fultz, Dan Bellack, all principals. Phone: (415) 328-6300.

Valentine-Radford, Kansas City, reported gross income of $4,771,500 in 1981 on billings of $32,655,815. In 1980, it reported gross income of $4,292,300 on billings of $29,429,940. Volume in 1981 consisted of $17,035,120 in media, $5,432,323 in materials and services and $10,188,372 in capitalized fees. In 1980, volume consisted of $13,885,756 in media, $5,085,744 in materials and services and $10,458,440 in capitalized fees. Accounts gained: Ceva Laboratories, Gott, Overhead Door, K.C. Comets, Marketforce, First American Warranty, North Supply. Lost: American Charter, Namolco, American Nurses, Hillyard, MFA Inc. Billings breakdown: Newspapers 10%, magazines 7%, radio 15%, spot tv 15%, outdoor 10%, business papers 5%, farm publications 25%, point of sale 3%, direct mail 10%. Employes: 93 in one office. Top execs: G.W. Hawley, chairman; Robert A. Brooks, president; Robert C. Lang, senior exec vp; Rowena Langford, senior vp. Phone: (816) 342-5021.

Van Brunt & Co, New York, had gross income of $2,715,000, including $580,000 in non-U.S. income, in 1981 on billings of $23,152,125, of which $8,250,000 was in non-U.S. volume. In 1980, it reported gross income of $2,437,500, including $600,000 in non-U.S. income, on billings of $21,561,500, of which $8,500,000 was overseas volume. U.S. volume in 1981 consisted of $9,150,000 in media, $1,500,000 in materials and services and $4,252,125 in capitalized fees. In 1980, volume consisted of $8,600,000 in media, $1,420,000 in materials and services and $3,041,500 in capitalized fees. Figures include two subsidiaries, Van Brunt/Schaeffer PR and Van Brunt/Mahta Travel Marketing & Management. Accounts gained: Tampax Maxithins (Puerto Rico, Hispanic markets), Lebhar Friedman, Aerolineas Argentinas, Port Authority of N.Y.-N.J., Thomas Cook; Roberta di Camerino, U.S. Government (GSA). Lost: Ilias Lalaounis. Billings breakdown: Newspapers 20%, magazines 30%, radio 18%, spot tv 22%, business papers 6%, point of sale 1%, direct mail 3%. Employes: 50 in its one U.S. office. Top execs: Edwin Van Brunt, chairman; Albert Van Brunt, president; Richard Barker and Howard Karps, senior vp; Robert Gass, media director; William Buckley, broadcast director; P.F. Mahta, president-travel marketing; Lou Garcia, director-pr. Phone: (212) 949-1300.

VanSant, Dugdale & Co., Baltimore, reported gross income of $4,203,264 in 1981 on billings of $28,021,760. In 1980, it reported gross income of $3,621,598 on billings of $24,143,987. Volume in 1981 consisted of $19,218,320 in media, $3,405,313 in materials and services and $5,398,127 in capitalized fees. In 1980, volume consisted of $15,759,093 in media, $2,497,320 in materials and services and $5,887,574 in capitalized fees. Accounts gained: Aircraft Armaments (corporate), Giant Foods Stores, Phillips Seafood Restaurants. Lost: Cambridge Wire Cloth Co., Trojan Yacht, WIP-AM, WMMR-FM. Billings breakdown: Newspapers 20%, magazines 36%, radio 11%, network tv 4%, spot tv 15%, outdoor 1%, business papers 13%. Employes: 89 in two offices. Top execs: N. VanSant, chairman; R.J. Sachs, president; R.V. Walsh, senior vp, marketing; D.B.S. Catling, senior vp, account management; S. Levin, senior vp, creative; K.E. Mayhorne, senior vp, account management; E.P. McDonough, senior vp, financial and administration; J.S. Paulus, senior vp, creative; S.T. Taule, senior vp, media. Phone: (301) 539-5400.

Vantage Advertising & Marketing Associates, San Leandro, Cal., reported gross income of $1,980,000 in 1981 on billings of $10,457,000. In 1980, it reported gross income of $1,360,000 on billings of $9,760,000. Volume in 1981 consisted of $9,872,000 in media and $585,000 in materials and services. In 1980, volume consisted of $9,438,000 in media and $322,000 in materials and services. Accounts gained: S&W Fine Foods, a Columbia Coffee division. Billings breakdown: Newspapers 15%, magazines 20%, radio 5%, network tv 50%, other (collateral 5%, trade publications 5%) 10%. Employes: 22 in one office. Top exec: Charles B. Foll, president. Phone: (415) 352-3640.

Vicom Associates, San Francisco, reported gross income of $2,174,877 in 1981 on billings of $25,593,738. In 1980, it reported gross income of $1,787,405 on billings of $20,296,951. Volume in 1981 consisted of $6,235,947 in media, $4,851,361 in materials and services and $14,506,430 in capitalized fees. In 1980, volume consisted of $4,168,401 in media, $4,206,559 in materials and services and $11,921,991 in capitalized fees. Accounts gained: BioSyntec, Cardiokinetics, Second Foundation, McGhan, SmithKline Diagnostics. Lost: McGhan, Second Foundation. Billings breakdown: Magazines 49%, radio 1%, direct mail 10%, other 40%. Employes: 45 in two offices. Top execs: Robert W. Buechert, Reginald A. Bowes, Thomas C. Spooner. Phone: (415) 391-8700.

Waldbillig & Besteman, Madison, Wis., reported gross income of $1,221,301 in 1981 on billings of $8,145,056. In 1980, it reported gross income of $1,052,034 on billings of $7,016,085. Volume in 1981 consisted of $961,851 in media, $1,173,119 in materials and services and $6,010,086 in capitalized fees. In 1980, volume consisted of $961,668 in media, $1,001,352 in materials and services and $7,016,085 in capitalized fees. Accounts gained: *Airwaves* magazine, Complete Channel TV, Hemokinetics, M&I Bank of Madison, Medical Answering Service, Middleton Springs Shopping Center, Outpatient Rehabilitation Service, SAJAC Co., WECC, Nakoma Dental Clinic. Lost: Home S&L Assn., ICU Services Corp, AAA of Wisconsin. Billings breakdown: Newspapers 18%, magazines 4%, radio 14%, spot tv 14%, outdoor 2%, business papers 12%, farm publications 6%, point of sale 2%, direct mail 7%, other (collateral) 21%. Employes: 29 in one office. Top execs: William J. Waldbillig, Robert H. Besteman. Phone: (608) 238-4767.

Warner, Bicking & Fenwick, New York, had gross income of $1,914,816 in 1981 on billings of $12,670,000. In 1980, it reported gross income of $1,878,560 on billings of $12,550,000. Volume in 1981 consisted of $3,800,150 in media, $563,700 in materials and services and $8,306,150 in capitalized fees. In 1980, volume consisted of $3,760,000 in media, $565,000 in materials and services and $8,205,000 in capitalized fees. Accounts gained: E. Leitz Inc.'s slide projectors, Minox cameras and Braun electronic flashes, Connecticut General Life Insurance (special projects). Lost: Ilford Corp. Billings breakdown: Newspapers 5%, magazines 30%, radio 20%, spot tv 5%, business papers 25%, point of sale 10%, direct mail 5%. Employes: 25 in one office. Top execs: John F. Bicking, chairman; Jack Warner, president-creative director; Ed Sutherland, senior vp-marketing; Andy Morris, vp. Phone: (212) 759-7900.

Warren/Kremer Advertising, New York, had gross income of $1,200,000 in 1981 on billings of $8,185,000. In 1980, it reported gross income of $865,000 on billings of $5,750,000. The agency did not break out volume for either year. Accounts gained: Resorts Intl., Triboro Telephone Planning, First Mortgage Investors, Cunard-U.K. Hotels, Hotel Wilmington, Lynott Tours, Robert F. Warner Inc. Lost: Groups Unlimited Inc. Billings breakdown: Newspapers 30%, magazines 35%, radio 5%, spot tv 5%, outdoor 4%, business papers 15%, transit 1%, point of sale 2%, direct mail 3%. Employes: 28. Top execs: Peter Warren, president; John H. Pollock, exec-vp. Phone (212) 686-2914.

Weber Cohn & Riley, Chicago, reported gross income of $1,335,000 in 1981 on billings of $10,001,050. In 1980, it reported gross income of $1,697,000 on billings of $11,300,600. Volume in 1981 consisted of $5,160,000 in media, $739,000 in materials and services and $4,102,050 in capitalized fees. In 1980, volume consisted of $5,985,000 in media, $780,000 in materials and services and $4,535,600 in capitalized fees. Accounts gained: Chicagoland Chrysler-Plymouth Dealers Assn., Rolm Telecommunications (pr), Heitman Financial Services, Chicago White Sox. Lost: Home Federal Savings of Chicago, resigned WKQX-FM, Chicago. Billings breakdown: Newspapers 21%, magazines 8%, supplements 5%, radio 10%, spot tv 35%, outdoor 3%, business papers 3%, transit 2%, point of sale 1%, direct mail 2%, other (collateral) 10%. Employes: 23 in one office. Top execs: Ronald I. Cohn, chairman; James V. Riley, president. Phone: (312) 527-4260.

Weekley & Penny, Houston, reported gross income of $1,826,143 in 1981 on billings of $15,946,138. In 1980, it reported gross income of $1,628,194 on billings of $14,080,609. Volume in 1981 consisted of $4,994,434 in media, $1,617,660 in materials and services and $9,334,044 in capitalized fees. In 1980, volume consisted of $4,606,916 in media, $1,488,489 in materials and services and $7,985,204 in capitalized fees. Accounts gained: TRW Mission, Moore Paper Co. Lost: GreenMark, Joske's of Houston, Playhouse Toys, Republic Bank of Houston. Billings breakdown: Newspapers 25%, magazines 28%, radio 2.9%, spot tv 18%, outdoor 6.1%, business papers 4.9%, point of sale 5.2%, direct mail 1.6%, other 8.3%. Employes: 45 in one office. Top execs: C.R. Penny, president. Phone: (713) 529-4861.

Weightman Inc., Philadelphia, had gross income of $4,650,000 in 1981 on billings of $31,000,000, all in media. In 1980, it reported gross income of $4,650,000 on billings of $27,000,000, all in media. Accounts gained: Tastykake Inc., Blue Cross of Greater Philadelphia and X-ACTO. Billings breakdown: Newspapers 10%, magazines 10%, radio 4%, network tv 34%, spot tv 33%, business papers 5%, other 4%. Employes: 84. Top execs: Charles Coffey, president-ceo; Gordon Patrizio, exec vp; David Jordan, senior vp. Phone: (215) 561-6100.

Weil, Levy & King, Buffalo, N.Y., had gross income of $1,150,645 and net income of $42,074 in 1981 on billings of $7,657,650. In 1980, it reported gross income of $1,173,122 and net income of $129,231 on billings of $7,875,232. Volume in 1981 consisted of $3,723,138 in media, $1,214,187 in materials and services and $2,720,325 in capitalized fees. In 1980, volume consisted of $3,983,705 in media, $777,141 in materials and services and $3,114,386 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 10.7%, radio 18%, spot tv 41%, outdoor 4.6%, transit 0.7%. Employes: 34 in one office. Top execs: Peter King, president; David I. Levy, chairman. Phone: (716) 853-6755.

Weitzman, Dym & Associates, Washington, had estimated gross income of $1,800,000 in 1981 on billings of $12,000,000, all in media. In 1980, it reported gross income of $1,650,000 on billings of $10,000,000, all in media. Accounts gained: Marriott Corp., National Symphony Orchestra, Kaiser, P.S.A.E., a subsidiary of A.I.A, and WPGC AM/FM. Accounts lost: Desks & Furnishings. Billings breakdown: Newspapers 20%, magazines 20%, radio 23%, spot tv 25%, business papers 5%, transit 1%, point of sale 2%, direct mail 2%, other 2%. Employes: 40 in two offices. Top execs: Alan Weitzman, chairman-creative director; Diane S. Dym, president. Phone: (301) 652-7035.

West & Gentry Advertising, Rockford, Il., reported gross income of $1,605,930 in 1981 on billings of $4,759,452. In 1980, it reported gross income of $1,579,000 on billings of $3,956,748. Volume in 1981 consisted of $1,380,886 in media, $225,044 in materials and services and $3,153,522 in capitalized fees. In 1980, volume consisted of $947,600 in media, $178,400 in materials and services and $2,830,748 in capitalized fees. Accounts gained: W.A. Whitney Corp., Rock Valley Network, Rolshear Inc., First National Bank of Freeport, Sears Mfg. Lost: The Bedroom of Indiana, Larson's Furniture. Billings breakdown: Newspapers 10%, magazines 57%, radio 5%, spot tv 15%, outdoor 4%, farm publications 3%, point of sale 3%, direct mail 3%. Employes: 18 in one office. Top execs: Robert A. West, president; Colin Gentry, David Sundstedt and Walter Liddle, vps. Phone: (815) 968-5552.

Widerschein/Strandberg, Toledo, O., reported gross income of $4,142,756 in 1981 on billings of $12,013,209. In 1980, it reported gross income of $3,294,817 on billings of $9,244,408. Volume in 1981 consisted of $1,530,273 in media, $1,224,396 in materials and services and $9,258,540 in capitalized fees.

In 1980, volume consisted of $1,268,884 in media, $976,620 in materials and services and $6,998,904 in capitalized fees. Accounts gained: Abex Friction Products, Rockwool Industries in Denver, Metropolitan Savings, Susquehanna Corp. in Denver, Shakespeare (Columbia, S.C.), Reliance Electric Co. Lost: Eljer Plumbingware in Pittsburgh. Billings breakdown: Newspapers 5%, magazines 20%, radio 2%, spot tv 2%, business papers 20%, direct mail 10%, other (sales promo 26%, collateral 15%) 41%. Employes: 53 in one office. Top execs: William R. Markin, exec vp-marketing & planning; Kenneth G. Lauerer, exec vp-account services; G. Edward Gibbs, exec vp-creative director. Phone: (419) 841-7744.

Edwin Bird Wilson Inc., New York, had gross income of $2,867,500 and net income of $90,000 in 1981 on billings of $22,595,771. In 1980, it reported gross income of $2,775,000 and net income of $150,000 on billings of $22,246,583. Volume in 1981 consisted of $14,693,309 in media, $3,899,895 in materials and services and $4,002,567 in capitalized fees. In 1980, volume consisted of $15,293,309 in media, $3,304,929 in materials and services and $3,648,345 in capitalized fees. Accounts gained: *American Banker*, Ernst & Whinney, Schenectady Savings Bank. Lost: State Street Boston Corp. Billings breakdown: Newspapers 30%, magazines 35%, radio 5%, spot tv 15%, outdoor 5%, business papers 10%. Employes: 61. Top execs: Delano Ladd Jr., president; Peter Post, Hugh Donlon, exec vps; Gene Grayson, senior vp. Phone: (212) 684-5220.

Winchell Marketing Communications, Philadelphia, had estimated gross income of $1,200,000 in 1981 on billings of $8,000,000, all in media. In 1980, it had estimated gross income of $1,050,000 on billings of $7,000,000, all in media. Accounts gained: Duralith Corp., Namolco Inc., National Electronic Information Corp., Threshold Technology, Universal Health Services. Lost: Omark Industries Trak-Lok division. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, business papers 30%, direct mail 10%, other 40%. Employes: 17. Top execs: Frederick Gloeckner, chairman; Henry Blynn, president. Phone: (215) 568-1770.

Winius-Brandon Advertising, Houston, reported gross income of $2,323,724 and net income of $453,563 in 1981 on billings of $14,597,016. In 1980, it reported gross income of $2,038,355 and net income of $397,863 on billings of $12,804,401. Volume in 1981 consisted of $9,528,440 in media, $2,687,006 in materials and services and $2,381,570 in capitalized fees. In 1980, volume consisted of $8,358,281 in media, $2,357,023 in materials and services and $2,089,097 in capitalized fees. Accounts gained: Medley Distilling Co. in Louisville, San Felipe Bank in Houston, Houston Bowling Proprietors, KENR Radio, First Federal Savings in Shreveport. Lost: L.A. Frey Meat Co. of New Orleans, Gulf Coast Cable TV. Billings breakdown: Newspapers 17%, magazines 14%, radio 13%, spot tv 37%, outdoor 10%, other 9%. Employes: 51 in one office. Top execs: Art Casper, chairman-president; Ed Kennard, exec vp; Harold Green, Tom Rudy, senior vps. Phone: (713) 666-1765.

Winterkorn, Hammond & Lillis, Rochester, N.Y., had gross income of $1,260,000 in 1981 on billings of $8,398,000. In 1980, it reported gross income of $1,130,000 on billings of $7,673,000. Volume in 1981 consisted of $1,162,000 in media, $866,000 in materials and services and $6,370,000 in capitalized fees. In 1980, volume consisted of $1,535,000 in media, $1,038,000 in materials and services and $5,100,000 in capitalized fees. Accounts gained: Corning-PH meter line, premium group-consumer division, and woodburning stove combustor; Bausch & Lomb special corporate assignment; Du Pont (Corian special promotion program.) Billings breakdown: Magazines 20%, radio 5%, spot tv 20%, business papers 45%, point of sale 5%, direct mail 5%. Employes: 31. Top execs: William J. Lillis, chairman; Gerald Winterkorn, president; John E. Hammond, exec vp. Phone: (716) 454-1010.

Winters Franceschi Callahan, Phoenix, had estimated gross income of $1,050,000 in 1981 on billings of $7,154,210. In 1980, it reported gross income of $600,000 on billings of $4,000,000. Volume in 1981 consisted of $4,000,000 in media, $1,400,000 in materials and services and $1,754,210 in capitalized fees. In 1980, volume was not broken down. Accounts gained: American Greyhound Park, Gillett Greyhound Park, Public Transit Administration, Sir George's Buffet, Cudahy Specialty Food Co., Sullivan & Masson. Lost: Las Vegas Downs, Maricopa Community Colleges, Regency House. Billings breakdown: Newspapers 17%, magazines 13%, radio 12%, spot tv 27%, outdoor 7%, other 24%. Employes: 22 in one office. Top execs: Frank L. Callahan, president; James L. Winters, exec vp-secretary/treasurer; Gilbert O. Franceschi, vp. Phone: (602) 274-8775.

Witherspoon & Associates, Fort Worth, reported gross income of $1,419,319 in 1981 on billings of $9,910,544. In 1980, it reported gross income of $1,131,235 on billings of $7,820,901. Volume in 1981 consisted of $2,805,042 in media, $946,664 in materials and services and $6,158,838 in capitalized fees. In 1980, volume consisted of $2,216,254 in media, $749,610 in materials and services and $4,855,037 in capitalized fees. Accounts gained: Alliance Fabrication, Adobe Oil, Americana Hotel, Total Assets Protection, Contract Interiors, Mapco, Dixico, Oryx Realty, Kuwait Real Estate Investment Consortium, Financial Marketing, Southfield Development Co. Lost: Wolfe Nursery, Foot Dynamics, Chickasha Cotton Oil Co., Fort Worth Steel & Machinery, Earth Resources, Harris Hospital, Westgate Fabrics. Billings breakdown: Newspapers 17%, magazines 12%, supplements 2%, radio 10%, spot tv 48%, outdoor 4%, business papers 5%, transit 1%, other 1%. Employes: 38 in one office. Top execs: R. Rienstra, president; F. Burkett, exec vp-advertising; Preston Figley, exec vp-pr. Phone: (817) 335-1373.

Womack/Claypoole/Griffin, Dallas, reported gross income of $1,469,800 and net income of $212,076 in 1981 on billings of $9,798,945. In 1980, it reported gross income of $1,020,091 and net income of $235,992 on billings of $6,802,252. Volume in 1981 consisted of $4,251,483 in media and $5,547,462 in capitalized fees. In 1980, volume consisted of $3,514,223 in media and $3,288,029 in capitalized fees. Accounts gained: Industrial Molding, Redman Homes, Citizens Bank, Coca-Cola and Dr Pepper media, Commercial Bank, Colonial Food Stores and Case Power. Lost: Monarch Tile Mfg. Billings breakdown: Newspapers 12%, radio 7%, spot tv 19%, outdoor 8%, business papers 33%, farm publications 16%, point of sale 2%, direct mail 2%, other 1%. Employes: 39 in four offices. Top exec: William R. Claypoole, president. Phone: (214) 620-0300.

Yaffe Berline Inc., Southfield, Mich., reported gross income of $1,400,000 in 1981 on billings of $10,100,000. No figures were reported for 1980. Volume in 1981 consisted of $7,000,000 in media, $1,100,000 in materials and services and $2,000,000 in capitalized fees. Accounts gained: Continental Cablevision of Michigan, Detroit Symphony Orchestra, Delta Dental Plan of Michigan, Advance Mortgage Corp., Allied Accessories & Auto Parts Co., Domestic Violence Prevention & Treatment Board, Health Alliance Plan, Hyatt Regency Hotels in Dearborn and Flint, Michlin Chemical Corp., Pretty Nails (division of Scherer-Thompson), Stablex Corp. (pr), Lakeland Assurance Co., Power Disc Inc., Southeastern Michigan Business Attraction and Expansion Council. Lost: Fred Sanders Co., Borman's Inc., King Automotive. Billings breakdown: Newspapers 30%, magazines 10%, radio 15%, spot tv 30%, transit 2%, point of sale 3%, other 10%. Employes: 25 in one office. Top execs: Fred Yaffe, chairman; James Berline, president; Robert Popa, senior vp. Phone: (313) 552-7800.

Ed Yardang & Associates, San Antonio, reported gross income of $1,025,915 in 1981 on billings of $8,300,982. In 1980, it reported gross income of $851,698 on billings of $7,794,709. Volume in 1981 consisted of $1,982,515 in media, $1,532,778 in materials and services and $4,785,689 in capitalized fees. In 1980, volume consisted of $1,314,226 in media, $1,171,230 in materials and services and $5,309,253 in capitalized fees. Accounts gained: Coca-Cola U.S.A. (national-Hispanic), Negley Paint Co., Southwest General Hospital, The Mennen Co. (Hispanic-test market), Knorr Swiss (Hispanic-test market), Cotija & Texas Inc. Lost: San Antonio Convention & Visitors' Bureau, La Mansion Hotels, La Posada Hotels at McAllen and Laredo, USAA Life, King Ranch, First Intl. Bank of San Antonio. Billings breakdown: Newspapers 11%, magazines 24%, radio 35%, spot tv 12%, outdoor 18%. Employes: 29 in one office. Top execs: Beverly N. Coiner, chairman-creative director; Warren E. Stewart, president-ceo/member of the board; Guadalupe Garcia, senior vp-member of the board. Phone: (512) 227-8141.

Yellow Pages Marketing Services, Mequon, Wis., reported gross income of $1,508,000, including $49,500 in overseas income, in 1981 on billings of $10,058,000. In 1980, it reported gross income of $1,106,500 including non-U.S. income of $46,500 on billings of $7,370,000. Non-U.S. billings included $330,000 in 1981 and $310,000 in 1980. Volume for both years was all in media. Accounts gained: The agency gained 47 clients and lost three. Billings breakdown: Yellow Pages 100%. Employes: 38 in five offices. Top execs: T.F. Scannell Jr., chairman-ceo; R.C. Miller, president; vps, R.B. Kennedy, J.F. Ponce, K.L. Smith, M.G. Young. Phone: (414) 241-8600.

Zylke Affiliates, Glenview, Il., reported gross income of $1,524,032 in 1981 on estimated billings of $8,641,261. In 1980, it reported gross income of $1,270,900 on billings of $8,473,000. Volume in 1981 consisted of $3,556,515 in media, $1,754,000 in materials and services and $3,330,746 in capitalized fees. In 1980, volume consisted of $3,824,000 in media, $1,032,000 in materials and services and $3,619,000 in capitalized fees. Accounts gained: Fel-Pro (chemical products division) LaBour Pump Co., Alnor Instrument Co., Imperial Clevite Inc. (corporate). Lost: Mark Controls Corp. (valve divisions). Billings breakdown: Business papers 60%, farm publications 1%, direct mail 10%, other 29%. Employes: 30 in two offices. Top execs: Ralph B. Zylke, president-treasurer, Charles H. Puls, vp-secretary. Phone: (312) 998-4800.

Agencies: Under $1,000,000

AMS Advertising, New York, had gross income of $580,500 in 1981 on billings of $4,020,000. In 1980, it reported gross income of $388,500 on billings of $2,960,500. Volume in 1981 consisted of $2,738,000 in media, $1,115,000 in materials and services and $167,000 in capitalized fees. In 1980, volume consisted of $2,070,500 in media, $770,000 in materials and services and $120,000 in capitalized fees. Accounts gained: Sanyo Business Systems (computer, dictating machines, telephone answering machines and cash registers divisions), Zenith Laboratories. Billings breakdown: Newspapers 10%, magazines 40%, radio 15%, spot tv 15%, business papers 10%, transit 1%, point of sale 9%. Employes: 15 in one office. Top execs: Stanley Pearlman, president; Donald Aaronson, exec vp. Phone: (212) 683-7030.

AN Partners, Los Angeles, reported gross income of $367,000 in 1981 on billings of $3,363,840. In 1980, it reported gross income of $241,000 on billings of $2,515,000. Volume in 1981 consisted of $2,200,000 in media, $150,000 in materials and services and $1,013,840 in capitalized fees. In 1980, volume consisted of $1,600,000 in media, $115,000 in materials and services and $800,400 in capitalized fees. Accounts gained: Balloon Bouquets, Bolt Corp., Gallery of Eskimo Art, Lelouch de Paris eyewear, Main Street Assn. of Santa Monica, Papel giftware, Redken Laboratories (intl. and education division; creative projects), Sports Locker. Lost: Tiger Air (moved to Atlanta). Billings breakdown: Newspapers 15%, magazines 35%, radio 5%, network tv 10%, spot tv 15%, business papers 5%, point of sale 10%, direct mail 5%. Employes: 12 in one office. Top execs: Arthur Guerrero, president-creative director; James L. Price, senior vp-managing editor. Phone: (213) 652-9014.

Ackerman Advertising Communications, Greenvale, N.Y., had gross income of $575,000 in 1981 on billings of $4,066,975. In 1980, it reported gross income of $510,000 on billings of $3,473,550. Volume in 1981 consisted of $3,200,000 in media, $250,000 in materials and services and $616,975 in capitalized fees. In 1980, volume consisted of $2,900,000 in media, $140,000 in materials and services and $433,550 in capitalized fees. Accounts gained: David Lerner Associates, Nassau Trust Co., The Medney Organization. Lost: Ridgewood Savings Bank. Billings breakdown: Newspapers 25%, magazines 5%, supplements 2%, radio 29%, spot tv 25%, outdoor 2%, business papers 5%, transit 1%, point of sale 1%, direct mail 5%. Employes: 15 in one office. Top execs: Skip Ackerman, president; Ruth Haltman, senior-vp. Phone: (516) 484-5150.

Adair Associates, Atlanta, had gross income of $607,742 in 1981 on billings of $3,265,136. In 1980, it reported gross income of $733,080 on billings of $3,520,049. Volume in 1981 consisted of $126,925 in media, $1,533,889 in materials and services and $1,604,322 in capitalized fees. In 1980, volume consisted of $124,731 in media, $2,036,025 in materials and services and $1,359,293 in capitalized fees. Accounts gained: Belton Corp., Charter Medical Corp., Coca-Cola USA, Coca-Cola Co., TUTAG. Billings breakdown: Newspapers 15.5%, magazines 33%, radio 25%, spot tv 26.5%. Employes: 14. Top exec: William M. Adair, president. Phone: (404) 351-8424.

Adams, Rickard & Mason, Glastonbury, Conn., had gross income of $956,507 in 1981 on billings of $6,379,902. In 1980, it reported gross income of $577,884 on billings of $3,854,486. Volume in 1981 consisted of $2,151,737 in media, $809,890 in materials and services

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Gross income under $1,000,000

and $3,418,275 in capitalized fees. In 1980, volume consisted of $1,135,906 in media, $402,930 in materials and services and $2,315,650 in capitalized fees. Accounts gained: Conard Corp., Kenney Mfg., Stewart-Warner Corp. of Canada Ltd.'s Alemite and Bassick divisions, Branson Cleaning Equipment Co., Windham Software. Lost: Kelsey Co., Stanley Latin America sales and power tools. Billings breakdown: Newspapers 6%, magazines 28%, supplements 1%, spot tv 1%, outdoor 1%, business papers 57%, farm publications 1%, other 5%. Employes: 23 in one office. Top execs: Frederick C. Adams, chairman-ceo; Albert D. Mason, president; Jonathan S. Rickard, exec vp-creative director. Phone: (201) 659-1311.

Adams & Longino Advertising, Greenville, N.C., reported gross income of $125,198 in 1981 on billings of $784,016. It did not report for 1980. Volume in 1981 consisted of $303,919 in media, $152,415 in materials and services and $327,682 in capitalized fees. Accounts gained: Torwegge USA, Heesemann Maschinenfabrik, European Woodworking Machinery, First Federal S&L of Pitt County, VideoTrax, Keel Peanut Co., Personnel Service, Carolina Telephone Business Systems, E.C.U. Pirate Club. Lost: None. Billings breakdown: Newspapers 35%, magazines 20%, radio 5%, spot tv 5%, outdoor 10%, business papers 10%, farm publications 10%, point of sale 5%. Employes: Four in one office. Top execs: Frank H. Longino Jr., president; Charles P. Adams Jr., vp. Phone: (919) 752-1914.

Admark Advertising, Mason City, Iowa, reported gross income of $163,460 in 1981 on billings of $1,015,480. In 1980, it reported gross income of $152,975 on billings of $963,508. Volume in 1981 consisted of $344,948 in media, $115,588 in materials and services and $554,944 in capitalized fees. In 1980, volume consisted of $295,099 in media, $107,989 in materials and services and $560,420 in capitalized fees. Accounts gained: Iowa Crop Improvement Assn., Truemed, Ag America, Cook's Inc., General Traffic Controls, Command Hydraulics, Lo-El Inc., Wellborn Industries, Minnesota Electronic Technology, Simonsen Iron Works. Lost: Oriole, Mid-Com, Triad Realty. Billings breakdown: Newspapers 8%, magazines 20%, radio 28%, spot tv 18%, outdoor 4%, farm publications 22%. Employes: Seven in one office. Phone: (515) 424-0191.

The Advertising Agency, Chicago, had estimated gross income of $165,000 in 1981 on billings of $1,100,000. In 1980, it had estimated gross income of $130,000 on billings of $875,000. No volume breakout was provided. Accounts gained: Kay-Ray, Pro-Figurines, Circle Factory Outlet. Lost: Puro Filter Corp. of Illinois, Sights and Sounds Stereo, M.P. Heinze Machine Co. Billings breakdown: Newspapers 10%, magazines 10%, radio 15%, spot tv 25%, outdoor 5%, business papers 5%, point of sale 5%, direct mail 10%, other (collateral) 15%. Employes: Eight in one office. Top exec: Ronald D. Erkes, president. Phone: (312) 341-0044.

Advertising & Art Council Inc., Birmingham, Ala., reported gross income of $72,441 in 1981 on billings of $821,790. In 1980, it reported gross income of $72,450 on billings of $808,450. Volume in 1981 consisted of $28,050 in media, $213,450 in materials and services and $580,290 in capitalized fees. In 1980, volume consisted of $28,000 in media, $213,500 in materials and services and $566,950 in capitalized fees. Accounts gained: Donoco, Seako, Webb division of Marmon Industries, Arakon Mfg. Co. of Avalon Beach, Fla. Lost: Alabama Automated Cleaning House Assn. Billings breakdown: Newspapers 25%, radio 10%, network tv 10%, business papers 50%, direct mail 5%. Employes: Seven in one office. Top execs: Ron Council, president; Mark Martin, vp-services. Phone: (205) 591-5500.

Advertising, Boelter & Lincoln, Madison, Wis., had estimated gross income of $560,000 in 1981 on billings of $2,500,810. It did not report for 1980. Accounts gained: Wisconsin Dells (regional chamber of commerce), State Bank of Freeport, Home S&L, System Five, Rocky Rococo pizza restaurants, Great American Savings, Tommy Bartlett's Robot Village, Nortridge Software, The Woodlands Condominium. Lost: First Milwaukee Savings, W: :n's Men's Wear in Mankato, Minn. (resigned), General Telephone of Wisconsin. Billings breakdown: Newspapers 20%, magazines 5%, radio 20%, spot tv 30%, business papers 2%, point of sale 2%, direct mail 5%, other 16%. Employes: 12 in two offices. Top execs: Robert Boelter, president; John Lincoln, exec vp. Phone: (608) 251-3381.

Advertising Communications, Davenport, Iowa, had estimated gross income of $600,000 in 1981 on billings of $4,000,000. In 1980, it had gross income of $450,000 on billings of $3,200,000. Volume in 1981 consisted of $1,700,000 in media, $1,300,000 in materials and services and $1,000,000 in capitalized fees. In 1980, volume consisted of $1,200,000 in media, $1,200,000 in materials and services and $800,000 in capitalized fees. Accounts gained: Ra-Lon Mfg., North Central Foods Systems, Davenshire Inc., Alter Co. (river barge line). Billings breakdown: Newspapers 10%, magazines 10%, supplements 10%, radio 20%, spot tv 5%, outdoor 2%, business papers 2%, point of sale 10%, direct mail 10%, other 20%. Employes: 22 in one office. Top exec: George Ray Bawden Jr., chairman. Phone: (319) 326-4055.

Advertising Inc., Greenville, S.C., reported gross income of $740,659 in 1981 on billings of $4,939,514. In 1980, it reported gross income of $596,776 on billings of $3,662,156. Volume in 1981 consisted of $476,660 in media, $897,939 in materials and services and $3,564,915 in capitalized fees. In 1980, volume consisted of $343,178 in media, $301,150 in materials and services and $3,017,828 in capitalized fees. Billings breakdown: Newspapers 4%, magazines 20%, radio 6%, business papers 6%, point of sale 41%, direct mail 21%. Employes: 15 in one office. Top exec: Herbert L. Smith, president. Phone: (803) 232-8718.

Adworks Advertising, Chicago, reported gross income of $127,552 in 1981 on billings of $873,650. In 1980, it reported gross income of $34,875 on billings of $225,000. No volume breakout was provided. Accounts gained: Luster products (hair care), Royal Crown Cola, Wahl Clipper Corp., Gamtron Electronics Inc. Lost: Bachelor Quarters men's clothing. Billings breakdown: Newspapers 18%, magazines 21%, radio 37%, spot tv 12%, outdoor 1%, direct mail 6%, other (collateral) 5%. Employes: Seven in one office. Top execs: Robert J. Dale, president; Bernard Boswell, vp. Phone: (312) 664-0384.

Aikins, Marling & Morris, San Francisco, reported gross income of $268,073 in 1981 on billings of $1,213,000. In 1980, it reported gross income of $198,516 on billings of $932,000. Volume in 1981 consisted of $621,000 in media, $568,655 in materials and services and $23,345 in capitalized fees. In 1980, volume consisted of $432,000 in media, $422,628 in materials and services and $77,372 in capitalized fees. Accounts gained: Westland Foods, Royal Coach/Buckner Sprinklers, RN Buckwalter Cos., Concentrated Supplement Mfg. Cos. Assn. Billings breakdown: Newspapers 5%, radio 10%, spot tv 7%, business papers 18%, farm publications 25%, point of sale 6%, direct mail 5%, other 24%. Employes: Seven in one office. Top exec: R.D. Aikins, president. Phone: (415) 543-1123.

Alamo Ad Center, San Antonio, had estimated gross income of $650,000 in 1981 on billings of $4,201,003. It did not report 1980 results. Volume in 1981 consisted of $3,226,853 in media, $715,654 in materials and services and $258,496 in capitalized fees. Accounts gained: Amistad Savings, Oatman's Decorative Centers, Mehren Wine Club, Pro Plus Mills, Holland Soil Stabilizers, Institute of Texas Cultures, Delta Properties, Usher Candy Co., Micro Computers Unlimited and Graham/Merritt & Associates. Lost: Gebhardt, Bexar Co. Coliseum Commission, Auto Search. Billings breakdown: Newspapers 20%, magazines 30%, radio 20%, spot tv 20%, point of sale 5%, direct mail 5%. Employes: Ten in one office. Phone: (512) 225-6294.

Albright & Price, Lafayette, Cal., reported gross income of $171,010 and net income of $22,662 in 1981 on billings of $1,109,893. In 1980, it reported gross income of $124,573 and a net income loss of $1,858 on billings of $829,834. Volume in 1981 consisted of $70,568 in media, $425,026 in materials and services and $614,299 in capitalized fees. In 1980, volume consisted of $119,718 in media, $200,073 in materials and services and $510,043 in capitalized fees. Accounts gained: Bigge Crane Co., MFS Systems. Lost: None. Billings breakdown: Newspapers 39%, magazines 59%, radio 2%, Employes: Five in one office. Top execs: J. Grant Price, Gary E. Albright. Phone: (415) 284-1694.

Alstin Advertising, Philadelphia, had estimated gross income of $500,000 in 1981 on billings of $3,382,051. In 1980, it had estimated gross income of $415,000 on billings of $2,759,500. No volume breakout or billings breakdown were reported. Top exec: Michael V. Schluth, president. Phone: (215) 568-3200.

Amsterdam Advertising, Reading, Mass., had gross income of $125,076 in 1981 on billings of $797,911. In 1980, it reported gross income of $88,015 on billings of $555,456. Volume in 1981 consisted of $468,907 in media, $107,431 in materials and services and $221,573 in capitalized fees. In 1980, volume consisted of $291,524 in media, $93,400 in materials and services and $170,532 in capitalized fees. Accounts gained: Datacube, E.J. Systems, Transitron Controls, Instrument Industries. Lost: Frequency & Time Systems. Billings breakdown: Magazines: 100%. Employes: Two. Top exec: Richard Amsterdam, president. Phone: (617) 944-0634.

Norman R. Anderson & Associates, San Antonio, had gross income of $82,500 in 1981 on billings of $550,000. In 1980, it reported gross income of $75,000 on billings of $500,000. Accounts gained: Mark Schwartzman & Co., Beery Insurance Agency, Mullen & Associates, Freedom Security burglar alarms, *Commercial Recorder*. Lost: Idea Systems Inc., Marshall Clegg/Associates and Naturelle Ion Cosmetics. Billings breakdown: Newspapers 30%, magazines 30%, radio 10%, business papers 20%, direct mail 10%. Employes: Five. Phone: (512)656-3440.

Andrews-Mautner Inc., Milwaukee, had estimated gross income of $870,000 in 1981 on billings of $5,800,000. In 1980, it had estimated gross income of $675,000 on billings of $4,500,000. Volume in 1981 consisted of $4,850,000 in media and $950,000 in materials and services. In 1980, volume consisted of $3,735,000 in media and $765,000 in materials and services. Accounts gained: Ambrosia Chocolate Co., O.G. Hoyer Inc., Marland Environmental Systems, Trident/Felins Inc., Utility Power Corp., Weckesser Co. Lost: Waukesha Cutting Tools Inc. Billings breakdown: Newspapers 1%, magazines 96%, radio 1%, direct mail 2%. Employes: 22 in one office. Top execs: Don Orlaska, president; Norman Mautner, exec vp; John Rahmlow, corporate vp; Gene Vogel, treasurer; Kit Vernon, secretary. Phone: (414) 344-8040.

Anesh, Viseltear, Gumbinner, New York, had gross income of $914,972 in 1981 on billings of $6,834,200. In 1980, it reported gross income of $775,400 on billings of $5,170,350. Volume in 1981 consisted of $4,500,000 in media, $1,100,250 in materials and services and $1,233,950 in capitalized fees. In 1980, volume consisted of $3,280,000 in media, $950,350 in materials and services and $940,000 in capitalized fees. Accounts gained: WPIX-FM, Babaco Alarm Systems, Maynards Ltd., Oscar de

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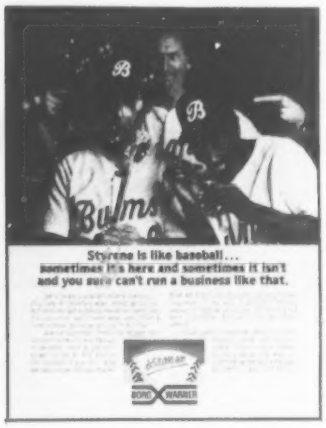

la Renta division of Kayser-Roth, Jordache division of Top Form Mills. Lost: Leadership Networks, WPIX-FM, Jordache division of Top Form Mills. Billings breakdown: Newspapers 6%, magazines 27%, supplements 15%, radio 10%, spot tv 32%, outdoor 2%, business papers 6%, transit 2%. Employes: 14 in one office. Top exec: Paul Gumbinner, president. Phone: (212) 697-8350.

The Answer Group, Wyomissing, Pa., reported gross income of $57,750 in 1981 on billings of $2,205,910. In 1980, it reported gross income of $81,604 on billings of $1,978,030. Volume in 1981 consisted of $80,000 in media, $305,000 in materials and services and $1,820,910 in capitalized fees. In 1980, volume consisted of $185,000 in media, $615,695 in materials and services and $1,177,335 in capitalized fees. Accounts gained: Weiler Brush Co., Miners National Bank, Berk-Tec Inc., Hamilton Precision Metals, Magnetic Metals, Construction Fasteners, Feel Fine. Lost: None. Billings breakdown: Newspapers 50%, magazines 10%, radio 10%, business papers 30%. Employes: 14 in one office. Top execs: Anthony P. Mikes, president; Thomas D. Reese, exec vp; Rosemary Harvan, treasurer. Phone: (215) 378-1835.

Ward Archer & Associates, Memphis, reported gross income of $953,345 in 1981 on billings of $6,379,004. In 1980, it reported gross income of $809,930 on billings of $5,819,000. Volume in 1981 consisted of $2,454,380 in media, $810,492 in materials and services and $3,114,132 in capitalized fees. In 1980, volume consisted of $2,064,000 in media, $1,065,000 in materials and services and $2,690,000 in capitalized fees. Accounts gained: Mid-South Intl., Agricenter, Sandoz Inc. in San Diego (crop protection division), Plough Broadcasting (WMPS, WHRK radio affiliates), Sharp Mfg. (pr), Southland Video Corp. Lost: Mid-South Fair, Chevrolet Dealers Assn. of Memphis, Olin Corp. agriculture division (crop protection products). Billings breakdown: Newspapers 14%, magazines 37%, radio 19%, spot tv 28%, outdoor 2%. Employes: 30 in one office. Phone: (901) 396-8700.

Donald L. Arends, Oak Brook, Il., reported gross income of $905,600 in 1981 on billings of $6,037,600. In 1980, it reported gross income of $838,800 on billings of $5,594,800. Volume in 1981 consisted of $1,417,500 in media, $3,229,400 in materials and services and $1,390,700 in capitalized fees. In 1980, volume consisted of $1,450,600 in media, $2,724,600 in materials and services and $1,419,600 in capitalized fees. Accounts gained: Richards-Wilcox Mfg. Co., Guernsey Dell, Portec, Pathfinder division. Lost: Spraying Systems Co. Billings breakdown: Newspapers 15%, magazines 10%, radio 2%, spot tv 2%, business papers 64%, point of sale 2%, direct mail 5%. Employes: 20 in one office. Top execs: Donald L. Arends, ceo; Robert K. Erickson, president. Phone: (312) 323-1220.

William F. Arens & Associates, La Jolla, Cal., had estimated gross income of $300,000 in 1981 on billings of $2,000,000. In 1980, it had estimated gross income of $225,000 on billings of $1,500,000. No volume breakout was provided. Accounts gained: Apogee Publishing, California Commerce Bank, IPS Cos., Webb Irrigation, Hotel Cabo Baja, Cabo San Lucas, Baja California. Lost: Shapel Industries of San Diego. Billings breakdown: Newspapers 40%, magazines 20%, radio 10%, spot tv 15%, business papers 15%. Employes: Eight in three offices. Top execs: William F. Arens, Robert L. Goehring, James C. Hughes, Judy M. Sterling. Phone: (714) 454-0724.

N. Armstrong Advertising Agency, Lubbock, Tex., had estimated gross income of $81,000 in 1981 on billings of $543,400. In 1980, it had estimated gross income of $61,000 on billings of $408,050. Volume in 1981 consisted of $400,000 in media, $10,000 in materials and services and $133,400 in capitalized fees. In 1980, volume consisted of $300,000 in media, $8,000 in materials and services and $100,050 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 2%, radio 23%, spot tv 25%, outdoor 0.5%, business papers 5%, direct mail 0.5%, other 24%. Employes: One. Nelda Armstrong, owner. Phone: (806) 765-6283.

Arnold, Hoff & Associates, Arlington Heights, Il., reported gross income of $411,000 in 1981 on billings of $3,272,500. In 1980, it reported gross income of $365,000 on billings of $2,449,500. Volume in 1981 consisted of $496,000 in media, $1,109,000 in materials and services and $1,667,500 in capitalized fees. In 1980, volume consisted of $449,500 in media, $1,000,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Kremers-Urban, Job/Search Network, Blue Cross special project, Peltier & Lindberg, Research Products Intl. Lost: None. Billings breakdown: Magazines 20%, direct mail 25%, other 54%. Employes: 12 in one office. Top exec: Noble Arnold, president. Phone: (312) 437-8730.

Maxwell Arnold, Jackson & Smyth, San Francisco, reported gross income of $350,000 and net income of $2,000 in 1981 on billings of $2,559,052. Volume in 1981 consisted of $1,015,000 in media, $280,000 in materials and services and $1,264,052 in capitalized fees. Accounts gained: R. Dakin & Co., California for McCloskey, Jack Daniels Distillery, Domaine Chandon, Essex Castle, Roos Bros., Four Seasons Clift Hotel, Simpson Paper Co., Atlas S&L, Garamendi for Governor. Lost: None. Billings breakdown: Newspapers 40%, magazines and trade publications 40%, radio 5%, spot tv 15%. Employes: 12 in one office. Top execs: Maxwell Arnold, president; Joseph Jackson, partner vp-marketing and client services; Jeannine Smyth, partner, vp-finance and administration. Phone: (415) 391-8425.

Artim Advertising, Hamilton Square, N.J., had gross income of $10,261 in 1981 on billings of $68,632. It did not report its 1980 results. Volume in 1981 consisted of $4,614 in media, $13,381 in materials and services and $50,637 in capitalized fees. Billings breakdown: Magazines 5%, other (collateral) 95%. Employes: One in one office. Top exec: John Artim, president. Phone: (609) 587-3762.

Ashby & Associates, Cleveland, had estimated gross income of $760,000 in 1981 on billings of $5,119,453. In 1980, it had estimated gross income of $675,000 on billings of $4,514,304. No volume breakout was provided for either year. Accounts gained: Anderson Intl. Corp., Harris Calorific (subsidiary of Emerson Electric), Continental Lighting Services, Therma Quartz Electric Heater Co., Alimentos Extrudios. Billings breakdown: Newspapers 15%, magazines 5%, supplements 5%, radio 5%, spot tv 5%, business papers 30%, farm publications 5%, point of sale 5%, direct mail 10%, other 15%. Employes: 22 in two offices. Top exec: John A. Ashby, president. Phone: (216) 781-4464.

Axelband & Brown & Associates, Cleveland, reported gross income of $735,316 in 1981 on billings of $7,541,788. In 1980, it reported gross income of $713,889 on billings of $7,322,124. Volume in 1981 consisted of $3,793,330 in media, $244,686 in materials and services and $3,503,772 in capitalized fees. In 1980, volume consisted of $3,682,845 in media, $237,559 in materials and services and $3,401,720 in capitalized fees. Billings breakdown: Newspapers 22%, magazines 3%, radio 15%, spot tv 46%, outdoor 0.5%, business papers 4.25%, transit 0.5%, point of sale 2%, direct mail 1.5%, other 5.25%. Employes: 13 in one office. Phone: (216) 831-0440.

BB&W Advertising, Boise, Ida., reported gross income of $217,099 in 1981 on billings of $1,219,081. In 1980, it reported gross income of $306,380 on billings of $1,599,298. Volume in 1981 consisted of $368,517 in media, $175,687 in materials and services and $674,877 in capitalized fees. In 1980, volume consisted of $531,968 in media, $249,782 in materials and services and $817,548 in capitalized fees. Accounts gained: Sun Valley Health Institute, Thriftway Home Centers. Lost: Norm Bishop Volkswagen, United First Federal Savings. Billings breakdown: Newspapers 30%, magazines 2%, radio 22%, spot tv 32%, outdoor 6%, point of sale 1%, direct mail 2%, other (collateral) 5%. Employes: Nine in one office. Top exec: Bruce M. Belcher, president. Phone: (208) 343-2572.

Melvin E. Bach & Co., Montclair, N.J., had estimated gross income of $82,500 on media billings of $550,000 in 1981, the only year for which it reported. Billings breakdown: Newspapers 55%, magazines 25%, spot tv 4%, business papers 10%, other 6%. Employes: Four. Top exec: Joseph Paskow, president. Phone: (201) 783-3500.

Bailey Orner Makstaller, Cincinnati, reported gross income of $575,000 and net income of $10,200 in 1981 on billings of $2,732,000. In 1980, it reported gross income of $791,200 and net income of $84,400 on billings of $2,938,400. Volume in 1981 consisted of $810,000 in media, $498,600 in materials and services and $1,423,400 in capitalized fees. In 1980, volume consisted of $975,000 in media, $584,000 in materials and services and $1,379,400 in capitalized fees. Accounts gained: Access Corp., Beau Brummell Tie Co., E. Berghausen Chemical Co., Water Refining Co. Billings breakdown: Newspapers 12%, radio 12%, spot tv 15%, business papers 29%, direct mail 2%, other (collateral, fees, etc.) 30%. Employes: 11 in one office. Top execs: Hugh R. Bailey, chairman; John Tepe, president. Phone: (513) 281-1338.

Russell Baker Inc., Buffalo, N.Y., had estimated gross income of $315,000 in 1981 on billings of $2,100,000. In 1980, it had estimated gross income of $225,000 on billings of $1,500,000. It did not break out volume for either year. Accounts gained: SM Flickinger Co., Buffalo Hilton, Calspan Corp., Consolidated Packaging, Bliley Electronics, National Forge, Prescotech. Lost: Enidine Inc. Billings breakdown: Newspapers 5%, radio 15%, spot tv 45%, business papers 30%, other 5%. Employes: 10 in one office. Top execs: Russell Baker, president; Robert L. Frasier, exec vp. Phone: (716) 842-6565.

Perry Ballard Advertising, St. Joseph, Mich., reported gross income of $242,577 and net income of $35,400 in 1981 on billings of $1,592,564. In 1980, it reported gross income of $201,156 and net income of $27,700 on billings of $1,455,906. Volume in 1981 consisted of $112,542 in media, $94,214 in materials and services and $1,385,808 in capitalized fees. In 1980, volume consisted of $129,475 in media, $91,933 in materials and services and $1,234,498 in capitalized fees. Accounts gained: Dayco Industries, All Season Industries, A.M. Grootendorst Inc., Martin Marietta, Aggregates division. Lost: Benton Harbor Awning & Tent. No billings breakdown was supplied. Employes: 12 in one office. Top exec: Perry Ballard, president. Phone: (616) 983-0611.

Ballotta, Napurano & Co., Springfield, N.J., had gross income of $488,300 and net income of $79,600 in 1981 on billings of $3,869,000. In 1980, it reported gross income of $216,000 and net income of $28,800 on billings of $1,893,200. Volume in 1981 consisted of $2,417,000 in media, $1,371,960 in materials and services and $80,040 in capitalized fees. In 1980, volume consisted of $1,030,200 in media and $863,000 in materials and services. Accounts gained: Groov-Pin Corp., Thermo-Electric. Lost: Howe Richardson. Billings breakdown: Newspapers 5%, magazines 10%, radio 15%, business papers 60%, direct mail 10%. Employes: 14 in one office. Top execs: Robert Ballotta, president; Joseph Napurano, exec vp. Phone: (201) 379-6016.

Ted Barkus Co., Philadelphia, had estimated gross income of $475,000 in 1981 on billings of $3,250,000. In 1980, it had estimated gross income of $390,000 on billings of $2,650,000. Billings breakdown: Newspapers 18%, magazines 10%, radio 15%, spot tv 20%, business papers 21%, direct mail 16%. Employes: 10 in one office. Top execs: Ted Barkus, president; Allen E. Barkus, exec vp. Phone: (215) 545-0616.

Barner & Associates, Tampa, had estimated gross income of $200,000 in 1981 on billings of $1,168,791. In 1980, it had estimated gross income of $125,000 on billings of $796,675. Volume in 1981 consisted of $382,200 in media, $511,911 in materials and services and $274,680 in capitalized fees. In 1980, volume consisted of $350,000 in media, $280,000 in materials and services and $166,675 in capitalized fees. Account gained: Beverly Hills Development Corp. Lost: Heidt & Associates, Landtech, Matthews Corp. Billings breakdown: Newspapers 5%, magazines 10%, radio 25%, spot tv 23%, outdoor 30%, business papers 1%, direct mail 1%, other 5%. Employes: Four in one office. Top exec: Robert W. Barner, president. Phone: (813) 877-6769.

Barney & Patrick Advertising, Mobile, Ala., reported gross income of $704,271 in 1981 on billings of $4,703,393. In 1980, it reported gross income of $603,638 on billings of $4,025,219. Volume in 1981 consisted of $2,386,052 in media, $284,578 in materials and services and $2,032,763 in capitalized fees. In 1980, volume consisted of $1,845,188 in media, $251,286 in materials and services and $1,928,745 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 5%, radio 26%, spot tv 32%, outdoor 12%, business papers 5%. Employes: 14 in one office. Top execs: McGowin I. Patrick, president; J. Tyler Turner Jr., exec vp. Phone: (205) 433-0401.

Barritt, Larsen, Peck & Farnell Advertising, Encino, Cal., reported gross income of $637,000 in 1981 on billings of $4,457,331. In 1980, it reported gross income of $901,710 on billings of $5,830,266. Volume in 1981 consisted of $2,850,500 in media, $276,500 in materials and services and $1,330,331 in capitalized fees. In 1980, volume consisted of $3,408,000 in media, $149,130 in materials and services and $2,273,136 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 5%, radio 15%, spot tv 10%, outdoor 2%, business papers 25%, transit 3%, point of sale 10%, direct mail 5%, other 15%. Employes: 15 in one office. Top execs: Hal Farnell, president; John Larsen, vp; Doyle Peck, vp. Phone: (213) 783-8460.

Wm. L. Baxter Advertising, Minneapolis, reported gross income of $731,978 in 1981 on billings of $6,181,227. In 1980, it reported gross income of $589,259 on billings of $5,106,834. Volume in 1981 consisted of $3,467,866 in media, $1,275,536 in materials and services and $1,437,825 in capitalized fees. In 1980, volume consisted of $2,791,042 in media, $1,192,597 in materials and services and $1,123,195 in capitalized fees. Accounts gained: Babybotte/Bidegain Inc., Durkee-Atwood Co., Goodhue County National Bank of Red Wing, Hiniker Co. Lost: Office Interiors Inc., Power Span Inc., Thrift Trading Inc., Yukon Industries. Billings breakdown: Newspapers 3%, magazines 31%, radio 8%, spot tv 22%, outdoor 1%, business papers 5%, farm publications 25%, point of sale 3%, direct mail 2%. Employes: 21 in one office. Top exec: William L. Baxter, president. Phone: (612) 338-8495.

Baxter/Seivert Associates, Dallas, reported gross income of $259,325 and net income of $19,450 in 1981 on billings of $2,910,904. In 1980, it reported gross income of

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Gross income under $1,000,000

$207,894 and net income of $12,458 on billings of $2,317,616. Volume in 1981 consisted of $1,062,132 in media, $119,075 in materials and services and $1,729,697 in capitalized fees. In 1980, volume consisted of $837,868 in media, $93,095 in materials and services and $1,386,653 in capitalized fees. Accounts gained: William's Drexel Heritage, Galbraith Intl., Blevins & Associates, Adelle M Fine Art, Re/Max Realty (pr only), Mulholland Engineering. Billings breakdown: Newspapers 49%, magazines 2%, supplements 2%, radio 17%, spot tv 20%, outdoor 3%, business papers 1%, point of sale 1%, direct mail 4%, other 1%. Employes: 10 in one office. Top exec: Doris Seivert, president. Phone: (214) 742-3790.

Benefield, Levinger & Associates, Santa Rosa, Cal., reported gross income of $213,309 in 1981 on billings of $1,411,358. In 1980, it reported gross income of $226,001 on billings of $1,493,219. Volume in 1981 consisted of $561,423 in media, $194,696 in materials and services and $655,239 in capitalized fees. In 1980, volume consisted of $687,841 in media, $177,639 in materials and services and $627,739 in capitalized fees. Accounts gained: Josef Maximilian, Kaiser-Permanente Medical Center, KK Products, Schurter. Lost: Max Machinery, Microphor Inc., Northcoast Tank & Filter, Bench Collection, Columbia Pacific University, Optical Coating Laboratory. Billings breakdown: Newspapers 22%, magazines 19%, radio 10%, outdoor 6%, business papers 39%, point of sale 4%. Employes: Six in one office. Top exec: James R. Benefield, president. Phone: (707) 542-6572.

Bermudez & Associates, Beverly Hills, had gross income of $998,000 in 1981 on billings of $6,091,440. It did not report any figures for 1980. Volume in 1981 consisted of $2,410,000 in media, $800,000 in materials and services and $2,881,440 in capitalized fees. Accounts gained: Bank of America, Pearson/American Express, Southern California Edison. No losses were reported. Billings breakdown: Newspapers 10%, magazines 10%, radio 40%, spot tv 40%. Employes: 18 in one office. Top execs: Eduardo Bermudez, Richard Chase, Fernando Tamayo. Phone: (213) 852-1011.

Bernard & Co., Arlington Heights, Il., reported gross income of $207,109 in 1981 and net income of $60,327 on billings of $1,141,057. In 1980, it reported gross income of $168,332 and net income of $24,164 on billings of $970,982. Volume in 1981 consisted of $671,236 in media, $340,320 in materials and services and $130,101 in capitalized fees. In 1980, volume consisted of $606,000 in media, $250,000 in materials and services and $114,982 in capitalized fees. Accounts gained: Gametechniks and Commercial videogames. Lost: None. Billings breakdown: Newspapers 5%, business papers 55%, point of sale 5%, other (literature preparation) 5%. Employes: Seven in one office. Top execs: Fred Bernard, president; Timothy Daro, vp. Phone: (312) 593-8131.

Douglas Bewick Advertising, Springfield, Mass., reported gross income of $195,000 in 1981 on billings of $1,300,000. In 1980, it reported gross income of $165,000 on billings of $1,100,000. No volume breakout was provided. All its billings are with the Yellow Pages. Employes: Eight in one office. Top exec: D. W. Bewick, president. Phone: (413) 781-3682.

Bitton Inc., Idaho Falls, Ida., had estimated gross income of $83,000 in 1981 on billings of $549,071. In 1980, it had estimated gross income of $84,000 on billings of $558,725. Volume in 1981 consisted of $295,449 in media, $109,924 in materials and services and $143,698 in capitalized fees. In 1980, volume consisted of $346,897 in media, $97,144 in materials and services and $114,684 in capitalized fees. Accounts gained: Atomic Workers Credit Union, Jackson Hole Realty, Tramps Car Wash. Lost: McDonald's restaurants. Billings breakdown: Newspapers 5%, radio 7%, spot tv 56%, outdoor 7%, farm publications 7%, direct mail 18%. Employes: Three in one office. Top exec: Joann Hampton. Phone: (208) 523-7300.

Black & Musen, Longmeadow, Mass., had gross income of $205,000 and net income of $13,700 in 1981 on billings of $1,211,000. In 1980, it reported gross income of $172,000 and net income of $4,300 on billings of $1,022,000. Volume in 1981 consisted of $690,000 in media, $114,000 in materials and services and $407,000 in capitalized fees. In 1980, volume consisted of $608,000 in media, $90,500 in materials and services and $323,500 in capitalized fees. Accounts gained: N.E. Broach, Versa-Tags, Progress Enterprises. Billings breakdown: Newspapers 5%, magazines 25%, radio 5%, spot tv 15%, business papers 30%, direct mail 5%, collateral 15%. Employes: Six in one office. Top execs: Arthur Musen, president; Merle Black, treasurer. Phone: (413) 567-0361.

Blackwood & Associates, Fayetteville, Ark., formerly Barham & Blackwood, reported gross income of $200,000 in 1981 on billings of $1,243,800. It did not report for 1980. Volume in 1981 consisted of $170,000 in media, $140,000 in materials and services and $933,800 in capitalized fees. Accounts gained: First Federal S&L of Fayetteville, College Club Dairy, White Dog Electronics, Process Technology Corp., Jones Trucklines, Bible Believers Cassettes, Davidson & Davidson. Lost: IGA stores of Fayetteville. Billings breakdown: Newspapers 28%, magazines 8%, radio 26%, spot tv 31%, outdoor 2%, point of sale 4%, other 1%. Employes: Six in one office. Top execs: Mark Blackwood, Boyd Blackwood, Joe Martin.Phone: (501) 442-9803.

Blanchard & Associates, Minneapolis, reported gross income of $296,495 in 1981 on billings of $1,915,946. In 1980, it reported gross income of $265,934 on billings of $1,675,581. Volume in 1981 consisted of $944,866 in media, $290,746 in materials and services and $680,334 in capitalized fees. In 1980, volume consisted of $692,027 in media, $273,499 in materials and services and $710,055 in capitalized fees. Billings breakdown: Newspapers 21%, magazines 40%, radio 20%, spot tv 4%, business papers 6%, other 9%. Employes: Six in one office. Top exec: Ernest C. Blanchard, president. Phone: (612) 322-1557.

Blumenthal/Herman Advertising, Ambler, Pa., had gross income of $230,048 in 1981 on billings of $1,534,022. In 1980, it reported gross income of $191,487 on billings of $1,276,957. Volume in 1981 consisted of $793,838 in media and $740,184 in capitalized fees. In 1980, volume consisted of $555,525 in media and $721,432 in capitalized fees. Accounts gained: EMCEE Broadcast Products, Wood River Village. Billings breakdown: Newspapers 10%, magazines 20%, radio 5%, spot tv 5%, business papers 30%, direct mail 15%, other 15%. Employes: Five. Top execs: Stephen Blumenthal, president; Justin Herman, secretary-treasurer. Phone: (215) 628-3050.

Benton & Bowles

We build long-term franchises for products, services, companies. We give them personalities that are always consistent with the advertisers' long-term goals. We call this giving the product "the right place to live."

David Bockel & Associates, Decatur, Ga., had gross income of $145,038 and net income of $12,714 in 1981 on billings of $1,378,445. In 1980, it reported gross income of $112,000 and net income of $6,000 on billings of $1,093,183. Volume in 1981 consisted of $680,000 in media, $74,800 in materials and services and $623,645 in capitalized fees. In 1980, volume consisted of $530,000 in media, $63,600 in materials and services and $499,583 in capitalized fees. Accounts gained: Development Authority of DeKalb County, Beckett Aviation, Freeway Ford, Gran Quartz Trading. Lost: Andrews Square and Manumark. Billings breakdown: Newspapers 15%, magazines 35%, radio 10%, spot tv 35%, other 5%. Top exec: David R. Bockel, president. Employes: Eight. Phone: (404) 633-9397.

Bolt Advertising, Roanoke, Va., had gross income of $394,533 and net income of $15,117 in 1981 on billings of $1,034,877. In 1980, it reported gross income of $351,301 and net income of $14,878 on billings of $881,496. Volume in 1981 consisted of $217,076 in media, $64,521 in materials and services and $753,280 in capitalized fees. In 1980, volume consisted of $214,934 in media, $42,857 in materials and services and $623,705 in capitalized fees. Accounts gained: Business Solution Center, Peoples Federal S&L, Gayle Dunn Ltd., Eleven West Inc., Leeds Music Center, Rose Porsche-Audi. Lost: Steer House/Stock Market. Billings breakdown: Newspapers 35%, radio 25%, network tv 10%, business papers 5%, other 25%. Employes: 10 in one office. Top exec: Peter Ostaseski, president.

Borders, Perrin & Norrander, Portland, Ore., reported gross income of $880,000 and net income of $200,000 in 1981 on billings of $5,869,600. In 1980, it reported gross income of $570,000 and net income of $100,000 on billings of $3,801,900. No volume breakout was provided. Accounts gained: Tri-Met bus system, Kahneeta resort, Citizens Bank of Oregon, Handi-Heat, Shindaiwa chain saws, Portland Schools, Blue Shield (Oregon), Red Lion Motor Inns, KINK-FM. Lost: KMJK-FM. Billings breakdown: Newspapers 25%, magazines 10%, radio 20%, spot tv 15%, transit 5%, point of sale 20%. Employes: 20 in one office. Top execs: Wes Perrin, president; Bill Borders exec vp-creative director; Mark Norrander, exec vp-executive art director; Pete Hatt, vp-administration. Phone: (503) 227-2506.

Earle Bower Associates, New York, had gross income of $301,000 and net income of $36,900 in 1981 on billings of $2,070,240. In 1980, it reported gross income of $276,000 and net income of $30,400 on billings of $1,750,140. Volume in 1981 consisted of $1,300,000 in media, $290,000 in materials and services and $480,240 in capitalized fees. In 1980, volume consisted of $1,200,000 in media, $270,000 in materials and services and $280,140 in capitalized fees. Accounts gained: Advertising Age, Marcato Pasta Machines, *Diagnosis* magazine. Billings breakdown: Newspapers 10%, magazines 60%, radio 5%, spot tv 25%. Employes: Six in one office. Top exec: Earle Bower, president. Phone: (212) 682-3920.

Bowes/Hanlon Advertising, Atlanta, reported gross income of $754,804 and net income of $57,342 in 1981 on billings of $5,083,687. In 1980, it reported gross income of $528,076 and net income of $32,500 on billings of $3,556,723. Volume in 1981 consisted of $1,158,099 in media, $1,215,000 in materials and services and $210,588 in capitalized fees. In 1980, volume consisted of $942,638 in media, $789,380 in materials and services and $1,824,705 in capitalized fees. Accounts gained: Apex Supply Co., Pizzeria Uno/Atlanta, Merlyn Corp., Georgia Agricultural Commodities Commission (peaches), Elson's. Lost: Sea Palms Resort, Holland Intl. Foods. Billings breakdown: Newspapers 10%, magazines 15%, radio 15%, spot tv 30%, business papers 20%, point of sale 8%, direct mail 2%. Employes: 11 in one office. Top execs: Kenneth E. Bowes, president; George R. Hanlon, exec vp; Charles R. Munhall Jr., vp. Phone: (404) 261-1900.

Boyce Advertising, Santa Monica, Cal., had gross income of $74,000 and net income of $52,000 in 1981 on billings of $491,740. It did not report 1980 results. Volume in 1981 consisted of $280,000 in media, $65,000 in materials and services and $146,740 in capitalized fees. Account gained: *Personnel Journal*. Billings breakdown: Newspapers 20%, magazines 20%, direct mail 60%. Employes: Two. Top exec: Samuel W.H. Boyce, president. Phone: (213) 457-5428.

Brady, Goode & Aiken Advertising, Chattanooga, formerly Brady Advertising, reported gross income of $484,562 in 1981 on billings of $2,374,760. In 1980, it reported gross income of $329,218 on billings of $2,194,789. Volume in 1981 consisted of $407,911 in media, $143,725 in materials and services and $1,823,124 in capitalized fees. In 1980, volume consisted of $333,603 in media, $122,655 in materials and services and $1,738,529 in capitalized fees. Accounts gained: Tri-State Volkswagen, Selox Inc. Lost: None. Billings breakdown: Newspapers 19%, magazines 47%, radio 4%, spot tv 9%, cable tv 2%, outdoor 1%, business papers 10%, point of sale 6%, direct mail 2%. The agency has one office. Top execs: John J. Brady Jr., H. Lynn Goode and Michael Aiken. Phone: (615) 894-2218.

Brand Advertising, Cleveland, reported gross income of $703,853 in 1981 on billings of $6,114,570. In 1980, it reported gross income of $735,718 on billings of $6,401,246. Volume in 1981 consisted of $851,212 in media, $418,254 in materials and services and $4,845,104 in capitalized fees. In 1980, volume consisted of $893,659 in media, $477,893 in materials and services and $5,029,694 in capitalized fees. Accounts gained: Harris Corp.'s commercial press division, Invacare Corp., Lake Erie College, Leaseway Transportation Corp.'s distribution systems group, Shenango Co., Technicare Corp., WCPO-TV, Cincinnati, WTVN-TV, Columbus. Lost: Bicron Corp., Corometrics Medical Systems. Billings breakdown: Newspapers 18%, magazines 14%, radio 15%, network tv 2%,

business and trade magazines 40%, farm publications 1%, direct mail 10%. Employes: 20 in one office. Top execs: David R. Brand, president; John H. Gerber, exec vp; Ralph Shick, vp-creative director; H. Donald Garber, vp-account supervisor. Phone: (216) 696-4550.

Harry P. Bridge Co., Philadelphia, had estimated gross income of $555,000 in 1981 on billings of $3,700,000. In 1980, it had estimated gross income of $585,000 on billings of $3,900,000. Billings breakdown: Business papers 65%, direct mail 5%, other 30%. Employes: 14 in one office. Top exec: Byard P. Bridge, president. Phone: (215) 561-1300.

Brigham/Scully Inc., Los Angeles, reported gross income of $432,000 and net income of $40,300 in 1981 on billings of $2,785,560. In 1980, it reported gross income of $288,000 and net income of $26,700 on billings of $1,821,130. Volume in 1981 consisted of $1,968,000 in media, $364,000 in materials and services and $453,560 in capitalized fees. In 1980, volume consisted of $1,360,000 in media, $201,000 in materials and services and $260,130 in capitalized fees. Accounts gained: Barksdale Controls division of Transamerica Delaval, Daisywriter, Pragma Data Systems, Dyneer/Sensor Technology. Lost: Cahn Instruments, Olympic Sales. Billings breakdown: Newspapers 8%, magazines 5%, business papers 69%, direct mail 4%, other (collateral) 14%. Employes: Six in one office. Top execs: Tom Brigham, president; John Poturny, vp. Phone: (213) 550-7145.

Brown Advertising, Somerset, N.J., reported gross income of $143,330 and net income of $38,750 in 1981 on billings of $985,000. In 1980, it reported gross income of $137,250 and net income of $26,350 on billings of $973,000. Volume in 1981 consisted of $440,000 in media, $295,000 in materials and services and $250,000 in capitalized fees. In 1980, volume consisted of $463,000 in media, $260,000 in materials and services and $250,000 in capitalized fees. Accounts gained: KMS Corp., DCI Corp., Seal-O-Matic Corp., Davis Personnel, Elion Enterprises, Action Resume. Lost: Blecher & Mendel. Billings breakdown: Newspapers 21%, magazines 20%, radio 10%, spot tv 4%, business papers 20%, point of sale 7%, direct mail 18%. Employes: Three in two offices. Top execs: Bernard Brown, president; Mildred Brown, exec vp. Phone: (201) 246-2550.

Bruce, Henry & Davis Advertising, Houston, had gross income of $138,947 in 1981 on billings of $1,143,853. In 1980, it reported gross income of $99,465 on billings of $893,641. Volume in 1981 consisted of $75,335 in media, $438,870 in materials and services and $629,648 in capitalized fees. In 1980, volume consisted of $133,926 in media, $295,403 in materials and services and $464,312 in capitalized fees. Accounts gained: STM Corp., Stuckey Diamonds and Surgicare Corp. Lost: Stuckey & Speer and Shindler/Cummins. Billings breakdown: Newspapers 2%, magazines 8%, business papers 25%, direct mail 50%, other 15%. Top exec: Bruce Davis, president. Employes: Four. Phone: (713) 850-1245.

Buckheim & Rowland, Ann Arbor, Mich., reported gross income of $966,299 in 1981 on billings of $7,067,829. In 1980, it reported gross income of $727,178 on billings of $5,093,519. Volume in 1981 consisted of $1,356,935 in media, $960,413 in materials and services and $4,750,481 in capitalized fees. In 1980, volume consisted of $1,219,189 in media, $504,793 in materials and services and $3,369,637 in capitalized fees. Accounts gained: Community Bank of Bad Axe, Division of Management Education of the University of Michigan, Dundee Cement Co., Meilink Safe Co. Lost: The American Crayon Co., In-Home Theater. Billings breakdown: Newspapers 3%, magazines 26%, radio 5%, spot tv 4%, outdoor 1%, business papers 2%, other 59%. Employes: 26 in one office. Top execs: Richard A. Buckheim, Richard H. Rowland. Phone: (313) 769-6771.

Bulloch & Haggart Advertising, Colorado Springs, reported gross income of $683,774 and net income of $197,028 in 1981 on billings of $2,135,064. In 1980, it reported gross income of $134,769 and net income of $81,419 on billings of $395,790. Volume in 1981 consisted of $243,247 in media, $184,568 in materials and services and $1,707,249 in capitalized fees. In 1980, volume consisted of $37,151 in media, $51,582 in materials and services and $307,057 in capitalized fees. Accounts gained: Kaman Sciences Corp., Exidyne Inc., American Industrial Bank. Lost: Park West Homes. Billings breakdown: Newspapers 30%, magazines 20%, radio 10%, spot tv 20%, outdoor 10%, direct mail 10%. Employes: Seven in one office. Top execs: Stephen R. Haggart, president; Thomas O. Bulloch secretary/treasurer. Phone: (303) 635-7576.

Burch Myers Cuttie, Chicago, reported gross income of $651,766 in 1981 on billings of $4,318,326. In 1980, it reported gross income of $254,788 on billings of $2,000,394. Volume in 1981 consisted of $856,680 in media, $161,324 in materials and services and $3,300,322 in capitalized fees. In 1980, volume consisted of $409,197 in media, $67,849 in materials and services and $1,523,348 in capitalized fees. Accounts gained: Bell & Howell Video Systems, Cartan Travel, Mattel (Monogram models and Skilcraft toys), Sheraton-Plaza Chicago, Sheraton-Ritz Minneapolis, Sheraton-O'Hare Chicago, Sheraton-Columbus (Ohio). Lost: Roach Inc., Illinois Film Office. Billings breakdown: Newspapers 30%, magazines 10%, radio 15%, spot tv 20%, business papers 15%, transit 5%, direct mail 5%. Employes: 11 in two offices. Top execs: Ralph Burch, president; Roger Myers, exec vp-creative; Donald Cuttie, exec vp-client services. Phone: (312) 642-0940.

Burdette Advertising, Fort Myers, Fla., had gross income of $354,694 in 1981 on billings of $2,427,868. In 1980, it reported gross income of $236,450 on billings of $1,615,088. Volume in 1981 consisted of $859,799 in media, $262,063 in materials and services and $1,306,006 in capitalized fees. In 1980, volume consisted of $736,358 in media, $128,162 in materials and services and $750,568 in capitalized fees. Accounts gained: Ryan Homes, Medical Engineering, Office World, Plantation Golf & Country Club, Little Hickory Bay condominium, Investment Properties Corp., Applied Solar Dynamics, Universal Travel Institute. Lost: County Electric Cooperative, JAN Crystals, Lake Fairways, Bear's Paw. Billings breakdown: Newspapers 29%, magazines 16%, radio 13%, spot tv 34%, cable tv 1%, outdoor 7%. Employes: 13 in one office. Top exec: Robert C. Pace II, president. Phone: (813) 334-0757.

Robert K. Butcher & Associates, Shreveport, La., reported gross income of $373,000 and net income of $7,244 in 1981 on billings of $1,939,000. In 1980, it reported gross income of $[illegible]39,000 and net income of $1,949 on billings of $1,883,000. Volume in 1981 consisted of $779,000 in media, $520,000 in materials and services and $640,000 in capitalized fees. In 1980, volume consisted of $770,000 in media, $513,000 in materials and services and $600,000 in capitalized fees. Billings breakdown: Newspapers 39%, magazines 11%, radio 9%, spot tv 34%, outdoor 2%, other 5%. Employes: 17 in two offices. Phone: (318) 221-4113.

Butler-Turner Advertising, Vero Beach, Fla., reported gross income of $130,326 in 1981 on billings of $845,462. In 1980, it reported gross income of $175,097 on billings of $1,126,786. Volume in 1981 consisted of $422,731 in media, $63,205 in materials and services and $359,526 in capitalized fees. In 1980, volume consisted of $563,293 in media, $122,240 in materials and services and $441,253 in capitalized fees. Accounts gained: Baytree Investments Ltd., R.B. Kick, The Stater Co. (Boston), Good Times Publishing Co. Lost: Baytree Investments Ltd., R.B. Kick, Sunrise Springs. Billings breakdown: Newspapers 35%, magazines 25%, supplements 5%, radio 15%, spot tv 5%, outdoor 10%, direct mail 5%. Employes: Four in one office. Phone: (305) 562-5467.

Lawrence Butner Advertising, New York, had gross income of $902,070 and net income of $62,422 in 1981 on billings of $6,013,800. In 1980, it reported gross income of $763,990 and net income of $143,750 on billings of $5,093,270. Volume in 1981 consisted of $5,228,550 in media, $285,000 in materials and services and $500,250 in capitalized fees. In 1980, volume consisted of $4,315,000 in media, $238,000 in materials and services and $540,270 in capitalized fees. Account gained: Smithsonian Performing Arts. Lost: Source Securities (broadcast direct response) via Fidelity Brokerage merger. Billings breakdown: Newspapers 5%, radio 35%, network tv 20%, spot tv 20%, cable tv 15%, business papers 5%. Employes: 14. Top execs: Lawrence Butner, president; Nevil Cross, vp; Eleanor Butner, treasurer. Phone: (212) 753-7054.

Buxton Advertising Agency, Pasadena, Cal., had estimated gross income of $300,000 in 1981 on billings of $1,998,700, all in media. In 1980, it had estimated gross income of $273,000 on billings of $1,822,000, all in media. Employes: Nine in two offices. Top execs: Erwin L. Buxton, chairman-ceo; Robert Troast, president; Frederic T. Mayer, George West, Hans Markisch, Dana Seymour, vps. Phone: (213) 795-5985.

Buyer Advertising, Needham, Mass., had gross income of $656,749 on 1981 billings of $4,378,510. In 1980 it had gross income of $578,079 on $3,895,805 in billings. Volume in 1981 consisted of $3,959,270 in media, $54,785 in materials and services and $364,455 in capitalized fees. In 1980 volume consisted of $3,544,797 in media, $39,773 in materials and services and $311,235 in capitalized fees. Billings breakdown: Newspapers 95%, magazines 2.5%, radio 1%, other 1.5%. Employes: 28 in one office. Top execs: Alfred Buyer, president; Betty Buyer, treasurer; Charles Buyer, exec vp. Phone: (617) 449-2680.

Buzzard Inc., Cambridge, Mass., had gross income of $251,000 in 1981 on billings of $1,638,000. In 1980, it reported gross income of $205,000 on billings of $1,332,000. Volume in 1981 consisted of $561,000 in media, $203,000 in materials and services and $874,000 in capitalized fees. In 1980, volume consisted of $492,000 in media, $200,000 in materials and services and $640,000 in capitalized fees. Accounts gained: Interactive Data/Chase Econometrics, Jarvinen Skis, Schaefer Marine, Superlube Inc. Lost: Cambridge Alternative Power Co., Clivus Multrum, Maine Marine. Billings breakdown: Newspapers 5%, magazines 92%, business papers 3%. Employes: Five. Top exec: Donald Brewster, president. Phone: (617) 661-8318.

CTS Associates, Detroit, had estimated gross income of $85,000 in 1981 on billings of $400,000. It did not report in 1980. Volume in 1981 consisted of $250,000 in media, $30,000 in materials and services and $120,000 in capitalized fees. Accounts gained: Express Convenience Centers, Computer Mart, Lutheran Brothers Inc., Travel Fair Inc., Universal Title Insurance, Whitemarsh Assocs. Lost: None. Billings breakdown: Newspapers 10%, magazines 4%, radio 80%, direct mail 5%, other 1%. Employes: Six in one office. Top execs: C. Thomas Scholl, president; Muriel G. Scholl, vp-treasurer; W. Brucker, secretary. Phone: (313) 965-0575.

William Cain Inc., Portland, Ore., had gross income of $610,000 in 1981 on billings of $4,066,000. In 1980, it reported gross income of $510,000 on billings of $3,405,000. Accounts gained: Nerco Inc. and ADP Dealer Services division. Lost: American Industries. Billings breakdown: Newspapers 10%, magazines 35%, radio 15%, spot tv 10%, outdoor 5%, business papers 20%, other 5%. Employes: 12. Phone: (503) 222-5940.

Campbell, Shelton & Dyer, Ft. Lauderdale, Fla., reported gross income of $692,644 in 1981 on billings of $4,106,148. It did not report for 1980. Volume in 1981 consisted of $1,372,524 in media, $655,179 in materials and services and $2,078,445 in capitalized fees. Accounts gained: Key West Resort, Sea Oaks Project, Lynn Wilson Assn., Waster Management. Lost: Multicon, Sutton Place, Ocean Village. Billings breakdown: Newspapers 29%, magazines 12%, radio 12%, spot tv 39%, outdoor 8%. Employes: 15 in one office. Top execs: Stephen H. Shelton, president; Thomas H. Dyer, exec vp. Phone: (305) 462-4379.

Cantin Hautau Elliott, New York, had gross income of $353,350 in 1981 on billings of $2,562,820. In 1980, it reported gross income of $115,000 on volume of $767,050, all in capitalized fees. Volume in 1981 consisted of $1,400,000 in media, $189,000 in materials and services and $973,820 in capitalized fees. Accounts gained: Rubigo Cosmetics, Hiram Walker's Frederick Wildman division, ITT's U.S. Transmissions Systems, Robot Coupe Intl., James Mooney Marketing. Billings breakdown: Newspapers 20%, magazines 25%, radio 20%, spot tv 20%, business papers 5%, point of sale 10%. Employes: 18 in one office. Top execs: Don Cantin, president; Don Elliott, chairman; Fred Hautau, creative director. Phone: (212) 696-5500.

Jack Cantwell Inc., Englewood Cliffs, N.J., had gross income of $773,765 in 1981 on billings of $5,125,000. In 1980, it reported gross income of $1,204,970 on billings of $8,000,000. Volume in 1981 consisted of $1,789,300 in media, $198,000 in materials and services and $3,137,700 in capitalized fees. In 1980, volume consisted of $3,397,800 in media, $200,000 in materials and services and $4,402,200 in capitalized fees. Accounts gained: Dyson Corp., O'Kane Labs. Lost: Stern's Garden Products, Media Three Periodicals. Billings breakdown: Newspapers 4%, magazines 7%, radio 9%, network tv 75%, spot tv 5%. Employes: Six. Top execs: Jack Cantwell, president; John Brooks, chairman. Phone: (201) 568-7023.

Capiello & Chabrowe, New York, reported gross income of $725,000 in 1981 on billings of $4,800,000. In 1980, it reported gross income of $600,000 on billings of $4,000,000. No volume breakout was provided. Accounts gained: Rilsan Corp., AM Printer Systems, Heyer Time & Electronics Corp. Lost: None. Billings breakdown: Newspapers 10%, magazines 85%, radio 5%. Employes: 16 in one office. Top execs: Tony Cappiello, chairman; Terry Chabrowe, president. Phone: (212) 489-5272.

Carter Advertising, Shreveport, La., had gross income of $235,137 in 1981 on billings of $1,726,975. In 1980, it reported gross income of $177,361 on billings of $1,303,821. Volume in 1981 consisted of $805,988 in media, $159,000 in materials and services and $761,987 in capitalized fees. In 1980, volume consisted of $558,335 in media, $121,065 in materials and services and $624,421 in capitalized fees. Accounts gained: Executone of Arkansas, Quetzalli Texas, McElroy Metal Mill, Sawyer Drilling & Service, Southern States General Agency, Bankers Life of Louisiana. Billings breakdown: Newspapers 16%, magazines 5%, radio 5%, spot tv 19%, outdoor 18%, business papers 15%, direct mail 19%, other 1%. Employes: 11 in one office. Top exec: William B. Carter, ceo. Phone: (318) 227-1920.

Centormedia Inc., New York, had gross income of $195,154 and net income of $12,163 in 1981 on billings of $1,113,207. In 1980, it reported gross income of $222,691 and net income of $34,709 on billings of $1,240,746. Volume in 1981 consisted of $310,893 in media, $113,236 in materials and services and $689,078 in capitalized fees. In 1980, volume consisted of $308,644 in media, $104,015 in materials and services and $828,087 in capitalized fees. Included is revenue from its Centormedia Personnel division. Accounts gained: Utica Alloys, Jasper Industries, Roth Bros. Smelting Corp., F&S Alloys & Minerals Corp., Brookside Metals, Adia Personnel, Linmac Corp.

Lost: Municipal Management Associates. Billings breakdown: Newspapers 15%, business papers 85%. Employes: Five in two offices. Top execs: Larry Centor, president; Paulette Bobroff, vp. Phone: (212) 986-0570.

Champion Inc., Longwood, Fla., had estimated gross income of $93,000 in 1981 on billings of $619,400. In 1980, it reported gross income of $85,000 on billings of $572,800. Volume in both years was all media. Account gained: Jordache. Lost: None. Billings breakdown: Newspapers 25%, magazines 60%, direct mail 15%. Employes: Six in one office. Top execs: William R. Metallo, president; Paul Midili, vp; John Blanchard, vp and secretary; William B. Metallo, vp and media director. Phone: (305) 788-3021.

Charles Advertising, Chicago, had estimated gross income of $245,000 in 1981 on billings of $1,657,220. Figures for 1980 were not reported. Volume in 1981 consisted of $156,000 in media, $127,000 in materials and services and $1,374,220 in capitalized fees. No billings breakdown was given. Top exec: Charles D. Presberg, president. Phone: (312) 644-3666.

Chase/Ehrenberg & Rosene, Chicago, reported gross income of $442,500 in 1981 on billings of $2,950,000. It did not report for 1980. Accounts gained: Tenex Corp., Market Development Corp., Celtic Life Insurance. Lost: Monogram Models. Billings breakdown: Newspapers 5%, magazines 10%, radio 10%, spot tv 70%, direct mail 5%. Employes: 10 in one office. Top execs: M. Ehrenberg, president; John Rosene, exec vp. Phone: (312) 943-3737.

Gross income under $1,000,000

Chittick Egan Advertising, Wayne, Pa., had estimated gross income of $330,000 in 1981 on billings of $2,200,750. In 1980, it reported gross income of $250,000 on billings of $1,667,250. Volume in 1981 consisted of $250,000 in media, $450,000 in materials and services and $1,500,750 in capitalized fees. In 1980, volume consisted of $200,000 in media, $300,000 in materials and services and $1,167,250 in capitalized fees. Accounts gained: Kent Dental Supply, Ark Dental, Benton Dental, Exeter Financial Services Corp., Tangible Investments, Schrage Shipping Containers, Gerard Systems. Lost: American Integrity Insurance. Billings breakdown: Newspapers 10%, magazines 15%, radio 10%, spot tv 5%, business papers 5%, direct mail 55%. Employes: 12 in two offices. Top exec: William F. Egan, president. Phone: (215) 964-9200.

The Chrystal Direct Marketing Group, Arlington Heights, Il., formed in July, 1981, reported gross income of $141,019 and net income of $51,103 for its first six months in 1981 on billings of $340,805. Volume for the period consisted of $14,142 in media, $91,642 in materials and services and $235,021 in capitalized fees. Accounts gained: Continental Communications Group, Chicago Subscription Television, Bernstein & Bank, Market Perspective, Dufferin Inc., London House Management, Velarde Securities, Carell Concepts. Lost: Dufferin Inc. Billings breakdown: Magazines 15%, direct mail 85%. Employes: Three in one office. Top exec: Gail M. Chrystal, president. Phone: (312) 398-5560.

Clarity Coverdale Advertising, Minneapolis, reported gross income of $289,190 and net income of $17,600 in 1981 on billings of $1,784,970. In 1980, it reported gross income of $157,740 and net income of $9,600 on billings of $1,017,642. Volume in 1981 consisted of $547,800 in media, $430,100 in materials and services and $807,070 in capitalized fees. In 1980, volume consisted of $298,800 in media, $234,600 in materials and services and $484,242 in capitalized fees. Accounts gained: Sealy of Minnesota, Radisson South, Radisson Plaza, SIGCO Research Inc. and Sigco Food Products. Lost: None. Billings breakdown: Newspapers 15%, magazines 20%, supplements 5%, radio 15%, spot tv 15%, outdoor 2%, business papers 8%, farm publications 15%, point of sale 1%, direct mail 4%. Top execs: Jac Coverdale, president; Timothy Clarity, W. Hiroshi Nelson, exec vps. Phone: (612) 339-3902.

George P. Clarke Advertising, New York, had gross income of $704,632 in 1981 on billings of $4,711,867. In 1980, it reported gross income of $657,472 on billings of $4,383,147. Volume in 1981 consisted of $2,439,661 in media, $253,864 in materials and services and $2,018,342 in capitalized fees. In 1980, volume consisted of $2,315,029 in media, $231,200 in materials and services and $1,836,918 in capitalized fees. Accounts gained: Harlem Savings Bank, Frank N. Scott Groups of Cos., Robinson Foods, Tripp & Co., Triad Toys & Games, Ackrad Laboratories, Asti Foods (Jos. A. Fragola Inc.). Lost: First Federal S&L of New York, C.R. Industries, Grumman Data Systems, American Savings Bank. Billings breakdown: Newspapers 25%, magazines 15%, radio 5%, spot tv 5%, business papers 15%, pr 25%, other (collateral) 10%. Employes: 16. Top exec: George P. Clarke, president. Phone: (212) 832-2121.

Clement & Ganfield Inc., New York, had gross income of $159,453 and net income of $10,191 in 1981 on billings of $1,121,961. In 1980, it reported gross income of $137,097 and net income of $1,419 on billings of $966,960. Volume in 1981 consisted of $733,347 in media, $58,776 in materials and services and $329,838 in capitalized fees. In 1980, volume consisted of $655,910 in media, $53,388 in materials and services and $257,662 in capitalized fees. Accounts gained: Great Lakes Remanagement Corp., Hudson Life Reassurance Co., Hudson Insurance Co., Insco Marine Inc., Andrew Edwards & Co. Lost: General Accident Group. Billings breakdown: Newspapers 10%, business papers 90%. Employes: Four in one office. Top execs: W. Winthrop Clement, ceo; John F. Ganfield, president. Phone: (212) 964-8562.

Cohan & Paul, Chicago, had estimated gross income of $520,000 in 1981 on billings of $3,489,000. In 1980, it had estimated gross income of $464,000 on billings of $3,091,000. Volume in 1981 consisted of $3,472,000 in media and $17,000 in capitalized fees overseas. Volume in 1981 was $3,062,000 in media and $29,000 in capitalized fees overseas. Accounts gained: Team Telephone, Northern Petrochemical, Norprop and Schrack Electronics. Lost: None. Billings breakdown: Newspapers 3%, business papers 40%, direct mail 20%, other 37%. Employes: Nine in one office. Top execs: George S. Cohan, president; Stanley G. Paul, exec vp. Phone: (312)641-7020.

Cohen & Marino, New York, had estimated gross income of $790,000 in 1981 on billings of $5,318,792. In 1980, it had estimated gross income of $545,000 on billings of $3,634,205. Volume in 1981 consisted of $2,186,000 in media, $1,346,900 in materials and services and $1,785,892 in capitalized fees. In 1980, volume consisted of $1,450,000 in media, $907,800 in materials and services and $1,276,405 in capitalized fees. Accounts gained: American Diamond Syndicate, Enny Hand Bags, Pan Am CPS, Oscar de la Renta bras and foundations for Mexico. Lost: Extra Value Tours. Billings breakdown: Magazines 30%, supplements 5%, radio 3%, network tv 15%, spot tv 30%, cable tv 5%, business papers 5%, point of sale 2%, direct mail 5%. Employes: 20 in one office. Top execs: Herbert Cohen, president; Alfonso Marino, exec vp-creative director; Anita Lynch, exec vp-account supervisor; Sy Lipton, senior vp-director marketing services; Nina Gallagher, media director. Phone: (212) 686-9730.

Cole Henderson Drake, Atlanta, reported gross income of $879,020 in 1981 on billings of $5,493,878. In 1980, it reported gross income of $855,744 on billings of $5,282,373. Volume in 1981 consisted of $3,767,907 in media, $1,502,286 in materials and services and $223,685 in capitalized fees. In 1980, volume consisted of $3,600,000 in media, $1,470,000 in materials and services and $212,373 in capitalized fees. Accounts gained: Masland Carpets, Porter Paint Co., Westcor Inc., Digital Communications Associates, Georgia World Congress Center, Life of Georgia. Lost: Interprocess Systems. Billings breakdown: Newspapers 7%, magazines 18%, supplements 1%, radio 20%, spot tv 39%, cable tv 2%, outdoor 3%, business papers 7%, transit 1%, direct mail 2%. Employes: 16 in one office. Top execs: John H. Drake, James P. Cole, Richard H. Henderson, John L. Mather. Phone: (404) 892-3012.

Collingwood, Kidder & Associates, Lake Charles, La., reported gross income of $58,212 on billings of $416,932 for the last six months of 1981 after the agency's founding. Volume in 1981 consisted of $256,936 in media, $35,167 in materials and services and $124,829 in capitalized fees. Accounts gained: Delta Downs Race Track, Lake Charles Hilton, Metro Federal S&L, Reinauer Real Estate Corp., Stine Lumber Co. Lost: None. Billings breakdown: Newspapers 13%, magazines 5%, radio 13%, spot tv 37%, outdoor 31%, other 1%. Employes: Six in one office. Phone: (318) 436-1022.

The Communicators Group, Battleboro, Vt., reported gross income of $349,900 in 1981 on billings of $2,628,800. In 1980, it reported gross income of $268,700 on billings of $2,012,900. Volume in 1981 consisted of $1,006,400 in media, $417,100 in materials and services and $1,205,300 in capitalized fees. In 1980, volume consisted of $986,300 in media, $268,900 in materials and services and $757,700 in capitalized fees. Accounts gained: First Vermont Bank & Trust, The Book Press, Dartmouth Printing Co. Lost: Resigned both Burlington Savings Bank and Leyden Energy Conservation Corp. Billings breakdown: Newspapers 22%, magazines 20%, supplements 1%, radio 23%, spot tv 21%, outdoor 5%, business papers 8%. Employes: 14 in one office. Top exec: James E. Hormel, president. Phone: (802) 257-4321.

Communicators Inc., Pepper Pike, O., had estimated gross income of $940,000 in 1981 on billings of $6,271,206. In 1980, it had estimated gross income of $785,000 on billings of $5,245,226. Volume in 1981 consisted of $3,968,650 in media, $1,328,336 in materials and services and $974,220 in capitalized fees. In 1980, volume consisted of $3,222,594 in media, $1,090,166 in materials and services and $932,466 in capitalized fees. Accounts gained: Parker Hannifin Corp., Hancor Inc., Signets Inc., Cleveland Construction News Services, Lindsay Wire Weaving, Lear Siegler Inc. Lost: None. Billings breakdown: Newspapers 10%, spot tv 5%, business papers 50%, point of sale 20%, direct mail 15%. Employes: 16 in one office. Top exec: Val Nowak, president. Phone: (216) 464-7533.

The Com/Tech Group, St. Petersburg, Fla., reported gross income of $278,247 in 1981 on billings of $1,734,969. In 1980, it reported gross income of $245,789 on billings of $1,492,608. Volume in 1981 consisted of $243 364 in media, $120,700 in materials and services and $1,370,905 in capitalized fees. In 1980, volume consisted of $289,623 in media, $146,184 in materials and services and $1,056,801 in capitalized fees. Billings breakdown: Business papers 42%, farm publications 1%, other 57%. Employes: Six in one office. Top execs: Robert C. Pierson, Robert G. Koehler. Phone: (813) 321-6500.

Concept Three, Davison, Mich., reported gross income of $36,500 in 1981 on billings of $227,690. It did not report for 1980. Volume in 1981 consisted of $150,000 in media, $31,000 in materials and services and $46,690 in capitalized fees. Accounts gained: U.S. Brick Inc.'s Real Brick division, Sycron Corp., Flint Carpet Co., Flint Pool & Patio, McNally Buick Chevrolet. Billings breakdown: Newspapers 10%, radio 35%, spot tv 35%, outdoor 2%, business papers 5%, point of sale 5%, direct mail 3%, other 5%. Employes: Three in one office. Top execs: James R. Slater, president; Susan R. Slater, vp. Phone: (313) 653-1002.

Connor-Sager Associates, North Aurora, Il., reported gross income of $553,718 and net income of $49,834 in 1981 on billings of $3,257,169. In 1980, it reported gross income of $528,268 and net income of $47,016 on billings of $3,122,150. Volume in 1981 consisted of $2,522,114 in media, $213,908 in materials and services and $521,147 in capitalized fees. In 1980, volume consisted of $2,376,018 in media, $239,212 in materials and services and $506,920 in capitalized fees. Accounts gained: Prater Industries, The Preload Co., Cimline division of Construction Materials Inc., Winnebago Concrete Products. Lost: Precision Brand Products, Alco Dispensing Systems, Yamazen USA. Billings breakdown: Newspapers 10%, magazines 45%, radio 5%, point of sale 25%, direct mail 15%. Employes: 14 in one office. Top exec: Arnold J. Kreger Jr., president. Phone: (312) 897-1127.

Contemporary Marketing, Bala-Cynwyd, Pa., reported gross income of $900,000 in 1981 on billings of $6,000,000. In 1980, it reported gross income of $815,000 on billings of $5,450,000. Figures include those for subsidiary, CMI/Bauer, Chicago. No volume breakout was provided. Accounts gained: Plews division of Parker Hannifin Corp., Barad Auto Industries Corp., Flotech Inc. Lost: None. Billings breakdown: Newspapers 10%, magazines 70%, radio 5%, network tv 4%, spot tv 5%, point of sale 2%, direct mail 4%. Employes: 30 in two offices. Top execs: Anthony M. Barolin, Robert Layton, Robert Pavloff, David Minckler, vps. Phone: (215) 667-3683.

Cornish & Brown-Cross, Philadelphia, had gross income of $31,500 in 1981 on billings of $210,000, all in media. In 1980, it reported gross income of $16,200 on billings of $108,000, all in media. Accounts gained: Pennyfarthing Bicycles, Women's Athletic Services, Lullabye Layettes. Billings breakdown: Newspapers 10%, magazines 75%, radio 10%, direct mail 5%. Employes: Two. Top execs: Laurie Brown-Cross, Mark Cornish, partners. Phone: (215) 735-5376.

Don Costello & Co., Chicago, had estimated gross income of $600,150 in 1981 on billings of $4,001,000, all in media. In 1980, it had estimated gross income of $471,000 on billings of $3,140,000, all in media. Accounts gained: E.J. Brach & Sons (Gumdingers), Squirtpak Co-op, Salerno-Megowen Biscuit Co. Lost: Hinsdale Federal Savings (went in-house). Billings breakdown: Newspapers 20%, magazines 10%, supplements 10%, radio 10%, spot tv 40%, outdoor 5%, point of sale 5%. Employes: 10 in one office. Top execs: Donald J. Costello, president; Dan G. Barolon, vp. Phone: (312) 280-8680.

Covey & Koons, Canton, O., reported gross income of $637,233 in 1981 on billings of $4,248,943. In 1980, it reported gross income of $695,838 on billings of $4,639,849. Volume in 1981 consisted of $2,097,243 in media, $699,081 in materials and services and $1,452,619 in capitalized fees. In 1980, volume consisted of $2,082,374 in media, $694,125 in materials and services and $1,863,350 in capitalized fees. Accounts gained: None. Lost: U.S. Ceramic Tile. Billings breakdown: Newspapers 1%, magazines 7%, radio 3%, business papers 89%. Employes: 12 in one office. Top exec: W. Roderic Covey, president. Phone: (216) 456-7381.

Cox Advertising, Atlanta, had estimated gross income of $430,000 in 1981 on billings of $2,881,600. In 1980, it had estimated gross income of $205,000 on billings of $1,366,800. Volume in 1981 consisted of $2,100,000 in media, $350,000 in materials and services and $431,600 in capitalized fees. In 1980, volume consisted of $900,000 in media, $200,000 in materials and services and $266,800 in capitalized fees. Accounts gained: Days Inns of America, Arrow Industries. Billings breakdown: Newspapers 3%, magazines 10%, radio 15%, spot tv 50%, outdoor 10%, transit 2%, point of sale 10%. Employes: Eight in one office. Top exec: Tom Cox, president. Phone: (404) 262-1026.

Cranfill Advertising Agency, Indianapolis, had estimated gross income of $819,000 in 1981 on billings of $5,401,487. In 1980, it reported gross income of $825,000 on billings of $5,501,696. Volume in 1981 consisted of $1,512,218 in media, $2,430,670 in materials and services and $1,458,599 in capitalized fees. In 1980, volume consisted of $1,786,235 in media, $2,069,812 in materials and services and $1,645,649 in capitalized fees. Accounts gained: Bruce Mair Interiors, Indiana Knitwear Corp., Indiana Vocational Technical Institute. Lost: Blakely Corp., Bruce Mair Interiors, First Federal Savings, Hoosier Energy, Indiana Knitwear Corp., Kittle's Home Furnishings, Indiana Vocational Technical Institute, Lincoln National Bank, MasterFit Corp., F.C. Tucker Co., WRTV-TV. Billings breakdown: Newspapers 5%, magazines 2%, radio 3%, spot tv 19%, outdoor 1%, farm publications 6%, point of sale 5%, direct mail 3%, other 56%. Employes: Five in one office. Top exec: Melvin Cranfill, president. Phone: (317) 634-8871.

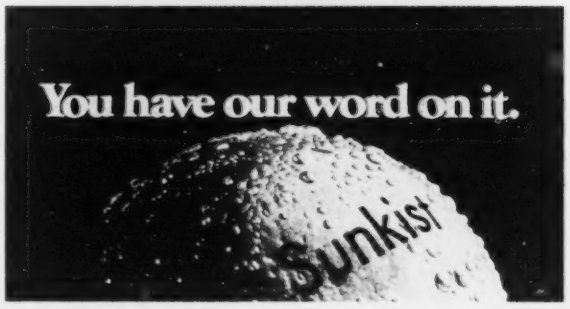
The Creative Advertising Co., Phoenix, had gross income of $673,325 in 1981 on billings of $4,967,564. In 1980, it reported gross income of $551,854 on billings of $3,903,056. Volume in 1981 consisted of $3,022,677 in media, $188,309 in materials and services and $1,756,578 in capitalized fees. In 1980, volume consisted of $2,374,943 in media, $147,957 in materials and services and $1,380,156 in capitalized fees. Accounts gained: Ray Jones Chevrolet, Tele-communications, Ed Voyles Olds-Honda, Toyota of Poway and Neighborhood TV Co. Accounts lost: Red River Chevrolet. Billings breakdown: Newspapers 2%, radio 21%, spot tv 69%, outdoor 3%, point of sale 1%, direct mail 4%. Employes: 14. Top execs: Henry Sauro, chairman; William H. Sauro, president. Phone: (602) 252-7606.

Crescent Communications, Minneapolis, reported gross income of $22,670 in 1981 on billings of $157,651. In 1980, it reported gross income of $13,508 on billings of $91,075. Volume in 1981 consisted of $4,646 in media, $6,659 in materials and services and $146,346 in capitalized fees. In 1980, volume consisted of $2,359 in media, $3,094 in materials and services and $85,622 in capitalized fees. Accounts gained: Commercial Office Products. Lost: Lakewood Publications. Billings breakdown: Business papers 40%, direct mail 60%. Top exec: John C. Moon, president. Phone: (612) 375-9392.

Charles Crone Associates, Raleigh, N.C., had estimated gross income of $275,000 in 1981 on billings of $1,840,177. In 1980, it had estimated gross income of $285,000 on billings of $1,908,222. Volume in 1981 consisted of $1,544,948 in media, $170,585 in materials and services and $124,643 in capitalized fees. In 1980, volume consisted of $1,613,943 in media, $183,117 in materials and services and $111,162 in capitalized fees. Accounts gained: Electronic Office Systems, Hevi-Duty Electric. Lost: None. Billings breakdown: Newspapers 11%, magazines 6%, radio 22%, spot tv 56%, outdoor 5%. Employes: Seven in one office. Top exec:

Foote, Cone & Belding

Foote, Cone & Belding believes that a synthesis of powerful words and graphics attracts the reader/viewer to participate in a person-to-person dialog that makes the sale.



Charles W. Crone, president-ceo. Phone: (919) 834-1384.

Crumbley Robertson Riley Advertising, Atlanta, had estimated gross income of $550,000 in 1981 on billings of $3,684,456. In 1980, it had estimated gross income of $470,000 on billings of $3,138,709. Volume in 1981 consisted of $2,800,000 in media, $640,000 in materials and services and $244,456 in capitalized fees. In 1980, volume consisted of $2,400,000 in media, $520,000 in materials and services and $218,709 in capitalized fees. Account lost: Zachry. Employes: 14 in one office. Top execs: George Crumbley, president; Tommy Crumbley, Cheryl O'Neal, Jan Lok, vps. Phone: (404) 577-7150.

Culpepper & Associates, Houston, reported gross income of $240,180 in 1981 on billings of $1,446,868. In 1980, it reported gross income of $174,845 on billings of $1,051,339. Volume in 1981 consisted of $862,328 in media, $284,844 in materials and services and $199,696 in capitalized fees. In 1980, volume consisted of $568,149 in media, $172,882 in materials and services and $310,308 in capitalized fees. Accounts gained: Westside Natl Bank, Houston Autorama, Steve's Dockside, Whataburger (Houston Co-op), Rogers & Co. Lost: Grandy's, Quality Personnel, Papa Joe's Seafood Restaurant. Billings breakdown: Newspapers 8%, magazines 1%, radio 21%, spot tv 63%, outdoor 5%, direct mail 2%. Employes: Eight in one office. Top exec: Robert J. Culpepper Jr., president. Phone: (713) 977-6977.

Culver Advertising, Boston, had gross income of $210,000 in 1981 on billings of $1,400,000. In 1980, it reported gross income of $185,000 on billings of $1,200,000. The agency did not break out its volume for either year. Billings breakdown: Newspapers 25%, magazines 10%, radio 10%, spot tv 10%, business papers 25%, transit 5%, point of sale 5%, direct mail 5%, other 5%. Employes: Six in one office. Top exec: Edward Culver Jr., president. Phone: (617) 266-3356.

Cummings/McPherson/Jones & Porter, Rockford, Il., had estimated gross income of $461,000 in 1981 on billings of $3,074,404. In 1980, it had estimated gross income of $444,000 on billings of $2,960,166. Volume in 1981 consisted of $912,150 in media, $496,578 in materials and services and $1,665,676 in capitalized fees. In 1980, volume consisted of $817,440 in media, $401,813 in materials and services and $1,740,913 in capitalized fees. Accounts gained: O'Brien division of Heico Inc., Spartan Tool, Modi-Fyre, Taylor Freezer, Louis Sherry Ice Cream, Adams Intl., Unit Dose, Clinicare, Fenner Fluid Power, Techni-Chem, Pierce Chemical Co. Billings breakdown: Newspapers 1.7%, magazines 86.2%, radio 0.5%, outdoor 5.5%, farm publications 2.7%, transit 3.4%. Employes: 16 in one office. Top execs: William W. Jones, president; James R. McPherson, chairman; Roger M. Porter, senior vp; Quinten P. Barclay, exec vp. Phone: (815) 962-0615.

Cunningham, Sly & Associates, Shreveport, La., had gross income of $577,500 in 1981 on billings of $2,942,096. In 1980, it reported gross income of $490,000 on billings of $3,719,440. Volume in 1981 consisted of $1,237,500 in media, $1,512,500 in materials and services and $192,096 in capitalized fees. In 1980, volume consisted of $1,180,000 in media, $1,325,500 in materials and services and $1,213,940 in capitalized fees. Accounts gained: W.L. Somner. Lost: Hodges Gardens. Billings breakdown: Newspapers 22%, magazines 40%, radio 8%, spot tv 20%, cable tv 10%. Employes: Eight in one office. Top exec: Harold L. Cunningham, president; Harold Sly, exec vp. Phone: (318) 425-2489.

H. Whitney Cutler Advertising, Fairfield, N.J., had gross income of $600,000 in 1981 on billings of $4,200,000. In 1980, it reported gross income of $450,000 on billings of $3,700,000. Volume in 1981 consisted of $2,700,000 in media and $1,500,000 in materials and services. In 1980, volume consisted of $2,400,000 in media and $1,300,000 in materials and services. Accounts gained: General Dynamics electro dynamics division, Heat-Vac Systems, Hinterhoeller Yachts Ltd., Laurel Printing, M.A.N.-Wood Indutries, Torin Inc. Lost: Baldwin-Gegenheimer. Billings breakdown: Newspapers 23%, magazines 65%, radio 10%, outdoor 2%. Employes: 13 in two offices. Top execs: H. Whitney Cutler, chairman-ceo; Kenneth C. Mehrhof, president-coo. Phone: (201) 575-8292.

Damart Advertising Associates, Minneapolis, had estimated gross income of $954,900 in 1981 on billings of $6,366,000. In 1980, it reported gross income of $531,441 on billings of $4,095,027. Volume in 1981 consisted of $6,350,000 in media and $16,000 in materials and services. In 1980, volume consisted of $4,079,727 in media and $15,300 in materials and services. Accounts gained: Thrifty Scot Motels, Travel & Transport, Visa Intl. Travelers Cheques, Household Intl. Lost: First Bank System, S&H Green Stamps, Hypro Pumps. Billings breakdown: Newspapers 8%, magazines 16%, business papers 8%, transit 5%, other (Yellow Pages) 63%. Employes: 15 in one office. Top exec: Edward W. Rhodes, president. Phone: (612) 830-2286.

R.J. Damisch Advertising & Marketing, Northbrook, Il., had estimated gross income of $30,000 in 1981 on billings of $200,000. In 1980, it had estimated gross income of $37,500 on billings of $250,000. Volume in 1981 consisted of $150,000 in media and $50,000 in materials and services. No volume breakdown was provided for 1980. Accounts gained: Bonar Rosedale Plastics. Billings were divided among newspapers, magazines, outdoor and direct mail. Employes: three in one office. Top execs: Richard J. Damisch, president; and Jean L. Damisch, exec vp. Phone: (312) 446-8622.

Darien, Russell & Hill, San Jose, Cal., reported gross income of $583,733 in 1981 on billings of $4,041,184. In 1980, it reported gross income of $501,004 on billings of $4,206,312. Volume in 1981 consisted of $2,731,265 in media, $330,076 in materials and services and $979,843 in capitalized fees. In 1980, volume consisted of $3,034,957 in media, $319,203 in materials and services and $852,152 in capitalized fees. Accounts gained: Grand Canyon National Park Lodges, Hyatt San Jose, Hyatt Hotels of Palo Alto, San Jose National Bank, Miller & Hinle attys., San Mateo Fashion Island. Lost: Cupertino Dental Lab, Food Villa markets, Quality Tune-Up, Himsl VW, Herold's Shoes. Billings breakdown: Newspapers 26.5%, magazines 4%, radio 20.2%, spot tv 41.8%, cable tv 0.5%, outdoor 1.5%, business papers 2%, transit 0.5%, direct mail 1%, other 2%. Employes: 14 in one office. Top execs: Frank Darien, president; Earle Russell, vp-secretary; Danny Hill, vp-treasurer. Phone: (408) 298-5700.

deBruyn Rettig Advertising, El Paso, had estimated gross income of $810,000 in 1981 on billings of $5,400,000. In 1980, it had estimated gross income of $620,000 on billings of $4,150,000. No volume breakout was provided. Employes: 26 in one office. Top execs: Erich deBruyn, chairman; Dick deBruyn, president; Henry Rettig, vp. Phone: (915) 592-4191.

Paul A. DeJesse Advertising, Woodbridge, N.J., a healthcare agency, had estimated gross income of $650,000 in 1981 on billings of $4,537,150. In 1980, it had estimated gross income of $265,000 on billings of $1,790,000. Volume in 1981 consisted of $140,300 in media, $61,350 in materials and services and $4,335,500 in capitalized fees. In 1980, volume consisted of $290,000 in media, $300,000 in materials and services and $1,200,000 in capitalized fees. Accounts gained: Coopercare (Oral B), Becton-Dickinson. Billings breakdown: Magazines 10%, point of sale 10%, direct mail 10%, other (medical promotion) 70%. Employes: 12 in one office. Top execs: Paul A. DeJesse, president; Phyllis S. DeJesse and David Vogelsang, vps. Phone: (201) 636-6333.

Demaine & Associates, Alexandria, Va., had gross income of $990,242 in 1981 on billings of $6,271,469. In 1980, it reported gross income of $706,099 on billings of $4,374,519. Volume in 1981 consisted of $3,302,426 in media, $993,389 in materials and services and $1,975,654 in capitalized fees. In 1980, volume consisted of $1,970,393 in media, $1,000,525 in materials and services and $1,403,601 in capitalized fees. Accounts gained: Lustine Toyota/Dodge, Balfour, Maclaine Inc., Trend Analysis Portfolio Management, Lustine Oldsmobile, Leasing Systems Inc., National Commerce Exchange, Wilson Pontiac & Honda, A.B. Caggiano & Associates, Americar Rental & Leasing, National Commerce Hardware, Communications Satellite Corp. (COMSAT), Springfield Mall. Billings breakdown: Newspapers 15%, magazines 15%, radio 25%, spot tv 20%, outdoor 2%, business papers 12%, other 11%. Employes: 21 in one office. Top execs: Windsor Demaine, chairman; Jay Brown, president. Phone: (703) 836-0505.

Deppe & Associates, St. Louis, reported gross income of $506,959 in 1981 on billings of $3,380,892. In 1980, it reported gross income of $370,833 on billings of $2,473,455. No volume breakout was provided. Accounts gained: Maple Park Real Estate, Lennox Dealers (eastern division), Mon-A-Therm Inc. Billings breakdown: Newspapers 6%, magazines 28%, radio 12%, spot tv 41%, business papers 6%, point of sale 4%, direct mail 1%, other 2%. Employes: 10 in one office. Phone: (314) 652-2800.

Detrow & Underwood, Ashland, O., had estimated gross income of $300,000 in 1981 on billings of $2,012,163. In 1980, it had estimated gross income of $275,000 on billings of $1,853,790. Volume in 1981 consisted of $285,011 in media, $457,649 in materials and services and $1,269,503 in capitalized fees. In 1980, volume consisted of $322,699 in media, $362,290 in materials and services and $1,168,801 in capitalized fees. Accounts gained: Willis, Osmond & Beilstein, Hull Pottery Co., Taylor Woodcraft, Creative Decor, Basketville, Digital & Analog Corp., LISN Corp., Model T. Mfg. and Smith Wood Products. Billings breakdown: Newspapers 10%, magazines 10%, outdoor 5%, business papers 60%, farm publications 10%, direct mail 5%. Employes: Nine. Top exec: Jack M. Destrow, president. Phone: (419) 289-0265.

Dickison Rakaseder Mosconi, Westport, Conn., had estimated gross income of $630,000 in 1981 on billings of $4,200,000. In 1980, it had estimated gross income of $420,000 on billings of $2,800,000. The agency did not break out its volume for either year. Accounts gained: Connecticut Newspapers Inc., Outdoor Traders Show, WEZN Radio. Lost: Donnelley Marketing, Putnam Trust Co. Billings breakdown: Newspapers 25%, magazines 50%, radio 10%, spot tv 10%, outdoor 5%. Employes: 12 in one office. Top execs: Donald Dickison, chairman; Ronald Rakaseder, president; Roger Mosconi, exec vp. Phone: (203) 226-1296.

Dini Advertising, San Francisco, reported gross income of $345,315 and net income of $29,708 in 1981 on billings of $1,373,759. In 1980, it reported gross income of $213,382 and net income of $13,294 on billings of $1,258,273. Volume in 1981 consisted of $1,039,790 in media, $321,528 in materials and services and $12,441 in capitalized fees. In 1980, volume consisted of $637,805 in media, $176,233 in materials and services and $444,235 in capitalized fees. Accounts gained: Foremost-McKesson dairy division, Swiss Helicopter Rescue Federation, China Overseas Shipping Co. Lost: Ro-Lo Pacific Line, Lifeguard. Billings breakdown: Newspapers 35%, magazines 5%, radio 15%, spot tv 15%, cable tv 5%, business papers 10%, point of sale 10%, direct mail 5%. Employes: Eight in one office. Top execs: Robert L. Dini, president; Judy K. Lee, vp-treasurer; Gerald R. Wooliever, vp-creative director. Phone: (415) 433-0800.

Dallas C. Dort & Co., Flint, Mich., had estimated gross income of $300,000 in 1981 on billings of $2,082,000. In 1980, it had estimated gross income of $300,000 on billings of $2,025,000. Volume in 1981 consisted of $820,000 in media, $156,000 in materials and services and $1,106,000 in capitalized fees. In 1980, volume consisted of $1,000,000 in media, $187,000 in materials and services and $838,000 in capitalized fees. Accounts gained: Skaff Carpet and Furniture Co., Flint Convention and Visitors Bureau. Billings breakdown: Newspapers 20%, supplements 1%, radio 25%, spot tv 28%, outdoor 5%, direct mail 7%, other (collateral) 14%. Employes: Seven in one office. Top exec: Dallas C. Dort, president. Phone: (313) 238-4677.

James L. Dow Co., Chicago, had estimated gross income of $18,000 in 1981 on billings of $123,000. In 1980, it had estimated gross income of $19,000 on billings of $127,500. Volume in 1981 consisted of $3,000 in materials and services and $120,000 in capitalized fees. In 1980, volume consisted of $2,500 in materials and services and $125,000 in capitalized fees. Billings breakdown: Newspapers 30%, magazines 10%, direct mail 60%. Employes: Five in one office. Top execs: Barbara J. Dow, president; Linda J. and Judy L. Dow, vps. Phone: (312) 782-4737.

Dudreck DePaul Ficco & Morgan, Pittsburgh, reported gross income of $964,000 in 1981 on billings of $8,450,000. In 1980, it reported gross income of $701,100 on billings of $6,773,500. Volume in 1981 con-

Gross income under $1,000,000

sisted of $3,266,000 in media, $1,182,000 in materials and services and $4,002,000 in capitalized fees. In 1980, volume consisted of $2,160,000 in media, $945,000 in materials and services and $3,668,500 in capitalized fees. Accounts gained: Energy Utilization Systems, Baker Mine Service, Mr. Waterheater, Fay-West Dental Service, Kid Tech Toys. Lost: Jeannette Corp. Billings breakdown: Newspapers 2%, magazines 2%, radio 10%, spot tv 30%, outdoor 5%, business papers 16%, point of sale 1%, direct mail 3%, other (collateral) 31%. Employes: 22 in one office. Top execs: Albert W. Dudreck, John D. DePaul, James V. Ficco Jr., Paul J. Morgan. Phone: (412) 242-2580.

Duffy, Knutson & Oberprillers, Minneapolis, had estimated gross income of $550,000 in 1981 on billings of $3,673,000. Founded midyear 1980, the agency had estimated gross income of $200,000 on billings of $1,347,000 for that period. Volume in 1981 consisted of $1,221,000 in media, $604,000 in materials and services and $1,848,000 in capitalized fees. In 1980, volume consisted of $358,000 in media, $229,000 in materials and services and $760,000 in capitalized fees. Accounts gained: Harris & Frank (Los Angeles), Paterson Jenks PLC (London; for U.S. introduction), Minnesota Zoological Society. Lost: Powderhorn Mountaineering (resigned). Billings breakdown: Newspapers 30%, magazines 10%, supplements 2%, radio 15%, spot tv 10%, outdoor 5%, business papers 20%, direct mail 3%, other 5%. Employes: 15 in one office. Top execs: Gary H. Knutson, president; Dean R. Oberpriller, Daniel E. Oberpriller, exec vps; Joseph P. Duffy, senior vp. Phone: (612) 375-9660.

Dulaney Advertising, Louisville, Ky., had gross income of $354,829 in 1981 on billings of $2,540,499. In 1980, it reported gross income of $308,120 on billings of $2,128,801. Volume in 1981 consisted of $1,533,103 in media, $203,728 in materials and services and $803,668 in capitalized fees. In 1980, volume consisted of $1,270,475 in media, $175,207 in materials and services and $683,119 in capitalized fees. Accounts gained: Humana, Outpatient and ER divisions, Growth Systems Technology, Cardinal Medical Inc., Louisville Central Area Inc., Doe Valley Resort, Commonwealth Insurance. Lost: Fashion Shops of Kentucky, Lovenhart's Men's Shops. Billings breakdown: Newspapers 35%, magazines 15%, supplements 5%, radio 15%, spot tv 25%, outdoor 2%, business papers 1%, farm publications 1%, other 1%. Employes: 14 in one office. Top exec: Woodford H. Dulaney, president. Phone: (502) 587-1711.

Dunshee & Co., Denver, had estimated gross income of $135,000 in 1981 on billings of $900,000, same as in 1980. Billings breakdown: Newspapers 40%, magazines 10%, radio 20%, spot tv 10%, outdoor 5%, business papers 5%, point of sale 5%, other 5%. Top exec: Ross M. Dunshee, president. Phone: (303) 571-5280.

Eagen, Curtis & Hickman, Indianapolis, reported gross income of $520,440 and net income of $177,000 in 1981 on billings of $4,277,950. In 1980, it reported gross income of $474,419 and net income of $146,966 on billings of $3,744,000. Volume in 1981 consisted of $2,100,500 in media, $610,000 in materials and services and $1,567,450 in capitalized fees. In 1980, volume consisted of $1,900,000 in media, $510,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: Vista Communities Inc., Mutual Trust Bank, First Natl Bank, Allied Fidelity Insurance, WIFE (am), The Pointe on Lake Monroe. Lost: Columbus Bank & Trust. Billings breakdown: Newspapers 15%, magazines 15%, supplements 8%, radio 30%, spot tv 10%, outdoor 10%, business papers 5%, farm publications 5%, transit 1%, point of sale 1%. Employes: 15 in one office. Top execs: William Eagen, chairman; Vaughn Hickman, exec vp. Phone: (317) 547-5541.

Eagle Advertising, New Rochelle, N.Y., had gross income of $432,500 in 1981 on billings of $1,940,000. In 1980, it reported gross income of $370,000 on billings of $1,994,000. Volume in 1981 consisted of $1,700,000 in media, $205,000 in materials and services, and $35,000 in overseas media billings. In 1980, volume consisted of $1,760,000 in media, $202,000 in materials and services, and foreign billings of $32,000. Billings breakdown: Magazines 70%, farm publications 30%. Employes: Four in one office. Top exec: James B. Cowen, president. Phone: (914) 235-5300.

Eddy-Rucker-Nickels Co., Cambridge, Mass., had gross income of $179,375 and a net loss of $17,794 in 1981 on billings of $1,202,100. In 1980, it reported gross income of $270,109 and net income of $21,785 on billings of $1,970,342. Volume in 1981 consisted of $4,105 in media, $27,023 in materials and services and $1,170,972 in capitalized fees. In 1980, volume consisted of $478,914 in media, $193,779 in materials and services and $1,297,649 in capitalized fees. Top exec: George D. Sargent Jr., president. Phone: (617) 864-9300.

Elbert Advertising Agency, Waltham, Mass., reported gross income of $315,250 in 1981 on billings of $1,849,942. In 1980, it reported gross income of $257,204, of which $8,876 was from non-U.S. business, on billings of $1,565,522. Volume in 1981 consisted of $522,450 in media, $291,050 in materials and services and $1,036,442 in capitalized fees. In 1980, volume consisted of $477,004 in media, $220,228 in materials and services and $811,875 in capitalized fees. Non-U.S. volume was $35,678 in billings, $4,147 in materials and services and $16,590 in capitalized fees. Accounts gained: Red Horse Inn Motel, The Service Bench. Lost: None. Billings breakdown: Newspapers 10.8%, magazines 2.3%, radio 5.3%, spot tv 1.8%, business papers 66.8%, point of sale 4.9%, direct mail 7.2%, other (Yellow Pages) 0.9%. Employes: Seven in one office. Top exec: Elbert A. Taitz, president. Phone: (617) 890-5777.

Emerson/Nichols/Bailey, Topeka, Kan., reported gross income of $869,645 and net income of $40,011 in 1981 on billings of $5,855,238. In 1980, it reported gross income of $538,335 and net income of $20,057 on billings of $3,604,676. Volume in 1981 consisted of $3,892,666 in media, $716,136 in materials and services and $1,246,436 in capitalized fees. In 1980, volume consisted of $2,111,387 in media, $364,938 in materials and services and $1,128,351 in capitalized fees.

Accounts gained: Pepsi-Cola Bottling Co. of Northeast Kansas, RE/MAX Realtors Association of Dallas, Brock Residence Inns of Topeka. Billings breakdown: Newspapers 36%, magazines 5%, radio 7%, spot tv 44%, outdoor 5%, business papers 3%. Employes: 32 in one office. Top execs: Stan Emerson, chairman-president. Phone: (913) 272-9391.

Emery Advertising, El Paso, reported gross income of $480,000 and net income of $180,000 in 1981 on billings of $2,433,500. In 1980, it reported gross income of $400,000 and net income of $140,000 on billings of $2,033,500. Volume in 1981 consisted of $1,800,000 in media, $300,000 in materials and services and $333,500 in capitalized fees. In 1980, volume consisted of $1,500,000 in media, $200,000 in materials and services and $333,500 in capitalized fees. Accounts gained: Ruidoso Downs race track, Sunland Park race track Amigo TV. Lost: None. Billings breakdown: Newspapers 15%, magazines 5%, radio 20%, spot tv 45%, outdoor 5%, business papers 5%, direct mail 5%. Employes: 12 in one office. Top execs: Tom Emery, president; Marina Nickerson, Charles Bourland, vps. Phone: (915) 532-3636.

John Emmerling Inc., New York, had gross income of $890,750 in 1981 on billings of $5,938,440. In 1980, it reported gross income of $709,642 on billings of $4,731,018. Volume in 1981 consisted of $5,300,000 in media, $425,000 in materials and services and $213,440 in capitalized fees. In 1980, volume consisted of $4,218,000 in media, $384,387 in materials and services and $128,631 in capitalized fees. Accounts gained: FMC Corp.'s Sun Pool chemicals division, Descente America Inc. Lost: WKHK-FM, *Village Voice*. Billings breakdown: Newspapers 5%, magazines 15%, radio 30%, spot tv 35%, business papers 10%, transit 5%. Employes: 10 in one office. Top execs: John Emmerling, chairman, co-creative director; James R. Guthrie, president; Arthur P. Gilmore, exec vp, co-creative director. Phone: (212) 751-7460.

Estey-Hoover, Newport Beach, Cal., reported gross income of $706,425 in 1981 on billings of $4,761,387. In 1980, it reported gross income of $711,806 on billings of $4,822,016. Volume in 1981 consisted of $2,221,583 in media, $738,904 in materials and services and $1,800,900 in capitalized fees. In 1980, volume consisted of $2,625,812 in media, $661,322 in materials and services and $1,524,882 in capitalized fees. Accounts gained: Orange Micro Inc., Mission Viejo Natl Bank, Household Federal S&L, Far West Services. Lost: South Coast Bank, American Car Plan. Billings breakdown: Newspapers 19%, magazines 17%, radio 9%, spot tv 29%, business papers 21%, point of sale 2%, direct mail 3%. Employes: 18 in one office. Top exec: Daniel W. Hoover, president. Phone: (714) 549-8651.

Ethos Public Relations & Advertising, Ithaca, N.Y., reported gross income of $34,000 in 1981 on billings of $206,317. In 1980, it reported gross income of $36,975 on billings of $217,655. Volume in 1981 consisted of $63,000 in media, $56,607 in materials and services and $86,710 in capitalized fees. In 1980, volume consisted of $57,125 in media, $67,150 in materials and services and $93,380 in capitalized fees. Accounts gained: Cornell University (real estate and athletic department), Finger Lakes Wine Growers Assn., Lindemann Laboratories, Tompkins County Trust Co. Lost: Islands In The Sun Cruises, Ithaca. Billings breakdown: Newspapers 1%, business papers 75%, farm publications 24%. Employes: One. Top exec: Edgar H. Scholl, president. Phone: (607) 272-3953.

Everett, Brandt & Bernauer, Independence, Mo., reported gross income of $246,284 in 1981 on billings of $1,335,600. In 1980, it reported gross income of $249,740 on billings of $1,389,980. Volume in 1981 consisted of $901,836 in media, $95,685 in materials and services and $337,539 in capitalized fees. In 1980, volume consisted of $899,539 in media, $113,394 in materials and services and $377,047 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 10%, radio 34%, spot tv 17%, outdoor 1%, other (M&S 11%, Natl Yellow Pages 14%, fees 3%) 28%. Employes: 10 in one office. Top execs: James A. Everett, president, and Norman L. Bernauer. Phone: (816) 836-1000.

Faber Shervey Advertising, Minneapolis, reported gross income of $160,800 in 1981 on billings of $1,180,277. In 1980, it reported gross income of $132,042 on billings of $941,684. Volume in 1981 consisted of $386,000 in media, $97,543 in materials and services and $696,734 in capitalized fees. In 1980, volume consisted of $238,625 in media, $90,500 in materials and services and $612,559 in capitalized fees. Accounts gained: Charter House, Solarworks Inc., Wellington Industries. Lost: Nature's Family Inc., Namco Inc., Minnesota Valley Testing Laboratories. Billings breakdown: Newspapers 11%, magazines 70x%, supplements 2%, radio 5%, farm publications 12%. Employes: Six in one office. Top execs: Paul D. Shervey, president. Phone: (612) 835-5545.

Farris Advertising, Kansas City, had estimated gross income of $185,000 in 1981 on billings of $1,242,000. In 1980, it had estimated gross income of $165,000 on billings of $1,102,000. The agency purchased its own office building in 1981. Accounts gained: W.F. Norman Mfg. Corp., Maverick Industries, Data Service Computers Inc., Nova Mfg. Lost: None. Billings breakdown: Newspapers 11%, magazines 19%, radio 15%, spot tv 15%, outdoor 10%, farm publications 10%, direct mail 15%, other 5%. Employes: Eight in one office. Top execs: Fred Farris, Warner Lewis. Phone: (816) 531-5300.

Fearon/O'Leary Associates, New York, had gross income of $840,503 in 1981 on billings of $5,540,000. In 1980, it reported gross income of $765,000 on billings of $5,120,000. Volume in 1981 consisted of $4,700,000 in media, $660,000 in materials and services and $180,000 in capitalized fees. In 1980, volume consisted of $4,400,000 in media, $400,000 in materials and services and $320,000 in capitalized fees. Accounts gained: New York Hilton, Museum Tower, Old Tyme ginger beer. Lost: Baker & Taylor, Boars Head. Billings breakdown: Newspapers 25%, magazines 30%, radio 25%, spot tv 15%, outdoor 5%. Employes: 15 in one office. Top execs: Robert A. Fearon, chairman; Alice O'Leary, president. Phone: (212) 580-9494.

Fensholt Inc., Chicago, reported gross income of $953,011 in 1981 on billings of $7,060,124. In 1980, it reported gross income of $735,231 on billings of $5,889,507. Volume in 1981 consisted of $1,984,032 in media, $1,617,492 in materials and services and $3,458,600 in capitalized fees. In 1980, volume consisted of $1,870,317 in media, $1,120,962 in materials and services and $2,898,228 in capitalized fees. Billings breakdown: Magazines 95%, radio 1%, business papers 2%, farm publications 2%. Employes: 23 in two offices. Top execs: Daniel D. Glaubke, president-ceo; Charles R. Muth, exec vp-coo. Phone: (312) 263-1132.

H.T. Fenton Associates, Somerville, N.J., had gross income of $593,495 and net income of $59,350 in 1981 on billings of $3,957,799. In 1980, it reported gross income of $558,000 and net income of $55,800 on billings of $3,721,200. Volume in 1981 consisted of $1,189,017 in media, $421,736 in materials and services and $2,347,046 in capitalized fees. In 1980, volume consisted of $744,000 in media, $576,000 in materials and services and $2,401,200 in capitalized fees. Accounts gained: Pennwalt Corp.'s Agchem division, Limestone Products Corp., Ajinomoto. Lost: American Hoechst Corp.'s agrichemicals division, Namolco Inc. Billings breakdown: Newspapers 10%, magazines 17%, radio 10%, spot tv 5%, farm publications 48%, point of sale 2%, direct mail 5%, other 3%. Employes: 14 in one office. Top exec: Harry T. Fenton, president. Phone: (201) 359-1100.

Ferber Janklow Chimbel Bender, New York, formerly Ferber, Janklow & Associates, had gross income of $858,999 in 1981 on billings of $4,866,850. In 1980, it reported gross income of $720,733 on billings of $4,083,475. Volume in 1981 consisted of $3,600,000 in media, $900,000 in materials and services and $366,850 in capitalized fees. In 1980, volume consisted of $3,200,000 in media, $600,000 in materials and services and $283,475 in capitalized fees. Accounts gained: *World Tennis Magazine*, Gates Gloves, Mannor Corp., Penfield Retail Corp. Lost: Shirley of Atlanta. Billings breakdown: Newspapers 20%, magazines 30%, radio 10%, spot tv 10%, outdoor 5%, business papers 20%, direct mail 5%. Employes: 15. Top execs: Bruce Janklow, president; David Bender, Robert Chimbel, exec vps-creative directors; Murray Gerber, vp-general manager. Phone: (212) 581-6780.

Martin Fiderer Associates, Englewood Cliffs, N.J., reported gross income of $473,000 in 1981 on billings of $3,337,000. In 1980, it reported gross income of $315,000 on billings of $2,423,000. Volume in 1981 consisted of $637,000 in media, $399,000 in materials and services and $2,301,000 in capitalized fees. In 1980, volume consisted of $398,000 in media, $265,000 in materials and services and $1,760,000 in capitalized fees. Accounts gained: Heraeus Dental Gold Corp., Institute for Behavioral Awareness, Television Center for Continuing Medical Education. Lost: None. Billings breakdown: Magazines 20%, direct mail 45%, other 35%. Employes: 10 in one office. Phone: (201) 871-0422.

Fillman Advertising, Champaign, Il., reported gross income of $131,330 in 1981 on billings of $571,980. In 1980, it reported gross income of $103,500 on billings of $450,000. Volume in 1981 consisted of $380,000 in media and $191,980 in materials and services. In 1980, volume consisted of $299,000 in media and $151,000 in materials and services. Accounts gained: Conlin-Dodds Travel. Billings breakdown: Business papers 50%, farm publications 25%, direct mail 25%. Employes: Four in one office. Top exec: William T. Fillman, president. Phone: (217) 352-0002.

Finnegan & Agee, Richmond, Va., had gross income of $751,834 and net income of $114,250 in 1981 on billings of $4,355,017. In 1980, it reported gross income of $583,185 and a net loss of $62,137 on billings of $3,761,328. Volume in 1981 consisted of $2,915,000 in media, $800,350 in materials and services and $639,667 in capitalized fees. In 1980, volume consisted of $2,648,500 in media, $717,495 in materials and services and $395,333 in capitalized fees. Accounts gained: Atlantic Permanent Federal S&L, Southern Bank, Medical College of Virginia (nurse recruitment), Weidmuller Terminations. Lost: Metropolitan Richmond Private Industry Council, Markel Services. Billings breakdown: Newspapers 9.2%, magazines 7.4%, radio 35%, spot tv 42%, outdoor 4.4%, other 2%. Employes: 19 in one of-

fice. Top execs: Tim Finnegan, president; Louis Brink, exec vp. Phone: (804) 643-4100.

Fischbein Advertising, Minneapolis, had gross income of $377,119 in 1981 on billings of $2,739,961. In 1980, it reported gross income of $332,343 on billings of $2,482,366. Volume in 1981 consisted of $1,665,110 in media, $362,909 in materials and services and $711,942 in capitalized fees. In 1980, volume consisted of $1,508,567 in media, $328,790 in materials and services and $645,009 in capitalized fees. Accounts gained: Hotel Seville, Vern Dounay Homes, Moccasin House, Hamer Machine Co. Billings breakdown: Newspapers 45%, magazines 0.5%, radio 10%, spot tv 3%, business papers 19.5%, direct mail 7%, other (collateral) 15%. Employes: 10 in one office. Top exec: Jerome Fischbein, president. Phone: (612) 542-9666.

FitzSimons Advertising, Cleveland, formerly FitzSimons LeGrand Advertising, had gross income of $405,000 in 1981 on billings of $2,700,000. In 1980, it reported gross income of $285,000 on billings of $1,900,000. Volume in 1981 consisted of $1,500,000 in media, $450,000 in materials and services and $750,000 in capitalized fees. In 1980, volume consisted of $800,000 in media, $400,000 in materials and services and $700,000 in capitalized fees. Accounts gained: Agency Rent-A-Car, Assn. for Retarded Citizens, Brodhead-Garrett Co., Hauser & Taylor (CPA's), Stone Direct Mail Services. Lost: Red Carpet Care, David H. Shook & Co. (CPA), Bessam Mfg., Newman, Marich & Associates. Billings breakdown: Newspapers 14%, magazines 5%, radio 9%, spot tv 14%, outdoor 3%, business papers 19%, transit 3%, point of sale 4%, other 29%. Employes: Seven. Top execs: Daniel A. FitzSimons, president; Richard C. Wright, vp-marketing services. Phone: (216) 241-5656.

Harold E. Flint & Associates, Fargo, N.D., reported gross income of $588,[illegible]00 in 1981 on billings of $3,739,261. In 1980, it reported gross income of $761,635 on billings of $4,818,999. Volume in 1981 consisted of $1,678,330 in media, $561,468 in materials and services and $1,499,463 in capitalized fees. In 1980, volume consisted of $2,254,917 in media, $778,396 in materials and services and $1,785,686 in capitalized fees. Accounts gained: North Dakota Grain Dealers Assn., Controlled Fuel Systems. Billings breakdown: Newspapers 26%, magazines 1%, radio 13%, spot tv 18%, outdoor 2%, business papers 22%, farm publications 18%. Employes: 17 in one office. Top exec: Harold E. Flint, president. Phone: (701) 237-4850.

Fogarty & Klein, Houston, had gross income of $768,000 in 1981, its first full year in operation, on billings of $5,081,000. Volume in 1981 consisted of $4,600,000 in media and $481,000 in materials and services. Accounts gained: Allied Bancshares, Pilgrim Industries, Datsun Dealer Assn. (Houston), 7Up Bottling (Houston) and Skytop Brewster Co. Lost: Reliability Inc. Billings breakdown: Newspapers 15%, magazines 5%, radio 30%, spot tv 35%, outdoor 10%, business papers 5%. Employes: Eight. Top execs: Richard E. Klein, William H. Fogarty. Phone: (713) 528-3354.

Peter Forstenzer Advertising, New York, had gross income of $122,095 in 1981 on billings of $634,936. The agency did not report 1980 figures. Volume in 1981 consisted of $456,366 in media and $178,570 in materials and services. Accounts gained: Godax Laboratories, Yorke Publishing, Anderson Organization. Billings breakdown: Newspapers 25%, magazines 15%, outdoor 50%, point of sale 10%. Employes: Four in one office. Top exec: Peter Forstenzer, president. Phone: (212) 697-8725.

Fortis Fortis Advertising, Chicago, reported gross income of $698,000 in 1981 on billings of $4,650,000. In 1980, it reported gross income of $315,000 on billings of $2,100,000. Volume in 1981 consisted of $2,300,000 in media, $650,000 in materials and services and $1,700,000 in capitalized fees. In 1980, volume consisted of $850,000 in media, $500,000 in materials and services and $750,000 in capitalized fees. Accounts gained: Honda Dealers Assn. of Chicagoland & Northwest Indiana, Stern-Seeburg (Stern coin-operated arcade games and Seeburg juke boxes), Universal Research Labs, Nivea lotion and creme (creative). Lost: Salerno-Megowen Biscuit Co. Billings breakdown: Newspapers 12%, magazines 30%, radio 5%, spot tv 50%, direct mail 3%. Employes: 10 in one office. Top execs: J. Fortis, president; Dixie B. Fortis, exec vp-director of creative services; Carl A. Shem, chairman. Phone: (312) 329-1980.

Fotheringham & Associates, Salt Lake City, had estimated gross income of $485,000 in 1981 on billings of $3,227,455. It did not report in 1980. Volume in 1981 consisted of $1,214,245 in media, $721,164 in materials and services and $1,292,046 in capitalized fees. Accounts gained: Medema Homes, Country Crisp Foods, Diasonics Cardio Imaging, Marriott Hotel (Salt Lake City). Billings breakdown: Newspapers 38%, magazines 5%, radio 16%, spot tv 39%, outdoor 2%. Employes: 16 in one office. Top execs: Robert S. Fotheringham, Bruce Jensen, Michael Snarr, Samuel M. Williams. Phone: (801) 521-2903.

Alan Frank & Associates, Salt Lake City, reported gross income of $288,556 and net income of $19,500 in 1981 on billings of $7,374,236. In 1980, it reported gross income of $511,878 and net income of $32,000 on billings of $10,121,306. Volume in 1981 consisted of $6,364,511 in media, $48,578 in materials and services and $961,147 in capitalized fees. In 1980, volume consisted of $7,752,198 in media, $130,376 in materials and services and $2,238,732 in capitalized fees. Accounts gained: Clines Auto Sales, Mark Miller Pontiac. Lost: International Motors. Billings breakdown: Newspapers 27%, supplements 2%, radio 16%, network tv 55%. Employes: 21 in two offices. Phone: (801) 486-7455.

Sheldon Fredericks Advertising, New York, had gross income of $565,000 and net income of $98,000 in 1981 on billings of $5,373,000. In 1980, it reported gross income of $527,000 and net income of $96,000 on billings of $5,128,000. Volume in 1981 consisted of $3,120,000 in media, $911,000 in materials and services and $1,342,000 in capitalized fees. In 1980, volume consisted of $2,940,000 in media, $866,000 in materials and services and $1,322,000 in capitalized fees. Billings breakdown: Newspapers 35%, magazines 19%, radio 9%, network tv 22%, direct mail 15%. Top exec: Fred Schwartz, president. Employes: 18. Phone: (212) 867-0110.

Fricke 3 Inc., Raleigh, N.C., had gross income of $354,362 in 1981 on billings of $1,838,363. In 1980, it reported gross income of $272,602 on billings of $1,362,779. Volume in 1981 consisted of $836,133 in media, $796,794 in materials and services and $205,436 in capitalized fees. In 1980, volume consisted of $511,151 in media, $653,376 in materials and services and $198,252 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 30%, radio 10%, spot tv 5%, outdoor 20%, busi-

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ness papers 15%. Employes: Eight in one office. Phone: (919) 872-0900.

Friedman Associates, West Orange, N.J., had estimated gross income of $180,000 both in 1981 and 1980 on billings of $1,205,000. Volume consisted of $1,200,000 in media, $5,000 in materials and services for both years. Billings breakdown: Newspapers 90%, magazines 2%, radio 4%, outdoor 1%, transit 2%, other 1%. Employes: Three in one office. Top exec: Joseph Friedman, president. Phone: (201) 325-1314

Fulcher/Brownfeld, Phoenix, reported gross income of $330,000 in 1981 on billings of $2,200,000. In 1980, it reported gross income of $525,000 on billings of $3,000,000. No volume breakout was reported for 1981. Billings breakdown: Newspapers 15%, magazines 18%, radio 15%, outdoor 5%, point of sale 20%, direct mail 27%. Employes: Five in one office. Top execs: Wayne Fulcher, president; Fred Brownfeld, vp-creative director. Phone: (602) 274-7707.

GAMS Chicago Inc., Chicago, reported gross income of $360,000 and net income of $48,000 in 1981 on billings of $3,213,558. In 1980, it reported gross income of $285,000 and net income of $40,804 on billings of $2,555,500. Volume in 1981 consisted of $1,527,578 in media, $313,960 in materials and services and $1,372,020 in capitalized fees. In 1980, volume consisted of $988,743 in media, $273,802 in materials and services and $1,292,955 in capitalized fees. Accounts gained: Carson Intl., Be-Young Formalwear, Sheraton-Waukegan Inn & Conference Center, Bicyea Ice Cream, Chicago Cosmetologist Assn., Robert J. Melin Ltd. Lost: Romanek-Golub. Billings breakdown: Newspapers 30%, magazines 15%, supplements 5%, radio 10%, spot tv 5%, outdoor 2%, business papers 5%, transit 5%, point of sale 3%, direct mail 5%, other (sales support) 15%. Employes: 20 in one office. Top execs: David Giambrone, president; Frank Giambrone, exec vp; Alan J. Greenwald, senior vp. Phone: (312) 236-8768.

GKD Advertising, Oklahoma City, had estimated gross income of $715,000 in 1981 on billings of $4,743,475. In 1980, it had estimatedgross income of $550,000 on billings of $3,657,115. Volume in 1981 consisted of $1,009,269 in media, $1,526,089 in materials and services and $2,208,117 in capitalized fees. In 1980, volume consisted of $925,024 in media, $881,146 in materials and services and $1,850,945 in capitalized fees. Accounts gained: Barton Valve, Continental Drilling, Continental Resources, NW Industries, Glomar, High Plains Hobo Drilling, Oklahoma Jet, Texas Oilfield, IPEC, Jetwind, Longhorn, Texoma Resources. Billings breakdown: Newspapers 23%, magazines 56%, radio 7%, spot tv 7%, business papers 3%, direct mail 4%. Employes: 26 in one office. Top exec: Donald B. Dennis, president. Phone: (405) 232-2333.

Gabel Advertising, Colorado Springs, reported gross income of $324,812 in 1981 on billings of $2,357,462. In 1980, it reported gross income of $318,497 on billings of $2,273,196. Volume in 1981 consisted of $1,047,620 in media, $261,185 in materials and services and $1,048,657 in capitalized fees. In 1980, volume consisted of $991,629 in media, $259,423 in materials and services and $1,022,144 in capitalized fees. Accounts gained: Colorado Springs *Sun*, Colorado Law Centers, Wildlife Unlimited, Motor City Dealers Assn., Saes Getters USA, Skega US. Billings breakdown: Newspapers 31%, magazines 13%, radio 14%, network tv 38%, outdoor 3%, direct mail 1%. Employes: 10 in one office. Top exec: Kurt Gabel, president. Phone: (303) 636-2361.

J. Ronald Gaffe Inc., Okemos, Mich., had gross income of $143,414 and a net loss of $11,916 in 1981 on billings of $777,872. In 1980, it reported gross income of $204,721 and net income of $79,310 on billings of $821,815. Volume in 1981 consisted of $304,168 in media, $300,284 in materials and services and $173,420 in capitalized fees. In 1980, volume consisted of $370,458 in media, $237,917 in materials and services and $213,440 in capitalized fees. Billings breakdown: Newspapers 26%, magazines 1%, radio 29%, spot tv 44%. Employes: Five. Top exec: J. Ronald Gaffe, president. Phone: (517) 349-6770.

Gallagher Group, New York, had gross income of $661,000 and net income of $36,000 in 1981 on billings of $4,700,000, all in media. In 1980, it reported gross income of $630,660 and net income of $21,000 on media billings of $4,500,000. Account gained: Institute of Outdoor Advertising. Billings breakdown: Newspapers 20%, magazines 2%, radio 30%, spot tv 45%, outdoor 3%. Employes: 10 in one office. Top execs: James J. Gallagher, president; William M. Murtha, senior vp-creative director. Phone: (212) 563-3611.

Gann-Dawson, Scranton, Pa., had gross income of $609,846 in 1981 on billings of $4,066,950. In 1980, it reported gross income of $621,228 on billings of $4,142,924. Volume in 1981 consisted of $1,231,306 in media, $211,946 in materials and services and $2,623,698 in capitalized fees. In 1980, volume consisted of $1,118,199 in media, $214,647 in materials and services and $2,810,078 in capitalized fees. Accounts gained: Commonwealth Communications, Commonwealth Telephone, Eureka Security Printing Co., WEA Mfg. Billings breakdown: Newspapers 25%, magazines 7%, radio 6%, spot tv 27%, outdoor 3%, business papers 31%, other 1%. Employes: 17 in one office. Top execs: William M. Dawson, chairman; William M. Dawson III, president. Phone: (717) 343-6551.

Gardiner Advertising Agency, Salt Lake City, reported gross income of $514,450 in 1981 on billings of $3,478,932. In 1980, it reported gross income of $377,411 on billings of $2,373,921. Volume in 1981 consisted of $1,637,105 in media, $574,580 in materials and services and $1,267,247 in capitalized fees. In 1980, volume consisted of $1,373,569 in media, $323,847 in materials and services and $676,505 in capitalized fees. Billings breakdown: Newspapers 12%, magazines 16%, radio 20%, spot tv 48%, outdoor 4%. Employes: 16 in one office. Phone: (801) 364-5600.

Jan Gardner & Associates, Memphis, had estimated gross income of $273,049 in 1981 on billings of $1,518,575. In 1980, it had estimated gross income of $284,098 on billings of $1,521,639. Volume in 1981 consisted of $625,359 in media, $268,170 in materials and services and $625,046 in capitalized fees. In 1980, volume consisted of $710,598 in media, $234,199 in materials and services and $576,842 in capitalized fees. Accounts gained: Home Federal S&L, American Devco, Kleer Vu Plastics, Jackson Specialty Hospital. Lost: Mills Morris Office Furniture (resigned), X-Pert Tune (resigned). Billings breakdown: Newspapers 11%, magazines 5%, radio 14%, spot tv 55%, outdoor 10%, other 5%. Employes: 10 in one office. Top execs: Jan Gardner, Margaret Lowery. Phone: (901) 452-7328.

Gardner Communications, San Francisco, reported gross income of $852,600 in 1981 on billings of $5,684,000. In 1980, it reported gross income of $802,650 on billings of $5,351,000. Volume in 1981 consisted of $3,500,000 in media, $850,000 in materials and services and $1,334,000 in capitalized fees. In 1980, volume consisted of $2,500,000 in media, $850,000 in materials and services and $2,001,000 in capitalized fees. Accounts gained: Burlingame Automobile Dealers Assn., Hibernia Bank, Michel's Famous Quiche, Quik Stop Markets, Roland Kentfield Furniture, Tap Plastics. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 35%, outdoor 5%, direct mail 5%. The company has one office. Top execs: Robert K. Gardner, president-creative director; Robert Pallas, director of account management; Karen Young, media director. Phone: (415) 434-2191.

Garfield-Linn & Co., Chicago, had estimated gross income of $337,500 in 1981 on billings of $2,250,000. In 1980, it had estimated gross income of $340,000 on billings of $2,270,000. No volume breakout was provided. Accounts gained: Glenmore Distilleries Co. assigned Mr. Boston, Desmond & Duff scotch, 5-Star Brandy, Balfour Sherry, Old Thompson, Yellowstone, Paso Fino Rum Liquor. Lost: W.T. Armstrong, A.E. Staley Mfg. Co. (Wagner breakfast drinks). Billings breakdown: Newspapers 32%, magazines 25%, supplements 4%, radio 6%, spot tv 18%, outdoor 4%, business papers 10%, transit 1%. Employes: 45 in one office. Top execs: Milton Garfield, chairman; Robert Witt, president; John Frede, William Reder, Donald Rutz, exec vps. Phone: (312) 943-1900.

George, Gibbs, Hammerman & Myers Advertising, St. Louis, reported gross income of $480,000 in 1981 on billings of $3,200,000. In 1980, it reported gross income of $690,000 on billings of $4,800,000. No volume breakout was provided. Accounts gained: Arby's Roast Beef Restaurants, Larry Lampert Auto Centers. Lost: Ayr-Way Stores, Rugs of China and Persia. Billings breakdown: Newspapers 4.2%, magazines 0.2%, radio 57.6%, spot tv 27%, outdoor 0.8%, business papers 10.2%. Employes: 11 in one office. Top execs: Irven Hammerman, chairman-secretary/treasurer; Henry George, president; Harry C. Gibbs, Louis Myers, senior vps. Phone: (314) 428-9850.

Gibney Associates, Springfield, Mass., had estimated gross income of $235,000 in 1981 on billings of $1,575,000. In 1980, it had estimated gross income of $225,000 on billings of $1,517,000. No breakouts were provided. Billings breakdown: Newspapers 9%, magazines 61%, radio 5%, spot tv 10%, outdoor 1%, business papers 1%, farm publications 13%. Employes: 10 in one office. Phone: (413) 739-7334.

Gilmore Advertising, Kalamazoo, Mich., reported gross income of $805,600 in 1981 on billings of $4,655,900. In 1980, it reported gross income of $630,300 on billings of $3,821,300. Volume in 1981 consisted of $2,400,500 in media, $605,300 in materials and services and $1,650,100 in capitalized fees. In 1980, volume consisted of $2,150,100 in media, $454,000 in materials and services and $1,217,200 in capitalized fees. Accounts gained: Parker-Hannifin's industrial hydraulics division, Talley Fasteners' brass products division. Lost: Roto-Finish Inc. Billings breakdown: Newspapers 10%, magazines 5%, radio 30%, spot tv 15%, outdoor 5%, business papers 30%, transit 1%, point of sale 3%, direct mail 1%. Employes: 22 in one office. Top execs: James S. Gilmore Jr., chairman; Thomas C. Roth, president. Phone: (616) 381-4262.

Gish, Sherwood & Friends, Nashville, had gross income of $534,992 and net income of $197,998 on billings of $6,326,272 in 1981, its first year of reporting. Volume in 1981 consisted of $3,888,620 in media, $1,410,472 in materials and services and $1,027,180 in capitalized fees. Accounts gained: Judy's Foods, The Swim Shop, Whirlpool Heating & Cooling, FAST Parts House, Heil Heating & Cooling. Lost: Capitol International Airways. Billings breakdown: Newspapers 10%, magazines 10%, supplements 5%, radio 10%, spot tv 15%, outdoor 5%, business papers 10%, transit 5%, direct mail 30%. Employes: 12. Top execs: Dale Gish, president; Hank Sherwood, exec vp. Phone: (615) 361-7171.

Glasheen Advertising, New York, reported gross income of $986,352 in 1981 on billings of $6,550,526. In 1980, it reported gross income of $239,409 on billings of $2,132,001. Volume in 1981 consisted of $3,341,327 in media, $182,333 in materials and services and $3,026,866 in capitalized fees. In 1980, volume consisted of $684,221 in media, $90,202 in materials and services and $1,357,578 in capitalized fees. Accounts gained: Percy P. Baker Ltd., Duragem Jewelry, Lexington Luggage, Lee's Art Shop, Durusel Carpet Co./Silk Carpet Co. Lost; Facet Enterprises, Certified Chemicals. Billings breakdown: Newspapers 20%, magazines 35%, supplements 4%, spot tv 15%, business papers 11%, direct mail 15%. Employes: Five in one office. Phone: (212) 355-7920.

Daniel Glassman Advertising, Fairfield, N.J., had estimated gross income of $745,150 in 1981 on billings of $4,992,520, all in capitalized fees. In 1980, it had estimated gross income of $638,270 on billings of $4,276,410, all in capitalized fees. Accounts gained: Environmental Testing & Certification Corp., Hospital Research Associates, Purepac Pharmaceutical Co., Schering Corp. Lost: A&O Surgical Corp., American Healthcare Corp. Billings breakdown: Magazines 15%, direct mail 25%, other 60%. Employes: 22 in one office. Top execs: Daniel Glassman, president; Carl Raphael, senior vp. Phone: (201) 575-3507.

Goff Communications, Corning, N.Y., reported gross income of $290,216 and net income of $17,022 in 1981 on billings of $1,934,779. In 1980, it reported gross income of $292,482 and net income of $15,908 on billings of $1,949,883. Volume in 1981 consisted of $1,092,068 in media, $316,848 in materials and services and $525,863 in capitalized fees. In 1980, volume consisted of $1,156,254 in media, $295,047 in materials and services and $498,582 in capitalized fees. Results do not include those of subsidiary Design 34 Associates. Accounts gained: Ingersoll-Rand Co., Valley Chemical Co. of Sayre, Pa., Weyerhaeuser Co.'s shipping container division (projects). Lost: None. Billings breakdown: Newspapers 40%, supplements 2%, radio 16%, spot tv 5%, outdoor 2%, business papers 28%, point of sale 2%, direct mail 5%. Employes: Seven in one office. Top execs: H. David Goff, president; John V. Goff, exec vp. Phone: (607) 962-2431.

Goldfarb Hoff & Co., Southfield, Mich., had estimated gross income of $702,000 in 1981 on billings of $4,683,450. In 1980, it had estimated gross income of $498,000 on billings of $3,318,400. Volume in 1981 consisted of $3,800,000 in media, $650,000 in materials and services and $233,450 in capitalized fees. In 1980, volume consisted of $2,750,000 in media, $435,000 in materials and services and $133,400 in capitalized fees. Accounts gained: Magic Mart Discount Department Stores, Homemaker Shops, Motif Manufacturing Co., Chambertin Restaurants, Traurig Quilt & Pillow Co., Spra-Rite Corp. Lost: Ivan's Mens Clothing, Detroit Express Soccer Team. Billings breakdown: Newspapers 5%, magazines 5%, radio 18%, spot tv 70%, business papers 2%. Employes: 11 in one office. Top execs: Robert Goldfarb, president; Stephen Hoff, exec vp. Phone: (313) 557-8400.

Gonsor-Wilson Communications, Westport, Conn., had gross income of $175,000 and net income of $35,000 on volume of $525,000 in 1981, its first year in business. Volume was all in media. Accounts gained: ARA Management Maintenance Systems, General Electric semiconductor products, Grolier Publishing (projects), IBM Instruments (projects), Intercontinental Publishing, Mathews & Co., Pro Hardware (projects), Stauffer Chemical Co. (projects). Billings breakdown: Newspapers 5%, business papers 20%, collateral 65%, other (pr) 10%. Employes: Four. Top execs: Hamilton Wilson, president; Robert Gonsor, vp-creative director. Phone: (203) 255-9455.

M. L. Grant Inc., New York, had estimated gross income of $875,000 in 1981 on billings of $5,850,000. In 1980, it reported gross income of $1,100,000 on billings of $7,000,000. Volume in 1981 and 1980 was entirely in media billings. Billings breakdown: Newspapers 30%, magazines 10%, radio 5%, spot tv 5%, business papers 35%, farm publications 5%, direct mail 10%. Employes: 33 in two offices. Phone: (212) 679-9100.

Graphicus 14, Morristown, N.J., had gross income of $652,226 and net income of $40,728 in 1981 on billings of $6,898,173. In 1980, it reported gross income of $520,000 and net income of $23,000 on billings of $5,276,660. Volume in 1981 consisted of $4,348,173 in media and $2,550,000 in materials and services. In 1980, volume consisted of $3,486,660 in media and $1,790,000 in materials and services. Accounts gained: Prismo Universal, Wilkinson Sword, CPC Best Foods (special projects), *Wall Street Journal* (special projects), Isomedix, Watson Metal, SS White and Fabricated Products. Billings breakdown: Newspapers 10%, magazines 45%, radio 2%, spot tv 5%, cable tv 5%, point of sale 5%, direct mail 25%, other (a/v) 3%. Top execs: Owen M. O'Sullivan, president; Peter A. Dugan, vp. Employes: 14 in one office. Phone: (201) 267-1440.

Great Western Advertising, San Diego, reported gross income of $251,615 in 1981 on billings of $1,065,368. In 1980, it reported gross income of $294,810 on billings of $1,279,194. Volume in 1981 consisted of $910,011 in media, $108,000 in materials and services and $47,357 in capitalized fees. In 1980, volume consisted of $1,103,400 in media, $121,100 in materials and services and $54,694 in capitalized fees. Accounts gained: Unique Functional Products, Chicken Computing Corp., McMahan Desk Co. Billings breakdown: Newspapers 32%, magazines 19%, radio 21%, spot tv 8%, cable tv 2%, outdoor 1%, business papers 2%, farm publications 8%, transit 2%, point of sale 2%, direct mail 3%. Employes: Six in one office. Top execs: William F. Dopp, president; Janet M. Dopp, exec vp; Ruth Meyers, secretary/treasurer. Phone: (714) 498-9375.

Paula Green Inc., New York, had gross income of $600,000 in 1981 on billings of $4,000,000. In 1980, it reported gross income of $570,000 on billings of $3,800,500. Volume in 1981 consisted of $3,000,000 in media and $1,000,000 in capitalized fees. In 1980, volume consisted of $2,800,000 in media, and $1,000,500 in capitalized fees. Accounts gained: Kaufman Astoria Studios, Cardio Fitness Systems Inc. Lost: Goya Foods Inc. Billings breakdown: Newspapers 15%, radio 10%, network tv 60%, transit 5%, other 10%. Employes: 11 in one office. Top exec: Paula Green, president. Phone: (212) 586-0007.

Greene & Claire, New York, had gross income of $808,900, of which $87,000 was in non-U.S. income, in 1981 on billings of $5,700,000. In 1980, it reported gross income of $876,600, with $96,000 in non-U.S. income, on billings of $5,844,000. U.S. volume in 1981 consisted of $3,245,000 in media, $975,000 in materials and services and $900,000 in capitalized fees. Total overseas volume was $580,000. In 1980, U.S. volume consisted of $3,300,000 in media, $1,050,000 in materials and services and $854,000 in capitalized fees. Total overseas volume was $640,000. Accounts gained: S&I Electronics, Southport Capital Group Ltd., Toscany Imports, John Weitz for Weatherbee. Lost: Association Films. Billings breakdown: Newspapers 25%, magazines 20%, supplements 10%, radio 5%, spot tv 10%, business papers 15%, point of sale 10%, direct mail 5%. Employes: 18 in two offices. Top execs: Don Greene, president-ceo; Arthur Abravanel, vp. Phone: (212) 695-5800.

Greene-Webb Associates, Dallas, had estimated gross income of $76,000 in 1981 on billings of $510,000. No figures were provided for 1980. In 1981, volume consisted of $150,000 in media and $360,000 in materials and services. Accounts gained: Vent-A-Hood, Photographic Society of America, Aegis Corp.'s Cherco division, Unique Packaging Co. Lost: Telsco Industries. Billings breakdown: Newspapers 15%, magazines 20%, radio 20%, business papers 25%, direct mail 10%, other 10%. Employes: Five in one office. Top execs: Fred Greene, president; Keith Hershey, exec vp. Phone: (214) 351-0302.

Greenwald/Christian Advertising, Philadelphia, founded in 1981, reported gross income of $277,500 and net income of $40,000 in 1981 on billings of $1,850,000. Volume in 1981 consisted of $1,500,000 in media, $200,000 in materials and services and $150,000 in capitalized fees. Agency accounts: Delaware Management, Rusty Scupper Restaurants, Industrial Valley Title Insurance Co., Lance Distributors, Brokers Mortgage Service, Moseley, Hall Garten, Estabrook & Weeden (Philadelphia office). Lost: None. Billings breakdown: Newspapers 30%, magazines 12%, radio 25%, network tv 5%, spot tv 15%, outdoor 3%, business papers 2%, direct mail 8%. Employes: Six in one office. Top execs: Joseph T. Greenwald, president; Caye Christian, exec vp; Suzanne Salsbury, vp. Phone: (215) 568-9797.

Gregory Inc., Cleveland, reported gross income of $879,123 in 1981 on billings of $7,347,498. In 1980, it reported gross income of $708,490 on billings of $5,843,727. Volume in 1981 consisted of $1,363,024 in media, $758,489 in materials and services and $5,225,985 in capitalized fees. In 1980, volume consisted of $1,074,438 in media, $611,685 in materials and services and $4,157,604 in capitalized fees. Figures include those of subsidiary ADS Inc. Accounts gained: Mogul division of Dexter Corp., Dover Chemical. Lost: Kleco Corp. Billings breakdown: Newspapers 3.5%, magazines 78.8%, radio 2.8%, outdoor 0.5%, other 14.4%. Employes: 30 in one office. Top exec: Joseph A. Rini, president. Phone: (216) 621-9632.

Gregory & Clyburne, New York, had estimated gross income of $475,000 in 1981 on billings of $3,194,743. In 1980, it had estimated gross income of $200,000 on billings of $1,334,000. The agency did not break out volume for either year. Included in its totals are results of a subsidiary, The Printing Press. Accounts gained: Whitney Communications, Ellesse USA Inc., Quiltex Marketing Ltd., Flowers of the World Ltd., Kanematsu-Gosho Inc. Billings breakdown: Magazines 20%, business papers 30%, collateral 50%. Employes: Nine in two offices. Top exec: James Gregory, president. Phone: (212) 686-3338.

Groseclose & Poindexter Advertising, Roanoke, Va., reported gross income of $203,629 in 1981 on billings of $1,479,066. In 1980, it reported gross income of $126,186 on billings of $972,235. Volume in 1981 consisted of $807,682 in media, $147,355 in materials and services and $524,029 in capitalized fees. In 1980, volume consisted of $515,618 in media, $96,397 in materials and services and $360,220 in capitalized fees. Accounts gained: Moore's Building Supplies. Billings breakdown: Newspapers 30%, magazines 5%, radio 13%, spot tv 35%, outdoor 15%, direct mail 2%. Employes: Six in one office. Top exec: Dale S. Poindexter, president. Phone: (703) 989-3318.

Herb Gross & Co., Rochester, N.Y., had estimated gross income of $285,000 in 1981 on billings of $1,919,838. In 1980, it had estimated gross income of $200,000 on billings of $1,310,921. Volume in 1981 consisted of $647,868 in media, $50,000 in materials and services and $1,221,970 in capitalized fees. In 1980, volume consisted of $616,869 in media, $30,000 in materials and services and $664,052 in capitalized fees. Accounts gained: California Brew Haus, Johnny Jo Toy Stores, Northfield Commons, Sew Chic and Video Theater. Lost: University Electronics. Billings breakdown: Newspapers 2%, radio 40%, spot tv 55%, point of sale 3%. Top exec: Herb Gross, president. Employes: Five in one office. Phone: (716) 244-3711.

Carl Guldberg Associates, Ann Arbor, Mich., had estimated gross income of $275,000 and net income of $71,401 in 1981 on billings of $2,079,260. In 1980, it had estimated gross income of $280,000 and net income of $74,304 on billings of $1,949,809. Volume in 1981 consisted of $222,674 in media, $252,258 in materials and services and $1,604,328 in capitalized fees. In 1980, volume consisted of $218,808 in media, $276,554 in materials and services and $1,454,447 in capitalized fees. Account gained: Hoover Universal plastics and chemicals group. Billings breakdown: Newspapers 12.8%, magazines 18%, radio 3.2%, business papers 16%, other 50%. Employes: Seven. Phone: (313) 761-8678.

HMK Advertising, Chestnut Hill, Mass., had estimated gross income of $400,000 in 1981 on media billings of $3,000,000. In 1980, it reported estimated gross income of $390,000 on media billings of $2,600,000. It did not break out its figures for either year. Billings breakdown: Newspapers 80%, magazines 10%, point of sale 5%, direct mail 5%. Employes: 18. Top exec: Harvey Karp, president. Phone: (617) 969-7777.

Haddad, Lawrence Advertising, Studio City, Cal., reported gross income of $600,000 in 1981 on billings of $4,000,000. In 1980, it reported gross income of $525,000 on billings of $3,500,000. No volume breakout was provided. Accounts gained: White King Inc., Light Signatures. Lost: Informatics. Billings breakdown: Newspapers 10%, magazines 35%, supplements 5%, radio 20%, spot tv 15%, other 15%. Employes: 10 in one office. Top execs: D.E. Lawrence, president; Robert J. Haddad, exec vp. Phone: (213) 508-6100.

Hall Advertising, Austin, Tex., reported gross income of $208,907 in 1981 on billings of $1,392,712. It did not report for 1980. Volume in 1981 consisted of $377,568 in media, $605,771 in materials and services and $409,373 in capitalized fees. Billings breakdown: Newspapers 40%, magazines 17%, radio 16%, spot tv 13%, outdoor 10%, direct mail 2%, other 2%. Employes: 10 in one office. Top exec: Ray Hall, president. Phone: (512) 477-5958.

Haller Schwarz, Los Angeles, reported gross income of $650,000 in 1981 on billings of $4,300,000. In 1980, it reported gross income of $405,000 on billings of $2,700,000. No volume breakout was provided for either year. Accounts gained: Munsingwear underwear and sleepwear, Your Life Vitamins, Natural Life hair and skincare products, VHD Programs Inc. (videodisc software and industry association). Lost: Cinema Research Corp., Westec Security Products. Billings breakdown: Newspapers 20%, magazines 35%, spot tv 25%, other 20%. Employes: 11 in one office. Top execs: Henry Schwarz, president; Anthony B. Haller and Clem Schwarwath, senior vps. Phone: (213) 462-4433.

Don Hansen Advertising, Westport, Conn., had gross income of $710,000 in 1981 on billings of $4,300,600. In 1980, it reported gross income of $638,000 on billings of $3,958,027. Volume in 1981 consisted of $1,575,000 in media, $991,400 in materials and services and $1,734,200 in capitalized fees. In 1980, volume consisted of $1,460,000 in media, $883,887 in materials and services and $1,614,140 in capitalized fees. Accounts gained: Airlex Industries, Jaffa Oranges, Paris III Jeans & Fashions. Lost: Herbert Products. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, business papers 60%. Employes: 12 in one office. Top exec: Donald G. Hansen, president. Phone: (203) 227-9567.

Harant Soghigian Advertising, Washington, reported gross income of $562,374 in 1981 on billings of $4,400,300. In 1980, it reported gross income of $376,624 on billings of $3,200,000. Volume in 1981 consisted of $3,800,000 in media and $600,300 in capitalized fees. No volume breakout was provided in 1980. Results include those of subsidiary Soghigian, Macuga & Trainor. Accounts gained: Hyatt Regency New Brunswick, Hyatt Cherry Hill, Hyatt Pittsburgh, Energy Communications Corp., Industrial Designers Society of America, Capitol Hilton, The Capitol Hill, Basille. Lost: None. Billings breakdown: Newspapers 45%, magazines 20%, supplements 11%, radio 20%, spot tv 2%, outdoor 1%, direct mail 1%. Employes: 16 in two offices. Top execs: Harry Soghigian, Sarah A. Macuga, Joseph Schramm, Patricia Trainor. Phone: (202) 337-5151.

Harmon Smith Inc., Kansas City, reported gross income of $890,610 in 1981 on billings of $5,590,792. In 1980, it reported gross income of $779,458 on billings of $4,843,685. Volume in 1981 consisted of $1,998,269 in media, $2,130,419 in materials and services and $1,462,104 in capitalized fees. In 1980, volume consisted of $1,655,891 in media, $1,682,315 in materials and services and $1,505,479 in capitalized fees. Accounts gained: Gas Service Energy Corp. (compressed natural gas vehicle fuel systems), Pro So Co. (masonry cleaning chemical mfgr.), Townley Hardware. Lost: Aquaculture Associates. Billings breakdown: Newspapers 20%, magazines 40%, radio 10%, spot tv 10%, business papers 15%, direct mail 5%. Employes: 16 in one office. Top execs: Austin Harmon, president; John Lee Smith, vp; Barbara Behner, treasurer. Phone: (816) 756-0756.

Harrison Associates, Harrison, N.Y., had gross income of $31,000 in 1981 on billings of $215,000. In 1980, it reported gross income of $16,000 on billings of $115,000. Volume in 1981 consisted of $200,000 in media and $15,000 in materials and services. In 1980, volume consisted of $100,000 in media and $15,000 in materials and services. Billings breakdown: Newspapers 35%, magazines 65%. Employes: Three. Top exec: Neil McCaffrey, president. Phone: (914) 835-0900.

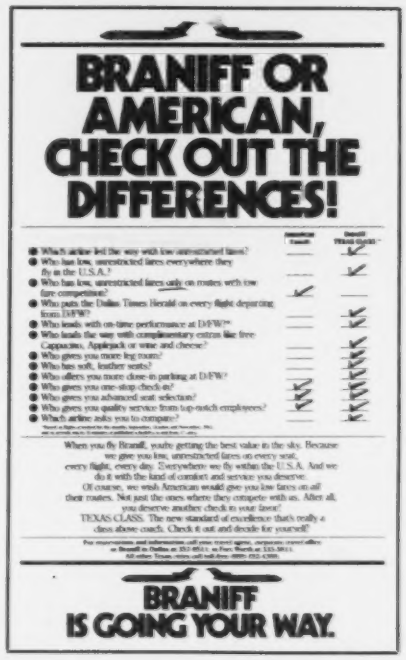
Hart/Conway, Rochester, N.Y., reported gross income of $703,411 in 1981 on billings of $4,443,519. In 1980, it reported gross income of $625,742 on billings of $3,952,702. Volume in 1981 consisted of $1,947,419 in media, $130,198 in materials and services and $2,365,902 in capitalized fees. In 1980, volume consisted of $1,795,911 in media, $135,361 in materials and services and $2,021,430 in capitalized fees. Accounts gained: Gannett Rochester newspapers, WHAM radio, Genesee Metal Stamping, Ice Capades-regional, Marketplace Chrysler-Plymouth, RTR Transportation. Billings breakdown: Newspapers 42%, radio 25%, spot tv 14%, outdoor 14%, business papers 3%, transit 2%.Employes: 20 in one office. Top execs: Peter Whitcombe, William Westerfeld, Fred Lapple. Phone: (716) 232-2930.

Hart Services, Chicago, had estimated gross income of $873,000 in 1981 on billings of $5,820,000. In 1980, it had estimated gross income of $769,000 on billings of $5,130,000. Volume was not broken down. Accounts gained: Robert Surrey men's apparel. Billings breakdown: Magazines 45%, radio 5%, spot tv 5%, point of sale 5%, other 40%. Employes: 30 in one office. Top exec: Edward R. Weed, president. Phone: (312) 372-6300.

Haselow & Associates, Cleveland, reported gross income of $246,000 in 1981 on billings of $1,865,820. In 1980, it reported gross income of $193,000 on billings of $1,499,310. Volume in 1981 consisted of $128,000 in media, $97,000 in materials and services and $1,640,820 in capitalized fees. In

The Bloom Cos.

Defining the product in terms of the consumer's needs and desires—trying to capture their state of mind, is one of the philosophies of Bloom and is reflected in its advertising for Braniff's Texas Class, which carries the "perceived need" of better travel for lower fares; and for Zales, which carries the "perceived need" of eliminating anxiety and confusion in buying a diamond.



Gross income under $1,000,000

1980, volume consisted of $130,000 in media, $82,000 in materials and services and $1,287,310 in capitalized fees. Accounts gained: The Empire Plow Co., Fluid Controls, VisiTrak Division of Vitec Inc., Sales Qualifiers Inc. Lost: Centre One. Billings breakdown: Business papers 15%, farm publications 1%, direct mail 10%, other (sales literature) 40% and (pr) 34%. Employes: Six in one office. Top exec: John H. Haselow, president. Phone: (216) 831-6060.

Hazard Advertising, New York, had gross income of $860,000 and net income of $50,000 on billings of $6,300,000 in 1981. In 1980, it reported gross income of $800,000 and net income of $50,000 on billings of $5,850,000. Volume in 1981 consisted of $3,500,000 in media, $800,000 in materials and services and $2,000,000 in capitalized fees. In 1980, volume consisted of $3,200,000 in media, $750,000 in materials and services and $1,900,000 in capitalized fees. Included in the totals are billings of a subsidiary, Hazard Barbetta Miller. Accounts gained: Whitman Oil Corp. Lost: Sandpiper Industries. Billings breakdown: Newspapers 10%, radio 2%, spot tv 1%, outdoor 3%, business papers 28%, farm publications 2%, point of sale 5%, direct mail 20%, other 29%. Employes: 22 in two offices. William Mordwin, president. Phone: (212) 964-2007.

Herder, Swanson & Van Hercke, Eden Prairie, Minn., formerly Osterholt & Herder, had estimated gross income of $337,500 in 1981 on billings of $2,250,000. In 1980, it had estimated gross income of $295,000 on billings of $1,985,000. Volume for both years was all in media. Accounts gained: Hydrapower Machine Works, Kirchner, Design One, Devac, Parkview Treatment Centers, Tecnetics, Profile Intl. Lost: None. Billings breakdown: Newspapers 15%, magazines 30%, radio 10%, business papers 15%, farm publications 15%, direct mail 15%. Employes: Nine in one office. Phone: (612) 941-6626.

Hicks & Grayson, Coral Gables, Fla., reported gross income of $360,845 and net income of $33,620 in 1981 on billings of $1,937,000. In 1980, it reported gross income of $271,563 and net income of $29,420 on billings of $1,537,226. Volume in both years was all in fees. Accounts gained: Mariner Properties, Jacobson Corp., Stadler Development Corp., Hallett Pontiac. Lost: Bank of Coral Gables. Billings breakdown: Newspapers 20%, magazines 8%, radio 20%, spot tv 35%, outdoor 2%, business papers 15%. Employes: Four in one office. Top exec: Donald J. Hicks, president. Phone: (305) 444-7463.

The Hiebing Group, Madison, Wis., reported gross income of $258,394 on billings of $1,973,797 for a seven-month period in 1981. The agency was founded in June. Volume in 1981 consisted of $367,775 in media, $233,313 in materials and services and $1,372,709 in capitalized fees. Agency accounts: McDonald's Corp. (college & interstate marketing), Wisconsin Power & Light, Northwest Fabrics, Teleprompter Corp (Milwaukee), Madison General Hospital, The Stark Co. Realtors, American Intl Marketing, The DiVall Corp., Baillies, Denson, Erickson & Smith. Billings breakdown: Newspapers 13%, radio 8%, spot tv 67%, outdoor 1%, point of sale 1%, direct mail 2%, other (collateral) 8%. Employes: 12 in one office. Top exec: Roman G. Hiebing Jr., president. Phone: (608) 256-6357.

High Plains Advertising, Dodge City, Kan., reported gross income of $167,915 and net income of $6,717 in 1981 on billings of $1,119,864. In 1980, it reported gross income of $287,624 and net income of $11,505 on billings of $1,918,299. Volume in 1981 consisted of $256,086 in media and $863,778 in capitalized fees. In 1980, volume consisted of $305,520 in media and $1,612,779 in capitalized fees. Accounts gained: Tucker Co., Kitchens Inc. Billings breakdown: Newspapers 13%, radio 22%, spot tv 12%, outdoor 2%, business papers 2%, farm publications 15%, point of sale 10%, direct mail 6%, other (pr, research) 18%. Employes: Four in one office. Phone: (316) 227-7171.

Hill, Hays Associates, Randolph, Vt., had estimated gross income of $526,500 and net income of $49,800 in 1981 on billings of $2,519,050. In 1980, it had estimated gross income of $340,000 and net income of $56,200 on billings of $2,269,258. Volume in 1981 consisted of $910,000 in media, $175,000 in materials and services and $1,434,050 in capitalized fees. In 1980, volume consisted of $807,300 in media, $145,300 in materials and services and $1,316,658 in capitalized fees. Accounts gained: Gladstone's of Vermont, Tavern Inn. Lost: Koffee Kup Bakery, Green Mountain Power Co. Billings breakdown: Newspapers 25%, magazines 5%, radio 25%, spot tv 25%, business papers 20%. Employes: Eight in two offices. Top execs: Alfred Hill, president; Scott McQueen, exec vp. Phone: (802) 728-9624.

Hinkle Brown Bloyed, Tulsa, had estimated gross income of $350,000 and net income of $30,119 in 1981 on billings of $2,351,289, all in media. In 1980, it had estimated gross income of $240,000 and net income of $24,671 on media billings of $1,613,387. Accounts gained: Tulsa Excelsior Hotel, Victor S&L, First City Bank, Commercial Bank of Tulsa, First National Bank of Joplin, Lake Country Beverage, Tulsa Ninde/Whisenhunt. Lost: Camelot Hotel, Connolly's of Tulsa, The Market, Nichols Hill Bank. Billings breakdown: Newspapers 30%, magazines 10%, radio 15%, spot tv 25%, cable tv 5%, outdoor 10%, transit 1%, point of sale 1%, direct mail 3%. Employes: 20 in one office. Top execs: J. W. Hinkle, Arnold Brown, Jim Bloyed. Phone: (918) 494-4065.

Hinton, Steel & Nelson, Seattle, reported gross income of $295,441 and net income of $14,210 in 1981 on billings of $2,328,399. In 1980, it reported gross income of $277,698 and net income of $39,400 on billings of $2,165,973. Volume in 1981 consisted of $522,563 in media, $366,558 in materials and services and $1,439,179 in capitalized fees. In 1980, volume consisted of $769,485 in media, $247,021 in materials and services and $1,149,467 in capitalized fees. Accounts gained: E.A. Nord Co., Seattle Sheraton Hotel, *The Weekly* in Seattle. Lost: Consolidated Restaurants, GACO Western, Peterson Boatbuilding. Billings breakdown: Newspapers 25%, magazines 10%, radio 25%, spot tv 10%, business trade press 20%, other 10%. Employes: Nine in one office. Top execs: Dennis D. Hinton, president-creative director; David C. Steel Jr., secretary-treasurer/creative director. Phone: (206) 623-0852.

Jerome Hirsch & Associates, St. Louis, had estimated gross income of $140,000 in 1981 on billings of $1,067,000. In 1980, it reported gross income of $130,000 on billings of $967,000. Volume in 1981 consisted of $250,000 in media, $150,000 in materials and services and $667,000 in capitalized fees. In 1980, volume consisted of $150,000 in media, $150,000 in materials and services and $667,000 in capitalized fees. Billings breakdown: Newspapers 35%, magazines 8%, radio 25%, spot tv 10%, outdoor 4%, business papers 5%, transit 3%, point of sale 5%, direct mail 5%. Employes: Four in one office. Top exec: Jerome Hirsch, president. Phone: (314) 771-9500.

Hoeppner Advertising, Sioux City, Iowa, reported gross income of $454,750 in 1981 on billings of $4,073,373. In 1980, it reported gross income of $384,875 on billings of $3,241,376. Volume in 1981 consisted of $2,845,000 in media, $790,020 in materials and services and $438,353 in capitalized fees. In 1980, volume consisted of $2,171,000 in media, $710,450 in materials and services and $359,926 in capitalized fees. Accounts gained: Schaeff/NAMCO Inc., Dura Corp. Billings breakdown: Newspapers 9%, magazines 5%, radio 10%, spot tv 25%, cable 1%, outdoor 8%, business papers 20%, farm publications 15%, point of sale 2%, direct mail 5%. Employes: 14 in one office. Top exec: John P. Hoeppner, president. Phone: (712) 276-4441.

Horlick Levin Hodges Advertising, Los Angeles, reported gross income of $944,000 in 1981 on billings of $5,900,000, all in media. In 1980, it reported gross income of $912,000 on billings of $5,900,000, all in media. Account gained: Stop N Go, division of National Convenience Stores Inc. Billings breakdown: Newspapers 11%, magazines 15%, radio 14%, spot tv 47%, outdoor 8%, point of sale 5%. Employes: 14 in one office. Top execs: Robert L. Hodges, senior vp; Dennis Horlick, exec vp. Phone: (213) 939-1123.

Horwitz, Mann & Bukvic Advertising, Cincinnati, O., reported gross income of $295,300 in 1981 on billings of $3,908,989. In 1980, it reported gross income of $278,413 on billings of $3,419,901. Volume in 1981 consisted of $2,012,119 in media, $239,769 in materials and services and $1,657,101 in capitalized fees. In 1980, volume consisted of $2,175,061 in media, $353,528 in materials and services and $891,312 in capitalized fees. Accounts gained: Linclay Corp., Great American Banks, ComBanks. Lost: Williamsburg Properties, Roy Tailors. Billings breakdown: Newspapers 78%, magazines 5%, radio 7%, spot tv 6%, outdoor 4%. Employes: Nine in one office. Top execs: Lester V. Horwitz, Ronald J. Mann, David S. Bukvic. Phone: (513) 631-7900.

Hottman Edwards Advertising, Baltimore, had gross income of $569,216 in 1981 on billings of $4,170,000. In 1980, it reported gross income of $517,018 on billings of $3,645,000. Volume in 1981 consisted entirely of media. Accounts gained: Alcolac; Henry C. Collison Sons; Curtis Bay Towing; Dickinson-Heffner; Wye Investments. No losses. Billings breakdown: Newspapers 34%, radio 22%, spot tv 31%, business papers 5%, direct mail 8%. Employes: 17 in one office. Phone: (301) 385-1443.

David Hughley Advertising Agency, Meridian, Miss., reported gross income of $61,530 in 1981 on billings of $451,703. In 1980, it reported gross income of $48,801 on billings of $348,612. Volume in 1981 consisted of $217,960 in media, $10,397 in materials and services and $233,346 in capitalized fees. In 1980, volume consisted of $178,908 in media, $7,171 in materials and services and $162,533 in capitalized fees. Accounts gained: Miner Edger, Ziller Electric Signs, Village Fair Mall, Unfinished Furniture Bazaar, George Merritt brokerage. Lost: None. Billings breakdown: Newspapers 25%, magazines 7%, supplements 3%, radio 20%, network tv 25%, outdoor 2%, business papers 10%, direct mail 2%, other 6%. Employes: Four in one office. Top exec: D. H. Hughley president. Phone: (601) 693-6076.

Huwen & Davies, Chicago, reported gross income of $624,000 in 1981 on billings of $4,160,000. In 1980, it reported gross income of $558,000 on billings of $3,720,000. No volume breakdown was provided. Accounts gained: Flexible Steel Lacing Co., Kilsby-Roberts, Omron Retail Systems. Lost: Alnor Instrument Co. Billings breakdown: Business papers 50%, other 50%. Employes: 19 in one office. Top execs: C. E. Huwen, chairman; G.A. Davies, president. Phone: (312) 853-2860.

Image Advertising, Roanoke, Va., had gross income of $220,000 and net income of $25,000 in 1981 on billings of $1,884,000. In 1980, it reported gross income of $280,000 and net income of $25,000 on billings of $2,334,100. Volume in 1981 consisted of $550,000 in media and $1,334,000 in capitalized fees. In 1980, volume consisted of $800,000 in media and $1,534,100 in capitalized fees. Account gained: Commonwealth Life Insurance. Billings breakdown: Newspapers 28%, magazines 2%, radio 18%, spot tv 22%, cable tv 1%, outdoor 1%, business papers 2%, point of sale 20%, direct mail 2%, other 4%. Employes: Seven. Top exec: William Tanger III, president. Phone: (703) 343-3693.

Impressive Advertising, Waynesboro, Va., had gross income of $94,668 and net income of $15,769 in 1981 on billings of $321,604. In 1980, it reported gross income of $92,051 and net income of $11,221 on billings of $285,162. Volume in 1981 consisted of $169,196 in media, $13,912 in materials and services and $138,496 in capitalized fees. In 1980, volume consisted of $140,824 in media, $15,579 in materials and services and $128,759 in capitalized fees. Billings breakdown: Newspapers 65%, magazines 5%, business papers 15%, other 15%. Employes: Six in one office. Top exec: V. F. Reynolds, president. Phone: (703) 949-8964.

Intech Advertising, Depew, N.Y., had gross income of $187,500 and net income of $28,000 in 1981 on billings of $1,253,000. In 1980, it reported gross income of $153,500 and net income of $13,000 on billings of $1,063,700. Volume in 1981 consisted of $235,000 in media, $210,000 in materials and services and $808,000 in capitalized fees. In 1980, volume consisted of $190,000 in media, $100,000 in materials and services and $773,700 in capitalized fees. Accounts gained: J-G Industries, NP Industries, Progressive Equipment Corp., Greatbatch Enterprises, and New York Wire Mills Corp. Billings breakdown: Newspapers 10%, magazines 2%, radio 3%, spot tv 1%, business papers 74%, farm publications 1%, transit 1%, direct mail 8%. Employes: Six. Top exec: William H. Newell, president. Phone: (716) 681-4332.

Intermarco Advertising, New York, subsidiary of Paris-based Publicis Intermarco-Farner, reported gross income of $950,000 in 1981 on billings of $6,337,000. In 1980, its first year of operation, it reported gross income of $70,000 on billings of $467,000. No volume breakout was provided. Accounts gained: City Investing (finance), Descamps linens, Dim pantyhose, Home Insurance, Lancome beauty products, Via Marine. Billings breakdown: Newspapers 10%, magazines 40%, radio 20%, tv 20%, outdoor 10%. Employes: 21 in one office in 1981; six in one office in 1980. Top exec: Ramon G. Gaulke, ceo. Phone: (212) 980-8550.

Intermark Inc., Salt Lake City, reported gross income of $331,261 in 1981 on billings of $2,738,054. In 1980, it reported gross income of $262,966 on billings of $1,832,083. Volume in 1981 consisted of $960,726 in media, $112,250 in materials and services and $1,665,078 in capitalized fees. In 1980, volume consisted of $328,645 in media, $107,934 in materials and services and $1,395,504 in capitalized fees. Figures include those of subsidiary Ink Well Advertising. Accounts gained: Intermountain Thrift & Loan, Kimball-Lodder Development, Movitz Co., Mimco, R.J. Wheatfield's restaurant chain, Red Hills Estates, Resort Campground Unlimited, U.S. Air Force recruiting (regional). Lost: Four Seasons, Spudnuts. Billings breakdown: Newspapers 20%, magazines 5%, radio 15%, spot tv 45%, outdoor 5%, business papers 2%, farm publications 2%, transit 2%, point of sale 2%, direct mail 2%. Employes: 12 in two offices. Top execs: Paul Remund, president; Larry J. Orton, exec vp; Wallace Brazzeal, president, Ink Well division. Phone: (801) 484-6141.

JRL Advertising & Sales Promotion, Chester Springs, Pa., had gross income of $375,000 in 1981 on billings of $2,500,000. In 1980, it reported gross income of $390,000 on billings of $2,500,000. Volume in 1981 consisted of $1,300,000 in media, $400,000 in materials and services and $800,000 in capitalized fees. In 1980, volume consisted of $1,200,000 in media, $300,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Bentley-Harris' electrical sleeving divisions, Carr & Carr Ltd., Harvey & Co., Helium House, High Rider Equipment Co. and STV Engineers. Lost: Rexnord Safety Products. Billings breakdown: Newspapers 2%, magazines 10%, outdoor 20%, direct mail 25%, other 43%. Employes: Five in one office. Top exec: John R. Landan Jr. Phone: (215) 827-9127.

Jackson/Petzold, Bedford, N.H., had gross income of $438,865 and net income of $18,899 in 1981 on billings of $4,739,771. In 1980, it reported gross income of $405,329 and net income of $18,900 on billings of $3,919,455. Volume in 1981 consisted of $520,519 in media, $277,642 in materials and services and $3,941,610 in capitalized fees. In 1980, volume consisted of $312,311 in media, $166,585 in materials and services and $3,440,559 in capitalized fees. Accounts gained: Hadco Printed Circuits, Irad Gage, Brockhouse, Accurate Fasteners, Buckbee-Mears Co., Eikon Radiographix, Arthur Blank & Co., NH Ball Bearings. Lost: Schaevitz Engineering, Arthur Blank & Co. Billings breakdown: Magazines 90%, business papers 10%. Employes: 15. Top execs: Clifton Jackson, chairman; Paul Petzold, president. Phone: (603) 668-6304.

Jackson/Ridey & Co., Cincinnati, reported gross income of $384,593 in 1981 on billings of $7,510,347. In 1980, it reported gross income of $319,171 on billings of $6,249,505. Volume in 1981 consisted of $2,563,621 in media, $158,907 in materials and services and $4,787,819 in capitalized fees. In 1980, volume consisted of $2,127,806 in media, $147,809 in materials and services and $3,973,890 in capitalized fees. Accounts gained: Hunkar Laboratories, The Ohmart Corp., Daycom Inc., Energy Conservation Management Corp., D.L. Craig & Associates, R-K Electric Corp. Lost: HRA/Noise Knocker Industries (resigned). Billings breakdown: Newspapers 10%, magazines 50%, radio 3%, spot tv 4%, outdoor 1%,

Mike Sloan Inc.

We apply three simple standards to our ads. Does it break through? Does it ring true? Will someone out there like you? In other words, we think of each ad or commercial as a human being—does it have a unique personality you want to listen to or is it just bland, is it credible or just more of the same platitudes, it is likeable? As a result, a strong sense of humanity runs through most of our work. They get attention, they get belief and they make people like to do business with our clients.

business papers 2%, farm publications 1%, point of sale 5%, direct mail 10%, other 14%. Employes: 18 in one office. Top execs: Ron Jackson, chairman; Adrienne Ridey, president; Sally Batchler, treasurer; Jay Wagner, exec vp. Phone: (513) 621-8440.

Jacobson Advertising, Sheboygan, Wis., had estimated gross income of $465,000 in 1981 on billings of $3,100,400. In 1980, it had estimated gross income of $370,000 on billings of $2,567,000. Volume in 1981 consisted of $1,500,000 in media, $800,000 in materials and services and $800,400 in capitalized fees. In 1980, volume consisted of $1,200,000 in media, $700,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Trek Bicycle Corp., Cyclesport Components Co. Lost: Imperial Clevite, Burger Boat, Thomas Power Air. Billings breakdown: Newspapers 5%, magazines 30%, spot tv 5%, outdoor 5%, business papers 45%, farm publications 5%, direct mail 5%. Employes: 15 in one office. Top execs: F.C. Jacobson, chairman; Jonathan L. Rost, president. Phone: (414) 458-3541.

Jaeger Advertising, Berea, O., had gross income of $440,000 in 1981 on billings of $2,860,000. In 1980, it reported gross income of $400,000 on billings of $2,300,000. Volume in 1981 consisted of $1,760,000 in media and $1,100,000 in materials and services. In 1980, volume consisted of $1,400,000 in media and $900,000 in materials and services. Accounts gained: Barclay's American Recruitment, Rossborough Mfg., Steelease recruitment, Arkon Corp. recruitment, Blue Cross & Blue Shield recruitment, Deseret Co. recruitment, Health Core Network recruitment. Billings breakdown: Newspapers 70%, magazines 25%, radio 5%. Employes: 12. Top execs: Samuel A. Jaeger, president; Donald C. Auble, vp-secretary; George Sutliff, vp; Terry Dwyer, vp-creative director. Phone: (216) 243-8700.

Lloyd G. Jakeway Advertising & Public Relations, Houston, had estimated gross income of $109,000 in 1981 on billings of $725,810. In 1980, it reported gross income of $109,000 on billings of $730,250. Volume in 1981 consisted of $397,000 in media, $42,000 in materials and services and $286,810 in capitalized fees. In 1980, volume consisted of $390,100 in media, $40,100 in materials and services and $300,150 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 9%, radio 45%, spot tv 5%, outdoor 36%. Employes: Three in one office. Top exec: Lloyd G. Jakeway, president. Phone: (713) 999-5959.

The Jason Group, New York, had gross income of $600,000 in 1981 on billings of $4,075,000. In 1980, it reported gross income of $632,000 on billings of $4,320,000. Volume in 1981 consisted of $2,575,000 in media and $1,500,000 in materials and services. In 1980, volume consisted of $2,620,000 in media and $1,700,000 in materials and services. Accounts gained: Telco Software Corp., Palcom, Weigl Co. Lost: Radio Relay Corp. Billings breakdown: Magazines 25%, radio 25%, spot tv 25%, direct mail 25%. Employes: Six. Top exec: Art Sasso, president. Phone: (212) 759-9584.

T.S. Jenkins & Associates, Flint, Mich., reported gross income of $293,387 in 1981 on billings of $1,963,326. In 1980, it reported gross income of $281,392 on billings of $1,866,802. Volume in 1981 consisted of $862,477 in media, $197,324 in materials and services and $903,525 in capitalized fees. In 1980, volume consisted of $869,672 in media, $180,722 in materials and services and $816,408 in capitalized fees. Accounts gained: Bayvue Drapery, Genesee Health Care, Insight Inc., Cook's Drugs, Professional Assn., I&H Conveying, Caravan Ltd., Flint Medical & Surgical Office Products Center, McLaren Hospital, Zeff-Lamb Industries. Lost: Young & Welshans, Fernco/Predco, Michigan Brick, Ski Haus/Silent Sports, Flint Area Convention & Tourist Council. Billings breakdown: Newspapers 25.1%, magazines 11.6%, radio 26.8%, spot tv 26.1%, outdoor 10.3%, direct mail 0.1%. Employes: Nine in one office. Top execs: John G. LeSage, president; Kenneth C. Rice, vp. Phone: (313) 235-5654.

Jiloty, Shipley & Associates, Holly Hill, Fla., had estimated gross income of $210,000 on billings of $1,377,690 in 1981, its first full year in business. Volume in 1981 consisted of $419,679 in media, $179,682 in materials and services and $778,329 in capitalized fees. Accounts gained: Daytona Beach Resort Area, Naples Federal Savings, Belfab division/Pacific Scientific, First Federal Savings of Mid-Florida, Daytona Beach Area Committee of 100, Marineland of Florida. Lost: Southern Federal Savings. Billings breakdown: Newspapers 10%, magazines 15%, radio 5%, spot tv 10%, outdoor 10%, business papers 15%, transit 5%, point of sale 5%, direct mail 25%. Top execs: Michael J. Jiloty, president, G. James Shipley, exec vp. Employes: Seven. Phone: (904) 677-0673.

Johannesson, Reeser & Associates, St. Petersburg, Fla., reported gross income of $326,930 in 1981 on billings of $3,018,763. In 1980, it reported gross income of $281,663 on billings of $2,189,732. Volume in 1981 consisted of $432,220 in media, $262,097 in materials and services and $2,324,446 in capitalized fees. In 1980, volume consisted of $380,109 in media, $311,278 in materials and services and $1,498,395 in capitalized fees Accounts gained: Gulfstar Yachts, Florida Radio Inc., East Lake Woodlands, The Meadows, American Capital Group, Power Control Products, Dan's Island. Lost: Lee Homes, Taylor & Saunders. Billings breakdown: Newspapers 40%, magazines 13%, radio 9%, spot tv 1%, outdoor 20%, point of sale 9%, other 8%. Employes: 14 in one office. Top execs: Paul Johannesson, Nancy Reeser, Allan Lipsky. Phone: (813) 821-4898.

Johnson & Braasch Advertising, Dallas, reported gross income of $264,750 and net income of $14,590 in 1981 on billings of $1,489,000. In 1980, it reported gross income of $88,250 and net income of $3,530 on billings of $562,000. Volume in both years was all in media. Accounts gained: Darrel Wright & Associates, Empire Bank, Richard Pohley & Associates, Texas Natl. Bank, Spradling Vinyls, North American Consultants, Mendenhall Sales, Brothers Development Cos. Lost: None. Billings breakdown: Newspapers 20%, magazines 20%, radio 20%, spot tv 10%, outdoor 20%, direct mail 10%. Employes: 11 in one office. Top execs: Lillian Johnson, chairman; Steve Braasch, president. Phone: (214) 783-0761.

Johnston Advertising & Public Relations, Dallas, had gross income of $145,000 in 1981 on billings of $1,193,880. In 1980, it reported gross income of $64,000 on billings of $685,120. Volume in 1981 consisted of $577,000 in media, $190,000 in materials and services and $426,880 in capitalized fees. In 1980, volume consisted of $335,000 in media, $110,000 in materials and services and $240,120 in capitalized fees. Accounts gained: Braniff Education Systems Inc., Southwest Airlines. Billings breakdown: Newspapers 25%, radio 30%, spot tv 10%, outdoor 12%, business papers 1%, point of sale 6%, direct mail 14%, other 2%. Employes: Six in one office. Top exec: Joe Johnston, president. Phone: (214) 522-6536.

Jonathan Advertising, New York, had gross income of $658,400 in 1981 on billings of $3,292,500. In 1980, it reported gross income of $365,000 on billings of $2,442,000. Volume in 1981 consisted of $2,225,000 in media, $400,500 in materials and services and $667,000 in capitalized fees. In 1980, volume consisted of $1,500,000 in media, $275,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Wheaton Industries, Dunn & Sons Maintenance Corp., Fischer America. Billings breakdown: Newspapers 10%, magazines 10%, spot tv 50%, business papers 25%, point of sale 5%. Employes: Six. Top exec: Jonathan Gubin, president. Phone: (212) 751-2626.

Jones, Anastasi & Mitchell, Columbus, O., had gross income of $332,000 in 1981 on billings of $3,521,575. In 1980, it reported gross income of $291,000 on billings of $2,782,677. Volume in 1981 consisted of $1,326,000 in media, $111,200 in materials and services and $2,084,375 in capitalized fees. In 1980, volume consisted of $1,300,000 in media, $85,312 in materials and services and $1,397,365 in capitalized fees. Accounts gained: Times Publishing Co., Frecker's Ice Cream Co., Mercyhurst College and SRT of Columbus. Billings breakdown: Newspapers 39%, magazines 2%, supplements 4%, radio 30%, spot tv 20%, outdoor 3%, direct mail 2%. Top execs: H. Douglas Jones, president; Joseph A. Anastasi, exec vp; Pam Eckert, Joan Stammler, partners. Employes: 10 in two offices. Phone: (614) 461-1250.

Dana Jones & Friends, Studio City, Cal., reported gross income of $145,000 in 1981 on billings of $933,500. In 1980, it reported gross income of $100,000 on billings of $500,000. Volume in 1981 consisted of $500,000 in media, $100,000 in materials and services and $333,500 in capitalized fees. In 1980, volume consisted of $350,000 in media and $150,000 in capitalized fees. Accounts gained: Personal Formula skincare products, *Skin Care* magazine. Billings breakdown: Newspapers 10%, magazines 60%, direct mail 30%. Employes: Three in one office. Top exec: Dana Jones. Phone: (213) 760-4246.

Kalmar Ad/Marketing, New York, had estimated gross income of $385,000 in 1981 on media billings of $2,554,196. In 1980, it had estimated gross income of $540,000 on media billings of $3,619,286. Accounts gained: Agfa-Gevaert, BSR (USA) Ltd., New Jersey Bank. Lost: Hitachi-Denshi America. Billings breakdown: Newspapers 5%, magazines 75%, supplements 2%, radio 3%, spot tv 15%. Employes: 10. Top exec: Albert Markarian, president. Phone: (201) 947-7770.

Karsh & Hagan, Englewood, Colo., had gross income of $676,845 and net income of $36,435 in 1981 on billings of $6,296,613. In 1980, it reported gross income of $541,163 and net income of $29,109 on billings of $5,136,271. Volume in 1981 consisted of $1,522,605 in media, $493,756 in materials and services and $4,280,252 in capitalized fees. In 1980, volume consisted of $1,263,606 in media, $450,195 in materials and services and $3,422,470 in capitalized fees. Accounts gained: Beaver Creek Ski Resort, Foto-Tek Rapid Photo Systems, Creekside/Beaver Creek, Bill Johnson's BBQ Sauce, Golden Recycle, a subsidiary of Adolph Coors Co. Lost: Pioneer Airlines. Billings breakdown: Newspapers 17%, magazines 10%, supplements 1%, radio 20%, spot tv 45%, point of sale 1%, direct mail 6%. Employes: 21 in one office. Top execs: Phil Karsh, president; Thomas P. Hagan, exec vp. Phone: (303) 770-8088.

Richard L. Kaye & Co., Northbrook, Il., reported gross income of $224,500 in 1981 on billings of $1,500,250. The company, which moved from Northfield, Il., in 1981, had estimated gross income of $225,000 on billings of $633,337 in 1980. Volume in 1981 consisted of $750,000 in media, $250,000 in materials and services and $500,250 in capitalized fees. In 1980, volume consisted of $300,000 in media, $325,000 in materials and services and $8,337 in capitalized fees. Accounts gained: General Instrument lamp division, Fabrico, Therm O Web, Anode Products, Clinton Power, Marina Bank. Lost: None. Billings breakdown: Newspapers 5%, magazines 30%, radio 5%, outdoor 2%, business papers 30%, point of sale 3%, direct mail 10%, other 15%. Employes: Six in one office. Top exec: Richard L. Kaye, president. Phone: (312)-564-8860.

Lee Keeler Inc., Rosemont, Pa., had gross income of $350,000 and net income of $25,000 in 1981 on billings of $2,000,000. In 1980, it reported the same gross income and billings figures but did not report net income. The agency did not break out its volume for either year. Accounts gained: Elliott-Lewis Corp., Corpren Construction Co., Marketing Distribution Inc. Lost: Victory Markets. Billings breakdown: Newspapers 35%, radio 25%, spot tv 40%. Employes: Five. Top execs: LeRoy Keeler Jr., president; Cheryl White, vp-media director; John Lohmeyer, vp-art director. Phone: (215) 527-1436.

Kelleher, Bamberger, Terry, Fort Lauderdale, Fla., reported gross income of $105,800 in 1981 on billings of $672,000. In 1980, it reported gross income of $103,000 on billings of $691,000. Volume in 1981 consisted of $492,000 in media and $180,000 in materials and services. In 1980, volume consisted of $480,000 in media, $71,000 in materials and services and $140,000 in capitalized fees. Accounts gained: Kid's World, Neuromed Inc., Europorte Imports in Miami. Lost: None. Billings breakdown: Magazines 5%, business papers 76%, direct mail 4%, other 15%. Employes: Five in one office. Phone: (305) 561-4277.

Roberta Kenney Advertising, Natick, Mass., had gross income of $555,000 in 1981 on billings of $4,106,500, all in media. In 1980, it reported gross income of $500,000, all on media billings of $3,337,500. Billings breakdown: Newspapers 84%, radio 4%, spot tv 1%, business papers 11%. Employes: 35 in one office. Top exec: Roberta Kenney, president. Phone: (617) 237-7047.

Keroff & Rosenberg Advertising, Chicago, reported gross income of $614,039 in 1981 on billings of $5,200,000. In 1980, it reported gross income of $419,000 on billings of $3,200,000. Volume in 1981 consisted of $2,600,000 in media, $600,000 in materials and services and $2,000,000 in capitalized fees. In 1980, volume consisted of $1,887,000 in media, $406,213 in materials and services and $906,787 in capitalized fees. Accounts gained: David Scott Industries, First Computer Corp., Great Earth Vitamin Stores, Pilgrim Housing. Lost: None. Billings breakdown: Newspapers 5%, magazines 5%, radio 20%, network tv 5%, spot tv 10%, business papers 5%, direct mail 40%, other 10%. Employes: 17 in one office. Top execs: Charles I. Rosenberg, vp; William B. Keroff, president, Michael A. Swidler, vp-client services. Phone: (312) 321-9000.

Keye Advertising, New York, had gross income of $399,042 in 1981 on billings of $2,850,303. In 1980, it reported gross income of $349,819 on billings of $2,304,612. It did not break out volume for either year. Accounts gained: Communications Network, Coupon Ex-

Gross income under $1,000,000

change Club. Lost: I.S. Electronics. Billings breakdown: Newspapers 15%, magazines 50%, direct mail 35%. Employes: Six in one office. Top exec: Murray Schechter, president. Phone: (212) 645-9006.

Kinzie & Green, Wausau, Wis., reported gross income of $343,840 in 1981 on billings of $2,398,110. In 1980, it reported gross income of $343,446 on billings of $2,318,502. Volume in 1981 consisted of $1,193,032 in media, $256,250 in materials and services and $948,828 in capitalized fees. In 1980, volume consisted of $998,144 in media, $224,604 in materials and services and $1,095,754 in capitalized fees. Accounts gained: Wausau Homes, First American Bank, Marquip Inc. Lost: Viellard Migeon, Morvillars, France. Billings breakdown: Newspapers 12%, magazines 10%, radio 3%, network tv 5%, business papers 45%, other 25%. Employes: 11 in one office. Top exec: Leslie C. Green, president. Phone: (715) 845-4502.

Jim Kirkpatrick & Associates, Dallas, had gross income of $50,000 in 1981 on billings of $210,005. In 1980, it reported gross income of $30,000 on billings of $163,340. Volume in 1981 consisted of $200,000 in media and $10,005 in capitalized fees. In 1980, volume consisted of $150,000 in media and $13,340 in capitalized fees. Accounts gained: V-Spool, Nautical Interiors, Skyline Industries. Lost: Skyline Industries. Billings breakdown: Newspapers 10%, magazines 60%, network tv 20%, point of sale 5%, direct mail 5%. Employes: One. Phone: (214) 386-0273.

Klein/Richardson, Beverly Hills, Cal., reported gross income of $330,000 and $66,000 net income in 1981 on billings of $2,200,000. In 1980, it reported gross income of $225,000 and net income of $45,000 on billings of $1,500,000. Accounts gained: Aable & Co., Body Computations, Federal Safe Deposit Co., Recaro USA, Saint John's Hospital, Taylor Food Products, Woodbury University. Lost: Pepperdine University School of Professional Studies, US Leasing Intl., University of Southern California School of Business Administration. Billings breakdown: Newspapers 35%, magazines 20%, radio 30%, outdoor 5%, other (collateral) 10%. Employes: Six in one office. Top execs: Neil K. Klein, Glenn W. Richardson, Dorrie Popovich. Phone: (213) 652-4450.

Knight Advertising Communications, Minneapolis, reported gross income of $487,400 in 1981 on billings of $1,178,608. In 1980, it reported gross income of $430,719 on billings of $1,051,935. Volume in 1981 consisted of $364,868 in media and $813,740 in capitalized fees. In 1980, volume consisted of $321,157 in media and $730,778 in capitalized fees. Accounts gained: Graco Inc., Colorant Equipment division, Crown Iron Works. Lost: None. Billings breakdown: Newspapers 5%, radio 5%, business papers 42%, direct mail 3%, other (collateral) 45%. Employes: Four in one office. Top exec: Mike Moore, president. Phone: (612) 831-8040.

Knudsen, Gardner & Howe, Cleveland, had estimated gross income of $700,000 on 1981 billings of $1,590,220. In 1980 it had estimated gross income of $675,000 on $1,515,684 in billings. In 1981 volume consisted of $600,000 in media, $550,000 in materials and services and $440,220 in capitalized fees. Volume in 1980 consisted of $573,200 in media, $507,600 in materials and services and $434,884 in capitalized fees. Accounts gained: Jacobs Investments, Sun Club. Billings breakdown: Newspapers 12%, magazines 15%, supplements 3%, radio 10%, spot tv 10%, business papers 20%, transit 5%, point of sale 25%. Employes: Eight in one office. Top execs: D.A. Knudsen, president; R.A. Gardner, exec vp. Phone: (216) 621-6680.

The Kohler Co., Riverside, Conn., had gross income of $261,365 in 1981 on billings of $1,650,249. It did not report its 1980 results. Volume in 1981 consisted of $544,300 in media, $288,750 in materials and services and $817,199 in capitalized fees. Accounts gained: Alta Technology, SysEd division of Integrated Computer Software, Zan Optical Products, Dooney & Bourke, Globe Slicing Machine. Lost: Electrix Inc., *Output* magazine. Billings breakdown: Newspapers 5%, magazines 15%, radio 5%, business papers 45%, direct mail 30%. Employes: Nine in one office. Top execs: Robert Atkinson, president; Edward Dattola, secretary-treasurer. Phone: (203) 637-1708.

Kohler/Twin Cities, Minneapolis, reported gross income of $113,597 in 1981 on billings of $744,401. Volume in 1981 consisted of $70,700 in media, $71,400 in materials and services and $602,301 in capitalized fees. The agency did not report for 1980. Accounts gained: Deluxe Check Printers, Fairview Community Hospitals, Hamline University, IntraMark, Minnesota Bankers Assn. (projects), Minnesota Energy Agency, Minnesota Mutual Life Insurance (projects), Norstan Communications Systems (projects), Summit State Bank (projects), Upper Midwest Industries (projects). Billings breakdown: Newspapers 46%, magazines 44%, other 10%. Employes: Six in one office. Top execs: Thomas Atkinson, president; Don Mosbarger, senior vp. Phone: (612) 872-2277.

Gene K. Kolber Advertising, Roslyn, Pa., reported gross income of $540,000 in 1981 on billings of $5,100,000. In 1980, it reported gross income of $425,000 on billings of $4,200,000. No volume breakout was provided. Accounts gained: Valleybrook Estates, The Tower at Chatham Center, Calais Village, Celebrity Limo Cardio Med., Harbor Medical Center, Host Farm, Jody's Tavern, Lee Felton Nutritional Institute, Paul's Run Pearlcream, Ocean Crest condos, Lake Howell (Florida), Old Forge Crossing Condo. Lost: Caesars Boardwalk Regency, General Scientific, Highpoint Racquet Club, Servaas Labs, Wilmington Merchandise Mart. Billings breakdown: Newspapers 16%, magazines 2%, radio 40%, network tv 38%, outdoor 2%. Employes: 15 in two offices. Phone: (215) 885-7100.

Kopf & Isaacson Advertising, Melville, N.Y., had gross income of $199,500 on billings of $1,056,680 in 1981, its first full year in business. Volume in 1981 consisted of $620,000 in media, $410,000 in materials and services and $26,680 in capitalized fees. Accounts gained: Ring Communications, *Travel/Holiday*, Dionics, Teledata Systems. Billings breakdown: Newspapers 5%, magazines 85%, supplements 5%, radio 2%, direct mail 3%. Top exec: Andrew Isaacson, president. Employes: Six. Phone: (516) 293-6115.

Krate/Huber Associates, Pittsfield, Mass., reported gross income of $163,167 in 1981 on billings of $900,956. It did not report for 1980. Volume in 1981 consisted of $200,000 in media, $44,493 in materials and services and $656,463 in capitalized fees. Accounts gained: Alliance Editions, New England Furniture/Design Classics, WBEC AM-FM. Lost: Berkshire Gas, Pittsfield General Electric Employees' Credit Union. Billings breakdown: Newspapers 67%, magazines 4%, radio 22%, cable tv 7%. Employes: Four in one office. Top exec: Mary E. Huber, president. Phone: (413) 499-2345.

Kreicker & Meloan, Northfield, Il., reported gross income of $136,663 in 1981 on billings of $911,542. In 1980, it reported gross income of $118,810 on billings of $792,462. Volume in 1981 consisted of $729,758 in media, $155,604 in materials and services and $26,180 in capitalized fees. In 1980, volume consisted of $555,971 in media, $140,910 in materials and services and $95,581 in capitalized fees. Accounts gained: The Aldon Co., Kremlin Inc. Lost: None. Billings breakdown: Business papers 95%, direct mail 5%. Employes: Five in one office. Top exec: J.M. Wallseck, president. Phone: (312) 446-8885.

LaBelle & Shallbetter, Minneapolis, reported gross income of $830,000 in 1981 on billings of $5,533,400. In 1980, it reported gross income of $783,930 on billings of $5,226,264. Volume in 1981 consisted of $4,500,000 in media, $900,000 in materials and services and $133,400 in capitalized fees. In 1980, volume consisted of $4,532,730 in media, $573,474 in materials and services and $120,060 in capitalized fees. Accounts gained: Circus Entertainment Centers. Billings breakdown: Newspapers 22%, magazines 1%, radio 24%, spot tv 50%, business papers 1%, other (collateral) 1%. Employes: 13 in one office. Top exec: Lawrence S. LaBelle, president. Phone: (612) 338-7616.

LaChance Goodchild & Eidson, Providence, R.I., formerly known as Goodchild & Eidson, is the result of a merger with R.J. LaChance Inc. effective Jan. 1, 1982. In 1981, G&E had gross income of $720,000 on billings of $4,800,000. In 1980, it reported gross income of $615,000 on billings of $4,100,000. Volume in 1981 consisted of $3,500,000 in media, $900,000 in materials and services and $400,000 in capitalized fees. In 1980, volume consisted of $3,200,000 in media, $600,000 in materials and services and $300,000 in capitalized fees. Accounts gained: ATF-Davidson unit of White Consolidated Industries, Computeristics Inc., Lawrence Pumps Inc., Whitin Casting Co. Lost: Davis-Standard division of C&K Corp., Interactive Management Systems. Billings breakdown: Magazines 20%, business papers 70%, direct mail 10%. Employes: 16. Top execs: Theodore Goodchild, president; William Eidson, exec vp. Phone: (401) 831-7484.

Landers & Partners, St. Petersburg, Fla., had estimated gross income of $475,000 in 1981 on billings of $3,193,521. It did not report in 1980. Volume in 1981 consisted of $2,042,460 in media, $338,988 in materials and services and $812,073 in capitalized fees. Accounts gained: Bond Jewelers, F&F Productions, Fletcher Music Center, Florida Dental Centers. Lost: Sunrise Golf Ltd., Ross Chevrolet, U.S. Home condo division, Inverness. Billings breakdown: Newspapers 27%, magazines 8%, radio 22%, spot tv 26%, outdoor 13%, business papers 4%. Employes: Nine in one office. Top execs: Samuel P. Landers, president; Robert G. Guckenberger, senior vp/creative director. Phone: (813) 577-6868.

Lane & Leslie Advertising Agency, Wichita, had estimated gross income of $665,000 in 1981 on billings of $4,358,011. In 1980, it reported gross income of $465,000 on billings of $3,101,068. Volume in 1981 consisted of $1,694,281 in media, $445,989 in materials and services and $2,217,741 in capitalized fees. In 1980, volume consisted of $1,401,574 in media, $309,613 in materials and services and $1,389,881 in capitalized fees. Accounts gained: First Federal S&L, Coffeyville, Kan., One Hour Picture Perfect, National Bank of Wichita. Lost: Neuro-Spinal Stress Center (resigned). Billings breakdown: Newspapers 17%, magazines 6%, radio 39%, spot tv 30%, outdoor 2%, business papers 1%, farm publications 5%. Employes: 19 in one office. Top exec: David W. Lane, president. Phone: (316) 265-0882.

Larson, Bateman & McAllister, Santa Barbara, Cal., reported gross income of $616,892 in 1981 on billings of $4,381,015. In 1980, it reported gross income of $718,869 on billings of $4,863,436. Volume in 1981 consisted of $3,036,287 in media, $518,949 in materials and services and $825,779 in capitalized fees. In 1980, volume consisted of $3,042,910 in media, $524,573 in materials and services and $1,295,953 in capitalized fees. Accounts gained: Signal Technology. Lost: Fosters Freeze. Billings breakdown: Newspapers 27.3%, magazines 2.2%, radio 24%, spot tv 45.2%, business papers 1.3%. Employes: 17 in one office. Top execs: Howard Larson, president; Michael McAllister, Tony Baragona, Don Dancer. Phone: (805) 963-5841.

Larwin/Livers Associated, Willow Grove, Pa., reported gross income of $600,000 in 1981 on billings of $6,500,000. In 1980, it reported gross income of $487,000 on billings of $5,250,000. Volume in 1981 consisted of $925,000 in media, $2,500,000 in materials and services and $3,075,000 in capitalized fees. In 1980, volume consisted of $750,000 in media, $2,000,000 in materials and services and $2,500,000 in capitalized fees. Accounts gained: Avex Electronics, Land Instruments, KTI Insurance. Lost: Alpha Wire Corp. Billings breakdown: Newspapers 5%, business papers 74%, point of sale 1%, direct mail 20%. Employes: 20 in one office. Top execs: Larry S. Winston, chairman; Stephen S. Livers, president. Phone: (215) 657-6575.

Laven, Fuller & Perkins, Chicago, reported gross income of $381,409 in 1981 on billings of $1,702,877. In 1980, it reported gross income of $385,440 on billings of $2,501,332. Volume in 1981 consisted of $1,589,654 in media, $89,211 in materials and services and $24,012 in capitalized fees. In 1980, volume consisted of $2,226,000 in media, $144,000 in materials and services and $131,332 in capitalized fees. Accounts gained: American Bar Assn. (recruitment), Shoe Repair Institute of America, Wurlitzer Corp. (recruitment). Lost: Jewel Companies, Woodlawn Hospital. Billings breakdown: Newspapers 71%, magazines 11%, supplements 1%, radio 5%, outdoor 7%, point of sale 1%, direct mail 4%. Employes: Nine in one office. Top execs: J.P. Perkins, president; M.A. Miller, exec vp; J.P. Fox, senior vp. Phone: (312)440-1818.

Lenac, Warford, Stone, Newport Beach, Cal., had an estimated $900,000 in gross income in 1981 on billings of $8,142,275. The agency did not report 1980 figures. Volume in 1981 consisted of $1,262,046 in media, $1,026,384 in materials and services and $5,853,845 in capitalized fees. Accounts gained: Orange County Transit, Micro Five Corp., Downey S&L. Lost: Sunwest Bank. Billings breakdown: Newspapers 20%, magazines 25%, radio 10%, transit 10%, point of sale 10%, direct mail 20%, other 5%. Employes: 14 in one office. Top execs: Ralph Lenac, David Warford, Don Stone, president. Phone: (714) 833-8435.

Lesko Inc., Pittsburgh, had estimated gross income of $530,000 in 1981 on billings of $3,500,000. In 1980, it also had estimated gross income of $530,000 on billings of $3,500,000. Volume in 1981 consisted of $2,000,000 in media, $500,000 in materials and services and $1,000,000 in capitalized fees, the same as in 1980. Not included are results of its subsidiary, Lesko Research Corp. Accounts gained: John DeKlewa & Sons Construction. Billings breakdown: Newspapers 30%, magazines 40%, supplements 5%, radio 3%, spot tv 5%, outdoor 5%, business papers 2%, point of sale 5%, direct mail 5%. Employes: 10 in one office. Top execs: George Lesko, chairman; Ruth Lesko, president. Phone: (412) 566-1680.

Lessner Slossberg Gahl & Partners, Hartford, Conn., had gross income of $749,045 on billings of $4,023,560 in 1981, its first year in business. In 1980 the company was a branch office of Provandie & Chirurg, Boston. Accounts gained: AMF Alcort Sailboats, Durfee Attleboro Bank, Falmouth National Bank, Intl. Silver Co., New England Typographic Service. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 15%, business papers 20%, other 25%. Employes: 14 in one office. Top execs: Gary Lessner, president; Richard Slossberg, exec vp; John Gahl, John Nedosko, vps. Phone: (203) 289-7991.

Levy, Sussman & Levine, New York, had estimated gross income of $450,000 in 1981 on media billings of $3,000,000. In 1980, it had estimated gross income of $345,000 on media billings of $2,300,000. No volume breakout was provided for either year. Accounts gained: Group Council Mutual Insurance Co., National Assn. of Recording Merchandisers, Polygram Corp. Lost: Act 1, Bio-Energy Systems, BKL, OEI, Stevens Entertainment. Billings breakdown: Newspapers 10%, magazines 25%, radio 20%, spot tv 20%, outdoor 10%, transit 10%, direct mail 5%. Employes: 12 in one office. Top execs: Robert Levy, president; Abie Sussman, Barry Levine, exec vps. Phone: (212) 586-3720.

Lindell-Keys, Dallas, reported gross income of $160,000 in 1981 on billings of $1,385,500. In 1980, it reported gross income of $150,000 on billings of $1,285,500. Volume in 1981 consisted of $600,000 in media, $450,000 in materials and services and $335,500 in capitalized fees. In 1980, volume consisted of $600,000 in media, $350,000 in materials and services and $335,500 in capitalized fees. Accounts gained: Greater Dallas Planning Council, Trinity Industries. Billings breakdown: Newspapers 20%, magazines 20%, radio 10%, business papers 30%, direct mail 20%. Employes: Five in one office. Top execs: Elwood Lindell, president; Marion Lindell, exec vp. Phone: (214) 823-6262.

Lipman Advertising, New York, had gross income of $835,193 in 1981 on billings of $8,339,234. In 1980, it reported gross income of $724,492 on billings of $6,593,772. Volume in 1981 consisted of $3,831,228 in media and $4,508,006 in capitalized fees. In 1980, volume consisted of $3,134,083 in media and $3,459,689 in capitalized fees. Accounts gained: Pulmoll throat lozenges, Westchester County Fair, Foods Plus Vitamins. Billings breakdown: Newspapers 45%, magazines 10%, radio 10%, spot tv 25%, transit 5%, other 5%. Top execs: Robert S. Lipman, president; Melvin Levy, senior vp—creative director; Al George, senior vp. Employes: 22 in two offices. Phone: (212) 684-1100.

Louis & Saul Advertising, Santa Monica, Cal., reported gross

income of $532,800 and net income of $99,699 in 1981 on billings of $2,960,000. In 1980, it reported gross income of $168,750 and net income of $1,212 on billings of $1,125,000. Volume in 1981 consisted of $2,137,015 in media, $183,305 in materials and services and $639,680 in capitalized fees. In 1980, volume consisted of $743,239 in media, $104,956 in materials and services and $276,805 in capitalized fees. Billings breakdown: Newspapers 22%, magazines 20%, radio 16%, spot tv 14%, direct mail 10%, other 18%. Employes: Seven in one office. Top execs: Saul I. Fruchthendler, president; exec vps—Louis S. Goldberg, Charles C. Slay. Phone: (213) 393-0507.

Lundmark Advertising & Design, Kansas City, had estimated gross income of $51,000 in 1981 on billings of $340,020. In 1980, it had estimated gross income of $32,400 on billings of $216,670. Volume in 1981 consisted of $125,000 in media, $175,000 in materials and services and $40,020 in capitalized fees. In 1980, volume consisted of $100,000 in media, $110,000 in materials and services and $6,670 in capitalized fees. Billings breakdown: Newspapers 1%, magazines 73%, outdoor 1%, business papers 5%, point of sale 5%, direct mail 15%. Employes: Three. Top exec: Fred Trent, president. Phone: (816) 842-5236.

MAP Advertising Agency, Springfield, Mo., reported gross income of $367,453 in 1981 on billings of $2,062,547. In 1980, it reported gross income of $335,737 on billings of $1,804,919. Volume in 1981 consisted of $1,076,696 in media, $35,176 in materials and services and $950,675 in capitalized fees. In 1980, volume consisted of $836,339 in media, $48,540 in materials and services and $920,040 in capitalized fees. Accounts gained: Metro Communications, Big T/Tastee Freeze Restaurants-Midwest region, Waynesville-St. Robert Chamber of Commerce, SMBC Total Contractors, United Leasing, Metrovision, Custom Printers Supply, Ozark Building Systems (Melco Steel), Centro Contractors, Central Bank of Lebanon. Lost: Citizens Bank of Eldon, Mom's Old Fashioned Ice Cream; Sims-Kimball Music Centers, Fantastic Sam's Family Haircutting Centers. Billings breakdown: Newspapers 15%, magazines 8%, supplements 7%, radio 16%, spot tv 35%, outdoor 1%, business papers 5%, farm publications 3%, point of sale 4%, direct mail 6%. Employes: 12 in one office. Top execs: Joseph H. Straughan Jr., president; Raymond D. Bradshaw, exec vp. Phone: (417) 866-2779.

MSA Advertising, Philadelphia, had gross income of $255,000 and net income of $30,200 in 1981 on billings of $1,802,205. In 1980, it reported gross income of $241,500 and net income of $26,500 on billings of $1,611,510. Volume in 1981 consisted of $1,160,000 in media, $98,600 in materials and services and $543,605 in capitalized fees. In 1980, volume consisted of $1,020,089 in media, $82,500 in materials and services and $508,921 in capitalized fees. Accounts gained: Atlantic Book Stores, Diverse Enterprises. Lost: American Institute of Drafting, Starr Transit Co. Billings breakdown: Newspapers 42.7%, magazines 12.5%, radio 14.9%, business papers 8.1%, point of sale 6.6%, direct mail 15.2%. Employes: Six. Top exec: Michael Schwartz, president. Phone: (215) 546-8000.

MacGibbon & Kobasic, Portland, Ore., reported gross income of $300,000 in 1981 on billings of $2,000,000. In 1980, it reported gross income of $240,000 on billings of $1,600,000. No volume breakout was provided. Accounts gained: Rembold Corp., Montana Datsun Dealers, Byrnes Luggage, Georgia Pacific Ukiah plant, Seconds on First. Lost: Wade Mfg. Billings breakdown: Newspapers 20%, magazines 10%, radio 15%, spot tv 35%, business papers 15%, direct mail 5%. Employes: 10 in one office. Top exec: John I. Kobasic, president, ceo. Phone: (503) 295-1922.

Mail Design Communications, Southfield, Mich., which opened in 1981, reported gross income of $17,934 in 1981 on billings of $122,217. Volume in 1981 consisted of $55,600 in media, $8,625 in materials and services and $57,992 in capitalized fees. Accounts gained: Magnetic Video Library (division of 20th Century-Fox), Ambience Records, Budman's Home Improvement, Copy Stop Printing Centers, Metropolitan Detroit Optometric Society. Lost: Skorpios Greek Restaurant, Korean Trade Center (Michigan). Billings breakdown: Newspapers 2%, magazines 8%, business papers 80%, direct mail 10%. Employes: Four in one office. Top exec: Harvey Gotliffe, president. Phone: (313) 354-5711.

Mallof, Abruzino & Nash Marketing, Lombard, Il., reported gross income of $204,356 in 1981 on billings of $1,143,228. In 1980, it reported gross income of $121,697 on billings of $811,395. Volume in 1981 consisted of $882,642 in media, $153,866 in materials and services and $106,720 in capitalized fees. In 1980, volume consisted of $651,315 in media and $160,080 in capitalized fees. Accounts gained: Irish Family Day, Ogden Chrysler Plymouth, Toyota West, Gary Johnson & Co., Larry Roesch Chevrolet, Downers Grove Yamaha/BMW, St. Charles Dealers Assn. Lost: None. Billings breakdown: Newspapers 60%, supplements 5%, radio 30%, outdoor 1%, business papers 2%, direct mail 2%. Employes: Six in one office. Top exec: Edward Mallof, president. Phone: (312) 964-7722.

Manning & Associates, San Diego, had estimated gross income of $385,000 in 1981 on billings of $2,567,500. In 1980, it had estimated gross income of $350,000 on billings of $2,315,920. Volume in 1981 consisted of $600,000 in media, $300,000 in materials and services and $1,667,500 in capitalized fees. In 1980, volume consisted of $551,000 in media, $257,500 in materials and services and $1,507,420 in capitalized fees. Accounts gained: Continental Controls, a Bendix Co. Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, network tv 8%, business papers 77%. Employes: Seven in one office. Phone: (714) 566-4540.

Marbro Advertising, Columbus, O., had gross income of $139,973 in 1981 on billings of $1,187,647. In 1980, it reported gross income of $193,992 on billings of $1,245,638. Volume in 1981 consisted of $828,257 in media, $254,438 in materials and services and $104,952 in capitalized fees. In 1980, volume consisted of $858,133 in media, $276,563 in materials and services and $110,942 in capitalized fees. Accounts gained: Restaurant Owners Dining Assn. Lost: Atlas Butler Heating & Cooling. Billings breakdown: Newspapers 19%, magazines 8%, radio 39%, spot tv 20%, outdoor 6%, point of sale 4%, direct mail 4%. Employes: Six in one office. Top exec: Marvin Brown, president. Phone: (608) 235-1992.

Marcom Inc., East Windsor, Conn., reported gross income of $213,254 in 1981 on billings of $3,843,225. In 1980, it reported gross income of $155,800 on billings of $2,032,075. Volume in 1981 consisted of $442,625 in media, $646,804 in materials and services and $2,753,796 in capitalized fees. In 1980, volume consisted of $390,700 in media, $490,800 in materials and services and $1,150,575 in capitalized fees. Accounts gained: General Electric Co. (distribution equipment division). Lost: Reed National Corp. Billings breakdown: Newspapers 1%, magazines 1%, radio 1%, business papers 89%, direct mail 8%. Employes: 14 in one office. Phone: (203) 623-9856.

Goodwin, Dannenbaum Littman & Wingfield

We have specialized in retail advertising for the past 37 years. We have written 10 Commandments to go by, including No. 7: Sell the difference to make the difference (even though the merchandise may not be exclusive) —*i.e.*, reflect the personality of the advertiser to sell the where as well as the what and why to buy. Commandment No. 2: Ads must speak to individuals yet reach mass audiences, reflected in the agency's campaign for Palais Royal, a 21-store chain of fashion specialty stores.

It could best be characterized as a "strategy" oriented advertising agency—that is to say, as much emphasis is given to marketing strategy and to creative strategy as to the creative executional aspects of those strategies. Creatively speaking the discipline of strategic thinking is then balanced by the use of multiple creative teams to explore the optimum translation(s) of the agreed upon strategy.

The Marcus Group, Atlanta, reported gross income of $464,100 and net income of $26,320 in 1981 on billings of $2,847,550. In 1980, it reported gross income of $391,886 and net income of $21,550 on billings of $2,387,260. Volume in 1981 consisted of $1,635,150 in media, $745,500 in materials and services and $466,900 in capitalized fees. In 1980, volume consisted of $1,350,600 in media, $676,480 in materials and services and $360,180 in capitalized fees. Accounts gained: Alliance Wall Corp., Gedore Tools USA, MicroElectronics Corp., Peachtree Software, Quadram Corp. Lost: Digital Communications. Billings breakdown: Newspapers 5%, magazines 65%, radio 10%, spot tv 16%, other 4%. Employes: 15 in one office. Top execs: Roger Vershen, chairman; Charleene Carl, president; Susan Frazier, exec vp; Mary Ann Williams, treasurer. Phone: (404) 261-3003.

MarketAide Inc., Salina, Kan., reported gross income of $883,189 in 1981 on billings of $5,891,696. In 1980, it reported gross income of $1,013,163 on billings of $6,756,952. Volume in 1981 consisted of $434,543 in media, $1,065,286 in materials and services and $4,391,867 in capitalized fees. In 1980, volume consisted of $641,781 in media, $1,049,256 in materials and services and $5,065,915 in capitalized fees. Accounts gained: Carey Salt, Exline Inc. Lost: First National Bank of Great Bend. Billings breakdown: Newspapers 20%, magazines 5%, radio 13%, spot tv 3%, business papers 30%, farm publications 7%, direct mail 20%. Employes: 28 in one office. Top execs: Gary D. Ray, chairman-ceo; Russell C. Norwood, president. Phone: (913) 825-7161.

Market Development Group Intl., Orlando, Fla., reported gross income of $300,000 in 1981 on billings of $2,283,500. It did not report for 1980. Volume in 1981 consisted of $1,000,000 in media, $950,000 in materials and services and $333,500 in capitalized fees. Accounts gained: American Marketing & Finance, Condev, Energard, Forest Glen, Commercial Site Selectors, Industrial Equipment & Engineering, Hallmark Business Systems, Kossow Corp., Oxford Associates, Bona Intl. Billings breakdown: Newspapers 50%, magazines 10%, radio 5%, spot tv 5%, outdoor 5%, direct 7%, other 18%. Employes: 14 in one office. Top execs: Drew Cherner, Rick Stone, Steve Hutchison. Phone: (305) 894-8426.

Marketing Group, Fort Washington, Pa., had estimated gross income of $390,000 in 1981 on billings of $2,550,360. In 1980, it had estimated gross income of $350,000 on billings of $2,367,312. Volume in 1981 consisted of $260,114 in media, $864,200 in materials and services and $1,426,046 in capitalized fees. In 1980, volume consisted of $228,400 in media, $814,250 in materials and services and $1,324,662 in capitalized fees. Accounts gained: Evans Products Co.'s Homes Group, Capp Homes, Ridge Homes, Evans Finance Co., Gross Highland Winery, Sylvan Pools Service Centers, Bradford-White Water Heaters, Walker-Davis Publishing, Huntleigh Galleries, Girard Bank corporate trust department, First Pennsylvania Bank's corporate trust department, F.M.C. Lost: Gross Highland Nursery. Billings breakdown: Newspapers 10%, magazines 17%, supplements 3%, radio 8%, spot tv 2%, cable tv 3%, outdoor 1%, business papers 7%, transit 1%, point of sale 3%, direct mail 25%, other 20%. Employes: 11. Top execs: James Notte and Robert Dean, partners, Cynthia Mannes, vp-account super. Phone: (215) 233-4160.

Markmakers Inc., South Bend, Ind., reported gross income of $592,000 in 1981 on billings of

Gross income under $1,000,000

$5,924,761. In 1980, it reported gross income of $1,030,001 on billings of $8,966,529. Volume in 1981 consisted of $1,466,898 in media, $509,223 in materials and services and $3,948,640 in capitalized fees. In 1980, volume consisted of $1,118,817 in media, $977,606 in materials and services and $6,870,106 in capitalized fees. Accounts gained: Notre Dame sports endowment, South Bend Toy (pr), John Deere consumer products division—shopping mall promotion. Lost: Louie's Tux, Berkel, Wheel Horse, Bristol Products. Billings breakdown: Newspapers 50%, magazines 10%, radio 8%, spot tv 30%, outdoor 2%. Employes: 13 in one office. Top execs: John Thurin, president; Del Lupa, senior vp. Phone: (219) 232-5901.

Marstrat Inc., Chicago, the in-house agency for U.S. Gypsum Co., had estimated gross income of $300,000 in 1981 on billings of $2,050,000. In 1980, it reported gross income of $335,000 on billings of $2,250,000. Volume for both years was all in media. Billings breakdown: Newspapers 2%, radio 5%, business papers 83%, farm publications 10%. Employes: 11 in one office. Top execs: Bud Pulver, president-creative director; E.R. Wentz and R.W. Wilson, vps. Phone: (312) 321-5825.

Marx/David Advertising, San Francisco, had estimated gross income of $420,000 in 1981 on billings of $2,800,700. In 1980, it had estimated gross income of $140,000 on billings of $917,000. Volume in 1981 consisted of $400,000 in media, $1,000,000 in materials and services and $1,400,700 in capitalized fees. In 1980, volume consisted of $250,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Clorox Foodservice Products division, MJB Coffee Co. Lost: None. Billings breakdown: Magazines 85%, direct mail 15%. Employes: 10 in two offices. Top execs: Jo David, president; Nel Howard, exec vp-controller; Stan Marx, general manager of Mark/David East. Phone: (415) 777-4393.

Jack Mathis Advertising, Libertyville, Il., reported gross income of $188,774 in 1981 on billings of $1,260,880. In 1980, it reported gross income of $183,085 on billings of $1,220,913. Volume in 1981 consisted of $443,108 in media, $95,551 in materials and services and $722,221 in capitalized fees. In 1980, volume consisted of $437,980 in media, $91,107 in materials and services and $691,826 in capitalized fees. Billings breakdown: Business papers 56%, farm publications 4%, other (literature and brochures) 40%. Employes: Three in one office. Top exec: Jack Mathis, president. Phone: (312) 367-1826.

The Matlin Co., Washington Crossing, Pa., had estimated gross income of $350,000 in 1981 on billings of $2,400,000. In 1980, it reported gross income of $325,000 on billings of $2,200,000. No volume breakout was provided. Accounts gained: Control Concepts Inc., Glitsch Package Plants, Precision Rebuilding Corp., ProQuip Inc., Scott Specialty Gases. Lost: None. Billings breakdown: Business papers 45%, direct mail 20%, other 35%. Employes: Seven in one office. Top exec: Nathaniel A. Matlin, president. Phone: (215) 493-4033.

Allen E. Mattingly Inc., Atlanta, had estimated gross income of $447,628 in 1981 on billings of $3,263,600. In 1980, it had estimated gross income of $215,000 on estimated billings of $1,430,300. Volume in 1981 consisted of $1,222,750 in media, $278,535 in materials and services and $1,762,315 in capitalized fees. No volume breakout was provided for 1980. Accounts gained: *Tradin Times* natl. newspaper shopper, Hix Green Buick, Northwest Hilton Hotel of Atlanta, Digby Opticians, Gwinnett County Bank of Atlanta, Life of the South Insurance Co. Lost: Peachtree City Development Corp., Wachovia Mortgage Co, Atlanta division. Billings breakdown: Newspapers 10%, magazines 15%, radio 35%, spot tv 25%, outdoor 5%, point of sale 5%, direct mail 5%. Top exec: William B. Allen, president. Phone: (404) 952-2393.

May/Partners, Seattle, had estimated gross income of $525,000 in 1981 on billings of $3,500,000. In 1980, it had estimated gross income of $560,000 on billings of $3,750,000. No volume breakout was provided. Accounts gained: Jonathan Edwards Keepsake Diamonds, Genesis Software Corp., American Diabetes Assn. Billings breakdown: Newspapers 20%, magazines 10%, radio 30%, spot tv 30%, transit 5%, point of sale 2%, direct mail 2%, other 1%. Employes: 13 in one office. Top execs: D. Ryan Hixenbaugh, Edmund F. Joella, William C. Gohde. Phone: (206) 624-7870.

McCartney-Gray of Dallas, Dallas, reported gross income of $165,000 in 1981 on billings of $1,100,000. It did not report for 1980. Volume in 1981 consisted of $181,400 in media, $385,000 in materials and services and $533,600 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 15%, radio 25%, spot tv 25%, outdoor 10%, business papers 10%, direct mail 5%. Employes: Six in one office. Top execs: W.J. McCartney, president; F.A. McCartney, exec vp; C. Barrack and P. Campbell, vps. Phone: (214) 369-4056.

McCurdy Inc., New Haven, Conn., had gross income of $114,500 and net income of $34,500 in 1981 on billings of $1,232,000. In 1980, it reported gross income of $82,500 and net income of $21,000 on billings of $750,000. Volume in 1981 consisted of $590,000 in media, $75,000 in materials and services and $567,000 in capitalized fees. In 1980, volume consisted of $300,000 in media, $50,000 in materials and services and $400,000 in capitalized fees. Accounts gained: TM Byxbee Co., Kensington Management Consultants, West Haven A's, Inline Plastics. Lost: Garrity Industries. Billings breakdown: Newspapers 15%, magazines 60%, radio 5%, spot tv 10%, outdoor 5%, direct mail 5%. Employes: Four. Top exec: John McCurdy, president. Phone: (203) 776-0851.

The McFarland Group, Elm Grove, Wis., reported gross income of $442,200 in 1981 on billings of $3,892,350. In 1980, it reported gross income of $341,790 on billings of $2,557,000. Volume in 1981 consisted of $1,925,000 in media, $600,000 in materials and services and $1,367,350 in capitalized fees. In 1980, volume consisted of $1,440,000 in media, $450,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Altenmunster Beer, Quality Inns (Midwest locations), Roadstar Inns (Midwest locations), Global Trading, Motorplate division of Pressure Lube, White Knight division, Maxum Paint. Lost: Marathon Electric, Chevalier Importers. Billings breakdown: Newspapers 15%, magazines 15%, radio 15%, spot tv 5%, cable tv 5%, farm publications 30%, direct mail 10%, other 5%. Employes: Eight in one office. Top execs: Mike McFarland, president; Jim Stearns, controller. Phone: (414) 786-5891.

McLaughlin, DelVecchio & Casey, New Haven, Conn., reported gross income of $500,000, including an estimated $7,500 in non-U.S. income, in 1981 on billings of $3,550,000. In 1980, it reported gross income of $455,000, including an estimated $4,500 from overseas, on billings of $3,250,000. U.S. volume was not broken down. Foreign billings contribution, all in media, were $50,000 in 1981 and $30,000 in 1982. Accounts gained: Waring, Olin Ski Co., Servomation Corp. Lost: Bilco Corp. Billings breakdown: Newspapers 25%, magazines 60%, radio 5%, spot tv 10%. Employes: 10 in one office. Top execs: Pasquale DelVecchio, David B. Casey, vps. Phone: (203) 624-4151.

Mealer & Emerson, Costa Mesa, Cal., reported gross income of $400,000 in 1981 on billings of $2,700,000. In 1980, it reported gross income of $350,000 on billings of $2,325,000. Volume was not broken down. Billings breakdown: Newspapers 5%, business papers 60%, direct mail 5%, other (collateral) 30%. Employes: 12 in one office. Top execs: Jack Mealer, president; James Emerson, vp. Phone: (714) 957-1314.

Media Selection Corp., Goleta, Cal., had estimated gross income of $76,000 in 1981 on billings of $510,170. It did not report figures for 1980. Volume in 1981 consisted of $150,000 in media, $20,000 in materials and services and $340,170 in capitalized fees. Financial results do not include those of subsidiaries, MSC Lists, MSC Marketing, MSC Publishing. Accounts gained: *Islands* magazine, Publishers Aide, *High Rise Living*, *Me* newsletter. Billings breakdown: Magazines 50%, direct mail 50%. Employes: Four in one office. Phone: (805) 968-0434.

Meldrum & Campbell Advertising, Cleveland, reported gross income of $475,000 in 1981 on billings of $3,167,100. In 1980, it reported gross income of $454,425 on billings of $3,029,914. Volume in 1981 consisted of $1,700,000 in media, $600,000 in materials and services and $867,100 in capitalized fees. In 1980, volume consisted of $1,605,000 in media, $596,500 in materials and services and $828,414 in capitalized fees. Accounts gained: Oldsmobile Dealers Assn. and Coca-Cola Bottling Co. in Cleveland, Kidde Automated Systems, Maaco Auto Painting and Bodyworks (regional). Lost: None. Billings breakdown: Newspapers 15%, magazines 30%, radio 15%, spot tv 35%, business papers 5%. Employes: Nine in one office. Top execs: Donald A. Campbell, president; Andrew B. Meldrum, chairman. Phone: (216) 696-3456.

Menaker & Wright, Chicago, had estimated gross income of $986,426 in 1981 on billings of $6,576,170. In 1980, it had estimated gross income of $647,025 on billings of $4,313,500. Volume in 1981 consisted of $2,910,000 in media, $265,000 in materials and services and $3,401,170 in capitalized fees. In 1980, volume consisted of $1,150,000 in media, $162,000 in materials and services and $3,001,500 in capitalized fees. Accounts gained: Pepe's Tacos, Rollins Burdick Hunter Inc., MAE (Modern American Enterprises, INA). Lost: Medicus Systems, G.D. Searle, Tombstone Pizza. Billings breakdown: Newspapers 17%, magazines 18%, supplements 10%, radio 20%, spot tv 30%, outdoor 2%, business papers 3%. Employes: 12 in one office. Top execs: Warren M. Menaker and Kenneth T. Wright, principals; William W. Paul, creative director. Phone: (312) 266-1177.

Merrill, McEnroe, Fox & Associates, Chicago, had estimated gross income of $60,000 in 1981 on billings of $400,000. In 1980, it reported gross income of $45,700 on billings of $305,000. Volume in 1981 consisted of $158,000 in media, $124,000 in materials and services and $48,000 in capitalized fees. In 1980, volume consisted of $167,000 in media, $96,000 in materials and services and $42,000 in capitalized fees. Accounts gained: Everlock Charlotte, Prestole Everlock in Toledo. Lost: Arrow Pneumatics, Mundelein, Il. Billings breakdown: Newspapers 1%, magazines 1%, business papers 42%, farm publications 1%, other (collateral) 55%. Employes: Five in one office. Top execs: William Fox Jr., president-ceo. Phone: (312) 346-4161.

The Michener Co., Valley Forge, Pa., had gross income of $861,187 in 1981 on billings of $5,245,125. In 1980, it reported gross income of $803,631 on billings of $4,940,229. Volume in 1981 consisted of $2,098,611 in media, $773,561 in materials and services and $2,372,953 in capitalized fees. In 1980, volume consisted of $1,883,885 in media, $700,354 in materials and services and $2,355,990 in capitalized fees. Accounts gained: Gourmaid Foods, Norwood Industries and Wilmington Chemical Corp. Billings breakdown: Newspapers 10%, magazines 5%, supplements 2%, radio 5%, outdoor 2%, business papers 70%, direct mail 6%. Top execs: Walter W. Michener, president; Kenneth T. Ulsh, exec vp. Employes: 24. Phone:(215) 964-0500.

Miller, Addison, Steele, New York, reported gross income of $463,000, including $13,000 in non-U.S. income, in 1981 on billings of $3,077,200. It did not report for 1980. U.S. volume in 1981 consisted of $1,500,000 in media, $500,000 in materials and services and $990,500 in capitalized fees. Overseas volume of $86,700 consisted of $10,000 in media, $10,000 in materials and services and $66,700 in fees. Accounts gained: Lakeshore Associates of Winter Haven, Fla., Palmas del Mar of Puerto Rico, Leisure Group of Austin, Tex., Mountain Resorts of Steamboat Springs, Colo., Gallery 68 of Toronto. Billings breakdown: Newspapers 25%, magazines 10%, supplements 5%, radio 2%, spot tv 3%, outdoor 5%, business papers 10%, direct mail 15%, other 25%. Employes: 12 in one office. Top execs: Kenneth Miller, president; George Gottridge, vp-creative director; Asa Lagerstrom, vp-finance. Phone. (212) 759-1060.

Harold Miller Marketeer, Miami, had estimated gross income of $485,000 in 1981 on billings of $3,073,840. In 1980, it had estimated gross income of $460,000 on billings of $2,879,759. Volume in 1981 consisted of $405,800 in media, $920,500 in materials and services and $1,747,540 in capitalized fees. In 1980, volume consisted of $368,051 in media, $884,228 in materials and services and $1,627,480 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 5%, supplements 10%, outdoor 5%, direct mail 5%, other 65%. Employes: One. Phone: (305) 944-8442.

Mills Advertising, Los Angeles, reported gross income of $125,000 in 1981 on billings of $1,453,500. In 1980, it reported gross income of $100,000 on billings of $1,223,450. Volume in 1981 consisted of $1,000,000 in media, $120,000 in materials and services and $333,500 in capitalized fees. In 1980, volume consisted of $900,000 in media, $90,000 in materials and services and $233,450 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 25%, supplements 5%, spot tv 55%, business papers 5%. Employes: Four in one office. Phone: (213) 827-9800.

Mills Communications, Chicago, reported gross income of $258,000 in 1981 on billings of $2,542,000. In 1980, it reported gross income of $241,000 on billings of $2,370,300. Volume in 1981 consisted of $1,500,000 in media, $375,000 in materials and services and $667,000 in capitalized fees. In 1980, volume consisted of $1,500,000 in media, $210,000 in materials and services and $660,300 in capitalized fees. Accounts gained: Insured Credit Services, Loyola University Medical Center (nurse recruitment), Lake Forest Sportscars. Lost: Hey Wires Singing Telegrams (resigned). Billings breakdown: Newspapers 24%, magazines 15%, supplements 3%, radio 10%, spot tv 15%, outdoor 10%, point of sale 3%, direct mail 18%, other 2%. Employes: Eight in one office. Top execs: Robert W. Mills, president; Robert J. Valaitis, vp-account service; Mary Mills, media director; William Bowman, creative director. Phone: (312) 527-9060.

Howard E. Mitchell Jr. Advertising, Findlay, O., reported gross income of $401,642 in 1981 on billings of $4,274,513. In 1980, it had estimated gross income of $280,856 on billings of $2,989,036. Volume in 1981 consisted of $550,555 in media, $1,260,781 in materials and services and $2,463,177 in capitalized fees. Accounts gained: Kramer Enterprises, Kuss Corp., Findlay Health & Racquet Club, Brookside Farms Laboratory, Hoge Lumber Co. farm building divisions. Lost: Diamond S&L, Hancor Inc. Billings breakdown: Newspapers 10%, radio 3%, spot tv 1%, outdoor 8%, business papers 19%, farm publications 35%, other 24%. Employes: 10 in one office. Top execs: Howard E. Mitchell Jr., president; Eleanor S. Mitchell, chairman. Phone: (419) 423-0252.

Harold M. Mitchell Inc., New York, had gross income of $198,378 and net income of $5,000 in 1981 on billings of $1,415,325. In 1980, it reported gross income of $240,412 and net income of $4,258 on billings of $1,648,232. Volume in 1981 consisted of $751,350 in media, $239,309 in materials and services and $424,666 in capitalized fees. In 1980, volume consisted of $936,489 in media, $265,800 in materials and services and $445,943 in capitalized fees. Accounts gained: Botany 500, Byford. Lost: Daks, Sero. Billings breakdown: Newspapers 12%, magazines 65%, business papers 22%, other 1%. Employes: Three in one office. Top exec: Harold M. Mitchell, president. Phone: (212) 679-4627.

Mohawk Advertising, Mason City, Ia., had estimated gross income of $400,000 in 1981 on billings of $2,695,179. In 1980, it had estimated gross income of $310,000 on billings of $2,075,097. Volume in 1981 consisted of $923,695 in media, $344,691 in materials and services and $1,426,793 in capitalized fees. In 1980, volume consisted of $757,526 in media, $177,374 in materials and services and $1,140,197 in capitalized fees. Accounts gained: Larson Mfg., Farmright-LBI on farm equipment, Northwestern States Portland Cement, United Way of Cerro Gordo County. Lost: Enderes Tool Co., Farmers Butter and Dairy Co-op (resigned). Billings breakdown: Newspapers 8%, magazines 39%, radio 27%, spot tv 18%, outdoor 5%, other (Yellow Pages) 3%. Employes: Nine in one office. Top exec: James Clark, president. Phone: (515) 423-1354.

John L. Moorhead Advertising/Public Relations, Durham, N.C., had estimated gross income of $40,000 in 1981 on billings of $294,732. In 1980, it reported gross income of $86,000 on billings of $576,889. Volume in 1981 consisted of $69,248 in media, $23,345 in ma-

terials and services and $202,139 in capitalized fees. In 1980, volume consisted of $226,575 in media, $72,175 in materials and services and $278,139 in capitalized fees. Accounts gained: Clayton Durand Mfg. Co. Lost: Speed Tune, Windmill Restaurant. Employes: Two in one office. Phone: (919) 688-6137.

Mullen Advertising, Beverly Farms, Mass., had estimated gross income of $825,000 in 1981 on media billings of $5,500,000. In 1980, it had estimated gross income of $675,000 on billings of $4,500,000, also entirely from media. Accounts gained: Teledyne Acoustic Research, VST Corp, Supercat, *Inc.* Ericson Yachts. Lost: Bangor Punta Marine, T. Gregorian. Billings breakdown: Newspapers 7%, magazines 83%, radio 10%. Top exec: James L. Mullen, president. Employes: 16. Phone: (617) 927-7222.

Mullen Advertising & Public Relations, Phoenix, had estimated gross income of $675,000 in 1981 on billings of $4,500,000. In 1980, it had estimated gross income of $600,000 on billings of $4,000,000. Accounts gained: Camel Bank, Costain Arizona Inc., Gila Springs, Maya Condominiums, Oliver/Pilcher Insurance, National Bullion & Coin Inc., United Cable Television. Billings breakdown: Newspapers 25%, magazines 20%, radio 20%, spot tv 20%, outdoor 5%, business papers 7%, point of sale 1%, direct mail 2%. Employes: 15 in one office. Top exec: Carter K. Mullen, president. Phone: (602) 256-6122.

Multimedia Advertising, Chattanooga, Tenn., had gross income of $180,000 in 1981 on billings of $1,131,421. In 1980, it reported gross income of $160,914 on billings of $1,058,650. Volume in 1981 consisted of $500,500 in media, $522,200 in materials and services and $108,721 in capitalized fees. In 1980, volume consisted of $453,600 in media, $505,000 in materials and services and $100,050 in capitalized fees. Accounts gained: Gilman Paint Co., Brock Candy Co., Cobble division of Spencer Wright Industries, Atlas Top Flight Paper Co., Synair. Billings breakdown: Newspapers 5%, magazines 20%, radio 15%, spot tv 40%, outdoor 5%, other 15%. Employes: Six. Top exec: David Walley Jr., president. Phone: (615) 624-4614.

Myers & Associates, Stuart, Fla., had gross income of $768,870 in 1981 on billings of $5,004,620. In 1980, it reported gross income of $461,463 on billings of $3,304,378. Volume in 1981 consisted of $2,272,887 in media, $427,635 in materials and services and $2,304,098 in capitalized fees. In 1980, volume consisted of $843,191 in media, $475,708 in materials and services and $1,985,479 in capitalized fees. Accounts gained: Spencer Boat Co., Morrell Builders, Management Improvement Corp. of America. Billings breakdown: Newspapers 40%, magazines 20%, radio 10%, spot tv 20%, outdoor 4%, business papers 4%, direct mail 2%. Employes: 16 in one office. Top exec: Kip Myers, president. Phone: (305) 287-1990.

Henry Nachman Associates, New York, had gross income of $124,000 in 1981 on billings of $869,000. In 1980, it reported gross income of $119,000 on billings of $832,000. Volume in 1981 consisted of $705,000 in media and $164,000 in materials and services. In 1980, volume consisted of $692,000 in media and $140,000 in materials and services. Account gained: National Development Council. Lost: Redifam Office Products. Billings breakdown: Newspapers 10%, magazines 15%, radio 30%, spot tv 15%, outdoor 25%, other 5%. Employes: Five in one office. Phone: (212) 532-5568.

Nader & Associates, Chicago, reported gross income of $780,232 in 1981 on billings of $6,226,273. In 1980, it reported gross income of $716,024 on billings of $5,626,778. Volume in 1981 consisted of $1,198,451 in media, $943,082 in materials and services and $4,084,740 in capitalized fees. In 1980, volume consisted of $1,949,433 in media, $973,041 in materials and services and $2,704,304 in capitalized fees. Accounts gained: Bank Administration Institute, Rand McNally & Co. Lost: Stern Electronics. Billings breakdown: Newspapers 18%, magazines 17%, radio 21%, network tv 35%, outdoor 2%, business papers 5%, transit 2%. Employes: 25 in one office. Top execs: Albert J. Nader, president; Richard G. Stevens, senior vp-media director; William R. Carey, vp-creative director; Michael Varjabedian, vp-finance & administration. Phone: (312) 943-9833.

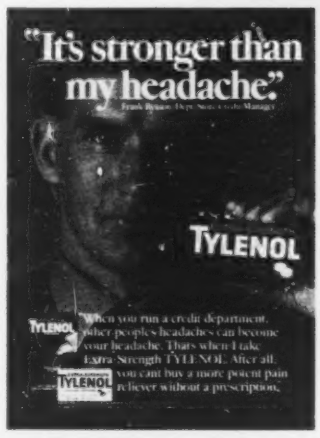
Naftzger & Kuhe, Farmington, Conn., had gross income of $609,064 in 1981 on billings of $4,095,000. In 1980, it reported gross income of $459,650 on billings of $3,161,150. Volume in 1981 consisted of $1,600,000 in media, $474,000 in materials and services and $2,021,000 in capitalized fees. In 1980, volume consisted of $885,000 in media, $642,000 in materials and services and $1,634,150 in capitalized fees. Accounts gained: Control Process, Chucky's Country Store. Billings breakdown: Newspapers 15%, magazines 30%, radio 10%, spot tv 8%, outdoor 2%, business papers 35%. Employes: 16 in one office. Top execs: John W. Naftzger, president; H. James Kuhe, exec vp. Phone: (203) 677-7900.

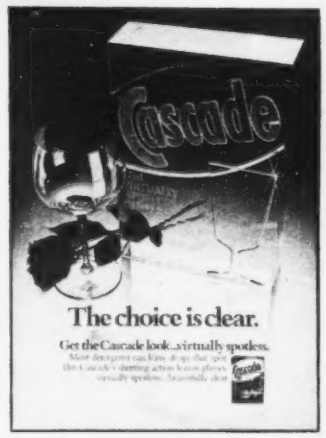
Nissen Advertising, Lakeland, Fla., reported gross income of $460,000 in 1981 on billings of $5,094,800. In 1980, it reported gross income of $415,000 on billings of $4,460,700. Volume in 1981 consisted of $3,300,000 in media, $140,000 in materials and services and $1,600,800 in capitalized fees. In 1980, volume consisted of $2,850,000 in media, $160,000 in materials and services and $1,400,700 in capitalized fees. The agency had overseas volume of $54,000 in 1981 and $50,000 in 1980 from its joint venture, Marcom/Nissen Intl., with The Marcom Group in the United Kingdom. Accounts gained: Grenelefe Golf and Tennis Resort, H&R Block (Central Florida franchises), Zephyrhills Bottled Water, Rutherfords Jewelers, Wedgewood Golf and Country Club, City of Lakeland, Modern Air Conditioning. Lost: None. Billings breakdown: Newspapers 20% , magazines 10%, radio 16%, spot tv 35%, cable tv 1%, outdoor 3%, business papers 10%, transit 1%, point of sale 2%, direct mail 2%. Employes: 14 in two offices. Top execs: Nis Nissen, president; Jay Riddle exec vp; Glen Thompson, senior vp, finance. Phone: (813) 688-7078.

O'Neil, Jalbert & Gould, Manchester, N.H., had gross income of $426,000 and net income of $60,000 in 1981 on billings of $2,841,420. In 1980, it reported gross income of $318,000 and net income of $20,000 on billings of $2,121,060. Volume in 1981 consisted of $1,250,000 in media and $1,591,420 in capitalized fees. In 1980, volume consisted of $1,250,000 in media and $871,060 in capitalized fees. Account gained: New Hampshire Sweepstakes Commission. Billings breakdown: Newspapers 30%, magazines 10%, radio 20%, business papers 10%, transit advertising 2%, point of sale 18%, direct mail 10%. Employes: Nine. Top exec: Gary O'Neil, president; Paul Jalbert and Rebecca Gould, vps. Phone: (603) 625-5713.

Compton Advertising

Exciting advertising is advertising that arouses interest, stirs up emotion, moves people to action and makes products into leading brands.


"It's stronger than my headache."
TYLENOL
When you run a credit department, other people's headaches can become your headache. That's when I take Extra-Strength TYLENOL. After all, you can't buy a more potent pain reliever without a prescription.



Outdoor Products Marketing, Northfield, Il., reported gross income of $743,065 in 1981 on billings of $6,958,040. In 1980, it reported gross income of $306,500 on billings of $4,076,020. Volume in 1981 consisted of $2,570,000 in media, $1,640,000 in materials and services and $2,748,040 in capitalized fees. In 1980, volume consisted of $1,850,000 in media, $852,000 in materials and services and $1,374,020 in capitalized fees. Accounts gained: First Action medical emergency cards, Anschutz rifles, Talo Distributors, Thompson fly tieing equipment. Lost: None. Billings breakdown: Magazines 62%, radio 5%, spot tv 7%, point of sale 26%. Employes: 11 in two offices. Top exec: Charles E. Brown, president. Phone: (312) 441-5133.

Pace Advertising & Public Relations, Woodbridge, Conn., reported gross income of $303,173 and net income of $55,845 in 1981 on billings of $1,515,100. In 1980, it reported gross income of $291,512 and net income of $54,750 on billings of $1,475,416. Volume in 1981 consisted of $147,982 in media, $429,723 in materials and services and $937,395 in capitalized fees. In 1980, volume consisted of $143,672 in media, $417,207 in materials and services and $914,537 in capitalized fees. Accounts gained: B.B.C. Real Estate, Central Connecticut Board of Realtors, Chandler Development of Needham Heights in Massachusetts, Country Club Village, Goodcopy, Corbett Press, Hillside Village, Kosinski Associates, Old Farms Condominiums, Self-Reliance Products, Teamsters Union—Local 443, T.K. Developers, Yale New Haven Hospital. Lost: The Mathog Group, Katherine Gibbs School in New York City. Billings breakdown: Newspapers 49%, magazines 5%, radio 35%, spot tv 1%, outdoor 4%, direct mail 2%, other 4%. Employes: Nine in one office. Top exec: Richard S. Eaton, president. Phone: (203) 397-4974).

Parsons, Friedmann & Central, Boston, had gross income of $292,464 in 1981 on billings of $2,322,322. In 1980, it reported gross income of $269,170 on billings of $2,155,429. Volume in 1981 consisted of $507,771 in media, $305,170 in materials and services and $1,509,381 in capitalized fees. In 1980, volume consisted of $512,180 in media, $183,233 in materials and services and $1,460,016 in capitalized fees. Accounts gained: Dyno Fuel, Wildcat Townhouse Resort, Samoset Timeshare Estates, Tripar Fuel. Lost: Yield House. Billings breakdown: Newspapers 10%, magazines 10%, radio 4%, spot tv 4%, outdoor 1%, business papers 68%, point of sale 1%, direct mail 2%. Employes: 10 in two offices. Top exec: Robert Friedmann, president. Phone: (617) 266-4310.

Gerald Patlis Advertising, New York, had gross income of $293,832 in 1981 on billings of $1,958,880. In 1980, its estimated gross income was $258,000 on billings of $1,720,160. Volume in 1981 consisted of $1,450,000 in media, $82,000 in materials and services and $426,880 in capitalized fees. In 1980, volume consisted of $1,300,000 in media, $100,000 in materials and services and $320,160 in capitalized fees. Accounts gained: Katharine Gibbs Secretarial School, American Digestive Disease Society. Lost: Cirex, Gem Sports, Dr. Knoll. Billings breakdown: Newspapers 10%, magazines 50%, supplements 10%, radio 5%, spot tv 5%, direct mail 20%. Employes: 10 in one office. Top exec: Gerald Patlis, president. Phone: (212) 759-6400.

Patterson Advertising Agency, Topeka, Kan., reported gross income of $657,380 in 1981 on billings of $4,384,700. In 1980, it reported gross income of $521,255 on billings of $3,476,100. Volume in 1981 consisted of $1,719,600 in media, $260,600 in materials and services and $2,404,500 in capitalized fees. In 1980, volume consisted of $1,368,500 in media, $210,000 in materials and services and $1,897,600 in capitalized fees. Accounts gained: Kansas Bankers Assn., M-C Industries, Kansas Farm Bureau Members Services, IPCO Dental Lab Group. Lost: None. Billings breakdown: Newspapers 20%, magazines 10%, radio 20%, spot tv 45%, outdoor 1.5%, business papers 2%, farm publications 1%, other 0.5%. Employes: 20 in one office. Top execs: Duane T. Patterson, chairman-president; Donald M. Shurtz, exec vp. Phone: (913) 266-3636.

Maurice Paulsen Advertising, Sioux Falls, S.D., reported gross income of $196,182 in 1981 on billings of $1,270,588. In 1980, it reported gross income of $172,790 on billings of $1,092,731. Volume in 1981 consisted of $1,072,820 in media, $145,742 in materials and services and $52,026 in capitalized fees. In 1980, volume consisted of $920,062 in media, $120,643 in materials and services and $52,026 in capitalized fees. Accounts gained: The Austad Co. Lost: S.D. Industrial Expansion Agency. Billings breakdown: Newspapers 14%, magazines 40%, supplements 1%, radio 9%, spot tv 20%, outdoor 1%, business papers 5%, farm publications 10% Employes: Six in one office. Top exec: Maurice Paulsen, president. Phone: (605) 336-1745.

Bernard K. Paulus Associates, Cincinnati, had gross income of $220,000 in 1981 on billings of $1,600,000. In 1980, it reported gross income of $85,000 on billings of $700,000. Billings breakdown: Newspapers 5%, magazines 10%, radio 10%, spot tv 65%, outdoor 1%, transit 1%, point of sale 3%, other 5%. Employes: Three. Phone: (513) 621-4030.

The Perrett Co., Pasadena, Cal., had gross income of $549,000 in 1981 on billings of $3,378,000. In 1980, it reported gross income of

Gross income under $1,000,000

$485,000 on billings of $2,987,000. Volume in 1981 consisted of $460,000 in media, $428,000 in materials and services and $2,490,000 in capitalized fees. In 1980, volume consisted of $414,000 in media, $369,000 in materials and services and $2,204,000 in capitalized fees. Billings breakdown: Newspapers 33%, magazines 10%, radio 5%, spot tv 5%, point of sale 3%, direct mail 12%, other 32%. Employes: 10. Phone: (213) 449-6763.

Perspectus Agency, New York, had estimated gross income of $211,583 in 1981, including $33,750 in estimated foreign income, on billings of $1,410,554, $225,000 of which came from overseas business. In 1980, it had estimated gross income of $166,920, including $26,250 in estimated income from overseas, on billings of $1,112,800, $175,000 of which came from overseas. Volume in 1981 consisted of $540,000 in media, $204,000 in materials and services and $441,554 in capitalized fees, all in the U.S., plus $193,000 in media and $32,000 in materials and services overseas. In 1980, volume consisted of $491,000 in media, $180,000 in materials and services and $266,800 in capitalized fees, all in the U.S., and $140,000 in media and $35,000 in materials and services overseas. Its subsidiaries, Perspectus Productions, are in Brielle, N.J , and Sea Pines, Hilton Head, S.C. Accounts gained: Post Marine Yachts, Beneteau Yachts in U.S. and France, Sea Watch, Peugeot, Atlantic City Catboat, Executive Fitness Center, General Glass, Allied Corp. home furnishings fibers. Lost: General Telephonics, Bankers National Life Insurance. Billings breakdown: Magazines 75%, supplements 15%, point of sale 5%, direct mail 5%. Top exec: Donald P. Rinaldi, president. Employes: 15 in three offices. Phone: (212) 832-1166.

Peterson-Morris, St. Paul, Minn., reported gross income of $525,000 in 1981 on billings of $3,500,000. In 1980, it reported gross income of $450,000 on billings of $3,000,000. No volume breakout was provided. Accounts gained: VanDale Inc. agricultural equipment, Farmers Corn Products Inc., Federal Intermediate Credit Bank of St. Paul, 3M "Ryan" Stormscope weather mapping system, Columbus, O. Lost: None. Top exec: Jack Morris, president. Phone: (612) 645-0581.

Phelps Advertising & Marketing, Kansas City, Kan., reported gross income of $99,300 and net income of $5,900 in 1981 on billings of $635,130. In 1980, it reported gross income of $87,400 and net income of $4,600 on billings of $534,280. Volume in 1981 consisted of $255,000 in media, $120,000 in materials and services and $260,130 in capitalized fees. In 1980, volume consisted of $240,000 in media, $105,000 in materials and services and $189,280 in capitalized fees. Accounts gained: 4 The Moment, Kross Office Outfitters, KC Konvention Services. Billings breakdown: Newspapers 25%, magazines 10%, supplements 5%, radio 15%, outdoor 10%, business papers 5%, point of sale 5%, direct mail 15%, other 10%. Employes: Four in one office. Top exec: Jon Phelps, president. Phone: (913) 281-0222.

Pool/Sarraille Advertising, Beverly Hills, Cal., had estimated gross income of $900,000 in 1981 on billings of $6,000,000. In 1980, it reported gross income of $450,000 on billings of $3,000,000. Billings breakdown: Print 65%, broadcast 35%. Employes: 15 in three offices. Phone: (213) 659-9753.

Bernard Popick Associates, Atlantic City, N.J., had gross income of $159,935 in 1981 on billings of $1,066,767. In 1980, it reported gross income of $241,000 on billings of $1,607,470. Volume in 1981 consisted of $214,501 in materials and services and $852,266 in capitalized fees. In 1980, volume consisted of $101,300 in media, $62,082 in materials and services and $1,440,088 in capitalized fees. Accounts gained: Shrewsbury (N.J.) State Bank, Neshaminy Constructors Inc., Feasterville, Pa., and Canuso Foundation, Berlin, N.J. Billings breakdown: Newspapers 8%, magazines 3%, radio 5%, outdoor 1%, business papers 5%, transit 1%, direct mail 6%, other 71%. Employes: Six in two offices. Top exec: Bernard Popick, president. Phone: (609) 348-2600.

J.W. Prendergast & Associates, New York, had estimated gross income of $475,000 in 1981 on billings of $3,165,000. In 1980, it had estimated gross income of $420,000 on billings of $2,807,000. Volume in 1981 consisted of $725,000, in media, $940,000 in materials and services and $1,500,000 in capitalized fees. In 1980, volume consisted of $749,000 in media, $814,000 in materials and services and $1,244,000 in capitalized fees. Accounts gained: National Retail Merchants Assn., Bankers Trust Co., Xerox Corp., Bull & Bear Group, *Good Ideas, Yes Magazine*. Billings breakdown: Magazines 5%, newspaper inserts 10%, direct mail 85%. Employes: 10 in one office. Top exec: James Prendergast, president. Phone: (212) 697-2720.

Preston Advertising, St. Petersburg, Fla., had estimated gross income of $300,000 in 1981 on billings of $2,000,000. In 1980, it had estimated gross income of $150,000 on billings of $1,000,000. Volume in 1981 consisted of $1,200,000 in media, $700,000 in materials and services and $100,000 in capitalized fees. In 1980, volume consisted of $565,000 in media, $195,000 in materials and services and $240,000 in capitalized fees. Accounts gained: Sheppard Dental Centers, J.C. Penney, Ed Stewart Shoes, U.S. Bank, Pick Kwik Food Stores. Lost: Stottlamyer & Shoemaker. Billings breakdown: Newspapers 35%, magazines 5%, radio 30%, spot tv 14%, outdoor 12%, business papers 2%, point of sale 1%, direct mail 1%. Employes: 11 in one office. Phone: (813) 381-4026.

QML Communications, Needham, Mass., had gross income of $570,000 in 1981 on billings of $3,405,000. In 1980, it reported gross income of $390,000 on billings of $2,431,200. Volume in 1981 consisted of $70,000 in media and $3,335,000 in capitalized fees. In 1980, volume consisted of $30,000 in media and $2,401,200 in capitalized fees. Billings breakdown: Magazines 10%, point of sale 5%, direct mail 4%, other 81%. Employes: 12 in two offices. Phone: (617) 444-7033.

R.S.M. & K., New York, had gross income of $819,010 in 1981 on billings of $5,745,000. In 1980, it reported gross income of $741,000 on billings of $5,324,000. Volume in 1981 consisted of $1,985,000 in media, $539,000 in materials and services and $3,221,000 in capitalized fees. In 1980, volume consisted of $1,830,000 in media, $486,000 in materials and services and $3,008,000 in capitalized fees. Accounts gained: Harris Corp., Finkel Outdoor Products. Billings breakdown: Newspapers 6%, magazines 36%, radio 7%, spot tv 12%, business papers 37%, point of sale 1%, direct mail 1%. Employes: 14. Top execs: Leon Katz, chairman; Mel Mohr, president. Phone: (212) 759-7070.

Rathke Blair Kerns & Frost, Rockford, Il., reported gross income of $419,174 in 1981 on billings of $4,001,052. In 1980, it reported gross income of $297,178 on billings of $2,938,198. Volume in 1981 consisted of $861,305 in media, $343,856 in materials and services and $2,795,891 in capitalized fees. In 1980, volume consisted of $703,665 in media, $252,356 in materials and services and $1,982,177 in capitalized fees. Accounts gained: Alprod Inc., Caron Intl. (projects), GC Electronics, Gallery of Homes (Yellow Pages-Atlanta), Walter Norris Corp., Belvedere Co., Clock Tower Inn. Lost: Water Works, Clausing Machine Tools. Billings breakdown: Newspapers 10%, radio 10%, spot tv 20%, outdoor 5%, business papers 20%, farm publications 5%, direct mail 5%, other (packaging/collateral) 25%. Employes: 15 in one office. Top execs: Roger H. Rathke, president; Jack Frost, exec vp; Brian Blair, Webb Kerns, vps. Phone: (815) 226-9130.

Edward Ratner Advertising, Greenbrae, Cal., had estimated gross income of $150,000 in 1981 on billings of $1,000,000. No figures were reported for 1980. Volume in 1981 consisted of $800,000 in media and $200,000 in materials and services. Accounts gained: Tiger Inc., Kwatro Premiums. Lost: None. Billings breakdown: Newspapers 20%, magazines 25%, radio 35%, spot tv 10%, business papers 10%. Employes: Three in one office. Top exec: Edward Ratner, president. Phone: (415) 461-3510.

Reeds & Farris Advertising, Los Angeles, had estimated gross income of $868,000 in 1981 on billings of $5,788,830. The agency did not report for 1980. Volume consisted of $926,000 in media and $4,862,830 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 30%, radio 5%, business papers 45%, direct mail 10%. Employes: 15 in one office. Phone: (714) 297-3355.

Reid Advertising & Public Relations, Newport Beach, Cal., had estimated gross income of $450,000 in 1981 on billings of $3,025,000. In 1980, it had estimated gross income of $425,000 on billings of $2,850,000. Volume breakout was not provided. Accounts gained: Sunrise Co., Foley Construction Co., Taylor Woodrow Homes California Ltd. Lost: Broadmoor Homes, JIL America. Billings breakdown: Newspapers 40%, magazines 25%, radio 20%, outdoor 10%, direct mail 5%. Employes: Seven in one office. Top exec: John M. Reid, president. Phone: (714) 955-2414.

Renner/Burns Advertising, Minneapolis, had estimated gross income of $270,000 in 1981 on billings of $1,800,000. In 1980, it had estimated gross income of $195,000 on billings of $1,300,000. Volume in both years was all in media. Accounts gained: Loonam Computer Service, Integrated Micro Circuits, Northern States Power (Wisconsin), Tooltech, Aladdin Intl, Lennox, Minnkota Dealers. Lost: Minnesota Protective Life Insurance. Billings breakdown: Newspapers 16%, magazines 45%, radio 2.5%, spot tv 25%, outdoor 2.5%, direct mail 4%, other 5%. Employes: Eight in one office. Top execs: Duane H. Renner, president; Jerome E. Burns, vp. Phone: (612) 831-7725.

Reynolds-Sullivan Advertising, Mobile, Ala., had gross income of $300,000 in 1981 on billings of $3,000,000. In 1980, it reported gross income of $250,000 on billings of $1,950,000. Volume in 1981 consisted of $1,400,000 in media, $400,000 in materials and services and $1,200,000 in capitalized fees. In 1980, volume consisted of $1,000,000 in media, $250,000 in materials and services and $700,000 in capitalized fees. Accounts gained: First National Bank of Atmore, U-J Chevrolet of Mobile, Villa Mercy of Daphne, WKRG-TV of Mobile for special projects. Lost: Richard Kelley Chevrolet. Billings breakdown: Newspapers 20%, magazines 5%, radio 20%, spot tv 25%, outdoor 10%, business papers 15%, point of sale 2%, direct mail 3%. Employes: Nine. Top execs: Richard C. Sullivan, president; Bruce Reynolds, exec vp. Phone: (205) 476-6677.

Rhea & Kaiser Advertising, Oak Brook, Il., had estimated gross income of $650,000 in 1981 on billings of $4,375,000. It did not report for 1980 or break out volume. Accounts gained: Intl. Harvester (projects), Monsanto Agricultural Products (projects), TRW-Eagle Controls division, Compuletter, Growmark Inc. (feed, seed, petroleum, fertilizer), Nor-Am Agricultural Products. Lost: White Farm Equipment Co. (resigned), White Outdoor Products. Billings breakdown: Radio 10%, business papers 5%, farm publications 65%, direct mail 15%, other 5%. Employes: Eight in one office. Top exec: John V. Kaiser, exec vp-creative director. Phone: (312) 654-3344.

Riallus Advertising, Pittsburgh, reported gross income of $290,000 and net income of $77,000 in 1981 on billings of $1,934,300. In 1980, it reported gross income of $237,000 and net income of $29,000 on billings of $1,511,400. Volume in 1981 consisted of $500,000 in media, $333,750 in materials and services and $1,100,550 in capitalized fees. In 1980, volume consisted of $400,000 in media, $210,960 in materials and services and $900,450 in capitalized fees. Employes: Seven in one office. Top execs: C.L. Pennell, president; R.A. Kapp, vp-creative director. Phone: (412) 343-8855.

Ribnick & Associates, Houston, had estimated gross income of $200,000 on billings of $850,000 for both 1981 and 1980. No volume breakout was provided. Accounts gained: Lebco Inc., Helfman Ford, River Oaks Chrysler, Scott Energy Corp., Hawaii Properties, Texas Bare Boat Charters, Tex-Star Management Co. Top exec: Jerry J. Ribnick, president. Phone: (713) 526-3089.

Richardson, Thomas & Bushman, Fort Washington, Pa., reported gross income of $831,200 in 1981 on billings of $5,625,550. In 1980, it reported gross income of $679,438 on billings of $4,531,198. Volume in 1981 consisted of $2,028,811 in media, $821,826 in materials and services and $2,774,913 in capitalized fees. In 1980, volume consisted of $1,662,960 in media, $687,722 in materials and services and $2,180,516 in capitalized fees. Accounts gained: I.U. Conversion Systems, Nilfisk of America, Betz Entec Inc. Lost: Armotek Inc., Mattheyprint Inc. Billings breakdown: Newspapers 1%, magazines 35%, business papers 2%, direct mail 9%, other 53%. Employes: 18 in one office. Top exec: Charles W. McCann, president. Phone: (215) 643-2220.

Richmond Advertising/Reinhold Associates, New York, had gross income of $466,903 in 1981 on billings of $4,569,648. In 1980, it reported gross income of $493,376 on billings of $4,356,515. Volume in 1981 consisted of $3,075,428 in media and $1,494,220 in capitalized fees. In 1980, volume consisted of $2,643,833 in media and $1,712,682 in capitalized fees. Billings breakdown: Newspapers 28%, magazines 3%, supplements 1%, radio 22%, spot tv 3%, business papers 32%, transit 11%. Employes: 12 in one office. Top exec: Louis E. Reinhold, president. Phone: (212) 685-9000.

Robwood Associates, Hudson, N.H., reported gross income of $605,000 in 1981 on billings of $4,333,250. In 1980, it reported gross income of $575,000 on billings of $3,991,500. Volume in 1981 consisted of $875,000 in media, $290,000 in materials and services and $3,168,250 in capitalized fees. In 1980, volume consisted of $725,000 in media, $265,000 in materials and services and $3,001,500 in capitalized fees. Accounts gained: K.J. Quinn Co., Neslab Inc., North American Technologies, Blanchard Industries. Lost: Vermont Research Corp., Greenerd Press & Machine Corp. Billings breakdown: Newspapers 15%, magazines 35%, radio 5%, spot tv 5%, business papers 25%, point of sale 10%, direct mail 5%. Employes: 11 in one office. Phone: (603) 882-8115.

E.H. Rogers & Co., Los Angeles, had estimated gross income of $815,000 in 1981 on billings of $5,460,000. In 1980, it had estimated gross income of $780,000 on billings of $5,200,000. Volume in 1981 consisted of $5,040,000 in media and $420,000 in materials and services. In 1980, volume consisted of $4,800,000 in media and $400,000 in materials and services. Billings breakdown: Newspapers 5%, magazines 20%, radio 35%, outdoor 15%, business papers 20%, direct mail 5%. Employes: Six in one office. Top exec: E.H. Rogers Jr., president. Phone: (213) 462-0771.

Roggers, French & Co., Irvine, Cal., reported gross income of $665,332, including $124,389 in non-U.S. income, in 1981 on billings of $4,435,550. In 1980, it reported gross income of $621,991, including $84,050 in overseas income, on billings of $3,525,336. U.S. volume in 1981 consisted of $2,255,600 in media, $228,300 in materials and services and $1,122,388 in capitalized fees. In 1980, U.S. volume consisted of $2,155,354 in media, $502,646 in materials and services and $426,880 in capitalized fees. Billings volume abroad in 1981 totaled $829,262. It consisted of $325,650 in media, $50,052 in materials and services and $453,560 in fees. In 1980, volume abroad totaled $440,456. It consisted of $300,350 in media, $20,046 in materials and services and $120,060 in fees. Accounts gained: Mohawk Data Sciences, Parise & Sons, Old Mans Airplane Co., Technology Marketing Inc. Lost: Pinseeker Golf, Suzuki Intl. Overseas, the agency picked up the account of Boeing Arnprior division. Billings breakdown: Newspapers 5%, magazines 45%, radio 15%, network tv 5%, spot tv 10%, outdoor 5%, transit 5%, direct mail 10%. Employes: 19 in three offices. Top execs: William C. French, president; David McMichael, Carol Malek, Jane Roggers, vps. Phone: (714) 557-0642.

Rozier, Sumner & Berry, Oklahoma City, reported gross income of $257,794 in 1981 on billings of $1,625,736. In 1980, it reported gross income of $309,885 on billings of $2,071,244. Volume in 1981 consisted of $1,195,080 in media, $174,415 in materials and services and $256,241 in capitalized fees. In 1980, volume consisted of $1,667,497 in media, $185,331 in materials and services and $218,416 in capitalized fees. Accounts gained: Oklahoma S&L Assn., Lanex drilling rig contractor, Beacon Energy, Ancel Earp, McEldowney & McWilliams business insurance. Lost: KWTV Oklahoma City (CBS), Loves Country Stores. Billings breakdown: Newspapers 14%, magazines 9%, radio 26%, spot tv 48%, outdoor 1%, direct mail 2%. Employes: Eight in one office. Top exec: Peter B. Rozier, president. Phone: (405) 848-8631.

Rubicom Associates, Bannockburn, Il., reported gross income of $235,820 in 1981 on billings of $1,561,920. In 1980, it reported gross income of $173,350 on billings of $1,162,340. Volume in 1981 consisted of $546,000 in media, $375,600 in materials and services and $640,320 in capitalized fees. In 1980, volume consisted of $402,000 in media, $213,400 in materials and services and $546,940 in capitalized fees. Accounts gained: Manu-Tronics, Teledyne Densco. Billings breakdown: Newspapers 4%, business papers 71%, point of sale 10%, direct mail 15%. Employes: Eight in one office. Top execs: Ronald Rubin, president; Todd B. Vanslyke, exec vp. Phone: (312) 295-7700.

SEM Communications, Clayton, Mo., reported gross income of $109,800 and net income of $28,800 in 1981 on billings of $800,000. In 1980, it reported gross income of $91,500 and net income of $22,500 on billings of $666,700. Volume in 1981 consisted of $600,000 in media, $120,000 in materials and services and $80,000 in capitalized fees. In 1980, volume consisted of $540,000 in media, $60,000 in materials and services and $66,700 in capitalized fees. Accounts gained: Spielberg Mfg., Westmoreland Glass, DGD Porcelains, Missouri Coin Jewelry, Gideon-Anderson Wood Products, Weber Construction, Dobbs Tire Centers. Lost: Spaulding Racquetball Clubs, Leonard Berin suits (resigned). Billings breakdown: Newspapers 10%, magazines 5%, radio 30%, spot tv 35%, outdoor 5%, business papers 15%. Employes: Five in one office. Top exec: Steven E. Musen, president. Phone: (314) 725-3100.

S.M. Sachs & Associates, New York, had gross income of $210,000 and net income of $25,000 in 1981 on billings of $1,534,000. In 1980, it reported gross income of $190,000 on billings of $1,242,000. Volume in 1981 consisted of $600,000 in media, $100,000 in materials and services and $834,000 in capitalized fees. In 1980, volume consisted of $500,000 in media, $75,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Armin Corp. and Globe Extracts Co. Billings breakdown: Newspapers 35%, business papers 60%, point of sale 1%, direct mail 4%. Top execs: Stuart M. Sachs, chairman; Robert Zises, president. Employes: Seven. Phone: (212) 986-2565.

Sader & Ackerman, New York, reported gross income of $203,000 on billings of $3,054,000 for its first six months of operation following its founding in mid-1981. For the period, its volume consisted of $950,000 in media, $750,000 in materials and services and $1,354,000 in capitalized fees. Accounts gained: *Pro!* magazine, National Football League Superpro Club, Science '82 (special projects). Lost: None. Billings breakdown: Newspapers 2%, magazines 20%, radio 2%, spot tv 10%, cable tv 10%, direct mail 48%, other 8%. Employes: Seven in one office. Top execs: Archie Sader, president; Herbert Ackerman; Richard Povill, vps. Phone: (212) 370-1800.

Sampson & Cranor, New York, had gross income estimated at $270,000 in 1981 on billings of $2,250,000. In 1980, it had gross income estimated at $180,000 on billings of $1,500,000. Volume in 1981 consisted of $1,800,000 in media and $450,000 in materials and services. In 1980, volume consisted of $1,200,000 in media and $300,000 in materials and services. Accounts gained: RKO Century Theatres and New American Films. Billings breakdown: Newspapers 65%, magazines 5%, radio 10%, spot tv 10%, outdoor 2%, business papers 3%, point of sale 3%, direct mail 2%. Employes: 14. Phone: (212) 394-8198.

Sawyer Advertising, Gainesville, Ga., reported gross income of $917,764 in 1981 on billings of $8,746,788. In 1980, it reported gross income of $724,933 on billings of $6,031,559. Volume in 1981 consisted of $2,866,564 in media, $872,401 in materials and services and $5,007,823 in capitalized fees. In 1980, volume consisted of $1,815,834 in media, $1,156,530 in materials and services and $3,059,195 in capitalized fees. Accounts gained: Federal Intermediate Credit Banks of Louisville. Lost: Irvington-Moore/U.S. Forest Products Inc. Billings breakdown: Newspapers 2%, radio 12%, spot tv 18%, outdoor 2%, business papers 31%, farm publications 30%, point of sale 2%, direct mail 3%. Employes: 27 in one office. Top execs: L. Gordon Sawyer, chairman; Franklin C. Compton, president; Richard W. Riley, exec vp. Phone: (404) 532-6285.

R.C. Schade & Associates, New Paltz, N.Y., had gross income of $100,481 in 1981 on billings of $642,863. In 1980, it reported gross income of $77,534 on billings of $488,631. Volume in 1981 consisted of $313,105 in media, $81,401 in materials and services and $248,357 in capitalized fees. In 1980, volume consisted of $220,154 in media, $85,072 in materials and services and $183,405 in capitalized fees. Account gained: Efco Products. Billings breakdown: Business papers 100%. Employes: Two in one office. Top execs: Ronald C. Schade, president; Barbara Schade, exec-vp. Phone: (914) 255-5840.

Scharfberg & Associates, Jenkintown, Pa., had gross income of $965,000 in 1981 on billings of $6,450,000. In 1980, it reported gross income of $850,000 on billings of $6,175,000. Volume in 1981 consisted of $5,049,200 in media, $500,000 in materials and services and $900,800 in capitalized fees. In 1980, volume consisted of $4,900,000 in media, $400,000 in materials and services and $875,000 in capitalized fees. A subsidiary, Scharfberg & Associates, in Fort Lauderdale, Fla., is included in this summary. Accounts gained: Laver's Resort & Racquet Club, Pipers Glen, Atomic Tire, Arteka Development Corp., La Residence and Crystal Place. Lost: Minto Construction and Kaufman & Broad. Billings breakdown: Newspapers 20%, magazines 10%, radio 35%, spot tv 25%, outdoor 3%, business papers 5%, transit 2%. Top execs: Sheldon Scharfberg, president; Richard S. Menapace Jr., exec vp; David Levy, senior vp. Employes: 20 in two offices. Phone: (215) 224-2705.

Ralph Schiff Inc., Newton, Mass., had gross income estimated at $100,000 in 1981 on billings of $700,000. In 1980, it reported gross income of $52,000 on billings of $350,000. Accounts gained: American Cellophane & Plastic Films' Bag 'n Trash bags, Neptune Intl.'s waterbed-room furniture and Harvard Design's upholstered furniture. Lost: Century Sleep Products' waterbeds. Billings breakdown: Newspapers 10%, magazines 30%, spot tv 10%. Phone: (617) 969-6014.

Jerome H. Schmelzer & Associates, Cleveland, reported gross income of $179,000 and net income of $61,000 in 1981 on billings of $1,217,420. In 1980, it reported gross income of $117,000 and net income of $48,000 on billings of $806,260. Volume in 1981 consisted of $274,000 in media, $103,000 in materials and services and $840,420 in capitalized fees. In 1980, volume consisted of $204,000 in media, $82,000 in materials and services and $520,260 in capitalized fees. Accounts gained: Comvac Inc., Superior-Euclid Community Development Corp., Cleveland Tux, Jacobson & Co., Laurel Camera, Gary David Designs, Michael Dodge, CMC Corp., Sievers Security Corp., T&F Systems Inc. Lost: Bunce Brothers Inc. Billings breakdown: Newspapers 18%, magazines 16%, radio 20%, spot tv 19%, outdoor 2%, business papers 5%, direct mail 11%, other (collateral) 9%. Employes: Nine in one office. Top execs: Jerome H. Schmelzer, president; Philip S. White Jr., exec-vp. Phone: (216) 696-5550.

Ken Schmidt Co., Milwaukee, which merged with Reichert, Kenney, Scroggins in April, reported gross income of $899,913 in 1981 on billings of $5,080,103. In 1980, it reported gross income of $584,941 on billings of $3,388,084. Volume in 1981 consisted of $2,443,814 in media, $1,412,384 in materials and services and $1,223,905 in capitalized fees. In 1980, volume consisted of $1,412,700 in media, $871,979 in materials and services and $1,103,405 in capitalized fees. Accounts gained: American Hoechst Corp., Hoelon (wheat and barley), Complesal, Weasler Engineering. Lost: Nitragin Co. Billings breakdown: Newspapers 5%, magazines 10%, radio 2%, business papers 25%, farm publications 45%, point of sale 3%, other 10%. Employes: 28 in one office. Top execs: Ken Schmidt, president-treasurer; Cecil Hunt, exec vp; Raleigh Woolf, secretary. Phone: (414) 224-0210.

Michael W. Schoen Co., New York, had gross income of $39,000 in 1981 on billings of $260,000. It did not report 1980 results. Billings breakdown: Newspapers 5%, business papers 72%, point of sale 2%, direct mail 20%, other 1%. Top exec: Michael Schoen, president. Phone: (212) 886-8826.

Len Scholl & Co., Los Angeles, had estimated gross income of $470,000 in 1981 on billings of $3,162,708. In 1980, it had estimated gross income of $415,000 on billings of $2,798,971. Volume in 1981 consisted of $1,704,973 in media, $297,709 in materials and services and $1,160,026 in capitalized fees. In 1980, volume consisted of $1,137,000 in media, $372,400 in materials and services and $1,289,571 in capitalized fees. Accounts gained: Forty Carrots Inc. Billings breakdown: Newspapers 26%, magazines 7%, supplements 5%, radio 24%, spot tv 16%, outdoor 5%, business papers 5%, farm publications 2%, point of sale 3%, direct mail 1%, other 6%. Employes: 12 in one office. Top exec: Len Scholl, president. Phone: (213) 930-2515.

Sydney Schreiber Inc., Philadelphia, had gross income of $219,000 in 1981 on billings of $1,755,000. In 1980, it reported gross income of $156,000 on billings of $1,037,000. Volume in 1981 consisted of $626,000 in media, $333,000 in materials and services and $796,000 in capitalized fees. In 1980, volume consisted of $231,000 in media, $194,000 in materials and services and $612,000 in capitalized fees. Accounts gained: Resorts Intl., Sue Baseman, Cyklop Strapping, Dr. M. Ayes Dental Centers, Corrugated Services, Public Service Truck Renting and U.S. Domes. Lost: Deauville Hotel and Seaside Hotel. Billings breakdown: Newspapers 30%, magazines 43%, radio 5%, direct mail 22%. Top exec: Sydney Schreiber, president. Employes: Eight. Phone: (215) 545-2223.

Scott & Scott Advertising, Evanston, Il., reported gross income of $36,000 in 1981 on billings of $200,000. In 1980, it reported gross income of $40,000 on billings of $260,000. Billings breakdown: Newspapers 40%, magazines 10%, radio 20%, spot tv 20%, other 10%. Employes: Two in one office. Top exec: R.J. Scott, president. Phone: (312) 675-4714.

Selwyn-Simpson & Associates, Santa Rosa, Cal., had estimated gross income of $125,000 in 1981 on billings of $336,844. In 1980, it had estimated gross income of $115,000 on billings of $783,394. Volume in 1981 consisted of $30,633 in media, $95,777 in materials and services and $710,434 in capitalized fees. In 1980, volume consisted of $15,672 in media, $61,781 in materials and services and $783,394 in capitalized fees. Accounts gained: Union Family Benefits, Empire Dental Center, JGJ Financial Corp., Palm Drive Hospital, St. Rose Alcohol Recovery Center, Clearwater Children's Ranch. Lost: Sonoma County Medical Assn., Private Industry Council. Billings breakdown: Newspapers 34%, magazines 20%, radio 30%, network tv 2%, outdoor 2%, farm publications 10%, point of sale 0.5%, direct mail 1.5%. Employes: Four in one office. Top exec: Padi Selwyn-Simpson, president. Phone: (707) 525-9808.

Shaffer/MacGill & Associates, Chicago, reported gross income of $980,385 in 1981 on billings of $6,730,768. In 1980, it reported gross income of $932,124 on billings of $6,215,279. Volume in 1981 consisted of $3,226,649 in media, $919,690 in materials and services and $2,584,429 in capitalized fees. In 1980, volume consisted of $2,863,138 in media, $1,125,515 in materials and services and $2,226,626 in capitalized fees. Accounts gained: Ammco Tools, Grand Electronics, Ken Tucker Associates, Tenneco Automotive (co-op advertising). Billings breakdown: Newspapers 25%, magazines 25%, radio 10%, spot tv 15%, outdoor 5%, business papers 20%. Employes: 20 in one office. Top execs: Jerome B. Shaffer, Ken Karnstedt, Larry Heisler. Phone: (312) 467-0920.

Shaffer Shaffer Shaffer Inc., Cleveland, reported gross income of $285,000 in 1981 on billings of $2,133,450. In 1980, it reported gross income of $3,750 on billings of $51,680. Volume in 1981 consisted of $1,750,000 in media, $150,000 in materials and services and $233,450 in capitalized fees. In 1980, volume consisted of $23,800 in media, $1,200 in materials and services and $26,680 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 15%, supplements 5%, radio 15%, spot tv 15%, outdoor 10%, business papers 10%, transit 10%, point of sale 5%, direct mail 5%. Employes: Three in two offices. Top exec: Harry Gard Shaffer Jr., president-creative director. Phone: (216) 566-1188.

Sharp, Hartwig & Vladimir, Seattle, reported gross income of $360,910 in 1981 on billings of $1,988,003. In 1980, it reported gross income of $290,600 on billings of $1,251,805. Volume in 1981 consisted of $1,204,356 in media, $783,647 in materials and services and $783,647 in capitalized fees. In 1980, volume consisted of $699,073 in media, $552,732 in materials and services and $1,251,805 in capitalized fees. Figures include those of subsidiary SHV/Howard Broson Yellow Pages. Accounts gained: Citizens Federal S&L, Campbell Soup Restaurant (Pietro's Pizza), University Porsche/Audi, Simpak Vitamins, *Journal American*. Lost: Consolidated Restaurants. Billings breakdown: Newspapers 10%, magazines 10%, radio 20%, spot tv 15%, outdoor 5%, business papers 20%, point of sale 5%, direct mail 15%. Employes: 14 in one office. Top execs: David Sharp, president; Cynthia Hartwig, vp-creative director; Andy Vladimir, chairman; Bill Fritsch, vp-client services. Phone: (206) 282-6242.

Shaw Elliott Inc., New York, had gross income of $631,784 in 1981 on billings of $3,946,874. In 1980, it reported gross income of $610,187 on billings of $3,832,132. Volume in 1981 consisted of $745,000 in media, $1,374,294 in materials and services and $1,827,580 in capitalized fees. In 1980, volume consisted of $858,907 in media, $1,163,325 in materials and services and $1,809,900 in capitalized fees. Its subsidiaries, Cantin Hautau Elliott and Barmer Elliott Inc., are not included in its totals. Accounts gained: Diagnostic/Retrieval Systems, James Talcott Business Credit. Resigned: Osram. Billings breakdown: Newspapers 24%, magazines 6%, radio 2%, business papers 19%, direct mail 10%, other (brochures, audiovisual) 39%. Employes: 18 in one office. Top execs: Don Elliott, president; Bernie Hirsch, creative director. Phone: (212) 686-6452.

Sheehy & Knopf Inc., Louisville, reported gross income of $508,090 in 1981 on billings of $4,833,841. In 1980, it reported gross income of $676,952 on billings of $6,184,702. Volume in 1981 consisted of $3,692,680 in media, $164,433 in materials and services and $976,728 in capitalized fees. In 1980, volume consisted of $4,046,495 in media, $358,772 in materials and services and $1,779,435 in capitalized fees. Accounts gained: Pizzeria Uno, Ale 81, Kentucky Fried Chicken (special projects), Kentucky Wood Floors. Lost: Micro Mode. Billings breakdown: Newspapers 35%, magazines 5%, radio 11%, spot tv 47%, other 2%. Employes: 15 in one office. Top execs: William J. Sheehy, chairman; Paul R. Knopf, president. Phone: (502) 897-6411.

Sheffer & Peters Advertising, South Bend, Ind., formerly Communique Inc., reported gross income of $444,616 in 1981 on billings of $3,095,169. In 1980, it reported gross income of $431,351 on billings of $2,779,659. Volume in 1981 consisted of $408,100 in media, $227,587 in materials and services and $2,459,482 in capitalized fees. In 1980, volume consisted of $751,099 in media, $290,638 in materials and services and $1,737,922 in capitalized fees. Accounts gained: Wheel Horse Corp., Allied Moulded Products, A-C Valley Corp., Spra-Rite Corp., Kay Industries, Alpha Resources, Sports Promotions Inc. Lost: Indiana Cablevision, Waggoner's Tractor Barn, Ajusto Equipment Co. Billings breakdown: Newspapers 6%, magazines 28%, radio 6%, spot tv 55%, outdoor 5%. Employes: 15 in one office. Top execs: Richard D. Sheffer, chairman-ceo; Victor E. Peters, president. Phone: (219) 272-5810.

Shipley Associates, Wilmington, Del., reported gross income of $308,000 in 1981 on billings of $3,709,360. In 1980, it reported gross income of $278,000 on billings of $3,354,260. Volume in 1981 consisted of $1,540,000 in media, $115,000 in materials and services and $2,054,360 in capitalized fees. In 1980, volume consisted of $1,400,000 in media, $100,000 in materials and services and $1,854,260 in capitalized fees. Accounts gained: Goldey Beacom College, The Greenery Too-Restaurant, Kent General Hospital, Diamond McCune, Claremont School, Port of Wilmington, Handler-Liddicott Corp. Billings breakdown: Newspapers 38%, magazines 4%, radio 26%, network tv 9%, outdoor 5%, business papers 4%, transit 1%, direct mail 2%, other (collateral) 11%. Employes: Eight in one office. Phone: (302) 652-3051.

Slesinger, Yaranoff & Associates Advertising, Phoenix, had estimated gross income of $615,000 in 1981 on billings of $4,100,300. In 1980, it had estimated gross income

Gross income under $1,000,000

of $550,000 on billings of $3,721,940. Volume in 1981 consisted of $3,200,000 in media, $300,000 in materials and services and $600,300 in capitalized fees. In 1980, volume consisted of $2,900,000 in media, $275,000 in materials and services and $546,940 in capitalized fees. Accounts gained: Neils Detroit Diesel, Ramada Renaissance Hotels, Sun Valley Bus Lines. Billings breakdown: Newspapers 25%, magazines 25%, radio 1%, spot tv 5%, outdoor 1%, business papers 5%, direct mail 1%, other (collateral) 37%. Employes: 17 in one office. Top execs: Christo D. Yaranoff, president-creative director; Henry S. Slesinger, exec vp. Phone: (602) 257-0446.

Smelkinson, Cerrati & Co., Hilton Head Island, S.C., had gross income of $284,000 and net income of $50,760 in 1981 on billings of $1,981,515. In 1980, it reported gross income of $215,000 and net income of $20,000 on billings of $1,460,000. Volume in 1981 consisted of $322,372 in media, $241,901 in materials and services and $1,417,242 in capitalized fees. In 1980, volume consisted of $204,000 in media, $256,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Moss Creek Plantation, Atlantic Bank & Trust Co., Christiana Southeast Inc., Lighthouse Point Beach Club, Carswell Insurance Group. Lost: Reynolds Aluminum Recycling. Billings breakdown: Newspapers 45%, magazines 25%, radio 5%, outdoor 5%, direct mail 10%, other 10%. Employes: 10 in one office. Top execs: Marsha Smelkinson, president; Karen Cerrati, exec vp; James Warren, vp. Phone: (803) 785-5038.

Smith Advertising & Associates, Fayetteville, N.C., reported gross income of $398,000 in 1981 on billings of $3,050,000. In 1980, it reported gross income of $450,000 on billings of $2,112,000. Volume in 1981 consisted of $900,000 in media, $350,000 in materials and services and $1,800,000 in capitalized fees. In 1980, volume consisted of $450,000 in media, $595,000 in materials and services and $350,000 in capitalized fees. Accounts gained: Woodlake Properties, Foxfire Inn and Country Club, The Myrtle Beach Hilton Hotel, Sands Investments, Outlet Park (Myrtle Beach, S.C.), Chicora Development Corp., Oristo (Edisto Island), Belvedere Plantation, The Peddler Restaurants. Lost: Woodlake Properties, Foxfire Inn and Country Club. Billings breakdown: Newspapers 30%, magazines 20%, radio 10%, spot tv 10%, outdoor 20%, other 10%. Employes: 15 in two offices. Top exec: Gary T. Smith, president. Phone: (919) 323-0920.

Smith & Yehle, Kansas City, reported gross income of $783,575 in 1981 on billings of $5,226,445. In 1980, it reported gross income of $715,868 on billings of $4,774,840. Volume in 1981 consisted of $2,613,222 in media, $1,358,876 in materials and services and $1,254,347 in capitalized fees. In 1980, volume consisted of $2,387,420 in media, $1,336,955 in materials and services and $1,050,465 in capitalized fees. Accounts gained: American Charter, Midwest Group of United Telephone Systems, Pitman Mfg., Olsen Industries. Lost: None. Billings breakdown: Newspapers 12%, magazines 9%, supplements 1%, radio 20%, spot tv 33%, outdoor 5%, direct mail 11%, other (collateral, p.o.s.) 9%. Employes: 17 in one office. Top execs: Karl J. Yehle, Cotton Smith, A. John Rylee. Phone: (816) 842-4900.

Soderberg MacEwan, Seattle, had gross income of $667,032 and a net loss of $14,664 in 1981 on billings of $5,234,441. In 1980, it reported gross income of $721,849 and net income of $78,197 on billings of $5,349,784. Volume in 1981 consisted of $2,159,981 in media, $1,144,851 in materials and services and $1,929,609 in capitalized fees. In 1980, volume consisted of $2,431,869 in media, $1,060,275 in materials and services and $1,857,640 in capitalized fees. Accounts gained: Puget Sound Subaru Dealers, Friedlander & Sons, Meadows Airfreight. Lost: Sherwood & Roberts. Billings breakdown: Newspapers 24.5%, magazines 5%, radio 9%, spot tv 26%, transit 0.5%, point of sale 35%. Employes: 19. Top exec: P. Stanley Soderberg, president. Phone: (206) 285-2070.

Sorensen/Evans Advertising, Dallas, had estimated gross income of $113,000 in 1981 on billings of $753,740. Volume in 1981 consisted of $612,000 in media and $146,740 in capitalized fees. The agency did not report for 1980. Accounts gained: University Computing Co. manufacturing systems division, Pharmacom and BEI Electronics. Billings breakdown: Newspapers 10%, magazines 60%, supplements 5%, direct mail 5%, other 20%. Employes: Four in one office. Top exec: Robert Sorensen, president. Phone: (214) 661-8046.

Spencer, Bennett, Nowak, Seekonk, Mass., had gross income of $750,000 in 1981 on billings of $5,000,000. In 1980, it reported gross income of $450,000 on billings of $3,000,000. It did not break out its volume for either year. Accounts gained: Grinnell Fire Protection, General Signal's BIF division, General Electric's wiring devices department, Reed Plastics, Bloch/New England, LMV Corp., IR-Onics. Billings breakdown: Newspapers 5%, magazines 10%, radio 5%, business papers 60%, direct mail 5%, other 15%. Employes: 19 in one office. Top execs: Sheldon Spencer, chairman; Edward Nowak Jr., president; Richard Donnelly, exec vp. Phone: (617) 336-5801.

Starr Advertising, Northville, Mich., reported gross income of $694,100 in 1981 on billings of $7,494,647. In 1980, it reported gross income of $736,111 on billings of $7,955,267. Volume in 1981 consisted of $1,520,000 in media, $1,345,000 in materials and services and $4,629,647 in capitalized fees. In 1980, volume consisted of $1,183,407 in media, $1,862,000 in materials and services and $4,909,860 in capitalized fees. Accounts gained: Auto Specialties jack division, Kent-Moore tool division, Interon Industries, Korotrol products. Lost: Retirement Funding, Cadillac Plastic, Otto Durr Inc. Billings breakdown: Newspapers 4%, magazines 31%, radio 6%, spot tv 4%, outdoor 1%, business papers 2%, farm publications 1%, point of sale 24%, direct mail 21%, other 6%. Employes: 24 in one office. Top execs: Henry A. Starr, president; Richard A. Starr, senior vp and controller; James E. Fisher, exec vp. Phone: (314) 348-3900.

Steen Advertising, Lynbrook, N.Y., reported gross income of $462,000 in 1981 on billings of $3,646,000. In 1980, it reported gross income of $482,000 on billings of $3,451,000. Volume in 1981 consisted of $3,300,000 in media, $106,000 in materials and services and $240,000 in capitalized fees. In 1980, volume consisted of $3,222,000 in media, $83,000 in materials and services and $146,000 in capitalized fees. Accounts gained: Swingbox Foto System of Switzerland, DuArt Video Xenon Industries, Freeport Medical Group. Lost: None. Billings breakdown: Newspapers 11%, magazines 60%, radio 4%, network tv 2%, spot tv 6%, business papers 9%, point of sale 1%, direct mail 7%. Employes: 12 in two offices. Top exec: Norman Steen, president-creative director. Phone: (212) 525-3600.

Stiefel/Raymond Advertising, New York, had gross income of $2,600,000 in 1981 on billings of $14,000,000, all in media. In 1980, it reported gross income of $2,250,000 on media billings of $11,800,000. Accounts gained: Apollinaris Bottled Water, Bahlsen cookies, Carr's table water crackers, Wasa crisp bread, Grundig radio-tv, Schott America, Sempertt Tires, Bruno Magli shoes, Hempel's marine paint, Cost Saver Tours. Lost: Robert Reid Travel. Billings breakdown: Newspapers 12%, magazines 30%, radio 21%, spot tv 32%, business papers 5%. Employes: 55 in one office. Top execs: Herbert J. Stiefel, president-chairman; John Harris, exec vp; Warren Goodwin, senior vp; Karlfried Nordmann, marketing division president. Phone: (212) 889-1900.

Stiegler & Wells, Allentown, Pa., had gross income of $793,100 in 1981 on billings of $5,004,076. In 1980, it reported gross income of $508,480 on billings of $3,350,578. Volume in 1981 consisted of $4,185,000 in media and $819,076 in capitalized fees. In 1980, volume consisted of $2,861,000 in media and $489,578 in capitalized fees. Accounts gained: Chopper Industries, First Valley Bank, J.T. Baker Chemical Co., Bonney Forge division of Gulf & Western, Follett Corp., Judson Infrared, SI Handling Systems and Teleflex Inc.-North Wales division. Lost: A. Rifkin Co. Billings breakdown: Newspapers 34%, magazines 8%, radio 15%, spot tv 4%, outdoor 5%, direct mail 8%, other 26%. Top execs: Ernie G. Stiegler, chairman; Daniel C. Wells, president; Ernie R. Stiegler, exec vp, Michael J. Chomik, senior vp. Employes: 28. Phone: (215) 434-6166.

The Stimpson Associates, Seattle, reported gross income of $790,037 and net income of $56,237 in 1981 on billings of $6,185,632. In 1980, it reported gross income of $703,114 and net income of $89,869 on billings of $5,650,065. Volume in 1981 consisted of $2,114,484 in media, $368,171 in materials and services and $3,702,977 in capitalized fees. In 1980, volume consisted of $2,383,406 in media, $287,362 in materials and services and $2,969,297 in capitalized fees. Accounts gained: Continental Mills (Krusteaz), Anacortes Marina, Hilton Seafoods, Merlino's Macaroni Co. Lost: Mr. Steak of NW, Space Needle Restaurant, Aberdeen Federal S&L. Billings breakdown: Newspapers 24%, magazines 16%, radio 19%, spot tv 38%, outdoor 2%, transit 1%. Employes: 21 in one office. Phone: (206) 622-0272.

Stone, August & Co., Birmingham, Mich., reported gross income of $831,760 in 1981 on billings of $6,021,000. It did not report for 1980. Volume in 1981 consisted of $3,525,000 in media, $583,000 in materials and services and $1,913,000 in capitalized fees. Accounts gained: American Federal Savings, ANR Freight Systems, Hite Photo, Sherman Shoes, United Michigan Corp., Weight Watchers Inc., Wells Freight & Cargo. Lost: The Center Cos., Delta Dental. Billings breakdown: Newspapers 59%, magazines 1%, radio 15%, spot tv 24%, outdoor 1%. Employes: 19 in one office. Top execs: Ronald Stone, James August, Norman Prady. Phone: (313) 646-9200.

Storey, Berman & Freer, Chicago, reported gross income of $462,900 in 1981 on billings of $3,104,327. In 1980, it reported gross income of $235,500 on billings of $1,530,000. Volume in 1981 consisted of $1,500,000 in media, $950,000 in materials and services and $654,327 in capitalized fees. It did not break down volume in 1980. Accounts gained: G.J. Aigner Co., Liberty Savings, Martin Yale Industries. Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, radio 25%, spot tv 15%, other (collateral) 30%. Employes: Nine in one office. Top execs: Robert A. Berman, Jane Storey, William B. Freer, directors. Phone: (312) 822-9715.

Stral Advertising, Chicago, reported gross income of $570,000 in 1981 on billings of $3,800,000. In 1980, it reported gross income of $460,000 on billings of $3,350,500. Volume in 1981 consisted of $1,390,000 in media, $1,165,000 in materials and services and $1,245,000 in capitalized fees. In 1980, volume consisted of $1,290,000 in media, $960,000 in materials and services and $1,100,500 in capitalized fees. Accounts gained: Borg-Warner Themoelectrics, Ohmite Mfg. Lost: Oak CATV. Billings breakdown: Magazines 5%, business papers 90%, direct mail 5%. Employes: 14 in one office. Top execs: Harold M. Stral, president; Laurence A. Kaufman, exec vp. Phone: (312) 467-1323.

Strother & Faltis, Dundee, Il., reported gross income of $510,000 in 1981 on billings of $2,975,000. In 1980, it reported gross income of $441,000 on billings of $2,450,000. Volume in 1981 consisted of $1,963,500 in media and $1,011,500 in materials and services. In 1980, volume consisted of $1,592,500 in media and $857,500 in materials and services. Accounts gained: American Crayon Co., Merkle-Korff, Apollo Metals. Lost: Wilton Packaging. Billings breakdown: Newspapers 10%, magazines 85%, direct mail 5%. Employes: 10 in one office. Top execs: Dennis J. Faltis, president; Bruce A. Strother, vp. Phone: (312) 428-4300.

The Summit Group, Norfolk, Va., had estimated gross income of $290,000 in 1981 on billings of $1,927,300. In 1980, it had estimated gross income of $180,000 on billings of $1,177,150. In 1981, volume consisted of $470,000 in media, $190,000 in materials and services and $1,267,300 in capitalized fees. In 1980, volume consisted of $130,000 in media, $80,000 in materials and services and $967,150 in capitalized fees. Accounts gained: Windham Investments Corp., Econo-Travel Motor Hotel Corp., Harvey Lindsay & Co., Atlantic National Bank, Peabody Inc., Seaward Marine Services, Col-Dra, Holiday Beach Resorts, Royal d'Iberville Hotel & Convention Center, Hilton Hotel/Pensacola, Jonathan Corp. Billings breakdown: Newspapers 10%, magazines 40%, radio 5%, spot tv 5%, outdoor 20%, direct mail 20%. Employes: 12 in one office. Top execs: Harry Padgett, president; J. Edward Watson III, exec vp. Phone: (804) 625-1677.

Supermedia, New York, had estimated gross income of $330,000 in 1981 on billings of $2,200,000. In 1980, estimated gross income was $240,000 on billings of $1,600,000. Volume in 1981 consisted of $1,200,000 in media and $1,000,000 in materials and services. It did not break out its 1980 volume. Accounts gained: Seruchi sportswear, Soundesign stereos, Bi-Lite systems, Gibraltar transmissions. Billings breakdown: Spot tv 100%. Employes: Nine in one office. Top exec: Sheldon Richman, president. Phone: (212) 582-9600.

Charles Sweeney & Associates, Los Angeles, reported gross income of $341,439 and net income of $30,796 in 1981 on billings of $2,055,873. In 1980, it reported gross income of $302,494 and net income of $26,270 on billings of $1,893,566. Volume in 1981 consisted of $1,160,775 in media, $349,526 in materials and services and $545,572 in capitalized fees. In 1980, volume consisted of $1,134,922 in media, $232,802 in materials and services and $525,842 in capitalized fees. Accounts gained: U.S. Uniforms Inc., Southern California Presbyterian Homes. Lost: Tokina Optical Corp. (lost consumer account, but retained trade). Billings breakdown: Newspapers 10%, magazines 60%, radio 5%, business papers 20%, point of sale 5%. Employes: Six in one office. Top execs: Charles Sweeney president; Sally Wilson, creative director. Phone: (213) 386-5050.

TDM Advertising, Oak Brook, Il., reported gross income of $310,000 in 1981 on billings of $2,747,200. In 1980, it reported gross income of $145,000 on billings of $1,416,950. Volume in 1981 consisted of $180,000 in media, $1,500,000 in materials and services and $1,067,200 in capitalized fees. In 1980, volume consisted of $600,000 in media, $250,000 in materials and services and $566,950 in capitalized fees. Accounts gained: Natl. Easter Seal Society, Home Can Corp., Mid America Federal S&L, Madda Intl. Metals, Church League of America, Republican Party of Wisconsin, CNA Insurance Cos., Chicago Lung Assn., Stuart McGuire Co., Hart Industries. Lost: Rubin Response Services (resigned), Pheasant Run Resorts, Hawthorne Hills (resigned). Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, direct mail 70%, other 10%. Employes: 10 in one office. Top execs: G. Jack Haney, president; Michael R. Hauert, exec vp. Phone: (312) 789-2880.

Tandem Inc., Pittsburgh, had estimated gross income of $155,000 in 1981 on billings of $1,031,022. In 1980, it had estimated gross income of $130,000 on billings of $880,961. No volume breakout was provided. Accounts gained: Consolidation Coal Co., Planning Dynamics Inc., Quinn, Watson & Associates, Vollmer of America Corp. Lost: Findlay Refractories, Precision-Kidd Steel Co., Toyad Corp. Employes: Nine in one office. Top execs: Lowell T. Brown, president; Donald M. Smith, vp. Phone: (412) 391-9240.

Ira Thomas Associates, Youngstown, O., reported gross income of $813,566 in 1981 on billings of $5,835,874. In 1980, it reported gross income of $751,901 on billings of $5,443,367. Volume in 1981 consisted of $2,076,294 in media, $672,755 in materials and services and $3,086,825 in capitalized fees. In 1980, volume consisted of $1,277,605 in media, $391,884 in materials and services and $3,773,878 in capitalized fees. Figures include ITA/Pittsburgh. Accounts gained: Marlboro Mfg., Salem China, Gimbels-Pittsburgh. Lost: The Pollock Co., Rogers Bros., Cosmicoat Inc. Billings breakdown: Newspapers 2%, radio 1%, business papers 72%, direct mail 25%. Employes: 25 in two offices. Top exec: Ira D. Thomas, president. Phone: (216) 793-3000.

Thompson Torchia & Dymond, Charlotte, N.C., reported gross income of $600,000 in 1981 on billings of $4,517,100. In 1980, it reported gross income of $475,000 on billings of $3,529,010. Volume in 1981 consisted of $3,300,000 in media, $350,000 in materials and services and $867,100 in capitalized fees. In 1980, volume consisted of $2,500,000 in media, $342,000 in materials and services and $687,010 in capitalized fees. Accounts

gained: WBTV, Greenwood Packing Co. Billings breakdown: Newspapers 15%, radio 24%, spot tv 60%, outdoor 1%. Employes: 14 in one office. Top exec: Joseph F. Thompson, president. Phone: (704) 333-8821.

Thorwald & Haresnape, Eugene, Ore., reported gross income of $92,102 in 1981 on billings of $939,596. In 1980, it reported gross income of $133,442 on billings of $907,980. Volume in 1981 consisted of $739,816 in media, $114,084 in materials and services and $85,696 in capitalized fees. In 1980, volume consisted of $525,641 in media, $225,274 in materials and services and $157,065 in capitalized fees. Billings breakdown: Newspapers 10%, radio 30%, network tv 50%, point of sale 5%, other 5%. Employes: Six in one office. Top execs: Larry Haresnape, Stephen Thorwald. Phone: (503) 687-1153.

Throckmorton/Zolfo Associates, New York, had estimated gross income of $670,000 in 1981 on billings of $4,461,000. In 1980 it had estimated gross income of $525,000 on billings of $3,500,000. Volume in 1981 consisted of $180,000 in media, $139,000 in materials and services and $4,142,000 in capitalized fees. In 1980, volume consisted of $320,000 in media, $380,000 in materials and services and $2,800,000 in capitalized fees. Accounts gained: Current Inc., Macmillan Book Clubs Inc., *U.S. News & World Report*, New York Zoological Society, Campaign Communications Institute of America Inc., *On Cable* magazine. Lost: *Next* magazine, Davis Publications, *Teacher Magazine*. Billings breakdown: Magazines 20%, radio 5%, cable tv 5%, direct mail 70%. Employes: 10 in one office. Phone: (212) 689-9230.

Tobias Associates, New York, had estimated gross income of $465,000 in 1981 on billings of $3,126,100. In 1980, it had estimated gross income of $335,000 on billings of $2,235,700. Volume in 1981 consisted of $925,000 in media and $2,201,100 in capitalized fees. In 1980, volume consisted of $835,000 in media and $1,400,700 in capitalized fees. Accounts gained: Pavailler Machinery Sales Co. Billings breakdown: Newspapers 40%, magazines 60%. Employes: Five in one office. Top exec: Elliott Gilbert, president. Phone: (212) 867-5464.

Jerre R. Todd & Associates, Fort Worth, had estimated gross income of $810,000 in 1981 on billings of $5,389,307. In 1980, it reported gross income of $711,292 on billings of $4,743,815. Volume in 1981 consisted of $881,975 in media, $616,574 in materials and services and $3,890,758 in capitalized fees. In 1980, volume consisted of $657,341 in media, $345,298 in materials and services and $3,741,176 in capitalized fees. Accounts gained: Fort Worth Convention & Vistors Bureau, Texas Sports Hall of Fame. Lost: Tom Brown Oil Co. of Midland, Hyatt-Regency Hotel of Fort Worth, Arlington Telecable. Billings breakdown: Newspapers 21%, magazines 25%, radio 10%, spot tv 11%, outdoor 30%, other (Yellow Pages) 3%. Employes: 24 in one office. Top execs: Jerre R. Todd, president; William D. Benge, exec vp; Sue M. Countryman, senior vp-finance. Phone: (817) 335-2107.

Triad, Sylvania, O., reported gross income of $115,000 in 1981 on billings of $766,870. In 1980, it reported gross income of $78,300 on billings of $522,130. Volume in 1981 consisted of $305,000 in media, $55,000 in materials and services and $406,870 in capitalized fees. In 1980, volume consisted of $210,000 in media, $52,000 in materials and services and $260,130 in capitalized fees. Accounts gained: Consolidated Baking Corp., William Vaughan Co., Service Spring Corp. Lost: None. Billings breakdown: Newspapers 10%, magazines 40%, radio 3%, spot tv 5%, outdoor 5%, business papers 15%, farm publications 10%, point of sale 5%, direct mail 7%. Employes: Five in one office. Top execs: Bob Terry, Jan Robie. Phone: (419) 882-0044.

Tri-State Advertising, Warsaw, Ind., reported gross income of $503,798 in 1981 on billings of $2,783,932. In 1980, it reported gross income of $479,207 on billings of $2,680,632. Volume in 1981 consisted of $1,663,952 in media, $419,851 in materials and services and $700,129 in capitalized fees. In 1980, volume consisted of $1,584,932 in media, $577,012 in materials and services and $518,688 in capitalized fees. Accounts gained: Clausing Machine Tools. Lost: Durakool Inc. Billings breakdown: Newspapers 0.3%, magazines 4.2%, business papers 91.9%, farm publications 1%, direct mail 2.6%. Employes: 14 in one office. Phone: (219) 267-5178.

Vance-Mathews, Beaumont, Tex., had gross income of $780,045 in 1981 on billings of $6,540,200. In 1980, it reported gross income of $726,181 on billings of $5,756,070. Volume in 1981 consisted of $3,204,540 in media, $771,406 in materials and services and $2,564,254 in capitalized fees. In 1980, volume consisted of $2,904,809 in media, $472,313 in materials and services and $2,378,948 in capitalized fees. Accounts gained: Fair Stores, DMI Investment Corp., Amega Corp. Billings breakdown: Newspapers 20%, magazines 9%, radio 15%, spot tv 30%, outdoor 5%, direct mail 2%, other 19%. Employes: 24 in two offices. Top execs: Herschel Mathews, president; Tom Vance, chairman. Phone: (713) 898-1313.

Venture, San Diego, reported gross income of $158,536 in 1981 on billings of $1,056,912. In 1980, it reported gross income of $126,557 on billings of $843,714. Volume was not broken out for either year. Accounts gained: The Toro Co. (irrigation division). Lost: Unique Functional Products. Billings breakdown: Newspapers 1%, magazines 78%, business papers 12%, farm publications 9%. Employes: Two in one office. Top execs: Glenn Collins, Tom Ables, partners. Phone: (714) 234-7312.

The John Volk Co., Chicago, reported gross income of $515,779 in 1981 on billings of $3,404,248. In 1980, it reported gross income of $406,000 on billings of $2,708,020. Volume in 1981 consisted of $708,136 in media and $2,732,112 in capitalized fees. In 1980, volume consisted of $518,028 in media and $1,919,102 in capitalized fees. Accounts gained: MSD AGVET Animal Health, a division of Merck & Co. (gained advertising account to go with pr), Dawes, Laboratories Inc., White Farm Equipment. Billings breakdown: Newspapers 2%, radio 10%, spot tv 4%, business papers 5%, farm publications 79%. Employes: Nine in one office. Top execs: John Volk, president; Jean L. Bailey, Roger Yount, vps. Phone: (312) 861-0667.

Victor Wademan & Co., New York, had gross income of $436,018 in 1981 on billings of $3,011,778. In 1980, it reported gross income of $305,602 on billings of $2,137,344. Volume in 1981 consisted of $2,044,553 in media, $164,301 in materials and services and $802,924 in capitalized fees. In 1980, volume consisted of $1,518,306 in media, $115,327 in materials and services and $503,711 in capitalized fees. Billings breakdown: Magazines 30%, radio 30%, business papers 30%, direct mail 10%. Employes: Seven. Top exec: Victor Wademan, president. Phone: (212) 628-8915.

Walker Associates, Bettendorf, Ia., reported gross income of $113,237 in 1981 on billings of $733,285. It did not report for 1980. Volume in 1981 consisted of $590,144 in media, $54,704 in materials and services and $88,437 in capitalized fees. Accounts gained: Stanley Consultants, Desert Products. Lost: Citizens Bank & Trust, Red Jacket Pumps. Billings breakdown: Newspapers 3%, magazines 2%, supplements 1%, radio 30%, spot tv 60%, outdoor 2%, point of sale 1%, direct mail 1%. Employes: Five in one office. Top exec: Richard P. Walker, president. Phone: (319) 359-1395.

Walters & Co., La Jolla, Cal., reported gross income of $99,093 in 1981 on billings of $660,736. In 1980, it reported gross income of $84,613 on billings of $565,495. Volume in 1981 consisted of $275,835 in media, $150,985 in materials and services and $233,916 in capitalized fees. In 1980, volume consisted of $287,524 in media, $120,493 in materials and services and $157,478 in capitalized fees. Accounts gained: Aimee's Restaurant. Billings breakdown: Newspapers 55%, radio 25%, network tv 15%, other 5%. Employes: Four in one office. Phone: (714) 495-4227.

Wank, Williams & Neylan, Menlo Park, Cal., reported gross income of $469,301 in 1981 on billings of $3,102,474. In 1980, it reported gross income of $381,294 on billings of $2,518,605. Volume in 1981 consisted of $918,779 in media, $686,734 in materials and services and $1,497,961 in capitalized fees. In 1980, volume consisted of $660,967 in media, $500,240 in materials and services and $1,357,398 in capitalized fees. Accounts gained: Addison-Wesley Publishing (medical-nursing division), NewPark Mall, Gleim Jewelers retail chain, Prim Associates Investments, Holvick, deRegt, Koering developers, American Sun Moon Star. Lost: University National Bank. Billings breakdown: Newspapers 20%, magazines 5%, radio 30%, spot tv 20%, outdoor 5%, business papers 20%. Employes: Nine in one office. Top execs: Gary T. Williams, president; William F. Neylan, exec vp; Gary M. Williams, vp. Phone: (415) 323-3183.

Warren & Epstein Advertising, New York, reported gross income of $375,000 on billings of $2,500,000 for nine months of 1981 since opening in March. Volume in 1981 consisted of $1,200,000 in media, $300,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: American FoodService Enterprises (division of Hallmark), Bermuda Shops Ltd., Cono-Tec Inc., Dancker/Sellew Inc., House of Seagrams (special projects), Johnson Creative Arts (division of S.C. Johnson & Son), Standardbred Owners Assn., General Foods (special projects), Vidmark Systems. Lost: None. Billings breakdown: Newspapers 35%, magazines 35%, radio 10%, spot tv 10%, business papers 10%. Employes: Six in one office. Top execs: Douglas J. Warren, president; Lee Epstein, exec vp-creative super. Phone: (212) 752-6881.

Webb & Associates, Lafayette, Cal., had gross income of $416,708 and net income of $114,834 in 1981 on billings of $2,192,035. In 1980, it reported gross income of $310,607 and net income of $98,006 on billings of $1,574,743. Volume in 1981 consisted of $1,326,924 in media, $544,278 in materials and services and $320,833 in capitalized fees. In 1980, volume consisted of $841,786 in media, $422,316 in materials and services and $310,641 in capitalized fees. Accounts gained: Central Contra Costa County Transit Authority, Grosvenors Properties. Billings breakdown: Newspapers 50%, magazines 20%, radio 10% business papers 10%, direct mail 10%. Employes: 10. Top exec: John Webb, president. Phone: (415) 283-1733.

Weed Advertising, Chicago, reported gross income of $166,116 in 1981 on billings of $1,107,440. In 1980, it reported gross income of $102,171 on billings of $681,000. No volume breakout was provided. Accounts gained: Cablenet Inc., Jon Construction, Esko & Young. Lost: None. Billings breakdown: Newspapers 60%, radio 10%, business papers 20%, point of sale 5%, direct mail 5%. Employes: Four in one office. Top execs: Robert E. Weed, president; Elaine L. Weed, exec vp. Phone: (312) 661-1565.

Wendt Advertising Agency, Great Falls, Mont., reported gross income of $686,785 in 1981 on billings of $4,580,856. In 1980, it reported gross income of $677,730 on billings of $4,274,393. Volume in 1981 consisted of $2,592,276 in media and $1,988,580 in capitalized fees. In 1980, volume consisted of $2,289,188 in media and $1,985,205 in capitalized fees. Accounts gained: Farmtronix, Pizza Hut (western Montana), Great Falls Transit, Graham and Ross, Montana Department of Commerce, Northwestern Union Trust, Liberty Mfg. Lost: State Fair, Montana Deaconess Medical Center. Billings breakdown: Newspapers, farm publications, magazines 33.6%, radio 7.1%, spot tv 22.2%, outdoor 1.7%, other 35.4%. Employes: 23 in one office. Top exec: Stanley F. Meyer, president. Phone: (406) 452-8581.

West & Brady, Bethesda, Md., reported gross income of $409,666 in 1981 on billings of $3,100,308. In 1980, it reported gross income of $482,417 on billings of $3,192,031. Volume in 1981 consisted of $975,884 in media, $282,450 in materials and services and $1,841,974 in capitalized fees. In 1980, volume consisted of $888,714 in media, $224,938 in materials and services and $3,192,031 in capitalized fees. Accounts gained: D.C. General Hospital, Wheaton Place, Sir Walter Raleigh Inns, First Federal S&L of Arlington. Lost: First Federal S&L of Washington (due to merger). Billings breakdown: Newspapers 10%, magazines 65%, radio 25%. Employes: 10 in one office. Phone: (301) 229-6900.

P.B. Wilkinson Inc., Paoli, Pa., reported gross income of $116,000 in 1981 on billings of $673,500. In 1980, it reported gross income of $103,000 on billings of $650,150. Volume in 1981 consisted of $150,000 in media, $150,000 in materials and services and $373,500 in capitalized fees. In 1980, volume consisted of $150,000 in media, $200,000 in materials and services and $300,150 in capitalized fees. Accounts gained: (All CPA firms) Beatty, Satchell & Co., Easton, Md., Boyer & Ritter, Harrisburg, Davie, Kaplan, Braverman, Rochester, N.Y., Dudley, Hopton-Jones, Sims & Freeman, Birmingham, Ala., Frantz & Co., Washington, McKean & Associates, Mobile, Ala., Gerald T. Reilly, Boston, Malcolm Smith & Co., Reading, Surles & Associates, Warrenton, Va., Trout, Ebersole & Groff, Lancaster. Lost: Penflex Inc., William Henry Apts. Billings breakdown: Newspapers 55%, magazines 20%, radio 5%, outdoor 2%, business papers 13%, direct mail 5%. Employes: Four in one office. Top execs: Peter B. Wilkinson, president; John W. McWilliams Jr., vp. Phone: (215) 644-0753.

Stuart Williams Associates, Stamford, Conn., reported gross income of $604,000 in 1981 on billings of $6,056,200. In 1980, it reported gross income of $728,000 on billings of $10,902,050. Volume in 1981 consisted of $1,122,000 in media, $1,073,600 in materials and services and $3,860,600 in capitalized fees. In 1980, volume consisted of $4,480,000 in media, $2,320,000 in materials and services and $4,102,050 in capitalized fees. Figures include those of subsidiary, Scicom Inc. Publications. Accounts gained: Dun & Bradstreet (Directory Systems division), Wright Laboratories (lab supplies). Lost: Waters Associates. Billings breakdown: Magazines 30%, business papers 5%, point of sale 5%, direct mail 40%, other 20%. Employes: 18 in two offices. Top execs: Edmund F. Lindner, chairman; Warren R. Jacobson, president. Phone: (203) 348-2621.

Wilson, Frank & Associates, San Diego, had estimated gross income of $365,000 in 1981 on billings of $2,458,700. In 1980, it had estimated gross income of $315,000 on billings of $2,101,493. Volume in 1981 consisted of $1,125,000 in media, $600,000 in materials and services and $733,700 in capitalized fees. In 1980, volume consisted of $1,000,000 in media, $442,892 in materials and services and $658,589 in capitalized fees. Accounts gained: Cheep Antiques, Home Thrift & Loan, Maches & Baughman, Channel 51, Appliance Products, L.A. Water & Power Credit Union, Rancho Santa Fe Thrift & Loan, American Baptist Credit Union. Lost: National University, USE Credit Union, Valley First Federal. Billings breakdown: Newspapers 70%, radio 13%, network tv 12%, spot tv 5%. Employes: Nine in one office. Top exec: Thomas H. Wilson, president. Phone: (714) 297-3355.

Wimmershoff & Associates, Westwood, N.J., reported gross income of $568,891 and net income of $56,889 in 1981 on billings of $3,793,422. In 1980, it reported gross income of $331,346 and net income of $33,134 on billings of $2,209,736. Volume in 1981 consisted of $1,724,208 in media, $439,833 in materials and services and $1,629,381 in capitalized fees. In 1980, volume consisted of $283,724 in media, $411,228 in materials and services and $1,514,784 in capitalized fees. Accounts gained: Teledyne Isotopes. Lost: Datascope. Billings breakdown: Business papers 40%, farm publications 5%, direct mail 10%, other (collateral) 45%. Employes: 20 in one office. Top exec: Fred Scheel, exec vp. Phone: (201) 664-3220.

Gene Wolfe & Co., New York, had gross income of $677,397 in 1981 on billings of $1,123,762. In 1980, it reported gross income of $565,960 on billings of $1,018,920. Volume in 1981 consisted of $156,878 in media, $441,795 in materials and services and $525,089 in capitalized fees. In 1980, volume consisted of $168,600 in media, $341,000 in materials and services and $509,320 in capitalized fees. Accounts gained: American Society of Mechanical Engineers, Herman M. Levey Inc., Arita. Billings breakdown: Newspapers 30%, business papers 30%, direct mail 40%. Employes: Six. Phone: (212) 687-2560.

Wolkcas Advertising, Latham, N.Y., had estimated gross income of $490,000 in 1981 on billings of $3,260,300. It did not report in 1980. In 1981, volume consisted of $2,500,000 in media, $160,000 in materials and services and $600,300 in capitalized fees. Accounts gained: Albany Public Markets, WEZF Radio, Simmons Fastener Corp.'s Amfast division, City of Saratoga. Billings breakdown: Newspapers 70%, magazines 0.5%, radio 10%, spot tv 17%, outdoor 1%, transit 0.5%, point of sale 0.5%, direct mail 0.5%. Employes: Seven in

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Gross income under $1,000,000

one office. Top exec: Stewart I. Sacklow, president. Phone: (518) 783-5151.

Woodard Eggers & Schaffer, Greenfield, Mass., reported gross income of $800,000 in 1981 on billings of $4,501,500. It did not report for 1980. Volume in 1981 consisted of $1,500,000 in media and $3,001,500 in capitalized fees. Accounts gained: Vermont Research Corp., National Metal Industries, Standard Mfg. Lost: None. Billings breakdown: Newspapers 5%, magazines 10%, radio 5%, network tv 5%, business papers 75%. Employes: 14 in two offices. Top execs: Bruce R. Woodard, ceo; Arthur F. Eggers, president. Phone: (413) 774-5511.

Wooding & Housley, Providence, R.I., reported gross income of $320,000 and net income of $82,000 in 1981 on billings of $1,558,000. It did not report for 1980. Volume in 1981 consisted of $1,161,000 in media, $336,000 in materials and services and $61,000 in capitalized fees. Accounts gained: Alfa-Laval Inc., Brooks Shoe, Carol Cable Co., Leonard Valve Co., Lodding division of Thermo Electron, Pawtucket Fasteners Co., Spirol Intl. Corp. Lost: None. Billings breakdown: Magazines 10%, business papers 55%, other 35%. Employes: 11 in one office. Top execs: Benjamin E. Wooding, president-principal; John H. Housley, Paul E. Hoffman, vps-principals; Brenton Bullock, vp-secretary. Phone: (401) 272-9494.

Woods Brothers Agency, Little Rock, reported gross income of $693,000 in 1981 on billings of $2,580,200. In 1980, it reported gross income of $700,000 on billings of $4,665,000. Volume in 1981 consisted of $1,400,000 in media, $780,000 in materials and services and $400,200 in capitalized fees. In 1980, volume consisted of $1,200,000 in media, $450,000 in materials and services and $3,015,000 in capitalized fees. Billings breakdown: Newspapers 14%, magazines 65%, supplements 8%, radio 1%, spot tv 10%, outdoor 0.5%, business papers 0.5%, point of sale 0.5%, direct mail 0.5%. Employes: 17 in one office. Top execs: Shelby Woods, president; Wayne Woods, Mike Dandurand, Dan Baw, vps. Phone: (501) 375-0138.

Woods-Donahue Advertising, Great Neck, N.Y., reported gross income of $315,000 in 1981 on billings of $2,100,000. In 1980, it reported gross income of $300,000 on billings of $2,000,000. Volume in 1981 consisted of $1,250,000 in media and $850,000 in capitalized fees. In 1980, volume consisted of $1,200,000 in media and $800,000 in capitalized fees. Accounts gained: Forest Brook Equestrian Center, Learning Well Inc., Citibank (special projects), National Bank of North America (special projects), Bay Ridge Savings, Barstow Industries, Institute of Outdoor Advertising (pr), N.Y. Assn. of Realty Managers (pr). Lost: Allen Aides, Caddylak Systems. Billings breakdown: Newspapers 50%, magazines 15%, radio 15%, spot tv 9%, outdoor 5%, direct mail 6%. Employes: Nine in one office. Top execs: Jack Donahue, president; Robert Woods, exec vp-creative director. Phone: (516) 466-2222.

Wray/Ward Advertising, Charlotte, N.C., reported gross income of $772,595 in 1981 on estimated billings of $5,330,000. In 1980, it reported gross income of $609,068 on estimated billings of $4,206,012. No volume breakout was provided. Accounts gained: Mutual S&L, Scovill Security Products, Yaletronics department. Lost: Adams Millis Hosiery Co. Billings breakdown: Newspapers 4%, magazines 11%, radio 10%, spot tv 45%, outdoor 2%, business papers 28%. Employes: 18 in one office. Top execs: Charles W. Wray Jr., president-treasurer; Robert L. Ward, exec vp-secretary. Phone: (704) 332-9071.

Wyble Advertising, Millville, N.J., had gross income of $756,783 in 1981 on billings of $5,047,094. In 1980, it reported gross income of $809,419 on billings of $5,147,576. Volume in 1981 consisted of $1,027,826 in media, $269,895 in materials and services and $3,749,373 in capitalized fees. In 1980, volume consisted of $1,619,869 in media, $684,740 in materials and services and $2,842,967 in capitalized fees. Accounts gained: Biochem Products, British Aerospace (Jetstream aircraft) and Pentastar Aviation. Lost: Egg Harbor Boat Co., Seidelmann Yachts and Wheaton Scientific. Billings breakdown: Newspapers 10%, magazines 20%, supplements 2%, radio 1%, outdoor 2%, business papers 50%, farm publications 3%, point of sale 1%, direct mail 10%, other 1%. Top execs: Gene Wyble, chairman; Henry Wyble, president; David Teetor, vp. Employes: 21 in one office. Phone: (609) 825-3403.

Zam & Kirshner & Geller, Great Neck, N.Y., had gross income of $375,892 in 1981 on billings of $2,430,923. In 1980, it reported gross income of $277,400 on billings of $1,597,227. Volume in 1981 consisted of $1,629,169 in media, $596,252 in materials and services and $205,502 in capitalized fees. In 1980, volume consisted of $1,024,048 in media, $324,435 in materials and services and $248,744 in capitalized fees. Accounts gained: Vernitech Corp., Wire Graphics Corp., Renco Inc. Lost: Alps Electric Corp. Billings breakdown: Newspapers 8%, magazines 12%, radio 2%, business papers 70%, other 8%. Employes: 10 in one office. Top execs: Iz Zam, chairman; Samuel J. Kirshner, president. Phone: (516) 487-4663.

Z/E/A Marketing Comunications, New York, had gross income of $375,000 in 1981 on billings of $3,005,000. In 1980, it reported gross income of $402,000 on billings of $3,160,650. Volume in 1981 consisted of $1,450,000 in media, $285,000 in materials and services and $1,270,000 in capitalized fees. In 1980, volume consisted of $1,650,000 in media, $210,000 in materials and services and $1,300,650 in capitalized fees. Accounts gained: Emil Ascher Inc., George Comfort & Sons, I. M. Cookie Co., Amerivest Corp. Lost: Goldstein Golub Kessler & Co., Kosher King Meat Products, Sunstar Luggage. Billings breakdown: Newspapers 25%, magazines 15%, radio 20%, spot tv 5%, business papers 15%, direct mail 20%. Employes: Nine in one office. Top exec: Zeneth Eidel, president. Phone: (212) 725-9020.

Zubi Advertising Service, Miami, Fla, had gross income of $375,000 in 1981 on billings of $2,500,000. In 1980, it had gross income of $262,500 on billings of $1,750,000. Volume in 1981 consisted of $1,425,000 in media, $425,000 in materials and services and $650,000 in capitalized fees. In 1980, volume consisted of $997,500 in media, $297,500 in materials and services and $455,000 in capitalized fees. Accounts gained: Best Products, Calder Race Track, Riviera Jewelers. Billings breakdown: Newspapers 15%, magazines 5%, radio 30%, spot tv 25%, cable 5%, point of sale 5%, direct mail 10%, other 5%. Employes: Seven in one office. Top execs: Teri A. Zubizarreta, Marta Calvo. Phone: (305) 854-6809.

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Advertising Age

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Falling 'Star' bad sign for newspapers

By ROBERT REED

The all-day *Minneapolis Star and Tribune*, spawned by the demise of the afternoon *Minneapolis Star*, debuts next week, accompanied by speculation that Cleveland and Kansas City are next in line to suffer newspaper casualties.

The Minneapolis Star & Tribune Co. said it was combining the morning *Tribune* and the *Star* into a single paper because of the afternoon paper's continuing drops in circulation and advertising. The 24-hour *Star and Tribune*, now the city's only newspaper, will run a morning and two afternoon editions. The afternoon papers will be sold exclusively at newsstands.

Unions make their bid to keep *New York Daily News* from the newspaper graveyard. . .Story on Page 3.

Meanwhile, in Cleveland, rumors are swirling that the *Cleveland Press*, fighting for its survival against the Newhouse-owned *Plain Dealer*, is considering shutting down, even though it recently initiated a morning edition in an effort to boost circulation.

Press execs deny the paper will fold and claim that *Plain Dealer*

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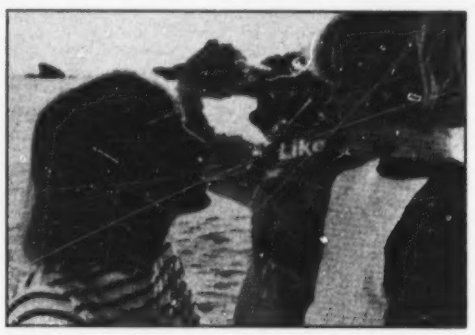

Swimming into the cola war

As mother and father teach their son to swim, an announcer notes that while kids "need a lot of love and a little encouragement," there's one thing they don't need: Caffeine. That's the reason for the introduction of Seven-Up Co.'s Like, which offers "full, rich cola taste" without added caffeine (*see story, Page 2*).

NFL tv pact, strike threats worry adfolk

By JAMES P. FORKAN

New York—Tv networks and sponsors, already finding trouble swallowing a new $2 billion pact with the National Football League, now face a stronger strike threat from the players.

Players' spokesman Ed Garvey last week put the chance of a strike at 50-50, citing the owners' position against players getting 55% of NFL grosses.

The rights fees—roughly triple the previous pact—stirred sponsor unrest, and the added minute of commercial time per game (to a total of 24 minutes) risks viewer annoyance.

■ In summarizing the typical negotiations between NFL commissioner Pete Rozelle and the network sports chiefs, a CBS source somewhat facetiously said, "Rozelle tells us what he wants and we pay it, and we all make money." The third part of

(Continued on Page 92)

Needham balancing act wins Sears

Chicago—Needham, Harper & Steers won the $30,000,000-plus Sears, Roebuck & Co. apparel business last Wednesday because of a combination of "balanced resources and chemistry," according to Joel Hochberg, senior vp-director of creative services. But the next day agency staffers were told Needham was losing Wm. Wrigley Jr. Co.'s Spearmint gum, a brand that gets about $9,000,000 in media advertising, to BBDO, which won in a creative dual.

The nation's No. 1 retailer selected Needham over Leo Burnett USA, Tatham-Laird & Kudner and N W Ayer for an assignment including all national advertising for the newly consolidated apparel group. Needham had pursued Sears on many occasions over the years, but this is the first time NH&S has appeared on its roster.

Sears management has been centralizing the merchandise group's administrative and retailing functions. The agency selection follows a January restructuring effort which unified the wearing apparel group.

The consolidation forced the dismantling of an advertising triumverate that included Foote, Cone & Belding, women's apparel; Stern Walters/Earle Ludgin, children's clothing, and McCann-Erickson, men's apparel.

Robert Wood II, Sears' vp-advertising, said earlier that more Sears customers are purchasing goods from all three clothing groups, and that one agency could better address this crossover.

Stern Walters/Earle Ludgin continues to handle national radio advertising for children's apparel and FCB retains Sears automotive and recreation group business. McCann-Erickson is no longer on the Sears agency roster.

At the Needham office here, which now is projecting 1982 billings of $220,000,000 (out of total U.S. billings projected at $415,000,000), the Sears victory can be seen as stemming from a concerted effort on the part of management to emphasize the agency's strengths and remedy its weaknesses.

Since Needham lost the $53,000,000 McDonald's account to Burnett in October, some major organizational changes have taken place, designed, according to exec vp-managing director Al Wolfe, to guarantee that Needham "never again would be hit for 'lack of marketing depth' or services."

Mr. Wolfe, who joined the

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Bonjour, B&S ready to split

By PAT SLOAN

New York—It looks like Backer & Spielvogel is ready to say "au revoir" to Bonjour International, just as the agency's spring campaign for the client breaks.

The cause for the probable split, trade sources believe, is Bonjour's alleged nonpayment of perhaps as much as $1,000,000 in media bills. Neither client nor agency have commented on this, but Bonjour vp Charles Dayan admitted, "We are talking with five agencies."

Agency chairman Carl Spielvogel said only, "We will have an amicable and mutual parting."

The issue of nonpayment is not a new one for the sportswear and jeans company, which has been involved in a number of legal hassles and out-of-court disputes with suppliers and agencies (AA, Aug. 24).

One of the most recent led to a rift with previous agency D'Arcy-MacManus & Masius. Shortly thereafter, Ray Bittner was brought in from Lee Co. as Bonjour

(Continued on Page 94)

last minute news

Lever puts $13 million behind Impulse rollout

New York—Lever Bros. is going national with Impulse deodorant/fragrance. A $13,000,000 campaign via JWT is slated to begin late in May. Already in 20 countries, it has been testing in Rochester where it gained a 9.9% share of the deodorant/antiperspirant market, sources said.

Nestea plunge dropped; Nestle goes 'natural'

White Plains, N.Y.—Nestle is replacing the "Nestea plunge" (by its former agency, Burnett) with a new JWT campaign that uses Dan ("Grizzly Adams") Haggerty to impart a "natural" message and highlight the improved taste of its Nestea iced tea brands. Tv breaks this week; budget is believed to be $10,000,000-plus.

AMC planning 'major push' for Jeep line

Southfield, Mich.—AMC will launch a "major marketing effort" and ad drive for Jeeps "fairly quickly," said Joe Cappy, vp-marketing group. AMC's cars will get a separate drive. Compton has Jeep; autos are at Grey.

Berger, Stone & Ratner, McCaffery eyeing link

New York—Berger, Stone & Ratner is working on "joining forces" with William McCaffery Inc., according to BS&R president Joseph Stone.

(Continued on Page 8)

NEWSPAPER

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Independent agencies say future bright

By CHRISTY MARSHALL

NEW YORK—While former independents William Esty Co., Compton Advertising and Cunningham & Walsh take wedding vows, chief executives of other independent agencies proudly are proclaiming they are not the marrying kind.

In fact, as they deny the contention that their future is a shaky one at best, these execs are crowing that the latest rash of mergermania is only good news for them.

"The future [for the independent] has never been brighter," said Carl Spielvogel, chairman-ceo of Backer & Spielvogel, the fast-climbing 3-year-old independent.

"It is terrific for us," said Chuck Peebler, ceo, Bozell & Jacobs. "We have a good 10 to 15 years of our growth ahead of us. We're positioned right now to take advantage of some periods of adjustment with our competitors. When you have change, you have opportunity."

Two of the major merger deals recently concluded, William Esty Co.-Ted Bates & Co. and Compton-Saatchi & Saatchi, resulted in expanded international operations and lucrative settlements for the principals. These deals also were accompanied by talk about how time was running out for the big independent agencies as their multinational clients pressed them to enlarge their operational scope.

"You've got to become a Goliath to survive," said Compton's Bob Huntington as he signed up with Saatchi & Saatchi (AA, March 22).

Referring to these mammoth deals, Mr. Peebler asked, "How is Bates going to end up managing all these operations? First they buy them and then they want to maintain the management, but the managements have sold because, in many cases, they don't have any succession. Now what happens when the problems of succession come into being? You no longer have the same entrepreneurial drives available because you no longer have ownership on the same basis you had before. And clients are going to see the value of an involved owner management, which I think tends to care more in the personal service business."

■ "I think it is the greatest opportunity McCaffrey & McCall has ever had," said chairman David McCall, who sees no need to merge. "The clients we serve, and the clients we don't serve but talk to, are dubious about the advantages of the mass organizations. Some of them are very good. But, God, some of them are a living mess. I see no advantages, particularly for agencies at this level." He added that clients still seek "terrific marketing, thinking, great creative work, solid research and a good media plan."

K&E ceo Leo-Arthur Kelmenson sees the merger surge as good for the industry.

"It's very clear that something very exciting is happening in the

(Continued on Page 96)

ALIANZA REPUBLICANA NACIONALISTA
ARENA
DEMUESTRA
QUE A DOS MESES DE HABERNOS INICIADO COMO PARTIDO POLITICO
EL APOYO DEL PUEBLO ESTA CONSOLIDADO
LA VIA PARA LA PACIFICACION DE NUESTRA PATRIA SON LAS ELECCIONES.
ESTA ES LA UNICA OFENSIVA QUE EL VERDADERO PUEBLO SALVADOREÑO
LLEVARA A CABO EL PROXIMO 28 DE MARZO DE 1982.
"HOY LUCHA, MAÑANA PAZ, PROGRESO Y LIBERTAD"

Salvadoran campaigning

Elections in El Salvador yesterday were marked by a flurry of ads. McCann-Erickson prepared the Republican National Alliance Arena, which says, "Fight today, tomorrow peace, progress and liberty." The Accion Democratica campaign by Publicidad Comercial says, "Countryfolk for democratic action will go for total victory."

Test spending at $100,000,000 rate

Seven-Up chief believes time right for Like cola

By NANCY GIGES

As Seven-Up Co.'s 99% caffeine-free cola Like makes its debut, soft drink analysts expect the new product to prolong the already drawn-out cola war that began when Pepsi started its comparative taste tests in the mid-1970s.

Seven-Up is introducing Like (AA, Feb. 1) in eight markets, four where company-owned bottlers will market the brand and four where it is franchised. The cities are St. Louis; Rochester, N.Y.; Norfolk; Dayton; Madison, Wis.; Albuquerque, Phoenix and San Diego.

■ Commercials break first in Dayton March 28 and will begin in all markets within three weeks.

Although Coca-Cola and Pepsi-Cola thus far have played down the importance of caffeine-free soft drinks, they cannot afford to ignore the situation a whole lot longer, commented Bonnie M. Cook, soft drink analyst at Robinson-Humphrey, Atlanta.

Pepsi, while discounting the potential of low-caffeine soft drinks, has reacted strongly to a new anti-caffeine approach in advertising for the 7UP brand (AA, March 1). In a communication to its bottlers that also handle 7UP, Pepsi said any support they give to the anti-caffeine campaign might be a violation of its franchise agreement.

There are reports that both cola companies are prepared to introduce competitive decaffeinated cola products and are far enough along to have worked out ad plans. One source said Pepsi is ready to convert Pepsi Light sugar-free cola with a lemon twist to a caffeine-free formula. Others say Pepsi is considering the use of new names such as Pepsi Free, Pepsi 2 and Pepsi Gold.

Like's advertising, by Backer & Spielvogel, has the theme, "You don't need caffeine and neither does your cola." Each of four introductory commercials centers on a parent/child activity.

■ They initially focus on what a child needs (such as every kid needs a dream, lots of love, encouragement, etc.), and then, as action abruptly stops on the child for several seconds, an announcer notes: "But there's something they don't need. They don't need caffeine. That's why we created a cola with no added caffeine." Copy says Like gets its excitement from full, rich cola taste, unlike the leading colas that add caffeine.

Edward Frantel, Seven-Up Co. president, maintains that the commercials do not position the brand specifically for children. "We see this [advertising] as positioning it for everybody," he said. It would

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highlights

Monday, March 29, 1982

Although Procter & Gamble is getting the heaviest share of the toxic shock syndrome cases, other tampon marketers aren't free from litigation. *See Page 10.*

R.J. Reynolds Tobacco is punching up Camel cigarets with a tie-in with the Holmes-Cooney fight. *See Page 12.*

Nickelodeon, Warner Amex's commercial-free cable service for children, is seeking new revenue sources. *See Page 12.*

Major oil companies begin pitching their ability to fill a credit card void created by Arco's cash-only policy. *See Page 26.*

Pabst majority shareholder Irwin Jacobs blasts the company's advertising in the battle for the brewery. *See Page 26.*

The Roy Rogers chain gets ready to take a big bite out of the U.S. market with conversions of Gino's restaurants. *See Page 28.*

Nailcare is losing some gloss as the industry takes a more cautious approach. *See Page 34.*

Two brewers are set to sponsor rock and soul talent contests. *See Page 38.*

Sara Lee is planning to expand its fresh-baked goods test. *See Page 41.*

Superadio is due for a July start, complete with an ad/promo package from Marschalk Co. *See Page 44.*

DIM, the French hosiery marketer, is introducing its products in New York and expects to be national in 1983. *See Page 44.*

Faced with competition, executives of the Bank Marketing Assn. discuss how they plan to meet the challenge. *See Page 51.*

Gypsy moth infestation of the Northeast spurs new products. *See Page 70.*

Pursuing the lowest fare, Texas International Airlines takes on bus lines. *See Page 70.*

Hertz president Bennett E. Bidwell recommends that Detroit start bridging the credibility gap by upgrading marketing. *See Page 76.*

Baseball attracts its usual roster of veteran backers on the ABC and NBC networks. *See Page 80.*

Agency exec Rubin Shapiro thinks problems with time banking can be solved with the creation of a central time bank. *See Page 88.*

CORPORATE CLOSEUP

Consolidated Foods is getting deeper into distribution, possibly as a way to help its profit centers meet high return-on-investment goals. *See Page 4.*

INTERNATIONAL

A French magazine tries to lure male readers by discussing feelings and fashion. *See Page 46.*

VIDEOTECH

Ted Turner claims that his superstation WTBS will have 50% penetration by 1985. *See Page 63.*

Satellites and other new technologies will affect more than broadcast, according to a new Doyle Dane Bernbach report. *See Page 64.*

Legal licensing is raising a scare among the Italian commercial tv community. *See Page 66.*

MAGAZINE

"Schwepping" is now a worldwide phrase being used by the tonic maker, which has decided to join the ranks of companies using pan-global advertising and marketing campaigns. *See Page M-2.*

A new column titled "Parting Shots" debuts in today's issue. Written by Rance Crain, president of Crain Communications and editor-in-chief of ADVERTISING AGE, the weekly column will deal with a wide range of subject matter. *See Page M-60.*

SPECIAL REPORT

White and light are still big in the worlds of wine and beer, respectively. The wine and beer industries are the focus of this week's Section 2/Special Report, which also talks about the Big 2 brewers and the jockeying for position among the "second tier" beer makers. *See Page M-13.*

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NBC-TV springs its shifts

By JAMES P. FORKAN

NEW YORK—NBC-TV has unveiled a rash of springtime changes in hopes of finding candidates for fall and for the 1983 mid-season. CBS and ABC, still engaged in a close battle for first and second in the Nielsens, announced spring fixes earlier (AA, Feb. 22 et seq.).

NBC's latest moves include two shows that just got new berths during March, "McClain's Law" and "Chicago Story."

With Brandon Tartikoff, NBC Entertainment president, slating three limited-run series and moving six current shows, mostly on Friday and Saturday nights, April shapes up as a crucial month for the network as it tries again to battle its way out of the Nielsen basement.

Already committed to six new series for fall prime time, NBC so far has renewed only three current shows, "Quincy," "Hill Street Blues" and "Real People," with more expected shortly. The newcomers include two delayed from this season, "Devlin Connection" and "The Powers of Matthew Star," plus "Saint Elsewhere,"

(Continued on Page 96)

Illustration by Nancy Macgregor

WINE

Consumers toast to a vintage future

By Ed Zotti

It's a little startling to realize, but once upon a time the center of the U.S. wine industry was Cincinnati. Or at least that's what wine historian Leon Adams claims.

Ed Zotti is a Chicago business writer and a frequent contributor to Magazine/Section 2.

We're talking pre-Civil War, a time when the wine business was a tad on the rustic side. Unfortunately for Ohioans, Buckeye dominance didn't last long. Folks were already growing grapes in Southern California, and during the 1850s the first commercial wineries were established in Northern California.

It has not exactly been a century of progress since then. Wine's prospects look cheery today, but up until about 30 years ago the story of American wine was the story of one catastrophe after another—plagues of vine pests, Prohibition, a couple world wars and a depression, among other things. It wasn't until 1948, according to one observer, that the wine industry entered a period of more or less "normal" growth.

Until 1980, when it surpassed distilled spirits, wine ranked dead last among the 10 major U.S. beverage categories. As late as 1960, Americans were drinking only a half gallon of table wine per capita annually, compared with nearly 30 gallons among the major wine-consuming nations of Europe. Even today, fewer than 4% of the nation's wine drinkers consume more than half the wine produced.

But there's no question that things are changing. "The cultural trends are on our side," says John De Luca, president of the Wine Institute, the industry's largest trade group. Wine is invariably associated with a more affluent, sophisticated life style, proponents say, and as

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Toasting wine's future

(Continued from Page M-13)

more Americans find themselves in that category it's likely they'll turn to wine from more proletarian beverages. Consider some of the radical changes in the industry since the repeal of Prohibition. Initially the big business was in "dessert" wines of more than 14% alcohol, with some fortified with brandy to as much as 20% alcohol. They were not well made; some of them, frankly, were rotgut. They sold mainly because they were a cheap source of alcohol.

"Wines were taxed at rates far more advantageous than spirits," says Louis Gomberg, a San Francisco-based wine consultant and longtime observer of the scene. "Wine then as now was thought of as an agricultural product whereas spirits and beer have always been thought of as manufactured products. I would say that 80% to 90% of the growth in dessert wines [from nothing to 100,000,000 gallons by 1955] was due to the fact that these wines had a tax advantage. It was an artificial market."

Dessert wines peaked in the mid-1950s as their mostly low-income customers switched to hard liquor, and sales have declined ever since. But sales of table wine were growing at a steady rate. By the time the watershed year 1968 rolled around, table wine sales equaled dessert wines sales.

The late '60s saw a number of other interesting developments, too—the "pop" wine craze, for one thing, as well as a sudden interest in wine on the part of big business. National Distillers bought Almaden in 1967. In 1969 Heublein bought United Vintners. Later Schlitz, Coca-Cola Co. of New York, Coca-Cola Co. of Atlanta, Nestle Co. and others would get into the act.

But the real news was that Americans were finally learning the wine habit. Years earlier, Mr. Gomberg recalls, the Roper organization asked Americans whom they thought drank wine. The three leading answers were foreigners, rich people and bums. By the '70s, one could safely say, that was no longer true.

Still, Americans tend to use wine in unpredictable ways, and anticipating what those new directions might be has come to be a major preoccupation of wine observers around the country.

Take the phenomenal growth in white wine, for instance. In 1970 whites were the least popular of the three wine "colors," with 24% of the table wine market, compared with 26% for rose and 50% for red. By 1980 the situation had shifted dramatically, with white accounting for 54% of the market, red 26% and rose 20%.

Not everyone saw that change coming. Those who did, notably Marvin Shanken, publisher of the industry newsletter *Impact*, have ample opportunity to gloat nowadays.

"My friend Lou Gomberg and all these other guys for years used to put me down, that [white wine] was just a fad," Mr. Shanken says. "They don't put me down anymore."

"I did research reports. I analyzed the business of why people were turning to wine and white wine in particular and I went step-by-step through all the factors involved. Three years ago I spoke at the University of California at Davis on white wine before an audience of 700 grape growers who were knee-high in red grapes. I was going into the lion's den . . .

"Other people only looked at wine in the context of wine—they didn't look at wine in the context of the beverage world. I fit wine within the context of consumer behavior patterns in terms of beverage consumption."

So why white wine? "It's pretty obvious," Mr. Shanken says. "It's chilled, it's light, it's flavorful, it's got a certain elite status to it. The migration to the South where people have a tendency to want to drink cold beverages only added to it."

In addition, many people, particularly women, found white wine a good substitute for a before-dinner cocktail. "People wanted to switch from spirits," he says.

One of the next big opportunities for wine, Mr. Shanken agrees, will be in the recreational beverage market, a move made possible by the development of convenient containers like cans and plastic bags in boxes. That means that wine may eventually be competing head-to-head with premium and superpremium beers. Already the new containers make wine less of a headache for outlets ranging from restaurants to airlines, and greater availability, naturally, is the key to greater consumer acceptance.

Mr. Shanken sees a decidedly optimistic future for the U.S. table wine business—an annual volume of nearly a billion gallons by 1990, a little short of three times present production. "It's a function of two things. One, the population of users is going to increase. Right now about a third of the American adult population drink wine. Another third, for moral or health reasons, does not and will not drink wine and the remaining third represents the potential new audience. So the potential exists for the wine-drinking population base to double."

"The other area is frequency of usage, and I see wine becoming more than just an occasional beverage. People today who drink it maybe once a month will be drinking it once or twice a week. And I haven't even gone into the fact of increasing usage at a given time, taking two drinks instead of one."

Still, nobody's quite sure exactly what kind of wine people are going to be drinking in 10 years. It's more than an idle question, since it can take as much as five years between the time vines are planted and the first wines prepared. Grape growers who guess wrong can find themselves in big trouble down the road.

One current debate, for instance, centers on future color preference. Red grapes are presently plentiful, while whites are in short supply. But some observers, noting that white wine is the traditional drink of the wine novice, think that present white wine drinkers will eventually graduate to the reds. Others aren't so sure, doubting that the mass of American consumers will ever develop the educated palate the more complex reds require.

A somewhat more pertinent issue is what new product(s) it's going to take to entice nonwine drinkers away from their present beverages. Some look to low calorie and/or low alcohol products.

"The soft wines and light wines are steps in the right direction to appeal more to the American palate," Mr. Gomberg says. "They're the first real attempt from the standpoint of traditional types of wine to reach the nonwine drinking portion of the country."

Mr. Gomberg points to the success of the relatively low-alcohol Italian Lambruscos, pioneered by Villa Banfi with Riunite. "It is a genuine grape table wine [as opposed to a "pop" wine], with a couple of additional things—it has tingle on the tongue, which appeals to Americans who were weaned away from mother's milk to soft drinks. And for the first time with Lambrusco, marketers said to the public, to hell with this rule, 'never chill red wine.' You chill our Lambrusco and you'll enjoy it more. And people did chill it and they loved it. Another factor is the absence of tannin," which gives wine a somewhat astringent taste.

Others think Lambruscos have only a limited appeal. "It's been a phenomenon that's been very heavily oriented in some parts of the East Coast but certainly in the Midwest to consumption patterns that have always been traditionally in quite sweet wines," says George Vare, a San Francisco-based wine consultant who served as president of Schlitz's Geyser Peak Winery until 1979.

As for low-alcohol wines generally, Mr. Vare says, "I don't think they're going to be that big. I think some of it is going to cannabalize [the sales of] existing higher-alcohol wines. It's long been known that there's a gigantic market for a low-alcohol beverage, but it's real low, down in the 2% to 3% range. But in order to achieve that, there are all kinds of technical problems." The light wines currently offered, which typically are 7% to 10% alcohol, just aren't low enough, Mr. Vare thinks.

Whatever the product, Mr. Vare believes one factor the U.S. wine industry is going to have contend with in the near future is costs. "I think you're going to see the cost pressures of California agriculture and the wineries themselves putting a tremendous amount of pressure on California wines," he says. Continued industrial and residential development, for one thing, is sure to force land prices up.

"I think that we're possibly going to open the door for more low-priced imports coming in. There's a whole sea of wine that exists outside the U.S., and I think given government subsidies whether open or disguised that [foreign wineries] are going to be watching this pressure."

Others agree. Mr. Gomberg goes so far as to say that the day may be coming when California may simply cease making the lower-priced wines altogether.

Admittedly, there are some for whom increasingly tight conditions in California bode well—notably all the non-California wineries who might conceivably take up the slack.

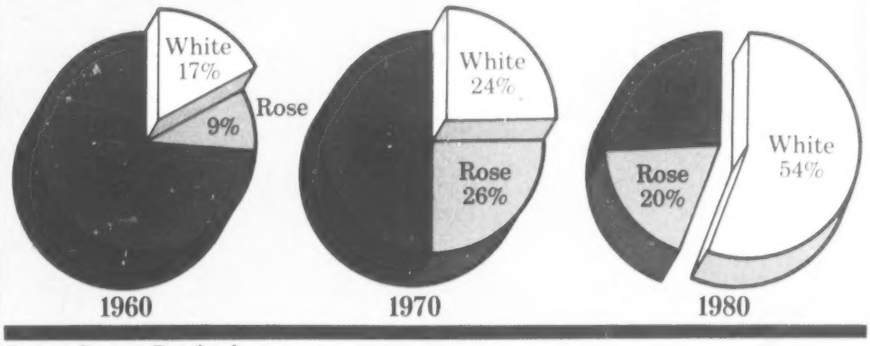
At the moment, things don't look too good for "other states" wineries, as they're called. Their market share has fallen to a dismal 8%. Mr. Shanken thinks they'll be lucky to end up with half that 10 years from now, and he predicts an actual decline in gallonage.

The problem has been the allegedly "foxy" taste associated with the types of grapes Eastern growers are forced to use because of less favorable climatic conditions. "But that's diametrically opposite to what all the New York wineries are producing now" with the new hybrid grape varieties, says Bill Moffett. He's executive director of the Assn. of American Vintners, most of whose members are located east of the Rockies.

"Look at the California situation," he says. "The Napa Valley is pretty well filled. There's not too many more places where you can put grapes." Other observers scoff at this, but all the same *Eastern Grape Grower & Winery News* magazine, which Mr. Moffett runs, is helping to organize a seminar next fall for potential investors in eastern vineyards.

Production details aside, the trends are encouraging. AA

The changing table wine pattern in the U.S.



Source: Impact Databank

Share of market trend

Wine entering distribution channels by origin

Origin	1960	1970	1975	1976	1977	1978	1979	1980
California	79%	73%	74%	72%	72%	69.2%	70.8%	71.2%
Other states	14	17	13	12	11	9.1	8.6	7.3
United States	93	90	87	84	83	78.2	79.4	78.5
Imports	7	10	13	16	17	21.8	20.6	21.5
Total	100%	100%	100%	100%	100%	100.0%	100.0%	100.0%

Source: Impact Databank

Regional scene is in ferment

By Eunice Fried

The past 25 years have been bountiful ones for winemaking in the U.S., with new wineries sprouting up like modern day pioneer settlements, not only in California, but also in the Northwest, East, Midwest, South and Southwest. It is a tantalizing revolution with the wine scene in constant ferment, and with the wineries' bottled offerings edging more Americans toward the pleasures of wine.

Although 36 other states are now commercially involved in winemaking, California still leads by far. Since the mid-1960s, when the state's ebullient experimentation and growth began, wineries have proliferated there with a zeal akin to a religious calling.

Today, California is home to 484 wineries (about three-fourths of which have opened since 1970), and that number increases so rapidly that a count today is bound to be obsolete tomorrow. California, in fact, has more wineries than the rest of the country has in total.

Nowhere in the state is there a greater concentration of winemaking than in Napa Valley. With 130 wineries tucked into this 30-mile long valley—barely five miles at its widest—Napa is the brightest star of American winemaking.

Just west of Napa, over the mountains that divide them, is Sonoma. With about twice the land space of Napa and a wine history that stretches back to the early 1800s, Sonoma now has about 80 wineries.

While Napa and Sonoma are California's stars, their success has spawned many satellites. North of these two prestigious regions are Mendocino and Lake County, both coming into their own as prominent wine growing regions.

Slowly, the names of other regions are also catching the eye of the American wine lover—Santa Clara and Livermore, two old established regions; San Luis Obispo; Santa Barbara-Santa Ynez; the Sierra Foothills, including the Amador, El Dorado and Calaveras areas; and Rancho California (Temecula), among them. In all, reports Wine Institute, the California wine industry's trade association, more than 15 regions in the state are now involved in winemaking.

And in fact, of all the wine America drinks, 87% of it comes from California. Yet, despite this overwhelming preference for California wines, all is not glittering in the Golden State. As in any of the world's wine regions, much of the production is ordinary, uncomplicated and unexciting.

Even among some of the state's premium wineries there has often been a tendency to produce wines that are too high in alcohol, have spent too much time in oak cask and, in general, tend to be excessive and overwrought.

Fortunately, the most astute of the prestigious winemakers have always understood that boldness does not necessarily spell greatness. Warren Winiarski, owner and winemaker of Napa Valley's Stag Leap Wine Cellars, is an imaginative and thoughtful man whose wines are said to possess elegance and restraint. "We have to learn to temper the richness and the power this beneficial valley gives us," says Mr. Winiarski. "We have great abundance here, but it has not yet found its proportion."

Also contemplative about California's wine future is Walter Schug, winemaker of Joseph Phelps Vineyards, Napa Valley. "We know how to make good wine and to raise good fruit. The next frontier is to learn more about matching each grape variety to the appropiate growing area. To find out where the best wine grapes can grow well."

For all the excitement engendered by California, it is only one facet of the American wine scene, albeit the largest. But there are other worlds of wine in America.

Up in the Pacific Northwest, Oregon and Washington are producing praiseworthy wines that compete with those from California, particularly with the whites and Pinot Noir. And Idaho and Utah, too, are now producing fine wines.

From the Rockies on east, it is a different, and in some ways, a more complex story.

There are currently 335 wineries in 32 states stretching from the Rockies east to the Atlantic Coast. Most are small and sell their wines close to home. Many are in states rarely before considered wine country. New York is the East's largest wine-producing state and one of its oldest. Now, however, vineyards and wineries are making their mark in such states as Missouri, Indiana, Ohio, Oklahoma, New Mexico, Florida, Alabama, Minnesota, Michigan, Massachusetts and Iowa.

Winemaking began in a small way in the East when the early European settlers found vines of the Vitis Labrusca (of which the Concord is an example) growing wild. The vines were hardy and able to withstand the severe winter and short, humid summers of the region, but their grapes made wine that had an assertive, musky flavor unlike anything they had known in Europe.

The New World colonists made wine from them, nonetheless, but they were not satisfied. Soon, they were importing vines from the Old World, varieties of the vinifera species. These vines, however, failed in the colonies while the native vines continued to flourish. And for 250 years, no one knew why.

Then, in the 1860s, some American vine cuttings were sent to England. Unknown to anyone, a louse indigenous to the eastern U.S. was buried in their roots. Called phylloxera, the louse spread throughout Europe, destroying almost all of the continent's vineyards. Next, it spread to California where vinifera varieties were also grown. By the turn of the century, most of the western world's vineyards were dead. Yet thriving in the midst of ruin were the native American species, alone immune to phylloxera. The rebirth of vinifera came about when men began to graft vinifera vines on to the roots of the phylloxera-immune American species, and that is how most of the vines of the world are planted today.

Meanwhile, researchers in France, Canada and the U.S. were crossing viniferas with American vines to produce hybrids— new grapes that they hoped would combine the fine flavors of vinifera with the hardiness of the American species. Many hybrids were produced, but few, if any, succeeded in coupling the essential qualities of vinifera with labrusca. Still, the best of them offered a step up in flavor and a reasonable alternative for people who shunned labrusca wines.

It was the introduction of these hybrids after World War II and later, the successful reintroduction of vinifera, that changed the wine fortunes and future of much of this country.

Dr. Konstantin Frank is the man who proved that vinifera could thrive in the East. Born in Russia more than 80 years ago, he had grown grapes there in 40-degree-below-zero winters. In 1962, he established Vinifera Wine Cellars in the Finger Lakes Region of upstate New York and showed, that by grafting vinifera on to the correct root stock, the European grapes could withstand the region's severe winters.

Thus, today, the special excitement in the states east of the Rockies is that three totally different philosophies of grape growing are operating, often side by side.

Although no breakdown of grape species for the entire eastern wineries industry seems to exist, there are figures for New York State. The largest producer east of the Rockies, New York, is currently harvesting about 79% of its wine grapes from labrusca, just over 19% from hybrids and only slightly more than 1% from vinifera.

Vinifera is the hardest to grow and yields the smallest crop, but it does make the finest wines of the East, and it is this small percentage of vinifera that is turning the reputation of eastern wineries around and giving the consumer some surprises.

Some of the most outstanding surprises are coming from small wineries, such as Glenora Wine Cellars on Seneca Lake in upper New York. Established in 1977, Glenora began to win awards almost as soon as it had wine in the bottle. In the 1981 New York

(Continued on Page M-35)

Share of market trend ten largest American wineries in total sales

	1970	1975	1976	1977	1978	1979	1980
1. E. & J. Gallo	30%	27%	27%	28%	24.6%	25.5%	25.6%
2. United Vintners (Heublein)	17	16	15	14	13.1	12.4	11.0
3. Almaden (National Distillers)	3	4	5	5	6.0	6.5	6.7
4. The Wine Spectrum (Coca-Cola of Atlanta)	3	3	3	3	3.3	3.7	4.7
5. The Wine Group (Coca-Cola of New York)	4	6	6	5	5.1	4.4	4.6
6. Paul Masson (Seagram)	1	2	3	3	3.2	3.4	3.7
7. Canandaigua	3	4	4	4	3.4	2.9	3.2
8. Guild	3	4	4	4	3.2	3.5	3.1
9. Monarch (New York)	2	3	3	3	2.7	2.8	2.7
10. Sebastiani	—	1	1	1	2.0	2.0	2.1
Total—Ten largest	66%	70%	71%	70%	66.6%	67.1%	67.4%

Source: Impact DataBank

Eunice Fried is a New York-based wine writer and the regional wine columnist for McCall's. *Her articles also appear in* Black Enterprise *and* House Beautiful.

Regionals

(Continued from Page M-15)

State Fair Wine Competition, for example, it entered 10 wines and garnered 10 awards. A third of its 15,000-case production is in vinifera—in Johannisberg Riesling and Chardonnay—which makes it, according to general manager Raymond Spencer, the largest producer of vinifera in the state. In about two years, the winery expects to have half its production in vinifera.

Markko Vineyards of Conneaut, O. has been devoted solely to vinifera since it began 13 years ago. With an annual production of barely 2,000 cases, however, its buttery, well-balanced Chardonnays and its Johannisberg Riesling—all estate bottled—reach few consumers.

Among the East's larger, older wineries, most of which were established in the 1800s and whose fortunes were founded on labrusca, only Gold Seal on New York's Keuka Lake has made forceful strides into vinifera. Under the presidency of English-born Master of Wine Michael Cliff, Gold Seal has begun producing highly regarded Chardonnay, Johannisberg Riesling and Gewurztraminer.

Red vinifera, on the other hand, and in fact, red wine generally, has met with rare success in the East.

But despite the upgrading of many eastern wines and of white viniferas particularly, there has been little demand for them in the wine shops and restaurants outside their own areas.

At the sixth annual eastern wine industry conference in December, "Wineries Unlimited," speakers at the marketing seminars pointed to just that fact.

"Your reputation in New York City is lousy," said M. David Levin, news producer of WCBS Radio in New York. "If you want to hit the big city market, forget the name 'eastern wines.' Go with your winery name. Promote your estate wines. Your most promising future is in your viniferas, your light, fruity whites and your sparkling wines."

Ed Everett, editor of the "Gomberg Report" and publisher of "Wine Trade," both in San Francisco, chided the wineries—of California as well as of the East—for not keeping up with trends in the market.

James Rossbach of Bonsal Seggerman, importers, suggested the small wineries try to sell their wines through small wine shops. "Give them only one or two of your best, particularly, your whites. And hold your price."

If California has similar problems, its wine people are not emphasizing them, at least not publicly. Instead, at the annual Napa Valley Wine Symposium last February, all was upbeat.

Richard Maher Jr., president of Beringer Vineyards, in a talk entitled "Napa Valley: A Greater Future," spoke about the consumer's concern with quality. "The consumer is starting younger, and he is more knowledgeable, more daring, more affluent . . . I believe the wine explosion will continue."

As wineries, wines and wine styles continue to proliferate in the Golden State, there seem to be two trends.

One has been the development of limited production, top-of-the-line wines by large, historic, mass production wineries. Much of California's growth in the past decade has been small, special wineries turning out high quality wines often in minuscule production. Because a number of them have been so successful, a kind of cult of all small wineries has developed. As a result, many of the large, old wineries have been forced to reexamine their own wines and, in an effort to upgrade them and to compete with the new small wineries, they have established special productions.

Almaden Vineyards entered the limited production market in 1978 with its Charles Lefranc label, accounting for 45,000 cases out of the winery's total 12,000,000 cases per year. Christian Brothers answered the challenge by creating its white and gold vintage-dated label that represents 20,000 cases of its annual 1,500,000 production. Sebastiani Vineyards now has its Proprietor's Reserves; and Paul Masson makes 25,000 cases of its Pinnacles Selections while the winery's regular production is 7,000,000 cases.

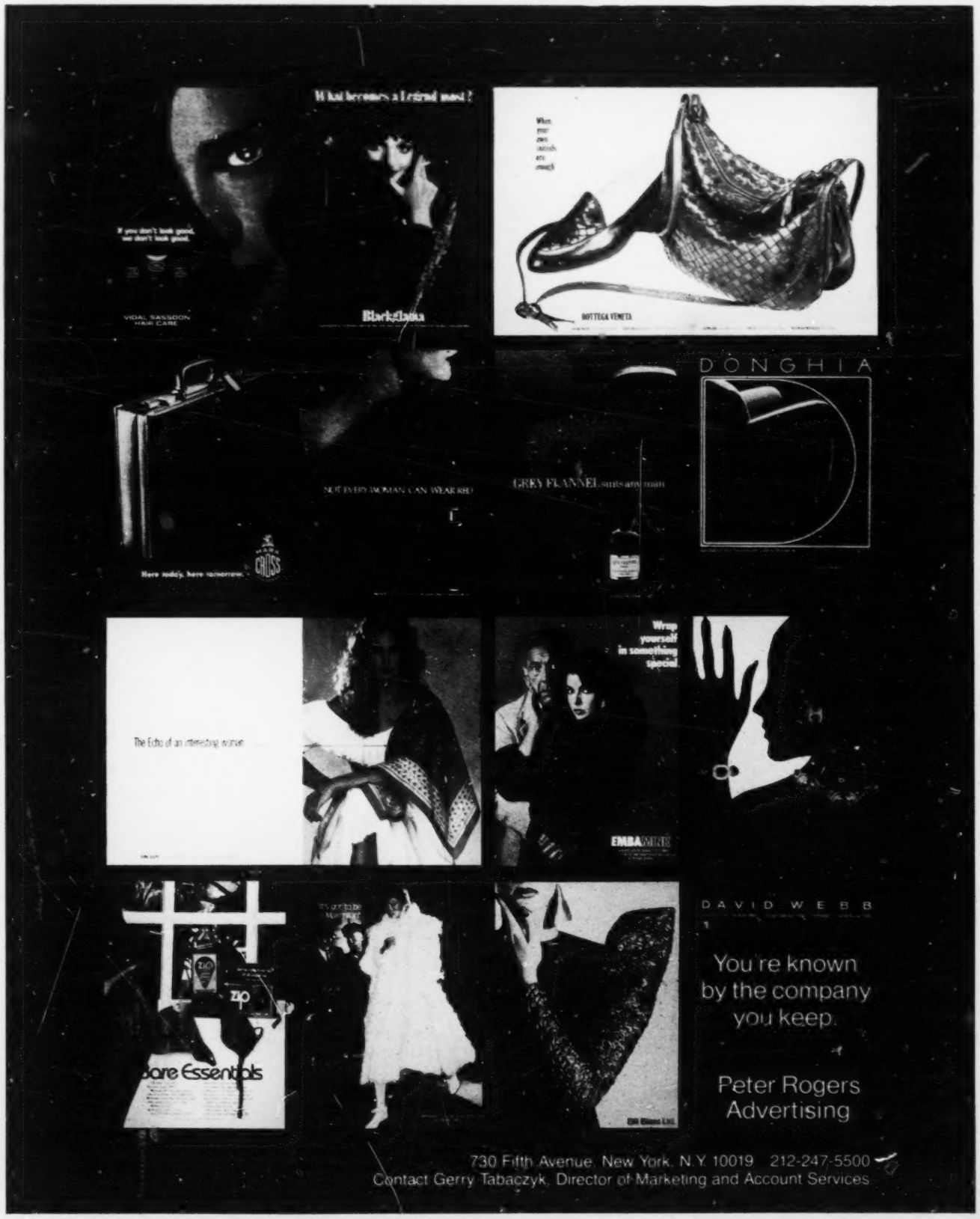
On the other end of specialization is the smaller winery that has learned what it does best, and trims its line down to its greatest successes. One example is Tom Burgess who established Burgess Cellars in Napa Valley in 1972. After winning kudos for all his wines, he decided to drop four (Chenin Blanc, Johannisberg Riesling, Petite Sirah and Pinot Noir) and to concentrate on Chardonnay, Cabernet Sauvignon and Zinfandel.

"I think specialization is something all small wineries should consider," says Mr. Burgess. "There is a tremendous call for Chardonnay, and yet, the year before we began our new program I was able to send only 20 cases to New York, a big market. With our new three-wine limit, we'll be making 18,000 cases of Chardonnay and we can fill much more of the need. Specialization is really a natural evolution."

Meanwhile, wine has become a cause for celebration across the country. Wine festivals, wine clubs, societies and special events abound and seem to multiply almost as fast as the wineries themselves. But the greatest accolade to wine in the U.S remains the Barrel Dinner sponsored each March by the Four Seasons Restaurant in New York City. Today, the Seventh California Vintners Barrel Tasting Dinner is being held.

The dinner is the most coveted ticket in town with 224 of the fortunate jamming the Four Seasons Pool Room while more than 2,300 others are refused.

In many ways, for many reasons, American winemakers have good reason to congratulate themselves. AA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White to light to alcohol-free? Maybe

By Richard Paul Hinkle

Some of America's largest wineries are jumping onto the "light wine" bandwagon as if it were the last lifeboat in a storm-tossed sea. Following so closely on the heels of the "white wine boom," it may take some time to correctly analyze the long-term place of "light" in the marketplace.

First, we must be careful to clarify two terms that are being bandied about. Though "soft" and "light" frequently overlap, they are distinguishable. "Soft," as originally used by Ed Friedrich at San Martin Winery, refers to wines of lower than normal alcohol. The lowest "normal" alcohol allowed in California, before 1979, was 10% (it is now 7%). "Light"—in light of "Everything you always wanted in a beer. And less."—may then be construed to mean wines of lower caloric content.

Indeed, lower caloric content is exactly what most of the advertising conversation has concerned itself with. Just as the "Lite" beer brewers fought for the lowest possible caloric rating, so too have the wineries.

Last August, Paul Masson boasted of its "new white wine with the lowest caloric content [49 calories per 100 ml.] of any wine sold in the U.S." That was too much for Masson's cross-town rival, Almaden.

Last February, Almaden jumped—with a quarter of a million cases—into a market that president John McClelland had previously expressed doubts about. In fact, Almaden did a double on "light," on its front label ("Almaden Light," "Light Chablis"), as well as announcing "48 calories per 100 ml. serving" immediately below. Even more, it's as low in alcohol as the law allows and there's just enough intentional carbon dioxide for an obvious bit of effervesence.

Interestingly, when Sebastiani Vineyards first entered this market, the intention was to stress the lower alcohol content. "When we first began to promote our August Sebastiani 'Light Country White,' our print and radio ads contained a reference to the low alcohol content of the wine," notes Sam Sebastiani, third generation president of the family-owned Sonoma winery.

"We pointed out that, since both grape sugar and alcohol contain calories, our wine was fermented to dryness. This marketing strategy was carefully designed to correctly position our wine in the marketplace and also to accurately define our light wine for the consumer. Unfortunately, the Federal Alcohol Administration Act forbids any advertising that relates to a wine's alcoholic content. It's ironic, because the intent of the law, which does *not* apply to distilled spirits, was to prevent a producer from suggesting that his particular wine or beer might really give you a buzz."

Mr. Sebastiani is convinced that light wines may one day eclipse the predictions of those who believe that they will concern 10% (or more) of the overall wine market. "My father, August Sebastiani, first made a low alcohol wine back in 1957," he says quietly. "He commented at the time that one day Americans would want to drink this kind of wine. I am proud that we were the first family winery to produce a light wine and that it honors the memory of my father."

There's no question but that Americans are looking for beverages of lower caloric content. "Since 1975 light beer consumption has increased 80% [from a small base], vs. a 19% increase in the total beer category," notes Pierre Ferrari, group brand manager for Coca-Cola Co.'s Taylor, who secured the right to "Light" and has jumped into the national marketplace in a big way. Mr. Ferrari cites a similar growth pattern in soft drinks, adding that: "Today's active life style emphasizes the extraordinary potential for our Light wines."

The fact that producers of the light wines have been sharp enough to add caloric, carbohydrate, protein and fat statements to their back labels is a subtle means of sliding wine toward a "food" image. There is evidence that Americans still perceive wine as an "alcoholic beverage" rather than as an agricultural food product.

Industry analyst Louis R. Gomberg, who has nearly a half century of wine experience, is convinced that the future of wine in America is tied to a *generic* product called "wine." When he says "wine," he's not talking about those wines with geographic genealogies or varietal pedigrees.

He's talking about a simple, low alcohol beverage made from fermented grapes that fills the same need as "coffee" (as opposed to "Hills Bros." or "Mountain Grown"), "tea" (not "Herb" or "Flow-Through") or "cola."

"If and when we ever see a generic product called 'wine'—as they have in France, where you just order *vin*—then the potential for the growth of light wines is enormous!" says Mr. Gomberg. "Ask Robert Mondavi, who added 'Red Table Wine' and 'White Table Wine' to his production in 1975 and went from 200,000 cases to almost 1,000,000 cases in three years."

As Mr. Gomberg sees it, the potential American wine market is 100,000,000 people, [approximately half the present population]. This figure excludes minors, those with religious scruples and those whose bodies react negatively to alcohol in any form. Of that number, only about 6% are regular consumers of table wine, and perhaps another 14% to 16% are occasional consumers.

"The remaining 80,000,000 will not become wine consumers by buying Cabernet Sauvignon and Chardonnay," asserts Mr. Gomberg. "It will only happen when there is a Joe Doaks White and a Joe Doaks Red, wines of 8% alcohol that are comparable with a European *vin ordinaire*."

The recognized (commercial) pioneer of low alcohol wines in California was and is San Martin's Ed Friedrich, who saw in low alcohol a means of preserving and framing the natural fruitiness of the grape.

"One of the reasons we appreciate fine wines is for their naturally fruity flavors," says Mr. Friedrich, who began his exploration of low alcohol wines with a Chenin Blanc that he dubbed "Soft" back in 1975.

It wasn't until 1979—retroactive to the 1978 vintage—that wines with less than 10% alcohol could be made for sale in California. Since that time Soft Johannisberg Riesling and Soft Gamay Beaujolais have been added to San Martin's production, though several other varieties have been produced experimentally.

Mr. Friedrich's work is grounded in the philosophy that wine is a food, a food whose alcohol is necessary *primarily* to

(Continued on Page M-20)

Richard Paul Hinkle is a Sonoma Valley-based wine writer whose articles have appeared in the Wine Spectator, Wine Country *and "Vintage." He is also the wine columnist for the* San Francisco Examiner *and has written "The Napa Valley Wine Book" and "Central Coast Wine Book."*

U.S. light and soft wine entries

Winery/Wine	Calories	Alcohol	Sugar	Retail/750 ml	Cases/year	Ad budget
Almaden						
Light Chablis	48	7.0	1.00	$3.25	600,000 est.	$300,000 p*
Beringer						
Los Hermanos Light White	58	9.0	1.53	$3.75/1.5	250,000 '81	$500,000 pr
Los Hermanos Light Rose	64	10.0	2.30	$3.75/1.5	[500,000 '82]	
Delicato						
Light	54	8.0		$3.69/1.5	25,000	$ 70,000 p
Geyser Peak						
Soft Johannisberg Riesling	57	8.5	2.90	$5.00	15,000	none
Soft Chenin Blanc	55	8.5	1.50	$5.00	6,000	
Summit Light Chablis	48	7.0	.80	$3.49/1.5	100,000	$100,000 p
Summit Light Rose	48	7.0	1.00	$3.49/1.5	100,000	
Paul Masson						
Masson Light Chablis	49	7.1	.88	$3.49	300,000 est.	n/a t
San Martin						
Soft Chenin Blanc '79		10.0	4.00	$4.75		
Johannisberg Riesling '80		8.2	10.00	$5.75	30,000	$ 50,000 p
Gamay Beaujolais '80		9.8	2.50	$4.50		
Sebastiani						
Light Country White	57	9.3	.20	$4.95/1.5	500,000 est.	$500,000 p
Taylor California						
Light Chablis	53	8.2	1.15	$2.99	1,000,000 –	$5,000,000
Light Rhine	55	7.9	2.10	$2.99	2,000,000	
Light Rose	58	8.6	1.45	$2.99		
Taylor						
Lake Country Soft White		9.0	4.00			
Lake Country Soft Pink		9.0	4.00	$2.79	n/a	limited
Lake Country Soft Red		9.0	6.00			
United Vintners Lejon (Soft)						
Chablis	71	10.0	3.00			
Burgundy	74	10.0	3.40	$2.49-2.99		
Rose	71	10.0	3.00		150,000	negligible r
French Colombard	68	9.8	2.50			
Chenin Blanc	68	9.4	3.00	$2.59-3.29		
Gamay Beaujolais	71	10.5	2.00			

*p = print
r = radio
t = television

Source: Richard Paul Hinkle

Fine wine retailers take lights lightly

With all of this talk of the light wines, what do the "premium wine" retailers think?

Ed Everett, editor and publisher of the "Wine Trade," a San Francisco-based industry newsletter, sees the market response to light wines as "erratic," noting that California sales patterns indicate a reluctance on the part of premium wine retailers to push the product.

"Out here, the light wines seem to be selling well in places like Sacramento, San Jose and the central valley. But in areas where wine knowledge is great—like San Francisco, Marin County, Berkeley or the Peninsula—the light wines are not selling well."

Conversations with retailers of fine wines from coast to coast confirmed that reluctance. "I'm still watching and waiting," says Tony Wood, manager of Beltramo's in Belmont, Cal. "We're not doing much more than filling the pipeline [filling the demand] with the light wines. Frankly, I hate 'em all. When I was a smoker, I wanted a cigaret with full flavor—no filters. As a wine drinker, I want something with distinctive character. The light wines don't have it. I suspect they'll do better in the supermarket than they will in the fine wine shops, especially here in the West. We don't sell nearly the quantities of the low alcohol imports as eastern stores do."

"Frankly, I hate 'em all. As a wine drinker, I want something with distinctive character."

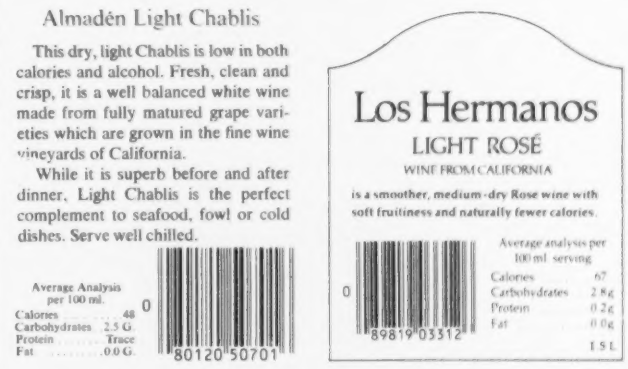
Like Beltramo's, Schaeffer's in Skokie, Ill., doesn't do much business in either American lights or the Lambruscos.

"I haven't found any that really taste bad," says George Schaeffer, "but they definitely do lack character. I think they're just a step above water, and a short step at that." He equates the light wines to light beers, in that "the American public seems to prefer neutral tasting beer! I suppose I ought to market these wines in the beer cooler, to appeal to the nonwine consumer, but I'm not all that enthused about the whole thing."

In New York, Peter Morrell doesn't even carry the light wines. "I've tasted them, and they're not unpalatable," he says without enthusiasm. "They tend to underwhelm me, which may be more a comment on my conditioning than on the wines themselves. We're going to take on the Taylor line in the spring." Mr. Morrell, who favors wine sales in grocery stores, suggests that the light wines ought to do well nationwide, especially in the summer. A golfer, Mr. Morrell is not really interested in a light wine unless it's dry, carbonated and in a can.

Actually, it won't be long before that happens. Almaden's entry into the market is lightly carbonated and Geyser Peak hopes to have canned light wines out by summer. Thus, the answer to expanding the market may simply be beer made from grapes! —*R.P.H.*

WINES IN THE TRADITIONAL FAMILY STYLE
August Sebastiani
1980
Light Country White
A Dry California Table Wine
PRODUCED AND BOTTLED BY SEBASTIANI VINEYARDS
SONOMA, CALIFORNIA ALC. 9% BY VOL. BONDED WINERY 876


Almadén Light Chablis
This dry, light Chablis is low in both calories and alcohol. Fresh, clean and crisp, it is a well balanced white wine made from fully matured grape varieties which are grown in the fine wine vineyards of California.
While it is superb before and after dinner, Light Chablis is the perfect complement to seafood, fowl or cold dishes. Serve well chilled.
Average Analysis per 100 ml.
Calories 48
Carbohydrates 2.5 G.
Protein Trace
Fat 0.0 G.
0 80120 50701
Los Hermanos
LIGHT ROSÉ
WINE FROM CALIFORNIA
is a smoother, medium-dry Rose wine with soft fruitiness and naturally fewer calories.
Average analysis per 100 ml serving
Calories 67
Carbohydrates 2.8g
Protein 0.2g
Fat 0.0g
0 89819 03312
ESL

Light wines are positioned as "food" through the listing of caloric, carbohydrate, protein and fat content on labels.

The lights

(Continued from Page M-18)

preserve the fruit juice. Modern fermentation techniques, he argues, are sufficient to stop spoilage, thus it is no longer necessary to maintain high alcohol levels to prevent spoilage. "Ironically, we didn't produce these wines with the thought in mind to serve today's ever so cautious weight-watching generation, or to please those who think light is chic, but only because some grape varieties simply taste better if their fruit is not masked with burning alcohol."

The swelling millions of cases of Italian imports point to the success of low alcohol and effervescence. The vast increase in the sales of light beers, diet soft drinks and sparkling mineral waters support the theory that appeals to "slimness" and "health" have successful repercussions. It would stand to reason that the combination of these appeals would be an obvious winner. Or ought to be.

The question here involves something marketing people refer to as "cannibalization." That the combination is a good one is accepted.

But at whose cost? Where will the new sales of light wine come from? From new wine consumers? Or will they merely cut into the sales of the more traditional wines?

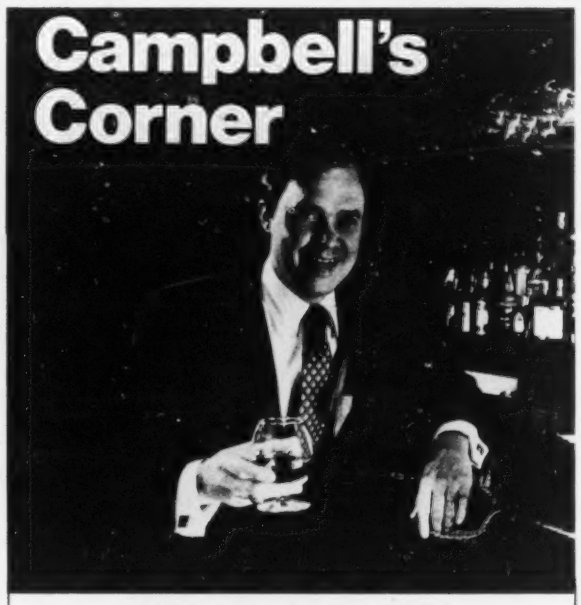
Marvin Shanken, publisher of *Impact*, *Market Watch* and the *Wine Spectator*, is convinced that the answer to that critical question will depend on marketing expertise. "As it stands, the 12% to 15% share of the beer market that the light beers enjoy has come at the expense of the regular beers," says Mr. Shanken. "The same situation holds in the sugar-free cola market. At present, I haven't seen enough light wine ads that are targeted toward the new wine consumer. The industry would love to attract new consumers through the light wines, but that's a function of effective advertising. The theory of marketing is to bring new customers to the marketplace, but the light wine marketing hasn't done that yet. The ads that are visible appeal to current consumers of wine. The future of light wines remains to be seen."

"It's an optimistic view that says light wines will grow tremendously and that most of that growth will come from their attraction of consumers new to wine," agrees Ed Everett, the San Francisco publisher of "Wine Trade." Mr. Everett, who sees the market response to light wines as "erratic, ragged thus far," notes that retailers of fine wines are approaching the light wine phenomenon with "great suspicion."

"The key may be whether or not Gallo moves into this area. Since Gallo seems to be more interested in the nonalcoholic wines that have been pioneered in Australia and France, my guess is that they will not enter the light wine market."

The exploration into light and soft wines carries with it great promise. First, there is the possibility that Americans will begin to understand wine as a basic food product, rather than as just another spiritous beverage.

Second, the developing technology that is part and parcel of the movement leads onward into the highly attractive twilight zone of alcohol-free wines. And each of these carries the potential of expanding what is now a relatively small American wine market. Dramatically. AA



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Retailers, miffed at industry neglect, have a cluster of gripes (and praise)

By B.G. Yovovich

Just as soldiers in the trenches can supply generals with crucial bits of intelligence, so can wine retailers provide strategists at wine company headquarters with a variety of useful—and sometimes surprising—information.

Like what?

Like leads regarding opportunities for major offensives, tips about market weak points and crucial insights into the morale of those manning the trenches.

Marketers at the major wineries, for example, might be surprised at how abandoned many of the wine store troops feel.

"The advertising done by the big wineries is designed to presell their wines . . . [so that] the winery won't need the wine retailer any more," says Leo Silverman of Sam's Wine Warehouse in Chicago, who echos the sentiments of many others around the country. "They want to gain universal acceptance [for the product] so that they can put the stuff on supermarket shelves and not need anyone there to sell it."

In fact, nettled by the increasing number of supermarkets carrying wine and beer and by the rising competition from cut-rate liquor outlets, virtually all wine retailers have rallied around their traditional redoubts: Service, selection and expertise.

"I never run an ad on a jug wine. I have to create an upscale identity and project the knowledge and the unique, unusual selection that we offer," says Atlanta wine retailer Frank Stone, whose ads often underscore the advisory services that are available to customers at his store.

"I may not be located for the everyday wine purchase [as local supermarkets and liquor stores are], but I want my customers to feel as though they can't buy wine for special occasions unless they buy from me."

"A lot of our advertising is for our Bordeaux [wines]. We're aiming at 2% to 3% of the wine-consuming public, but it is a group that is growing three to four times as fast as the rest of the wine market," adds Mr. Silverman, whose annual sales volume has tripled to $6,000,000 in the last six years.

Wine retailers also point out that more than 50 colleges and universities now offer degrees or degree credits in wine appreciation and that more than 600,000 people are taking courses in wine appreciation.

In light of these statistics and the merchants' personal experiences, some wine retailers believe the major wineries are making a mistake by concentrating all their efforts on mass-market, nonvintage wines. One retailer pointed out that sales of certain mass-marketed wines like Mateus and Lancers, often considered "starting wines," have begun to decline as wine drinkers become more sophisticated.

Wineries also may be surprised at the widespread retailer interest in more detailed information on wine labels.

"For most consumers, the only advertising they see is the label," says New York-based wine merchant Peter J. Morrell. "You don't want to bare the [wine's] whole life story on the back label," but more information would be welcomed by the retailer and consumer. And some retailers are offering more information.

In Atlanta, for example, Mr. Stone's Skinflint's store has established a 10-point flavor index rating wines according to how sweet (10) or dry (1) they are.

"Customers want to know what a wine tastes like, how it compares with other wines," says Mr. Stone. "Our customer comes to know what a '5' means. Maybe it is time for one [major] winery to take the plunge and set up its own standard."

There also is much support for increased label information on wines aimed at more sophisticated consumers, to include such things as pH, alcohol and residual sugar content—all of which play a major role in taste. It also has been suggested that labels on vintage wines include information explaining the optimal years for consumption. But not all retailers are convinced of the need for such information.

"Anyone who is telling you that [there is a demand for more detailed information] is reacting to a very small, but very vocal part of his clientele," says Darrell Corti of Corti Bros. in Sacramento, Cal. "The people who ask for that kind of information are the wine crazies. They're not interested in wine as a beverage, but as a mental exercise."

"You can't simplify wines that way," adds David Courtenay-Clack of the Wine Merchant in Beverly Hills. "It would be inaccurate. You would never get anyone to agree on the ratings, and the customer wouldn't pay any attention to them. I think it would be a waste of time."

Even those in favor of flavor ratings concede that there are likely to be significant problems in setting up universally accepted scales. As one wine expert points out, "If you have been drinking Mogen David, the Lancer's rose seems dry." A rating system's usefulness might also be undermined by Americans' tendency to "talk dry, but drink sweet."

The retailers' strong emphasis on more information also carries over to criticism of the major wineries' tv ads.

"The general life style commercials with all their sunsets, pretty girls and craggy-faced vintners are pretty hollow," says Don Robinson, wine director of Green's Beer & Wine Store, Atlanta. "It is important to create an ambience, but if it can be combined with a kernel of truth of information [about the wine], the long-term results will be better."

The danger with the current approach, explains the retailer, is that the wineries will end up with problems similar to those of Detroit's auto marketers who took a similar life style approach in their ads and ended up "underestimating the intelligence of the consumer."

Wine retailers also give nationally advertised wines mixed reviews for the local merchandising support they provide for their tv efforts. The Italian wines, for example, get high marks for the instore materials that they make available to retailers.

"Riunite is as strong as goat's breath in my market," says Mr. Stone, who attributes much of its strength to "aggressive use of instore materials. They've got decals, posters, doormats, maps of Italy with the Riunite logo on them and even cassette tapes with the Riunite jingle."

Similarly, Cella reinforces its commercials with point-of-purchase posters of its Aldo character that, says Mr. Stone, "some of my customers even talk to." On the other hand, says the retailer, "Paul Masson did the right thing the wrong way. Everyone recognized Orson Welles on tv, but Paul Masson didn't follow it up with instore materials, and the image of the ads was lost."

In addition to materials to be used at the point of purchase, other items frequently requested by retailers include ad slicks and logos that can be easily used in ads and in store catalogs that are distributed to customers.

Despite their various compiaints, virtually all of the wine retailers credit the major wine marketers with, in the words of Mr. Corti of Sacramento-based Corti Bros., "helping to remove the stigma of snobbishness that has been connected with wine.

"Wine is an everyday beverage, not a god or a museum artifact." AA

B.G. Yovovich is a Chicago-based business writer who frequently contributes stories on various marketing topics to Magazine/Section 2.

Top ten wine advertising companies 1979 versus 1980

(Millions of dollars)

Country	1979	1980	Change Dollars	Change Percent
E. & J. Gallo	$ 19,334.7	$ 25,910.6	$6,575.9	34.0%
Seagram	23,262.3	20,909.6	−2,352.7	−10.1
Wine Spectrum/Coca-Cola Co.	14,439.5	16,318.7	1,879.2	13.0
Heublein	18,780.3	14,294.1	−4,486.2	−23.9
House of Banfi	7,410.9	10,211.4	2,800.5	37.8
Brown-Forman Distillers Corp.	8,419.9	9,219.3	799.4	9.5
Almaden/National Distillers	5,591.3	6,816.6	1,225.3	21.9
Schenley/Rapid American	5,550.2	4,697.6	− 852.6	−15.4
Schieffelin/Moet-Hennessy	6,369.6	3,326.8	−3,042.8	−47.8
Renfield Importers, Ltd.	4,463.3	2,523.1	−1,940.2	−43.5
Total	113,622.0	114,227.8	605.8	0.5%
Total All Wine Advertising	$136,600.0	$135,500.0	−$1,100.0	0.8%

Source: Leading National Advertisers, Media Records, Radio Expenditure Reports and Impact estimates

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Imports graft new sales

By Roger McGrath

Fascination with imported products is only one factor in the continuing love affair Americans are having with imported wines. Effective advertising and shrewd marketing strategies that read correctly changing American palates are others.

Actually, the love affair has been going on since colonial times, and by the late 1800s, imports supplied about 25% of U.S. wine consumption. This percentage dwindled drastically with Prohibition and even after World War II, imported wines were only up to just 5% of the market, a position they held through the 1950s.

By the 1960s, however, Americans were growing more prosperous, casting appreciative eyes toward the European wines. This tendency was heartily reinforced by the French and German vintners who sent only their very best-quality wines to our shores. By 1968, imports' market share had reached roughly 10%.

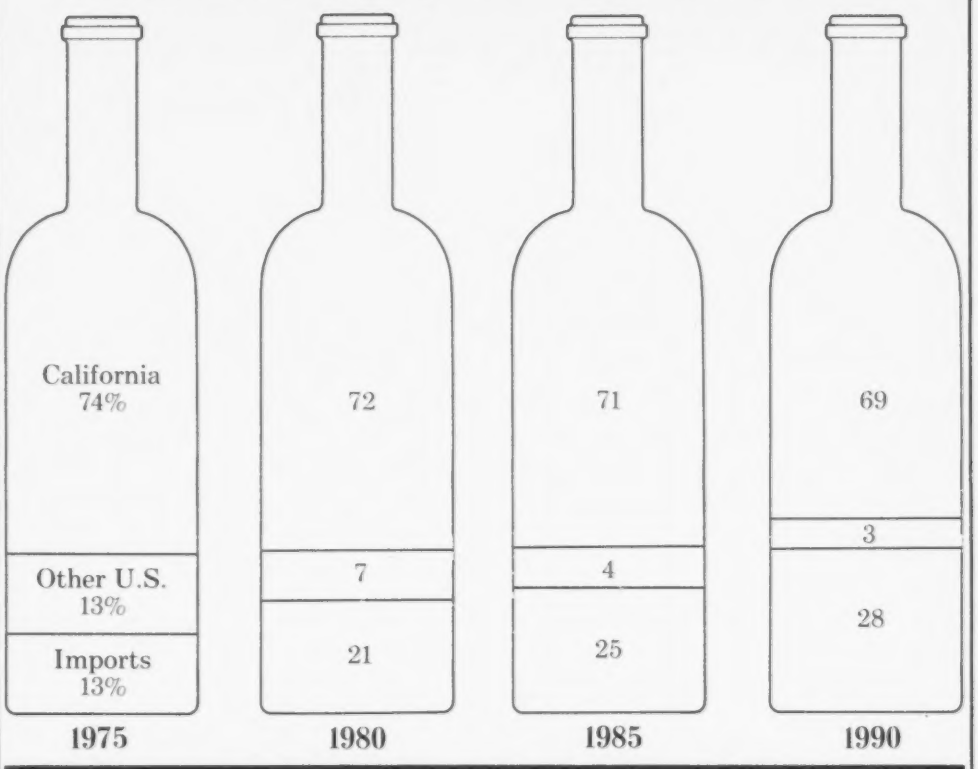
"Imports have always been a factor in the U.S. market," says wine industry consultant Louis R. Gomberg. "They have set the tone for the industry."

And they continue to do so, especially since 1975, when domestic producers stopped heavy promotion of apple-based "pop" wines. Again, as in the past, the Europeans—this time the Italians—saw opportunity, and rushed to fill the void with Lambruscos, led by Riunite. According to one wine expert, the Lambrusco is an "unusual red wine, almost always slightly sparkling . . . extremely fruity, somewhat sweet, with an intense and extraordinary bouquet." Not only were the wines fruity tasting, lightly carbonated and generally lower in alcoholic content, they were best served cold. "America's palate," notes one industry observer, "is in the icebox." And Riunite captured the American fancy.

Appropriately, importers took their marketing cue from soft drink makers and aggressively pursued the mass market, a strategy that continues to pay dividends. "They're well above 20% [market share] now, probably 22%," says Mr. Gomberg. And so the importers, having bottled a fifth or so of the market, are continuing their aggressive marketing and pricing strategies, positioning their wines as thirst-quenching, refreshment beverages for active life styles.

Roger McGrath is a St. Louis-based business writer.

Actual and projected market share



Source: IMPACT American Wine Market Review & Forecast, 1981

"The potential is virtually limitless," says Stephen Freedman, director of wine marketing at Renfield Importers Ltd., New York. "It's a nice position to be in."

Marvin R. Shanken, publisher of *Impact*, an industry newsletter, predicts imports will expand 11% a year—two points faster than the over-all market—during the 1980s and will finish 1990 with a 28% share.

That volume could easily be higher, says wine industry consultant Mr. Gomberg. He estimates that imports, in the absence of a domestic consumer education campaign, could increase market penetration one to two points a year. Imports climbed a rung to 22% last year, he points out.

"It has the [domestic] industry mildly concerned," he says.

Table wine consumption tripled during the 1970s, fueling imports'—indeed, the entire industry's—growth. Today, nine of 10 imports are table wines. Sixty per cent originates in Italy.

Sales of sparkling wines are bubbling, too. "That's the biggest growth category for 1982," says Jess DiPasquale of PepsiCo Wine & Spirits International, New York. The PepsiCo unit introduces a sparkling Rumanian wine late next month.

"Those types that appeal to American tastes and prices have done best," says Frank Gentile, senior vp-sales for Villa Banfi, importer of the top-selling Riunite, the Lambrusco generally credited with uncorking wine's mass market potential.

Industry observers figure a quarter of the market consumes 80% of volume. "There's room to grow if you can get the other 75% of the population to chomp on it," says John C. Maxwell Jr., first vp, Lehman Bros. Kuhn Loeb, New York.

That's precisely the target importers are aiming at. "They're going after the mass audience," Mr. Gomberg says.

Key to reaching the masses is television. "It has the most impact of any medium when you have a mass market product," Renfield Importer's Mr. Freedman says. Other importers agree. In 1980, the top three advertised imports—Riunite, Bolla and Cella—spent 97%, 90% and 100% of their ad budgets on tv. Domestic marketers averaged less than 75%.

When Renfield took over the third largest import (Giacobazzi) in September, Mr. Freedman immediately resumed airing "Make friends with Giacobazzi" spots made for the previous importer. "We wanted to get on the air quickly," he explains. New creative is due this summer.

Much of the advertising is aimed at new wine drinkers. Yago Sant'gria spots breaking in April will spoof macho beer advertising. The goal, says PepsiCo's Mr. DiPasquale, "is to get the attention of entry-level consumers." The ads also will feature Yago's six-pack in bottles.

Another important mass market ingredient: Low cost. "The availability of low-priced wines tends to expand the market," observes Rex Davis, executive director of the National Assn. of Beverage Importers.

"Everybody's looking for a good value today," agrees Kevin O'Brien, vp, Charles Jacquin et Cie, Philadelphia. The price of the importer's Jean Boulaine, a premium French table wine, is below most domestic competition, "so we hope our pricing will outweigh our not having multimillion dollar advertising." But the Italians are way ahead.

Why? According to *Impact's* Marvin Shanken, "A combination of reasonable, competitive prices and strong brand-building activity on the part of the Italian table wine marketers has moved the marketplace decidedly in their favor."

"The French have begun to take strong action to counter that," Mr. Gomberg says. "And I expect the Germans and Spanish to do likewise."

The French, in fact, are highlighting low-priced table wines in the new "Foods & Wines of France" promotion. The Spanish Rioja Council, along with importer PepsiCo Wine & Spirits, is running a 10-city newspaper campaign telling consumers "how inexpensively you can pick up" the $4-a-bottle Rioja wines, Mr. DiPasquale says.

Importers are actively pushing wine into mainstream distribution, going head-to-head with beer, soft drinks, iced tea and other "refreshment beverages." First stop: Supermarkets.

Although only 20 states allow wine to be sold in grocery stores, Villa Banfi earlier this month rolled out "the first national program geared specially to mass volume supermarkets," says Frank Gentile, senior vp-sales. Grocers sold about 60% of Riunite's 11,000,000 cases last year.

The five-part promotion teams Riunite with picnic foods, watermelon, snacks, Thanksgiving and the Christmas holidays in one free-standing display. "These displays assist the supermarket in promoting other items in the store," he says. A "Riunite is a picnic" banner, for example, ties products scattered throughout the store—hot dogs, buns, mustard, even paper plates, napkins and charcoal—into the promotion.

Villa Banfi's goal: Position Riunite as an "anytime" beverage. Advertising encourages consumers to keep the wine "right next to the orange juice, beer and soft drinks." "We have to let them know it's okay to drink at midday, as a cooler, for refreshment," Mr. Gentile says.

Most importers are pushing similar positioning. Yago Sant'gria is now available at 12 professional athletic stadiums, including the County Stadium in Milwaukee, onetime U.S. beer capital.

Importers also are eager for what an official at Paterno Imports, Chicago, calls the market's "natural drift" to drier premium and superpremium wines. "There's definitely a trade-up pattern," Renfield's Mr. Freedman agrees.

And marketers aren't bashful about capitalizing on America's infatuation with imports. "The fact that it says 'imported' on it enhances its image value," Louis Gomberg says.

"People in America perceive wines coming from France as being of very high quality," says Mr. O'Brien of Charles Jacquin.

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Consumers hold the cards: This 'fad' won't fade

By Robert B. Morrisey

Back in the mid-1960s when dessert wines dominated sales in America, a discerning observer of the wine scene boldly forecast a "wine revolution" in the upcoming '70s. At the time, his remarks were generally ignored by the wine industry, and forgotten—for a few years.

By 1970, an American wine revolution had, indeed, begun. Wine consumer tastes were changing nationally in favor of table wines, and the venerable Leon D. Adams, respected wine historian and author of "Wines of America," and "Commonsense Book of Wine," could say unequivocally: "I told you so."

Making his bold prediction in an address to Ohio wholesale wine dealers in Cincinnati in September, 1965, subsequently published in a leading wine industry magazine, Mr. Adams revealed a "buried" statistic that showed how rapidly table wine was then coming on, compared with dessert wines. For him, it promised that "the industry's stepchild, table wine, obviously would soon become a giant," revolutionizing the wine business.

Whether or not the latest innovation—"light" or "soft" wines—is a winner depends on yet-to-be determined consumer acceptance.

He admits today that even he did not realize at the time just how swiftly the revolution would occur—and how explosive it would be.

And as the transformation picked up momentum, relatively few in the business of making and selling American wines clearly read the rapidly developing consumer trends that were accelerating the upheaval. None, for instance, really anticipated the "white wine boom," as many vintners indifferently went about increasing their planting of red wine grapes.

Nor did they read early the changing cultural climate in America as it affected drinking habits and attitudes. "Drunkenness was going out of style," Mr. Adams observes. "Wine, in turn, was readily associated with good manners and gracious living, as it is today."

While wine surely has generated a lot of excitement in America over the past decade, it is far from being the nation's leading consumer beverage. Annual per capita consumption has "reached" just over two gallons (double that for California), ranking us about 30th among wine-consuming nations.

Now, if wine has become such an accepted alcoholic beverage of dignity and moderation, how come such a low U.S. consumption per capita? Good question; startling answer. About 4% of the adult American population drinks about 53% of all wine consumed in our country. So found a national probability study done by Wine Spectrum, Coca-Cola Co.'s wine marketing arm, about two years ago. To qualify for membership in the elite "four-percenter" category one must simply consume wine four or more times a week.

And the same study found that 68% of adult Americans drank no wine at all during a controlled 30-day period!

Even if there has been a small increase in the per cent of "serious" (four-or-more-times-a-week) consumers since the Wine Spectrum study, it is obvious that relatively few Americans consume a relatively large amount of the grape to support our current, unexciting two-plus gallon per capita rate. And these heartier consumers constitute a public unto itself, one that exerts a positive influence in today's wine marketplace.

To reach this special public, scattered as it is throughout the nation's population, both American and foreign wine producers are nowadays budgeting millions for media advertising, including big bucks for prime time tv.

Wineries jump at opportunities to pour their wines at major public tastings, wine festivals and large seminars where frequently 100 or more different winery tables line the four walls in a single auditorium or hall. It's a means to confront, eyeball-to-eyeball, a large number of four-percenters who often travel far and pay large admissions to be "updated" on the wine scene.

And while good advertising may influence some knowledgeable consumers to try a particular brand, producers have learned that educated palates frequently dictate final judgments.

To participate in major tasting events is to offer a winemaker's best wines for on-the-spot evaluation.

Because the serious wine consumer's thirst is not only for wine, but for wine knowledge, there are today about 500 wine writers who are published regularly or sporadically in some form or another. A number of them are widely and well read in leading newspapers and magazines, and some have authored books on wine, of which there have been an abundance in recent years.

Not only do most written wine words have a strong influence on consumers, they frequently influence winemakers. A "rave" notice about a particular wine by a widely read and respected wine writer has caused that wine to be sold out virtually overnight. On the other hand, a bad review about a winery or its wines can add dust to a producer's inventory.

And how better to satisfy this thirst for knowledge than to attend formal educational courses devoted specifically to the subject of wine. At last count, there are about 1,000 well-attended wine courses being offered in the U.S., the majority conducted at 600 different colleges and universities. The national Society of Wine Educators boasts over 600 members.

Do beer and spirits consumers have their own private newsletters, magazines and newspapers? Do they have their own membership organizations that meet regularly to hear makers talk up their products and to taste, compare and critique them? Do they have the benefit of formal judgings by experts who bestow medals for brand superiority? Wine consumers have all of the above. Their fierce dedication to the fermented grape product has created a demand—and the support.

All that said, let the record show that today's devoted American wine consumer is already—or is on his or her way to becoming—sophisticated. Many experts allow as how today's American consumers are, in fact, more sophisticated than any others anywhere. And these affluent aficionados will continue to dictate American wine trends.

Some marketers (and producers) still insist that the white wine boom is a fad that will fade. Others insist that red wine will soon dominate once again—and forever after.

But consumers are performing to the contrary.

Peter Sealey, vp-market planning and marketing services for Coca-Cola Co.'s Wine Spectrum, noted in a recent speech that "we might believe that as people become more sophisticated wine consumers, they will drink more red, but this is simply not true in the over-all premium-priced market. The trend there to white is even more pronounced."

Statistically, red wine shipments to market in 1981 were down about 2% from 1980 figures, according to California's Wine Institute (the trade association for California wineries) compilations. White wine was up 14.8%. No trend to red yet. Champagnes or sparkling wines are asserting themselves somewhat. U.S. shipments from France last year set a new record, and for the first time exceeded French Champagne shipments to any other country.

A rave notice about a particular wine by a widely read and respected wine writer has caused that wine to be sold out virtually overnight.

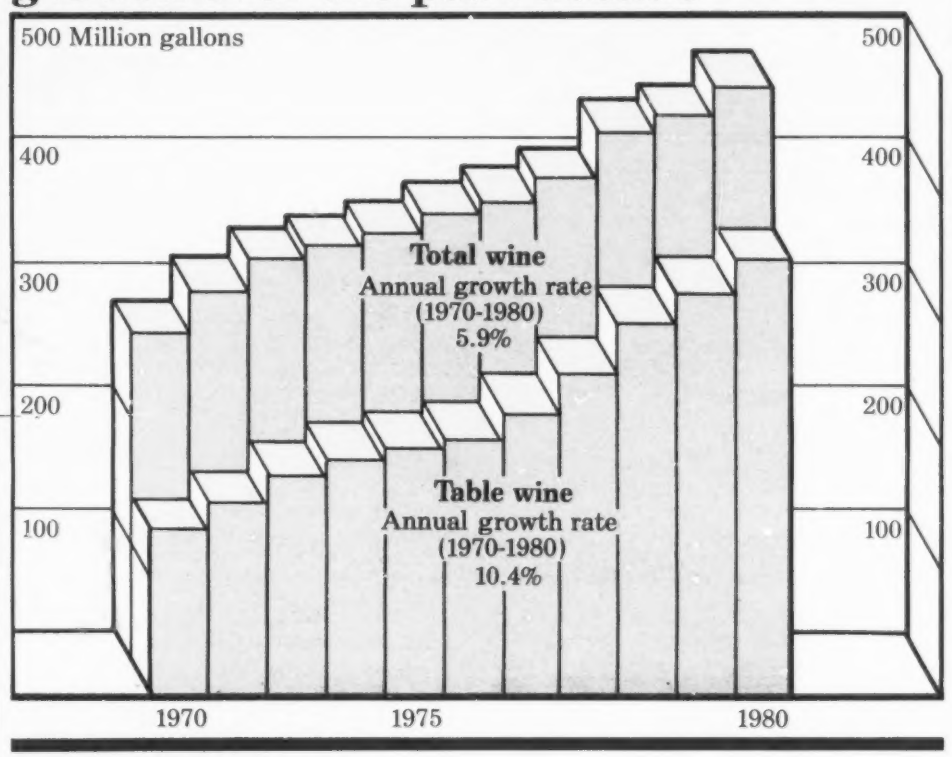
Whether or not the latest innovation—"light" or "soft" wines—is a winner depends on yet-to-be-determined consumer acceptance. The industry remains divided as to their success. The same goes for wine marketed in cans. The wine may taste the same, but consumers have been raised on bottles. Wine-in-a-box is becoming practical and economical for restaurant house wine dispensing, but it is still not common in consumer refrigerators. Again, it's the bottle training.

Meanwhile, the man who rightly predicted the wine revolution 16 years ago says now that America's wine consumption can and will easily exceed 10 gallons per capita when wine can be purchased in *all* grocery stores throughout the U.S., not in just some locales.

"I know that statistics show that more women buy wine these days than do men," Mr. Adams acknowledges, "but when any woman shopper can easily pick up wine along with her foodstuffs, consumption will take off.

"We're in the midst of a great experiment," he concludes, "and all of us are subjects. If Thomas Jefferson was right when he said 'no nation is drunken where wine is cheap,' then our increasing wine consumption will cause drunkenness to decline, and drinking will have become civilized in America." AA

Table wine growth versus total wine growth over the past decade



Source: Impact Databank

Robert B. Morrisey, president of the Morrisey Group, an advertising agency in San Diego, is a wine writer, educator and consultant. He was the founder of the Wine Spectator.

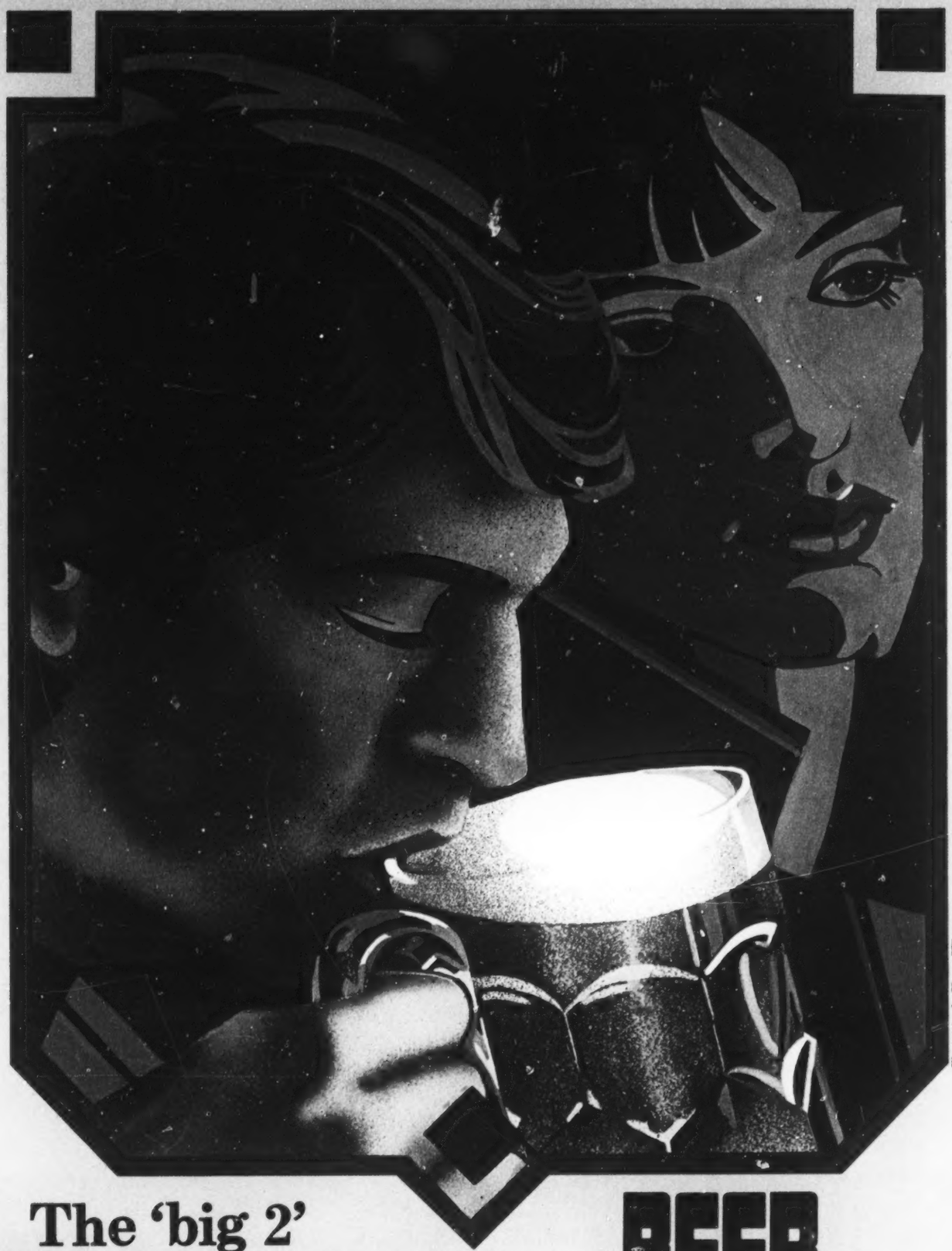


Illustration by Nancy Macgregor

BEER

The 'big 2' strengthen their grip

By Anna Sobczynski

Kingdoms in the beer industry come in two sizes: Giant and small.

On the one side are the vast expanses of the first tier of breweries—Anheuser-Busch and Miller Brewing Co.—always overlooking the others from atop the highest hills.

On the other side are the entities of the "second tier," ever worrying about survival, always conscious of their vulnerability.

It is easy to understand why those of the second tier might feel a bit warier than usual these days. The two giants of the industry, though they clash mightily in their intramural contests, command power and respect. And what they do—or don't do—in many ways shapes the beer industry as it is known today.

Riding its famous Clydesdale hitch, Anheuser-Busch is now blissfully trotting along at the top of the brewing industry, where it holds a commanding lead.

With a 28% share of the nation's beer market, the St. Louis-based company enjoys an enviable vantage point over the rest of the industry.

But there is always the danger of smugness that comes with being No. 1, and Anheuser-Busch refuses to succumb to that temptation.

The company's advertising budget, its marketing strategy and its expansion plans all bear out A-B's conviction that if its "King of beers," Budweiser, and the rest of the royal court are to reign supreme, their subjects must believe that the palace residents continue to earn loyalty.

The year 1982 marks Anheuser-Busch's 25th year as the most popular head of beer on the nation's steins. Ever since

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Anna Sobczynski, a business writer in Wheaton, Ill., is a frequent contributor to Magazine/Section 2.

The 'big 2'

(Continued from Page M-37)

A-B wrested the lead from Jos. Schlitz Brewing Co. in 1957, the company continues to climb higher every year. But no fanfare or fireworks are being planned for its milestone anniversary.

"We had thought about making a public statement or featuring the 25th year at the top in our advertising, but we decided against it," says Michael J. Roarty, vp-marketing. "We don't want the consumer to think we're so pleased with ourselves that we forgot him."

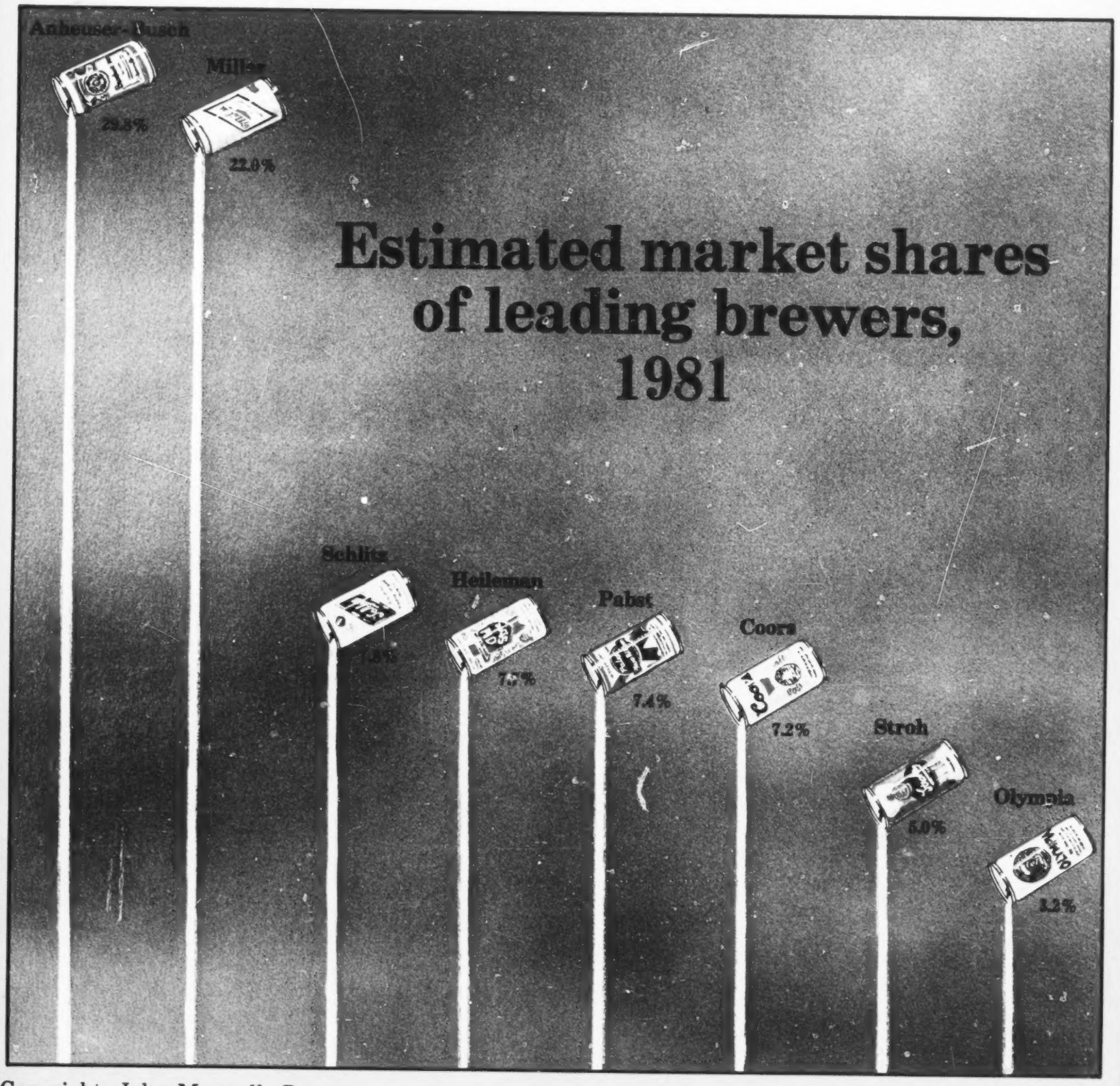
One thing Anheuser can never allow itself to forget is who's No. 2. Miller Brewing Co.'s claim to fame rests on its aggressive and skillful marketing, which has given A-B a run for its throne for the past 12 years. Miller, a subsidiary of Philip Morris Inc., makes no secret that its fight for the froth on top will continue to be an unrelenting one. And no one realizes that better than A-B.

As these two giants battle it out in a market they dominate together, other brewers, especially those in the "second tier," stand by lamenting their position and scheming—perhaps romantically at times—to get a larger piece of the manor.

Even though A-B has been growing at a rate roughly four times the industry norm (8.5%, compared with 2% to 3% a year), registering a healthy $4.4 billion in gross sales last year, it has been forced to run to keep itself ahead since Miller set a rapid pace in 1973.

Before 1970, the beer industry had been busy doing what it does best—brewing beer and satisfying the taste buds of its vaguely defined audience, the beer drinker. Enter the two words that "changed the competitive nature of the industry," says industry consultant Robert Weinberg of Weinberg & Associates, St. Louis. Those two words —Philip Morris—brought their own new word to the brewing industry: Marketing.

It's ironic that an outsider brought such irrevocable change. The lesson Philip Morris taught was that the marketplace is not a cosmic unknown, but a definable, diverse and, above all, reachable grouping of entities. As Philip Morris began



Estimated market shares of leading brewers, 1981

Copyright: John Maxwell, *Beverage Industry*, Feb. 5, 1982. Source: Lehman Bros. Kuhn Loeb Research

to untangle the web, Miller began to "understand who was drinking beer—culturally, ethnically, socially and economically," says Alan G. Easton, vp for corporate affairs at Miller.

And so this, at the time, seventh ranking upstart kid, whom few took seriously save for his doting parent, applied his new-found knowledge so effectively he was able to bypass such brewing biggies as Pabst, Blatz and Schlitz on the way to the near-top—No. 2.

Meanwhile, the giant at the top couldn't help but sit up, take notice and delve into marketing know-how with unabashed fervor, as Miller edged ever closer. Even the people at Miller today will agree that A-B skillfully learned to use the tools of its master competitor. "They have been good and fast learners," Mr. Easton says.

But what stunning marketing feat of Miller's made Anheuser sit up and first take notice? Once Miller had defined its audience, it realized that the advertising effort that supported its flagship brand had been made to the wrong market segment. Miller High Life was so much Miller's No. 1 product that it almost made Miller a one brand brewery. It was exotically referred to as "the champagne of bottle beers."

The analogy cited the high brow tastes of the country club set who drank the beer with relish, but while the tennis crowd tastefully downed a beer or two after a jaunt on the courts, they were not the volume beer drinkers. The everyday man who drank beer, drank *it* and not champagne!

This is why Miller's first advertising effort was a sort of uncampaign. That is, its purpose was to undo the country club image of High Life, to "neutralize the perception," as Miller's Mr. Easton describes it. Associating the product with everyday things and events, the 18-month effort culminated with Miller's 1973 unveiling of "Miller time." That campaign, which was developed by McCann-Erickson, New York, presented Miller High Life beer as a reward to anyone for a job well done. The time spent in enjoying that reward was, of course, "Miller time."

Today, that phrase is more than an advertisement, Mr. Easton explains. "Miller time has passed into the American lexicon," he says. "It's an idea. Now

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'Second-tier' players jockey for position

Schlitz

Jos. Schlitz Brewing Co., the dethroned leader of the brewing industry, is now a distant third, behind Anheuser-Busch and Miller Brewing Co. and on top of the "second tier" of breweries. In 1981, Schlitz had an estimated 7.8% share of the market and just more than $1 billion in pretax revenues. Still, its current standing in the industry is a noteworthy accomplishment in face of overwhelming odds.

In its recent history, the Milwaukee-based brewer was crippled by a number of crucial mistakes or misjudgments. Among them was a reformulation of the company's flagship brand that ultimately led to consumer dissatisfaction.

According to an industry observer, the Schlitz product today is probably even better than it was before the reformulation, but its reputation has been hurt.

Despite a decline in barrelage last year, the company has been making a slow but purposeful recovery under the leadership of chief executive officer Frank Sellinger, a 47-year brewing industry specialist and a master brewer. Heading a new management team, Mr. Sellinger has put support behind a campaign that has gone through several stages. (One industry analyst estimates that Schlitz, together with Adolph Coors Co., spend the most money-per-barrel on advertising.)

Mr. Sellinger is Schlitz' spokesman in the J. Walter Thompson U.S.A.-created ads.

Last year, G. Heileman Brewing offered to buy Schlitz for $494,000,000, but the U.S. Justice Department opposed the merger. Carol Vollmer, manager of corporate communications with Schlitz, says the brewery continues "to pursue its business as an independent company."

But Jerry Steinman, editor and publisher of "Beer Marketer's Insights," an industry newsletter, says the two companies are still talking.

Heileman

Russell Cleary, head of G. Heileman Brewing Co., has been ungraciously referred to as the "guerrilla fighter" of the brewing industry. It is a term used with respect, however. He has been described as a pricing and marketing wizard.

G. Heileman, based in La Crosse, Wis., is the country's fourth largest brewer, having raked in revenues in excess of $931,000,000 last year. The company's earnings have been up 19 of the last 20 years.

But, whereas second-tier breweries have been said to be "in trouble," Heileman looks to be immune from the danger and Mr. Cleary's unconventional approach to marketing is cited as the reason.

The brewer has no national brand to compete head-on with the likes of Budweiser or Miller High Life. Instead, Heileman distributes more than 30 brands, primarily throughout the Midwest, Colorado, Arizona and Kentucky.

When Heileman takes over a brewery, the list is augmented by another member of who's who in the history of brewing. For starters, there are Blatz Brewing Co., Jacob Schmidt Brewing Co., Rainier Brewing Co. and Drewery's Ltd. U.S.A. After acquiring them, Heileman did not move in its existing brands. Instead, it continued to sell the products of that regional brewer.

The result is "we don't undermine the awareness people already have in those markets for those products," says Ron Drout, vp-brand management. Its Old Style brand, for example, commands almost a 37% share of the Chicago market, according to Mr. Drout.

Heileman is primarily a marketer of popular priced beer, and it has 11 brands in the lucrative light beer category. Having so many entries in these areas could prove even more fortunate for Heileman. Donald Rice, an industry analyst with Blunt, Ellis & Loewi, Milwaukee, says that for the first time in a decade, the popular priced segment of the industry is *the* hot area.

Pabst

"If anyone can save Pabst and bring it out independently, it's Bill Smith," says Mr. Rice, the analyst with Blunt, Ellis & Loewi. William F. Smith became president and chief executive officer of Pabst Brewing Co. last fall after he came from Pittsburgh Brewing Co., which he is credited with saving.

The hope is that the management reshuffling and proxy fights that have been plaguing the company will finally subside so that Pabst, which had $811,000,000 in revenues in 1981, can once again concentrate on the business of brewing.

Much attention has focused on a proxy fight between the Pabst board of directors and Minnesota entrepreneur Irwin Jacobs, the largest stockholder in Pabst. The issue may be resolved when Pabst has its annual meeting in April.

But besides skirmishes at the top, the company's flagship brand has been "suffering from atrophy," as an industry observer notes. For a long time, Pabst has been trying to "premium-ize" its Pabst Blue Ribbon beer.

That's somewhat paradoxical because, before these attempts to upgrade its image, Pabst had been considered a premium product. In fact, in 1893, Pabst was picked as "America's Best Beer" at the Chicago Columbian Exposition. Some blame Pabst's "premium beer at popular prices" strategy for the product's lowering in sales and stature.

At any rate, to help enhance its standing, Pabst has put its money behind a "real taste of beer" campaign that relies on testimonials by "real people" attesting to the worth of the product. McCann-Erickson, New York, is the agency.

Meanwhile, Pabst is attempting to acquire Pittsburgh Brewing Co. for $7,800,000. Both sides have reached agreement in principle.

Among its brands, Pabst now offers Pabst Light, a low-calorie version of its flagship brand. It is also scheduled to go into test during the second quarter of this year with Jacob Best Premium Light, a 96-calorie entry.

Coors

Adolph Coors Co., the sixth largest brewery in the country, with net sales of $929,900,000 in 1981, has long been a name associated with the mystique of the West and the mountains, perhaps because it isn't available in the East. Coors now sells its brands in 20 states, and the company claims to be No. 1 in Texas and growing in California.

It would be a happy state of affairs for the Golden, Colo.-based brewery, were it not for the fact that both Anheuser-Busch and Miller Brewing Co. place those two areas of Coors strength high on their lists of "must-haves."

Though the main battle is being waged between the Big Two, Coors is in danger of getting hurt. And it must keep a tenacious hold on its Texas and California markets in order to survive.

Of the A-B and Miller challenges, Bob Keyser, corporate communications representative with Coors, says: "They're out to prove they have deeper pockets than anyone else. But we'll be competing aggressively in those two areas. We know the two majors are targeting those states, and we're up to the challenge."

Coors' own pockets, at least for advertising, have also been deepening over the past few years. The company's ad budget increased from $9,000,000 in 1976 to just under $90,000,000 in 1981. That increase has been the price paid to remain a strong regional brewer.

Company philosophy is to increase market share in Coors' own area and then to consider expansion. In face of A-B and Miller challenges, that strategy may be particularly significant in the near future. The Golden plant is being expanded in order to reach 20,000,000 bbl. capacity by the mid-1980s. The company produced 13,3000,000 bbls. last year, slightly less than the year before. The company has also bought land in Rockingham County, Va., with long-range plans to build a 10,000,000 bbl. facility there.

Coors Light, one of the later entries into the category, is said to hold a 10% share of all light beers sold. Figures show it grew by 35% in 1981 over 1980. A campaign created by Ted Bates & Co., New York, emphasized the "surprise" the consumer experiences in finding out how well Coors Light tastes.

Meanwhile, the company is testing two brands for the superpremium market.

One is George Killian's Irish Red Ale, which is being tested in Santa Barbara, Monterrey and San Francisco, Cal.; Wichita, Kan., and Colorado Springs, Colo., is scheduled to be rolled out into the Coors market area throughout 1982.

The other product in test is Herman Joseph 1868.

Stroh

Stroh Brewing Co., the nation's seventh largest brewer, holds about a 3.8% share of the national market. The regional brewer distributes in 28 states, most of them in the Midwest, Southeast and now parts of the East since its acquisition of the F&M Schaefer Brewing Co. last year.

Although limited distribution is a problem that plagues the regionals, Stroh capitalizes on it in its advertising. Its agency of record for the past 14 years, Doyle Dane Bernbach, devised a campaign where people go out of their way to find a Stroh's. The ad budget totaled about $16,000,000.

Stroh plans to expand into Florida this year with Stroh and Stroh Light. It also plans to introduce a new superpremium product in May.

Olympia

Olympia Brewing Co. has capitalized on an invasion by alien beings since the fall of 1980. Americans have gotten hooked on the Artesians.

Chiat/Day of Los Angeles, the agency for the Olympia, Wash.-based brewery, created the highly publicized Artesian campaign, receiving inspiration from the artesian well water the company's beer is made from.

The campaign has won accolades for its creativity. But, as one analyst says, "It sells T-shirts. The only thing it doesn't sell is beer." The company had a $1,400,000 loss on revenues of $393,000,000 in 1981. The loss represented Olympia's first since Prohibition.

Olympia executives, while acknowledging that the campaign hasn't made Olympia a runaway overnight success, profess to be assured that the company is in line for better days.

Olympia continues to rely on the sale of its flagship brand and Olympia Gold, its entry in the light field. According to the company, "Oly" Gold is the No. 1 light in the Pacific Northwest, the company's home territory, No. 2 in Chicago and third in California.

But the brewer's 3.2% national market share was not generated by the sales of Olympia and Oly Gold alone. The company also owns the Theodore Hamm Brewing Co. and Lone Star Brewing Co., which give Olympia plants and markets in St. Paul and San Antonio, respectively.

After acquiring Hamm's, Olympia resurrected the Hamm's bear figure, which is now 25 years old. Partly as a result of this campaign—"From the land of sky blue water" is the theme—the brand has been turned around after more than a decade of declines. —*A.S.*

Heileman bottles a can-do philosophy

By Jack Hafferkamp

Last October, the U.S. Justice Department announced that it was opposed to a proposed merger of the G. Heileman and Jos. Schlitz brewing companies, a logical combination that one industry observer describes as "fitting like a hand in a glove."

That opposition was a great blow to the aggressive, ambitious La Crosse, Wis.-based Heileman, which hoped by the move to leap from the industry's second tier to almost equal partnership with the twin goliaths of beer, Anheuser-Busch and Miller Brewing Co. Now, after a winter of quiet discontent, it appears that Heileman plans to continue its industry-leading growth pattern and does not intend to let the merger matter rest.

Jack Hafferkamp is a business and free lance writer in Chicago.

In the beer business of the last two decades, Cinderella's last name has been spelled Heileman. The industry's major historical theme has been the elimination of the nation's small and medium brewers and a concentration of half the country's total beer market in the hands of just two companies, A-B and Miller, a division of tobacco giant Philip Morris Inc. Yet while other local and regional brewers have gone down around it, Heileman's industry position has risen from 31st to 4th. None of the competing second tier brands (Schlitz, Pabst, Coors and others) has matched Heileman's growth. In 1981, Heileman was the only major brewer outside of A-B and Miller to show volume, sales and earnings increases. In 1982, its sales are expected to exceed $1 billion for the first time ever.

"Heileman has succeeded because it didn't attempt to become a national one-brand brewery," explains Don Rice, senior market analyst with Blunt, Ellis & Loewi, Milwaukee. "By beer industry logic, it did everything wrong. Economic necessity led Heileman to use a technique best described as multibrand, multiregion marketing. And it's worked."

Old Style, the company's flagship brand, is emphasized in Chicago, Wisconsin and contiguous states. Rainier leads in the Northwest. Schmidt is in and around Minnesota's Twin Cities; Wiedemann around Cincinnati, and Carling Black Label in Baltimore. This company policy often has been described by Russell G. Cleary, president, chairman and chief executive officer, as "you go fishing where the fish are."

"I think Heileman management understood where the beer business was going," says Mr. Cleary, a veteran of 22 years with Heileman. "We knew that you couldn't rest on your laurels selling a good product in two or three states. We knew you had to develop a long-term survival strategy. If we were too limited in our geographical distribution, we would be vulnerable to the big guys. We have tried to develop a collection of regional breweries by joining other regional brands with the original Heileman brands.

"Our objective has been to increase the penetration in the markets that are natural to us, and—secondarily—to broaden our base throughout the country. Thus we acquired Blatz in 1969, Rainier in '77, Carling-National in '79 and so forth."

Altogether, Heileman puts out 30-odd brands, with its eight major labels (Old Style, Blatz, Rainier, Colt 45, Schmidt, Black Label, Wiedemann and Special Export) accounting for about 80% of total output. Throughout its entire development program, Heileman has sought to avoid "leap frogging," jumping into distant, hostile territory. The preference has been "to grow contiguously," a style developed to promote Heileman's chief preacquisition product, Old Style, which is the No. 1 selling beer in Wisconsin and Illinois.

"Right now," says Mr. Cleary, "the main targets for our Old Style development plan are Michigan, Indiana, Iowa, the Dakotas, Nebraska, Missouri and Southern Illinois. The goal is to get distribution on a wall-to-wall basis."

Analyst Mr. Rice believes that

Second tier

(Continued from Page M-39)

when somebody just does something well, his reward period has come to be known as 'Miller Time.'" Miller Brewing has been reaping the rewards of its own "Miller time" since.

The following year, Miller caused ripples of laughter to run through the competitor's brewery when it unleashed Lite on an unsuspecting industry.

Everyone guffawed at the ludicrousness of the "diet beer" concept, which had been tried in the past by several brewers and failed. Everyone that is, except Miller.

You will remember that targeted segment marketing and market analysis were the cornerstones of the Philip Morris philosophy, and they figured highly in Miller's belief in the viability of its new product. Lite may have been a lower-calorie product, but its merit was not translated into a calorie count for the diet conscious.

Miller took the Lite concept light years away from dieting and thus a new campaign and a new product were born. "Tastes great. Less filling" is still the brand's campaign theme.

"Miller took a brand and created an industry [light beers]," says Donald Rice, an industry analyst with Blunt, Ellis & Loewi, Milwaukee. "They changed it from a diet product to a macho product and ran with it."

Miller prides itself on the longevity of its themes, which Mr. Easton believes is an important aspect of the company's marketing successes. As he points out: "Other major brewers have cycled through a variety of campaigns. Once we develop our creative strategy and theme, we stick with it. As an advertising agency representative once explained Miller's enduring product themes, 'If it ain't broke, don't fix it.'"

Lite enjoyed a 60% share of market in 1981, according to several industry sources, and and the campaign is now entering its eighth year.

A new version of the national "All Stars" campaign, a bowling tournament, debuted on March 14. The campaign's spots continue to feature known personalities, predominantly former athletes—"the kind of guys you'd like to have a beer with," as Mr. Easton describes them. Weekend television sports shows are the primary vehicle for the campaign.

"Miller took a brand and created an industry. They changed light beers from a diet product to a macho product."

In fact, all of the beer industry has become sports oriented. Miller claims that its original market research precipitated the trend toward sports when it discovered that the demographics of America's sports fans pretty well match those of the volume beer drinker.

Here again, Anheuser-Busch was a perceptive pupil. The company now claims to be the largest sports sponsor in the U.S.

Knowledge of one's market area alone, however, does not a successful brewer make. A-B and Miller together would not command 52.6% of the market if they didn't have the vast financial resources to realize their findings.

So when Miller finally proved convincing in its belief that people bought beer for its aura, as well as its aroma, A-B began pouring copious funds into advertising to support its top-selling brands. The decision was not made overnight, however.

Three years into the Miller High Life campaign and two years after Lite was introduced, A-B was crippled by a 100-day work stoppage. The issues revolved around work rules and grievance procedures. Bottles of Michelob beer, A-B's superpremium brand, were hard to find. Miller High Life, which had been steadily gaining market share, could now do so almost unimpeded. Lite was in its infancy and not only lacked contenders in its own category, but now had little competition from the best-selling brands of the top brewer in the country.

The aftershock of the June, 1976, strike reverberated throughout the A-B brewery until well into the first quarter of the following year. But rather than wring their hands in despair, the executives at Anheuser-Busch treated this as a time of reflection and barrel-searching. The bottom line was, "We're still beating them, but we'd better join them."

The brand they chose to promote aggressively, Budweiser, the flagship product, was criticized by some in the industry as an empty cause. It was considered to be a mature brand and therefore immune to the most brilliant marketing efforts.

A-B went ahead with its newly educated gut instincts. Advertising budgets were increased substantially, packages were revamped by skilled marketers, who had been lured from such gurus of marketing as Procter & Gamble and campaigns were reworked. From 1977 to 1981, A-B's ad budget rose from $60,000,000 to $171,000,000. During that time, the barrels for two A-B light beer entries were also rolled out—Michelob Light and Natural Light.

The efforts paid off. A-B sales increased by 25,400,000 bbls., while the rest of the industry—*in toto*—produced only 23,000,000 bbls. Budweiser's new campaign, the brainchild of D'Arcy, McManus & Masius, St. Louis, followed in the reward-for-work-well-done vein initiated by Miller.

"For all you do, this Bud's for you" first broke in April, 1979, and has endured into 1982, helping the brewer sell an impressive 38,200,000 bbls. last year—70% of the company's total volume. (Miller's total barrelage last year was 40,300,000.)

Budweiser's ads have been aimed at blacks, Hispanics and college students. Soon, broadcast spots will be featuring women. The college crowd was introduced to the TasteBuds, a motley crew of beer tempters featured during "Saturday Night Live" broadcasts.

Optimistic and sure of itself best describes A-B's attitude toward its third light beer offering, Budweiser Light.

A-B, like the rest of the industry, was at first skeptical about the selling power of light beers. This is why it didn't take the leap into light until well after Miller's Lite was running away with the category and the profits.

Still, according to industry analyst Mr. Rice, Michelob Light is a very successful brand for A-B. Natural Light, on the other hand, is not doing that well, according to Jerry Steinman, editor and publisher of "Beer Marketer's Insights," an industry newsletter. While Lite last year was the only light beer among the top 10 best sellers—it was, in fact, the largest-selling brand last year after A-B's Budweiser and Miller High Life—Natural Light was not meeting A-B's expectations, according to analysts at Sanford C. Bernstein & Co., New York.

A-B reacted accordingly. First, the brand was repositioned as a mid-priced product below the premium priced light beers like Miller's Lite. Second, a new campaign was introduced to associate the product with good-tasting food. The new campaign, with "What's more natural than Natural Light" as its theme, began running in the late fall of 1981.

According to the company, the brand's decline has been arrested. Two earlier campaigns attempted and apparently failed to deal with Natural Light's marketing difficulties. Industry sources say the product's name was confusing. This prompted the introduction of a campaign in which spokesman Norm Crosby urged consumers to "Just say 'Natural.'"

This effort was followed by testimonials from known sports figures and other celebrities who claimed to have "switched" to Natural Light—obviously from Miller's Lite. So now, following repositioning, repricing and campaign doctoring, A-B hopes the brand will take off as successfully as its kin. Together with Michelob Light, Natural Light now holds a 17% share of the light beer market.

Optimistic and sure of itself best describes A-B's attitude toward its third light beer offering, Budweiser Light. Pleased with the results of test marketing, A-B is now ready to enter the light battle with Miller. A campaign for Bud Light broke on March 1 to coincide with a phased rollout of the product. Network television, in which 70% of the campaign is concentrated, will begin running the commercials around the end of April. To reinforce strong ties to its well established relative, Budweiser, the new product's ads will feature a single Clydesdale horse. The theme, "Bring out your best," coincides with the company's fondest hopes for the product. Needham, Harper

Heileman's approach developed from necessity. He says Heileman became the industry's "merger specialist" because it didn't have money to build new facilities all over the map. Its only route to growth was through acquisition.

One unanticipated benefit of this strategy is that Heileman has never had to pour big money into a national media campaign, bringing it "substantial savings" by going with less expensive local and regional advertising.

In 1980, Heileman's total output was about 14,000,000 bbls., very near that of Schlitz, Coors and Pabst. Each had around 8% of the national market. Miller put out about 37,000,000 bbls. for 21%. Anheuser-Busch's output was 50,000,000, or 28% of the national beer market. In the following year only A-B, Miller and Heileman had significant gains, with the Anheuser and Miller combined market share reaching 54%.

The proposed Heileman-Schlitz merger would have launched Heileman into the same league with the two majors. Specifically, it would have created competition in the Sunbelt, which is currently the playing field of A-B and Miller.

Heileman's operations are concentrated in the North. The troubled Schlitz, on the other hand, closed its brewing operation in Milwaukee and is, in effect, heavily concentrated in the South. A merger would, in one stroke, keep Schlitz from falling into A-B's or Miller's hands and make Heileman a national operation.

Understandably, there was opposition to the merger from other brewers. Less understandable was the opposition from the Reagan administration, whose trustbusters have otherwise winked at the matings of much larger fish than Heileman and Schlitz. In the beer industry, there are people convinced that if the Justice Department is genuinely serious about real world competition, it is going after it in a backwards fashion.

Mr. Rice goes so far as to call the Justice Department move "ludicrous."

"This decision," he says, "is totally destroying potential competition in the industry. The gap between the first and second tiers is widening. The Justice Department is essentially giving the industry to Anheuser and Miller. It will give them 75% to 80% of the national market."

Since the announcement of federal opposition last Oct. 21, Heileman has kept its cards close. But now there are rumblings in the industry, and the vehemence of Mr. Cleary's "no comment" could suggest that another round in this battle maybe coming up. At this moment Mr. Cleary remains noncommittal about specific plans. Yet he does say this:

"I think there is a legitimate concern that as the gap between the top two and the balance of the industry widens that it will be more difficult to compete. Obviously we think that the most important aspect of preserving competition in the beer business is creating a third strong national company. The merger of Heileman and Schlitz would have done that."

As Mr. Rice sees things, "It's only a matter of time until Heileman owns Schlitz. Russell Cleary does not roll over easily.

"All sorts of things can occur now, but they boil down to two main possibilities regarding the merger. Heileman can acquiesce to some degree, and give up some of its brands in areas where its market share is very high. And/or the company will just say to the Justice Department, 'You can't win this in court; let's go.'"

In other words, to achieve the merger Heileman may be willing to give up some of its smaller brands to local or second tier competitors. Theoretically—and perhaps in fact—this would increase competition in the areas where Heileman is especially strong, and thus pave the way for increased national competition. AA

& Steers, Chicago, handles the account.

Miller is also bringing out what it hopes will be its best shot at the popular brand portion of the superpremium segment, now dominated by Michelob.

According to Miller's Mr. Easton, the brewery will expand Special Reserve from three test markets into Tucson, Ariz.; Fresno, Cal.; Atlanta; Rochester, N.Y.; Baltimore, and Milwaukee for more tests.

Some in the industry also expect Miller to introduce a popular-priced beer this year, but company executives refused to comment. The popular-priced beers, long a stagnant category, are expected to show real growth this year, making the segment a likely vehicle for new entries.

Few of Miller's 40,300,000 bbls. produced in 1981 made it overseas. The company has modest international distribution. Its chief competitor, however, has been hopping across both the Atlantic and Pacific Oceans. Budweiser is now the No. 1-selling import in Japan, according to company sources, and it is slated to enter Hong Kong this year. A locally brewed "Busch" brand beer is to appear in France as well.

On the home front, the Big Two are expected by industry sources to concentrate their marketing efforts even more on the lucrative Sunbelt region, as well as the Midwest. With disproportionately high advertising budgets, these combined forces can wield a heavy hand against Texas and California marketer Adolph Coors Co. and Midwest beer lord G. Heileman Brewing Co., as well as other second tier brewers. In the interests of fair play and the exhiliration of competitiveness, onlookers hope the blow won't be a fatal one. But if the marketing histories of the Top Two are any indication, even when the star of the show is a smash, one slipup or oversight can make any understudy an overnight success. AA

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One-hour photo chains clicking—Page 10

Advertising Age

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Allbritton, 'News' unions face off

By STUART EMMRICH

NEW YORK—Texas financier Joseph Allbritton's plan to purchase the *New York Daily News*, announced last week, hinges on obtaining what he considers favorable contract concessions from the paper's 11 unions. A difficult task under any conditions, it is made more difficult by the 30-day deadline placed on those negotiations.

Mr. Allbritton, former owner of the now-defunct *Washington Star*, last Thursday signed a letter of intent with the Tribune Co. to acquire the *Daily News* provided that he is able to reach "satisfactory agreements in 30 days" with the unions.

Neither side would discuss the price being paid for the nation's largest general circulation daily, although it almost certainly will depend on what final conditions can be worked out with the unions. Mr. Allbritton will only be picking up the newspaper and its Queens and Brooklyn printing plants, not the valuable mid-Manhattan Art Deco office building that houses the *News*, nor the potentially lucrative nearby fleet facility.

It has been widely speculated that the Tribune Co. was willing to part with the paper for almost no cash if the buyer would pick up pension liability and severance pay that reportedly total to $90,000,000.

If the deal with Mr. Allbritton falls through, then the Tribune Co. could either continue its search for another buyer, perhaps work out an extension on the 30-day deadline with Mr. Allbritton if he requests it, or just decide to close the paper and assume those liabilities itself.

Mr. Allbritton met with union representatives Friday and said formal negotiations with the 11 unions would begin soon.

Arguing that the *Daily News* ran against the "classic mold" of most dying newspapers —afternoon distribution, No. 2 in its market and falling circulation and advertising—Mr. Allbritton said he was confident he could return the paper to profitability.

As a morning paper "growing in circulation and sound in advertising, with a strong Sunday edition, the *Daily News* is firmly entrenched as the No. 1 paper of the people of New York," Mr. Allbritton said.

Although representatives of the unions announced that they were "pleased and delighted" that the *Daily News* had apparently found a buyer, statements they made at their own press conference Thursday and opinions of those who have closely followed the *Daily News* indicate the road to reaching an agreement might be a rough one.

Labor mediator Ted Kheel, who has acted as an advisor to the unions during the past few months, acknowleged that reaching an

(Continued on Page 70)

Upfront tv sales outlook

Fall looks hot, prices up 10%

By COLBY COATES

NEW YORK—The tv networks and agency buyers are only in spring training now, but the early line on the 1982-83 upfront sales season suggests record numbers in everybody's stadium.

Both sides of the bargaining table already hint at a 10% to 12% prime time price hike next fall, and see that upward pressure spilling over into other dayparts, especially news and, at ABC and CBS, daytime.

With the three networks' fall schedules due for release by the first week in May, networks sales chiefs are fine-tuning their selling strategies. Meanwhile, agency buyers are advising their clients on upfront commitments, telling them to be ready to move quickly once the program lineups are set.

So far, preseason polls have failed to turn up a buyer who is not recommending a bigger upfront commitment than last year. Why do otherwise? ABC-TV sales estimates put current second-quarter scatter buys at 14% to 16% more costly than buys made in the 1981-82 upfront market. And compared to a year ago, second-quarter scatter is as much as 19% higher.

And there's more, too. The new higher prices for football telecasts are expected to channel some extra money into prime time; the networks are bullish about a second-half economic recovery and, for the first time in three years, there is no Hollywood strike to force anyone into a waiting game on the sidelines.

In addition, there is the programing situation. There is no question that some buyers are fed up with the way the networks run programs in and out of the schedules. Many are tired of guessing what programs are running when and how often. Coming into the fray in that frame of mind, it's not too hard to see that buyers are likely to heavy up on the tried and true, proven winners. Besides the security such programs offer, they also usually turn out to represent the best value.

As for football and the prices the networks will charge, buyers now are faced with a situation in which

(Continued on Page 68)

INTRODUCING THE REVOLUTIONARY FXRS.
MAYBE THIS TIME NOTHING WILL GET LOST IN THE TRANSLATION.
MOTORCYCLES BY THE PEOPLE FOR THE PEOPLE

In plain American

Harley-Davidson jabs its Japanese competitors in this new effort for custom bikes now breaking in enthusiast magazines. Copy says the Japanese have tried to match Harley's style, but "something keeps getting lost in the translation." Carmichael-Lynch, Minneapolis, is the agency.

JWT writeoff $30 million

By CHRISTY MARSHALL

NEW YORK—JWT Group last week said the accounting irregularities in J. Walter Thompson U.S.A.'s syndication unit directly affected two of its clients. And rather than having a pretax writeoff of $24,500,000, as JWT reported earlier, the figure has been restated to $30,005,000.

The latest findings come seven weeks after JWT first disclosed that some irregularities had turned up in the books of the syndication unit. At that time, Marie Luisi, senior vp-spot buying and syndication units, was suspended without pay (AA, Feb. 8). Last week, in its latest disclosures about its investigation, JWT said it had fired Ms. Luisi, effective Mach 31. Still under orders from her attorney, Ivan Fisher, Ms. Luisi was not talking to reporters. JWT said its "investigation is continuing with respect to certain matters, principally of a legal nature." JWT declined to personalize its remarks when asked if the probe could lead to legal action against Ms. Luisi.

Contrary to earlier statements, the agency's latest report on its investigation says two clients were improperly billed for spot tv time. Don Deaton, senior vp-communications at JWT, declined to identify the clients. "What good would it do for that information to be out?" he asked. "They know who they are."

Most of the agency's major clients declined to comment on the matter. Earlier reports had Lever

(Continued on Page 68)

Busch rolling out in France

By CAROLYN PFAFF and ANIKA MICHALOWSKA

PARIS—Anheuser-Busch and its partner in France, food conglomerate BSN/Gervais Danone, later this month will begin a $5,000,000 campaign to woo the French away from their traditional tipple and onto the first American-style beer ever offered here, the homeland of champagne and Perrier.

Starting around April 15, Doyle Dane Bernbach, ad agency for the new "Busch beer" as it is called, will play up the American theme to the hilt in print, tv and cinema ads. "We wanted a premium beer with a strong image and a new message," said Michel Lasfargues, manager of the BSN liquid products division. "We're pushing the American way of life—cowboys, wide-open spaces. In short, the whole Western ambiance."

One new device DDB is using is to have actors in the cinema commercial speak in English with French subtitles. That is a daring move, in the opinion of some observers, because French regulations discourage it; big fines have been levied on ads using English words in the text. Pepsi-Cola flaunted the rules last fall, however, and got away with a big English-language poster campaign that ran all over Paris with impunity.

The Busch case will probably cause discussion in Socialist France, but the best bet is that

(Continued on Page 70)

last minute news

Canada Dry's $8 million account moves to Y&R

DALLAS—Dr Pepper Co. is moving advertising for recently acquired Canada Dry unit from Grey to Y&R, New York, agency for other Dr Pepper business. Latest media data put the ad budget around $8,000,000.

Report TWA asks O&M to take commission cut

NEW YORK—Trans World Airlines has reportedly asked Ogilvy & Mather to take a cut in its commission. Neither party would comment on the report. General Motors and Ford recently gained 2% commission cuts from agencies, and Chrysler has asked for direct billing.

Big debut expected for Gillette Widget tool

BOSTON—Gillette's safety razor division is planning to introduce Widget, an all-purpose tool that can be used for "scraping, cutting and trimming." To retail for $1, the plastic Widget comes with five stainless steel blades. Gillette is expected to have a significant introductory push, although it would not comment on Widget. Agency undetermined.

(Continued on Page 8)

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NEWSPAPER

ITS FIRST COMPARATIVE SPOT

Gillette slashes at Bic

By JOHN J. O'CONNOR

In a figurative sense, the close shave that Gillette and Bic are treating each other to might better be described as throat-cutting.

Boston-based shaving giant Gillette, apparently fed up with Bic comparative advertising that poohpoohs the closeness of twin-blade shaving, has for the first time resorted to comparative advertising, as it touts the superiority of its Good News! disposable twin-blade over Bic's single-blade disposable.

A Gillette commercial that broke last week on network tv has a man telling viewers first the "good news": Nationwide shaving tests showed its twin-blade "gave a closer, smoother and safer shave than Bic." Then viewers get the "bad news": "If you use Bic you're not getting as close, as smooth, as safe a shave as you would with Gillette's Good News!" The spot ends with a thumb-in-the-eye remark, "Sorry, Bic."

Gillette's attack via BBDO follows by about three weeks a $10,000,000 Bic tv campaign that uses scanning electron-microscope photography to support the claim that Gillette's Trac II twin-blade cartridge does not shave closer than its single-blade Bic shaver (AA, March 29). Wells, Rich, Greene is the Bic agency.

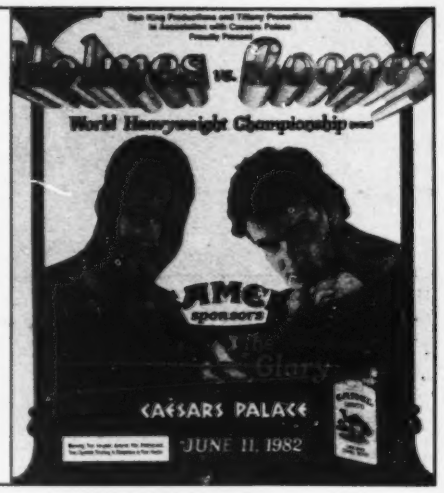
Bic advertising manager Dave Furman characterized the new Gillette spot as "rapidly produced, personalized and emotional," which he said suggests that the facts in the Bic commercial have "touched a sensitive nerve."

The Bic exec said his company was "surprised" at the "frivolous,

(Continued on Page 70)

Fight hype

"The Pride & The Glory" is the promotional theme line for the Holmes-Cooney fight in the advertising, via Ross Salupo Advertising, Cleveland, and fight poster. Rockbill Inc. signed Camel cigarets for the promoters (AA, March 29).



world news roundup

Amsterdam—Leo Burnett International has bought Noordervliet & Winninghoff, the last and biggest independent agency in the Netherlands, billing $25,000,000. The existing office of Leo Burnett here, billing $7,000,000, will be integrated into the new Noordervliet & Winninghoff/Leo Burnett.

Rome—Italian authorities accused Kraft of violating commercial codes in its advertising and marketing of Bonnet, called "Friggitutto" (fry everything) in Italy. The product, they say, is nothing but liquid margarine and doesn't comply with standards for cooking oils.

Tel Aviv—Israel's largest advertiser, Bank Leumi Le-Israel, is moving its $6,000,000 account to Arieli Advertising, after 30 years with Tal-Aroyo.

Sydney—Nabisco is facing a legal challenge from Australian competitor Sanitarium, which charges Nabisco with misleading advertising in its current campaign for Vita Brits breakfast cereal. The ads claim Vita Brits has lower sugar content than Sanitarium's Weet Bix.

Duesseldorf—Beecham subsidiary Lingner & Fischer, is moving its $2,500,000 account for Odol, Germany's No. 1 mouthwash, to Gramm & Grey here, after only a year with Heumann, Ogilvy & Mather.

Rio De Janeiro—Philip Morris is test marketing Chesterfield cigarets here, with the slogan "The most famous American," already used to launch the brand in Argentina (where it is No. 2).

London—The European Assn. of Advertising Agencies, spurred on by Procter & Gamble, is about to launch a major lobbying drive to convince local governments to increase commercial time on tv. The opening target will probably be Germany.

Qube blitzes Pittsburgh

By MAURINE CHRISTOPHER

A marketing and promotion blitz is under way to sign up subscribers for Warner Amex of Pittsburgh, the country's most elaborate cable system, and to build interest in the formal Qube Day launch there set for April 13.

Newspapers, radio, tv and cable will be used in the introductory campaign created by Ogilvy & Mather. Door-to-door salespeople will carry detailed brochures to explain to householders just what is available on the 65 operating channels (and at what price) in a black box that will eventually offer 80 viewing and service choices.

Subscribers now will get a cornucopia from the RCA Americom and Western Union cable satellites. Nearly all the advertiser-supported, nonreligious networks from the birds will be in the Pittsburgh lineup. The list ranges from Black Entertainment Network and C-SPAN to CBS Cable, Music TV and ARTS, Nickelodeon and CNN I and II, plus one superstation, WTBS, Atlanta. Basic tiers will come in five different packages, priced from $5.35 for a relatively limited number of channels to $9.45 for basic with Qube.

The premiere will demonstrate Warner Amex's third two-way, talk-back setup in action with Mayor Richard Caliguiri and Warner Amex Cable chairman Gustave Hauser participating in the ceremonies.

From the premium pay category Pittsburgh viewers may choose Westinghouse-Teleprompter's Home Theater Network, at $3.95, Warner's own Movie Channel at $5.95, Time's Home Box Office at $6.95 or Teleprompter-Viacom's Showtime, available at $9.50 in combination with Qube.

Everything comes in multiples on this system, even pay per view, allowing customers to call or push a button to order "blockbuster" programs for which they will be billed individually later.

Pay per view on "Viewer's Choice" in Qube homes kicks off opening night with a Marsha Mason and Kristy McNichol film, "Only When I Laugh," followed by a second feature, "Superman II."

Ted Campbell, president of Warner Amex of Pittsburgh and former general manager of Warner Akron, will hire an ad staff to sell local minutes available in ESPN, USA, CNN and the other

(Continued on Page 68)

Advertising Age takes to the airwaves

New York—Live interviews with executives who figure in Advertising Age news and feature stories each week begin airing Wednesday, April 7, on WMCA's "Special Edition" radio show here.

The program, 6 p.m. to 7 p.m., is conducted by series host Bob Grant and Fred Danzig, Ad Age executive editor. A late update of breaking news of interest to the advertising community, delivered by John J. O'Connor from the AA news desk here, also will air during the show.#

highlights

Monday, April 5, 1982

One-hour photo processing chains are catching on quickly, and the California-based operations are gearing up for major expansion. *See Page 10.*

New orange and yellow golf balls are scoring high among golfers. *See Page 12.*

Tv superstations and cable win as a proposal for expanded blackouts of pro sports gets voted down. *See Page 20.*

President Reagan's nominee for the Federal Trade Commission, F. Keith Adkinson, is out. *See Page 20.*

The extent of children's fashion consciousness puzzles apparel marketers. *See Page 24.*

Sportswear is getting more scientific, as a bio-engineer has designs on the market. *See Page 24.*

Cable tv's presence, felt at the NFL-network tv negotiations, is seen as a factor in inflating rights money. *See Page 28.*

Ad budgets for several leading advertisers were up modestly in 1981, annual reports show. *See Page 30.*

A new volley of firings shakes London's Wasey Campbell-Ewald agency. *See Page 30.*

Land O'Lakes is buttering up the market by using an existing campaign to boost its margarine as it goes national. *See Page 32.*

Nestle Co. drops its Nestea plunge campaign and will pit Dan ("Grizzly Adams") Haggerty against Lipton's tea salesman, Don Meredith. *See Page 32.*

Three top-selling running shoe marketers are under Federal Trade Commission scrutiny. *See Page 34.*

Acne and antifungal products got a clean bill of health from the Food & Drug Administration after it reviewed reports from outside experts on various ingredients. *See Page 37.*

Despite one critic's opinion, Cable News Network is more than ready to add Nielsen data. *See Page 44.*

U.S. cable specialists pose a threat to British communications technology industries that want to handle that country's $5 billion rewiring program. *See Page 44.*

Corning Glass Works is trying new products to counteract the recession. *See Page 50.*

Hearn-Hagler fight pay tv plans head for courtroom clinches. *See Page 58.*

Andrew Jergens Co. is expanding its Squeek! shampoo and conditioner. *See Page 62.*

Fleer Corp. is selling its baseball cards without the gum. *See Page 62.*

CORPORATE CLOSEUP

After 33 years in the charter airline business, Capitol Air charted a new course for itself three years ago as a scheduled passenger carrier, and now the major airlines are paying attention to Capitol's tactics. *See Page 4.*

INTERNATIONAL

Spain's Grupo Zeta has come a long way in publishing since starting out with skin books in the more liberal period following the death of General Franco. *See Page 48.*

MAGAZINE

Geo magazine, which in a stormy three-year history has gone through four publishers and numerous editors, is revamping its editorial approach under new owner Knapp Communications in an effort to be more appealing to an affluent audience. *See Page M-2.*

Has Pepsi-Cola overreacted to the new 7UP "no caffeine" campaign? Rance Crain comments on the latest soft drink battle in his new column, "Parting Shot." *See Page M-32.*

SPECIAL REPORT

A "new localism" is helping to spur the continuing prosperity of the country's city and regional magazines. These publications—their audiences, their successes and, in some cases, their failures—are the subject of this week's Section 2/Special Report. *See Page M-7.*

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AGENCY FINANCIAL REPORTS—FOURTH QUARTER 30

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Continental leaving WRG unit

Los Angeles—The instalation of Frank Lorenzo as Continental Airlines chairman, along with a Texas Air Corp.-dominated board, has triggered the end of the airline's relationship with Johns, Cohen & Pasqualina here. The move fueled speculation that Texas International and Continental may pool their marketing resources if the proposed merger of the two carriers is approved.

Continental's official word is that the airline is conducting a review of agencies to handle the $16,000,000 account. An airline spokesman said a decision is expected within two weeks. Continental declined to name who is participating in the review, but Benton & Bowles, Chiat/Day, Doyle Dane Bernbach, Foote, Cone & Belding/Honig, Young & Rubicam and Scali, McCabe, Sloves have been mentioned.

■ Sources give Scali, Texas International's agency, the inside track, since it is believed parent Texas Air is considering consolidating marketing staffs and/or ad budgets. The agency earlier said it planned to open a Los Angeles office this year (AA, March 22).

Johns, Cohen & Pasqualina was

(Continued on Page 70)

O&M posts top gains of '81

By CHRISTY MARSHALL

NEW YORK—Of the publicly held agencies thus far reporting 1981 results, Ogilvy & Mather fared the best in terms of increased revenues and net income for the year and the final quarter.

JWT Group, beset by the recent discovery of $24,500,000 worth of fictitious entries in its computer from its syndication unit, has yet to release its fourth-quarter and yearend figures.

O&M posted the greatest gain in net income in 1981, a 19.5% increase to $16,544,000, compared with $13,845,000 in 1980.

The other public agency companies reported slight gains, except for Interpublic Group of Cos., whose net plummeted 23% to $15,171,000 from $19,724,000 in 1980. Interpublic blamed its poor showing on foreign exchange rates. Its report noted, "Had the exchange rates remained comparable, worldwide net income would have increased approximately 15% over 1980." The company's net income includes foreign exchange losses of $5,412,000 in 1981, compared with $1,350,000 in 1980.

In the wake of Financial Accounting Standards Statement No. 52, permitting companies to use accounting procedures that reduce a portion of the losses suffered as a result of the strong dollar, BBDO, Doyle Dane Bernbach and O&M restated their 1980 and 1981 incomes. Interpublic plans to use the new method in 1982. The basic effect of the FAS Statement 52 is the exclusion of any gains or losses realized strictly from currency translation.

Grey Advertising's gross income climbed 15% in 1981 to $113,747,000, the largest such gain reported among the six agencies. O&M was a very close second with a 14.9% gain to $302,852,000. DDB's gross increased 12% (to $161,793,000) while the other agencies reported modest gains.

BBDO's revenues for the year slipped 2% to $176,700,000. The agency's domestic revenues increased 5% to $124,400,000 from $118,000,000 while international revenues dropped 16% to $52,300,000 from $61,900,000. The decrease in international revenues was attributed to the stronger U.S. dollar and decline of advertiser spending in many European markets. In the fourth quarter, the greatest gain in net income was reported by Foote, Cone & Belding, up 20.6% to $5,299,000. Again a close second, O&M's net for the quarter was up 19.7% to $5,936,000; DDB's was up 16% to $4,890,000; BBDO's up 9% to $5,502,000. Decreases in net incomes were reported by Grey and Interpublic, down 9% and 11.2%, respectively.

DDB and O&M ranked first and second in increases in gross income for the last three months of of 1981. DDB was up 23% to $51,708,000 while O&M was up 22.1% to $92,070,000. Grey was up 14% to $32,950,000.#

Agency financial reports

Fourth quarter

Net income	1981	1980	%
BBDO	$5,502,000	$5,045,000	9
Doyle Dane Bernbach	4,890,000	4,228,000	16
Foote, Cone & Belding	5,299,000	4,393,000	20.6
Grey	2,201,000	2,401,000	−9
Interpublic	6,322,000	7,121,000	−11.2
Ogilvy & Mather	5,936,000	4,960,000	19.7
JWT Group	not available	——	—

Revenues	1981	1980	%
BBDO	$ 51,000,000	$ 53,500,000	−5
Doyle Dane Bernbach	51,708,000	42,100,000	23
Foote, Cone & Belding	48,160,000	47,163,000	2.1
Grey	32,950,000	28,851,000	14
Interpublic	128,343,000	118,279,000	8.5
Ogilvy & Mather	92,070,000	75,434,000	22.1
JWT Group	not available	——	—

Twelve months

Net income	1981	1980	%
BBDO	$13,796,000	$13,630,000	1
Doyle Dane Bernbach	10,735,000	10,728,000	.0006
Foote, Cone & Belding	11,985,000	11,551,000	3.8
Grey	6,661,000	6,300,000	5
Interpublic	15,171,000	19,724,000	−23
Ogilvy & Mather	16,544,000	13,845,000	19.5
JWT Group	not available	——	—

Revenues	1981	1980	%
BBDO	$176,700,000	$179,900,000	−2
Doyle Dane Bernbach	161,793,000	145,070,000	12
Foote, Cone & Belding	170,309,000	164,743,000	3.4
Grey	113,747,000	98,521,000	15
Interpublic	441,048,000	422,759,000	4.3
Ogilvy & Mather	302,852,000	263,521,000	14.9
JWT Group	not available	——	—

New Wasey C-E shakeup

By HOWARD SHARMAN

LONDON—The troubled Wasey Campbell-Ewald office here was given a massive shakeup when new chairman Bill Murphy continued a round of firings that has reduced the office staff to 126 against 178 last November and 253 at the end of 1980.

Another 22 employes were fired, bringing to 40 the total number cut by Mr. Murphy since he took over three months ago. Even senior management has not escaped the ax; the arrival of Mr. Murphy, an American anglophile, meant the immediate departure of managing director Hugh Burkitt and the move to an international assignment of chairman Colin Goodson. In February, creative director Nick Da Costa flew the coop.

The agency was "too fat, too many people for the billing we actually had," said Mr. Murphy. That's because Wasey has been losing a steady stream of clients. Last fall, the agency lost or resigned $14,000,000 worth of Philips business. This loss was preceded by the collapse of Wasey's second agency, Tinker & Partners, followed by the loss of Omega gum and other Nestle and Coca-Cola products.

Now the new chairman is determined to get tougher with the creative side and to reestablish top-level contact with major clients. "Clients want top-level contact, and if I don't learn that no one will ever learn it," said Mr. Murphy, who claims to have made safe Wasey's six major clients—including General Motors, Goodyear and L'Oreal—and three international accounts—Coca-Cola, Heublein and Eastern Air Lines.

Sources say that Mr. Murphy is bringing a new, aggressive U.S. style to the agency. "For better or worse, they have an American leading them," said Mr. Murphy. "And if we need to be young, brash and snappy, we must go out and do that."#

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New localism

(Continued from Page M-7)
everyone knows how much weight should be given to political slogans and party platforms.

But for the new breed of city and regional magazines that have blossomed in the last 10 years, localism is the only explanation. Were it not for heightened public interest in local concerns, the publications would never have received much attention, and any effort to understand the magazines' success—much less to try to foresee their future—requires a close look at this major social trend.

One of the most important causes for increased localism is the trend toward decentralization.

"About six or seven years ago, [the forces fostering] decentralization became greater than the centralizing forces," says John Naisbitt, who heads his own Washington-based trend-monitoring organization. "We're decentralizing like crazy now."

In the big scheme of things, explains Mr. Naisbitt, the capital-intensive nature of our industrial society had favored development of larger institutions and, adds the trend-tracker, "There were two great centralizing events [in the 20th Century], the Great Depression and World War II."

Following the war, the large-scale orientation was further reinforced as "We began to realize the interconnection of things" on a global scale, says Bruce Stokes, senior researcher at the Worldwatch Institute in Washington and author of "Helping Ourselves: Local Solutions to Global Problems." "We learned, for example, that drought in India could cause higher bread prices in the U.S. As a result, in the 1950s and 1960s, the common problem-solving approach was global" rather than local.

As our capital-intensive, industrial economy began to evolve into a post-industrial society and as service industries became the fastest-growing segments, the need for centralization diminished.

The failure of numerous large-scale programs to solve the major problems of the 1960s, and the resentment toward the increasing impersonality of large institutions also fomented disenchantment with central planning and control.

"We saw tnat those macro, top-down solutions didn't work," says Mr. Naisbitt, and that "the only thing that really works is local initiative."

"It wasn't just conservatives," adds Mr. Stokes. As the nation moved through the dislocations of the 1970s, he says, "all people began feeling that their lives were out of control."

On top of everything else, the dramatic "rise in energy prices made it increasingly expensive to live very far from amenities," says David Morris, president of the Institute for Local Self-Reliance and author of "Self-Reliant Cities," scheduled to be published next month. "The concept of compactness was revived," and such things as neighborhood grocery stores and neighborhood bars became more important.

At the same time, many newly affluent members of the baby boom generation also came on the scene.

"The new magazines are oriented toward this new class of people that has enjoyed an explosion in disposable income," says Mr. Morris. Adds publishing industry analyst John Morton of Lynch, Jones & Ryan, "The most successful of the city magazines tend to be very upscale."

Even the most cursory examination of city and regional magazines provides plenty of evidence to support such a conclusion. For example, virtually every city magazine from *Atlanta* to the *Wichitan* devotes significant editorial space to restaurant reviews. At the very successful *Chicago* (profiled in this section), which began as a program guide for the local fine arts radio station, the restaurant reviews continue to be the best read feature, and the publications's best-selling issue traditionally has been its annual listing of the city's best and worst rated eating places.

"The city magazines have tapped into the conspicuous cultivation" that has become more apparent in recent years, explains Arthur Shapiro, head of the social trend-monitoring division of the Yankelovich, Skelly and White research company. According to Mr. Shapiro, the new interest in community can be seen as a natural extension of me-generation self-interest, and the "insider tips and evaluations offered by city magazines" fit very nicely with the increased desire of individuals to see themselves as "behind the scenes experts, as *cognoscenti*."

Not surprisingly, the magazines generally have been most successful in attracting advertisers from restaurants and local retailers who cater to upscale audiences.

"I've got to believe that restaurants pay the postage" for most of the city magazines, says Ed Weiner, media director at Geers Gross Advertising. "The magazines also are a good opportunity for advertisers of products like liqueurs and imported autos that are compatible with the kind of people who are interested in the new French restaurant in town."

In light of the important role that localism and related economic trends have played in the development of city and regional magazines, it is natural to ask what the future holds. The consensus: There is good news and bad news.

The good news is that people's ties to their local communities are likely to become even stronger as we move into the 1980s. High interest rates, for example, already have inhibited people from moving and have helped spur them to develop deeper roots in their communities. And even when interest rates begin to come down, sociologists predict that the aging of the U.S. population and the establishment of nuclear families by increasing numbers of baby boom members will also cut into the tendency to move, thus strengthening localism and increasing the vitality of local communities.

The best prospects for increased vitality are smaller cities (population 10,000 to 25,000) that "are growing most rapidly and have the highest income levels," says Mr. Morris.

The bad news is that the city magazines are likely to face significantly more competition.

"One of the things that I think will happen is that the major metro dailies increasingly will try to appeal to this [upscale] group," says Mr. Morton, the publishing industry analyst.

"There is potential for newspapers to shift their Sunday supplements to be aimed at more of the same kind of audience" and to carry the same kinds of features as city magazines, adds J. Kendrick Noble, publishing anaylst at Paine Webber. Newspapers have shied away from such steps in the past because they "prided themselves on being a mass medium, but newspapers have been adding more targeted sections in recent years."

According to the publishing industry experts, many of the local magazines have done an excellent job of establishing a local franchise as the best source of cultural and entertainment information, but their monthly periodicities may prove to be a major disadvantage should the dailies move more aggressively in this direction. Because of the deadlines associated with a monthly schedule, explains Mr. Morton, "Often they have trouble putting together a comprehensive listing of cultural and entertainment events, much less trying to review things. They are vulnerable there."

There also is the possibility that services like electronic Yellow Pages or cable-delivered information banks might undercut the usefulness of such popular features as city magazine restaurant listings, though Mr. Morton points out, having allowed *Chicago* "to establish a franchise, the *Chicago Tribune*, for example, may have trouble taking it away.

Look at what Walter Annenberg did with the *TV Guide*. Most newspapers overlooked tv because they saw it as a competitor, and they've never been able to recapture that franchise."

Nonetheless, "for the personality of a city magazine to become more important, it will have to be more than just listings," adds Mr. Morton. "It will have to develop a personality, an identity, that can't be duplicated on cable."

The city and regional magazines also may have to adjust to significant shifts in reader interests.

As many members of the baby boom generation begin to form nuclear families, for example, "schools will become a dominant subject for city and regional magazines in the next ten years," predicts Mr. Stokes of Worldwatch, "just as schools were among the most important issues in the 1950s."

Ratings of school system quality may wind up rivaling restaurant guides in popularity, and some publications already have begun to extend this review and consumer service approach to include ratings of used car lots, gas stations, drug stores, and emergency rooms at local hospitals.

"If I were the magazines, I'd be looking for ancillary products, like special-edition home guides, restaurant guides and guides to financial services available in the area," says Mr. Shapiro of Yankelovich, Skelly and White.

"City and regional magazines haven't fully picked up on the neighborhood phenomenon," points out Harry Boyte, executive director of the Citizen Heritage Center in Minneapolis and author of "The Backyard Revolution."

Mr. Boyte expects to see more attention to local history and architecture, including "features on what it was like to live in the area 100 years ago."

Adds "Whole Earth Catalog" publisher Stewart Brand, who has written about the localism trend in his Co-Evolution Quarterly, "Conservative editing and publishing can cause the [city and regional] magazines to get pinched between the dailies and the more imaginative [community] weeklies. Still, the big dailies are big, slow and ponderous. They can't make fast moves, and the magazines can always move quickly and find things to do." AA

Ad pages—1981

In major monthly city/regional magazines

Publication	Pages
Los Angeles	2,500.0
Texas Monthly	1,795.2
Chicago	1,795.1
San Diego	1,743.6
Philadelphia	1,699.8
Washingtonian	1,629.8
Boston	1,600.2
Palm Springs Life	1,574.0
D Magazine (Dallas/Ft. Worth)	1,489.8
Columbus Monthly	1,148.2

Source: Advertising Age Survey

By Kristin Blom

Whether it's on the radio, television or in the newspaper, you rarely make it through a day without hearing of budget cutbacks, employe layoffs or plant closings.

You, too, probably find yourself cutting back and having to make sacrifices. Unfortunately, one thing people give up is a magazine subscription.

In a poll conducted by Advertising Age Magazine asking editors to name some of the major problems facing city and regional magazines today, the over-all concern centers on the current recession. It seems to be a vicious circle, with a combination of rising production costs, achieving recognition from national advertisers and affording good free lance writers, all bouncing off one another.

The increasing cost of doing business has been difficult for the Naples, Fla.-based *Gulfshore*. Editor Molly Burns says, "A significant problem exists in the increased costs of printing, supplies and postage."

The economic downturn hasn't helped, although according to Ms. Burns, the smart advertiser will maintain its linage through bad times. "A common pitfall is to do something that

Kristin Blom is assistant editor with Advertising Age Magazine.

Texas

"A thorough class act." That's how one magazine editor described a publication in the city and regional magazine field. That publication was *Texas Monthly*.

As a matter of fact, *Texas Monthly* was the overwhelming choice of editors responding to a recent Advertising Age Magazine poll that asked city and regional magazine editors to name the five best magazines in their field.

Not all the comments were complimentary. Some believe Texas Monthly was "No. 1 in the 1970s but has cooled down a little."

Texas Monthly, receiving 134 total points, was mentioned 33 times—more than any other magazine—and of those, it was cited 18 times as No. 1. Among the comments were: "Outrageous, fun covers but outstanding material inside," "catches the

Economic woes worry the editors

another magazine in another region does," she says. "What sells in Miami, however, probably won't sell in Salt Lake City."

Others agree that rising production and staff costs are a problem.

"Especially in direct mail campaigns and circulation services," says Sylvan Meyer, editor of *Miami*.

Brian Nicol, editor of *Honolulu* says, "Editorially, we are stronger than ever in providing our readers with a useful, meaningful package. But postal service, as well as rates, remains a problem, not to mention attracting national advertising."

In the case of James D. Lester, publisher and senior editor of *Tennessee Monthly*, it's the universal problems of insufficient advertising and building circulation. "We face the problem of credibility with national advertisers," he says, "and as we overcome that problem we tend to grow and expand in size and quality."

Brian Anderson, editor of *Mpls.-St. Paul*, based in Minneapolis, says that reliance upon free lancers continues to keep magazines in some markets from moving into strong, in-depth articles.

"It's tough to do in-depth stories with limited financial resources, but the fact that such magazines *want* to do such articles bodes well for their future," Mr. Anderson says.

Sheri Rosen, editor of *D*, the Dallas/Fort Worth magazine, singles the problem out. "It's difficult to find decent writers that don't demand the kinds of fees that national magazines can afford to pay," she says.

Another editor thinks city magazines face different problems than regionals. "City magazine editors need more editorial freedom to pursue the in-depth controversies, with additional staff and the time to do it," says Rita Gormley, editor of *Aloha*. "Regionals all seem to be understaffed. I'm not sure whether we're facing a lack of writers with style or a lack of readers with taste."

What about the future? Overall, the editors believe that there will be an improvement in editorial quality, an increase in solid in-depth pieces, service-type columns and the use of four color.

Mr. Meyer of *Miami* sees improvement in the quantity and quality of service features (lists, primarily): "I see content moving from rather gimmicky special features of the past to more solid life style analysis pieces."

Others contend that city and regional magazines are becoming more sophisticated—less puff and more solid news.

Co-editors of Erie, Pa.-based *Erie*, Gae Metalanis and Pamela Carson, say that "more and more meaningful stands are being taken on controversial topics. Public relations and fluffy articles are declining."

Yet some editors have a difference of opinion. Allen H. Kelson, editor-in-chief of *Chicago*, says many books are becoming fluff-oriented and once-tough publications are going softer. "Other magazines are becoming predictable with three or four annual stories (best and worst of everything in town, dining issues, celebrity issues)," he says. "But visual and writing quality is generally improving as staffs become more experienced and larger."

Bernard McCormick, editor of *Gold Coast of Florida*, based in Fort Lauderdale, contends that magazines are copying each other. "It's ridiculous imitation," he says. "Everybody is into gimmicks, make money stories, etc."

Mr. McCormick says this situation suggests that magazines are beginning to forget why they exist. "Good writing is the answer," he says. "No newspaper can compete with a superior story, written in depth and with style, in a better built and more lasting package. If magazines are not saved, they are not doing the job."

Frank Bentayou, editor of *Tampa*, thinks city magazines are moving into the mainstream of reading. "Newspapers beware!" he says.

Another trend some editors see is the move to target not only a local or regional audience, but a special interest audience within that region.

"For example, our magazine goes to the people in the Richmond, Washington, Baltimore, Philadelphia media markets who are interested in the history, recreation and travel opportunities available in the surrounding countryside, one of the most editorially rich in the nation," says Wilson Morris, editor of *Country Magazine*, based in Alexandria, Va.

Frank Soler, editor of *Miami Mensual*, foresees new city and regional magazines oriented to highly specialized audiences, such as Hispanics.

"I consider the city and regional magazine marketplace to be one of the strongest among all publications," he says. "There is no reason whatsoever why such magazines, if properly managed and focused toward the community, should not continue to enjoy strong health even in a recession period." AA

Advertising Age/Section 2

Magazine

POLL

The top 10 city and regional magazines

(Forty-two editors took part in the ranking of the poll. First-place votes counted 5 points, second-place, 4 points, third-place, 3; fourth-place, 2; and fifth-place, 1)

Total no. of mentions	Magazine	Points (First-place votes in parentheses)
32	1. Texas Monthly	134 (17)
19	2. Philadelphia	69 (6)
21	3. Washingtonian	62 (3)
17	4. Los Angeles	57 (2)
14	5. New York	45 (5)
11	6. Chicago	37 (0)
11	7. D (Dallas/Ft. Worth)	30 (2)
8	8. California	20 (0)
5	9. Cleveland	18 (1)
9	10. Boston	16 (0)

Other magazines receiving first-place votes (one each) were Louisville, Blair & Ketchum's County Journal (in Brattleboro, Vt.) Mpls.-St. Paul, Palm Springs Life, the Washington Dossier and Rocky Mountain (in Denver).

lair tops 'em all

true flavor of the region," "best of the best," "audacious, witty, attractive."

However, not all the comments were complimentary. Some believe *Texas Monthly* is still good journalistically, but has slipped in the last couple of years. One said, "it was No. 1 in the 1970s but has cooled down a little."

In all, 44 responses were received from city and regional magazines around the country. Each publication had a circulation that ranged from 12,000 to 245,000 and staffs of one ("with many free lancers") to 20 ("full time").

The second ranked choice was *Philadelphia* with a total of 69 points, followed closely by the *Washingtonian* with 62, *Los Angeles* with 57 and *New York* with 45 points.

Philadelphia, receiving 19 total mentions, was consistently praised for its good mix of editorial content.

Among the comments were the following: "Gritty, though softening," "good mix of light with hard hitting material" and "excellent local orientation." One editor even referred to it as "the granddaddy of the 'serious' city books."

Improvement was the key word among editors in describing *Washingtonian*, which ranked third and received 21 mentions.

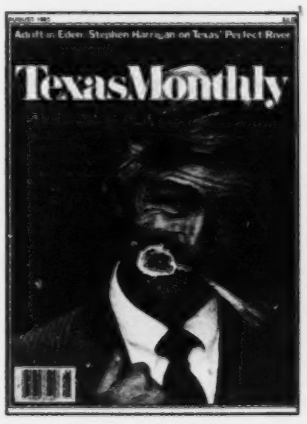
One of them said, "Most improved in the last 18 months." Others had a variety of comments, including "top notch journalism," "droll, good editorial mix," "solid" and "punchy."

The only characteristic editors could agree on about *Los Angeles*, rated fourth, was its effectiveness at understanding its market. "Original material perfectly suited to its market," said one, yet others differed in comments. "Lightweight, ugly, but entertaining," "fat with ads" and "editorially bankrupt, but popular."

And *New York* magazine, rated fifth, was cited more than once for its consistency and imaginative content.

Yet one added, "given the market, it should be better than it is."

The five other magazines that ranked in the top 10 catagory, include, in order, sixth place *Chicago* with 37 points, *D* (Dallas/Fort Worth) with 30, *California* with 20, *Cleveland* with 18 and *Boston* with 16 total points. —*K.B.*



***Texas Monthly* took top honors in the city-regional magazine poll conducted by *Advertising Age Magazine*.**

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Advertising Age

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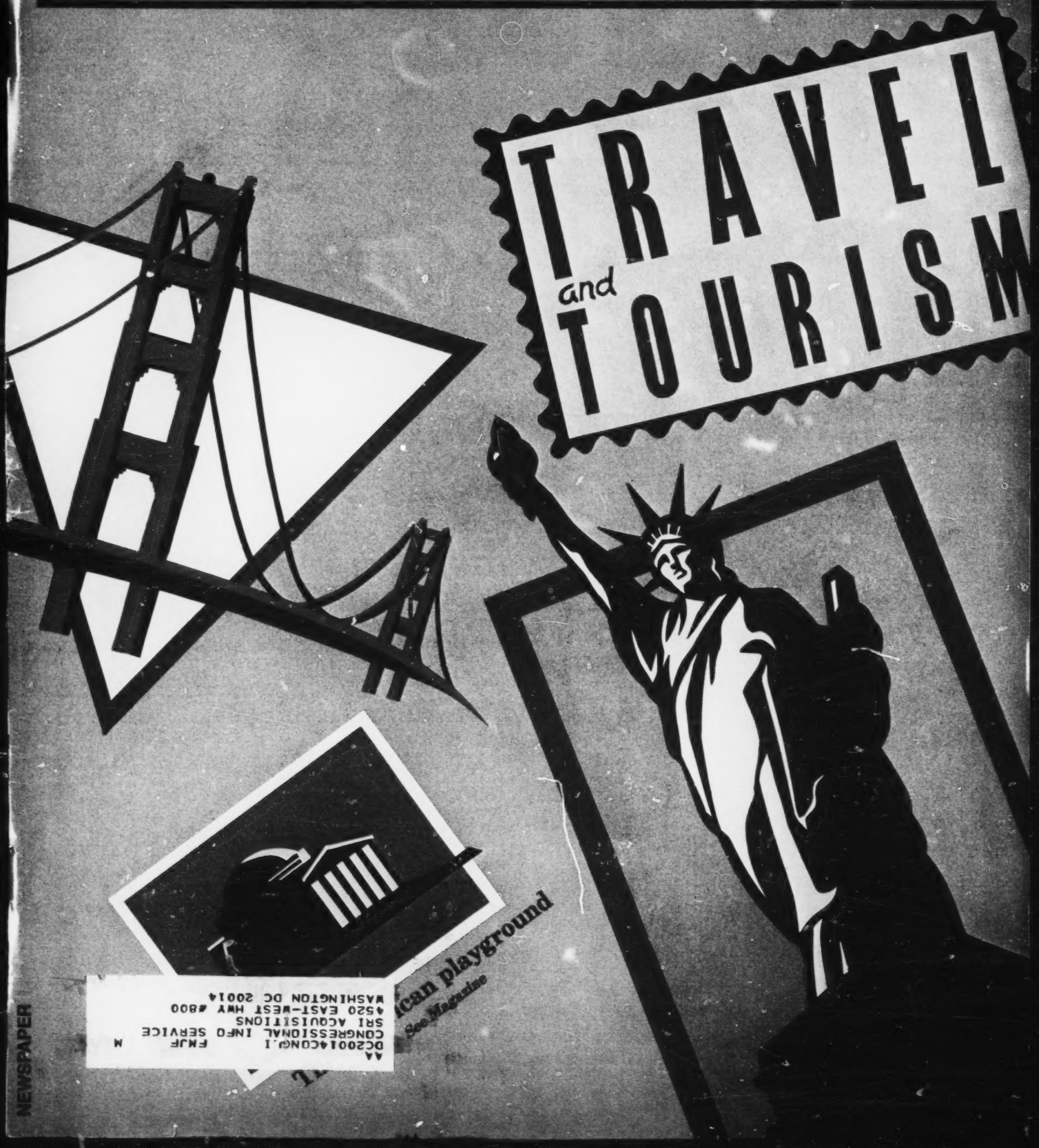

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In dual buy with TRIM

Tele-Research to Harte-Hanks

SAN ANTONIO—Harte-Hanks Communications, a communications conglomerate with annual revenues exceeding $355,000,000, continued its expansion into the research industry via the acquisition of TRIM Inc. and Tele-Research Inc., both based in Los Angeles.

The acquisition of TRIM, a research company that pioneered Universal Product Code scanner checkout measures of grocery products movement, was expected (AA, March 15), but the acquisition of Tele-Research, founded in 1964 and one of the largest research companies specializing in tv copy testing, was not.

Both acquisitions will become part of the Marketing Service Group of HHC, which already includes Urban Data Processing, Burlington, Mass., acquired in 1978, and RMH Research Inc., Fair Lawn, N.J., which was started by HHC as an entrepreneurial venture in 1975.

■ These two units had revenues estimated at $8,000,000 in 1981, and the TRIM/Tele-Research combo had revenues estimated at about $3,750,000. Put together, they will make HHC one of the top 20 research organizations in the country.

HHC, whose operations are concentrated in the southwestern states, owns 99 newspapers, four tv stations, 11 radio stations and one cable tv operation. The head man, as far as acquisitions are concerned, is Larry Franklin, a senior vp.

Both TRIM and Tele-Research were founded by Ward J. Jenssen. Because of an exclusive arrangement with Ralphs Grocery Co. in Los Angeles, the operation that became TRIM (for Tele-Research Item Movement), was on the ground floor in utilizing UPC scanner-derived data for controlled stores tests, a development often eulogized by Patrick W. Collins, president of Ralphs.

In March, 1978, HHC announced an "association" with TRIM, which had been spun off as a company separate from Tele-Research, and TRIM started to use an HHC com-

(Continued on Page 88)

A 'Times' coverup?

The New York Times Magazine absolutely refused to let a Michelangelo nude appear au natural in a Charles Jourdan shoe ad for the spring fashion section. A retouching artist was called in to dress the figure in shorts. Here is the first ad in the series in its original form. Ketchum Communications handles.

Murdoch's move perils 'News'

By STUART EMMRICH

NEW YORK—The chances that the *New York Daily News* might fold increased dramatically last week as the three principals involved in talks to find a buyer for the paper —the Tribune Co., the paper's unions and prospective buyer Joe Allbritton—each pulled a bargaining ploy that combined to jeopardize the possibility of reaching agreement.

The Tribune Co. made the first move Wednesday, designating Mr. Allbritton as the "buyer of last resort" and telling the unions that it would close the paper unless they met the contract terms Mr. Allbritton says are necessary for him to take over the paper. Those terms involve staffing and contract concessions—including a cut of 1,600 jobs—that Mr. Allbritton said would save the money-losing paper $85,000,000 a year. He also insisted that April 25 was the final deadline for agreement to be reached.

The unions countered with their own bombshell Thursday. They asked *New York Post* owner Rupert Murdoch to consider making his own offer for the *Daily News*. He said he would study the matter during the weekend and scheduled an April 12 meeting with the unions.

■ With that, Joe Allbritton announced on Thursday night that he had broken off talks with the unions. The Texas financier said he would not resume bargaining unless the unions acknowledge that he is the only possible buyer for the *News* and they retract their overture to Mr. Murdoch. "I am the only possible purchaser of the *News*," Mr. Allbritton said. In a statement that further chilled prospects for the paper's survival, he added, "I am therefore suspending further meetings with the unions until their position is clarified."

Mr. Allbritton also repeated his April 25 deadline.

Union officials refused to comment on Mr. Allbritton's demands that they not bring Mr. Murdoch into the negotiation process and indicated that this morning's meeting would go on as planned. Earlier in the week, Mr. Murdoch projected himself into the picture by announcing that he would expect to gain the same concessions the unions agree to make to the *News*.

Some industry observers said they thought the unions made a tactical error by turning to Mr. Murdoch at this time and feared the move might very well backfire.

"This was not a smart move for them," said Bruce Thorp, a newspaper industry analyst at Lynch, Jones & Ryan. "I can't imagine Murdoch, if he controlled both papers, keeping them both running, and certainly not with the number of total jobs that are now involved. I'm not sure if I know what the unions could gain from this.

Mr. Thorp added that the unions were also risking the possibility that Mr. Murdoch could string out the talks with the unions beyond the April 25 deadline, watch Mr. Allbritton walk away from the *News*, and have the *Post* reap whatever benefits are to be derived from the demise of its chief competitor.

The unions said Thursday that they asked Mr. Murdoch to consider his own bid for the *Daily News* because they are now fearful that saving the *News* on Mr. Allbritton's terms would ultimately mean the closing of the *Post* and the loss of that paper's 1,200 jobs.

"This may be the only way to keep New York a three-newspaper town," said labor mediator Ted Kheel, an adviser to the paper's 11 unions. "We are not dealing with one ailing newspaper, but two."

Mr. Kheel and other labor officials say they are worried that Mr. Murdoch is serious about closing down the *Post* if the *News* is saved.

George McDonald, head of the Allied Printing Trades Council, an

(Continued on Page 94)

highlights

Monday, April 12, 1982

Patricia Bailey of the Federal Trade Commission responds to a recent article by FTC chairman James C. Miller III. *See Page 10.*

Procter & Gamble is introducing its first paper product to the foodservice industry with a pilot test of Choice towels. *See Page 24.*

A Hong Kong tv station has made a pact that could force foreign advertisers to use its agency if they want to air spots on China's national radio. *See Page 27.*

BBDO; Foote, Cone & Belding, and Ogilvy & Mather top the stock list of publicly held agencies, according to one brokerage house. *See Page 28.*

Eastman Kodak will market a new Ektaprint xerographic copier that could rattle Xerox. *See Page 37.*

Giving up tennis, Avon is taking up women's running and bowling. *See Page 41.*

General Tire & Rubber Co. will appeal to patriots in its spring effort for its new Ameri tire line. *See Page 45.*

An ad exec is brushing up on product development by getting involved in creating a new household dental appliance. *See Page 46.*

Conde Nast is almost finished hiring its ad sales staff for *Vanity Fair*. *See Page 47.*

CBS Inc. and 20th Century-Fox Film Corp. are working out details for their new video partnership. *See Page 49.*

Approaching its second birthday, Silhouette Books is growing quickly. *See Page 60.*

Daytime is bubbling with schedule changes, as ABC's soap rivals try to close the ratings gap. *See Page 72.*

Soap opera formats are starting to clean up on prime time, thanks to an initial boost from "Dallas." *See Page 72.*

Demand for original movies for prime time syndication is growing. *See Page 83.*

CORPORATE CLOSEUP

Jaguar pays the price to turn its U.S. operations around and, with major manufacturing changes in place, is pouring new ad dollars into a quality-themed campaign. *See Page 4.*

INTERNATIONAL

A Parisian beauty chain is jumping into a franchising program and aims to have 250 outlets by year's end. *See Page 76.*

VIDEOTECH

More people find television to be in good taste than feel it is poor, according to a new study by Warwick, Welsh & Miller. *See Page 48.*

USA Cable Network is planning to phase out is 11¢-per-subscriber fee. *See Page 53.*

Houston homeowners have been ordered to remove their pirate microwave antennas and decoders or subscribe to the tv service they're intercepting. *See Page 53.*

MAGAZINE

Jeans makers still see Europe as a great market for growth, despite only a modest increase in sales recently, and the five big apparel marketers, including three U.S.-based companies, are stepping up their advertising and promotional efforts. *See Page M-2.*

She has been called "Britain's Phyllis Schlafly," but Mary Whitehouse has retained a sense of humor amid her stern mission of "cleaning up" tv in the U.K. *See Page M-33.*

SPECIAL REPORT

American travelers increasingly are "looking homeward" toward U.S. destinations. The accent on domestic vacations is the theme of this week's Section 2/Special Report on Travel and Tourism. *See Page M-9.*

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Ad groups, FTC still negotiating

WASHINGTON—Advertising industry associations were searching last week for ways to indicate some degree of support for Federal Trade Commission chairman James Miller's plan to narrow the commission's powers over deceptive advertising.

A tentative decision reportedly was made to go at least part way on the deception issue, but by the end of last week there was no agreement on details, and some of those who are involved in the negotia-

FTC commissioner Patricia Bailey responds to chairman James Miller's proposals. See Page 10.

tions indicated that "endless meetings" had not yet produced a common position.

The ad industry groups—American Assn. of Advertising Agencies, American Advertising Federation and Assn. of National Advertisers —are tentatively scheduled to state their position on FTC legislation April 20, when a House commerce subcommittee on commerce, transportation and tourism under Rep. James J. Florio (D., N.J.) resumes its hearings on legislation authorizing the FTC to remain in opera-

(Continued on Page 87)

Jeans stretch across Europe

But the right advertising approach creates a dilemma

By Anika Michalowska

Jeans makers who once looked on Europe as El Dorado are in a dilemma. Though jeans have bucked the downtrend hitting most sections of the fashion industry, European unit sales of jeans rose by only 4% to 6% last year—disappointing by spectacular pre-1980 standards. The five big international manufacturers have been repositioning themselves, with enhanced advertising budgets and revamped product lines, to safeguard their market shares against the challenge from unbranded makers and national brands (Brutus in the United Kingdom, Mustang in Germany and Jesus and Rifle in Italy, for example).

The average European buys only one pair a year, against the American's 2.5 pairs. That suggests there is still plenty of room for growth.

But the question they have not resolved is whether, in their advertising, they should go for a pan-European image or a national approach. The issue is both vital and complex. Earlier successes have firmly established jeans as ageless (though the 15 to 35-year-old group is still the main buyer), sexless (about half of European purchases are by women) and classless. The average European—if there is one—buys only one pair a year, against the American's 2.5 pairs. That suggests there is still plenty of room for growth, yet the European average hides wide national discrepancies.

In Sweden, annual sales work out to 1.6 pairs per person, and most other northern nations run close to that.

In Spain, on the other hand, the equivalent figure is 0.6 pairs, and most of the Mediterranean countries have not really come to grips yet with the jeans phenomenon.

So should the advertising approach be rifle shot or scatter gun? The big five—Levi Strauss, Blue Bell/Wrangler and V.F. Corp.'s Lee, all from the U.S., plus Lee Cooper from the United Kingdom and Spain's Lois—have turned the question over recently. Their conclusions are mixed.

Photo by Abramson-Culbert

Most interesting is Lois, which went to the brink of a pan-European strategy and then decided to stick with its national campaigns after lengthy consultations with Young & Rubicam. "I strongly opposed the change," says Jean-Pierre Emden, managing director of Lois France. "I felt we would lose all the investment made over the last few years in our specific advertising." Mr. Emden came out on the winning side. Eventually Lois decided it was "too premature," but it may return to the question "in a few years time."

Levi Strauss & Co., generally accepted as the over-all brand leader—although meaningful data on market shares is in short supply and closely guarded—has no doubts and has practiced a more or less pan-European approach for years. The only division it makes, that for reasons national per-head figures show plainly, is between the U.K. and Scandinavia (coordinated from London) on one hand, and Continental Europe (coordinated from Brussels) on the other. "We have the same strategy as Coca-Cola, with a bit more flexibility in local approaches since we deal with fashion," says Ed Gibson, director of marketing services at Levi's Continental Europe division.

"We have the same strategy as Coca-Cola, with a bit more flexibility in local approaches since we deal with fashion."

Wrangler is currently at a half-way point. Its brand image hit trouble recently—"It became cloudy," the company says—and it is running an image study as a possible prelude to a simultaneous campaign in all European countries. Sales have been dented by the recession, and European marketing services have been restructured into three divisions—north (the U.K., Ireland and Scandinavia), central (Germany and Austria) and south. Each has its own president and is "fairly independent" in terms

Anika Michalowska is a Paris-based stringer for Advertising Age *and* Advertising Age's Focus. *This article is reprinted from the April, 1982, issue of* Focus.

Jeans makers count on arresting ads to help increase sales.

of its advertising approach.

"Our strategy is not to have a pan-European advertising campaign," says Iain G. Lyon, newly appointed president of the southern division. "By doing so, there is a danger of losing specific appeal. The result may be an unexciting compromise. A lot depends also on whether you have a uniform image and a uniform line of products."

Britain's Lee Cooper operates what it calls an informal international policy. Each country retains its autonomy, except for the use of the logo, but all artwork is recorded in a databank, and all national offshoots must consult the group before launching a new campaign. (Lee Cooper's logo has caused problems of late. After two unsuccessful attempts at a revamp, the group called in designers Conran Associates for a third version, now being promoted heavily throughout Europe.)

Lee Cooper France was the first subsidiary to set up its own marketing and advertising structure, and, says ad manager Philippe Forcioli-Conti, it still acts as something of a clearing house for campaigns for other western European countries.

Whether the campaigns are national or pan-national, all five of the major jean brands are set to step up ad spending spectacularly this year.

Exact figures are hard to come by, but in France, for example, Lee Cooper has increased its 1981 ad and promotion budget by 25%, taking it to around $2,500,000 for 1982.

Lois will spend the same, a jump of 50%.

Lee France says for the first time it has opened a "real communications budget."

In two years, Levi increased its allocation by 150%.

All forms of media are being used, but Levi's Ed Gibson, for one, can't wait for new ones, particularly satellite television, to arrive.

An ex-Procter & Gamble and Coca-Cola executive, he believes jeans are one of the most difficult lines to advertise: "We all compete for the same target group [the 19 to 24 age bracket]. We are all promoting me-too products . . . all claiming all the references to authenticity and life style."

Partly for that reason, and to help carve a slice out of the unbranded market, (which accounts for 60% to 65% of sales in France, for example), most of the major brands have been diversifying their product lines.

Jeans themselves have become more complex. In 1977, Levi Strauss satisfied 90% of its customers with just two patterns; now it has around 20. LS Continental Europe vp and general manager of LS France, Andre Kolasinski, told *Depeche Mode* magazine recently that the jeans market is entering a phase of "much narrower segmentation.

Four of the big five have been spreading their wings not only with wider jeans ranges, but with related products—skirts, shirts, parkas, pullovers, sweaters and even shoes.

"Our strategy is not to have a pan-European advertising campaign. By doing so, there is a danger of losing specific appeal . . . . A lot depends also on whether you have a uniform image and a uniform line of products."

The exception is Lee Cooper, which has cut its range back to basic denim. On the face of it, there is logic behind that decision. Between 80% and 85% of the big five's European jeans market is accounted for by the traditional five-pocket, plain denim styles, cut more tightly or less, according to taste. Most of the growth over the past couple of years has come in that area, while interest in corduroy and other fabrics has fallen off.

That, say some experts, signals a return to basics, which fits in well with a time of general austerity.

Others believe firmly in the adage that if the market slows, go out and create a new segment.

Time will show who is right, but if the big five do not recapture the momentum of the years before 1980, it will not be for want of time, thought and promotion effort. AA

The European market for jeans 1980

	Volume (Millions)	Value ($ Millions)
Austria	7.1	126
Belgium-Lux	6.4	150
Denmark	5.0	170
Finland	6.7	160
France	47.5	1,020
Germany	36.8	820
Italy	45.6	1,080
Netherlands	16.6	400
Spain	21.2	340
Sweden	13.3	400
Switzerland	5.0	130
U.K.	51.6	1,080
Total	266.8	6,116

(Source: Euromonitor)

Jeans bought per head of population

(Annual)

	All Groups	Adults Men	Adults Women	Age -15	Age 15-24	Age 25+
Austria	0.5	0.6	0.3	1.1	1.2	0.3
Denmark	1.3	0.9	0.9	2.9	2.1	0.3
France	0.9	0.8	0.5	1.4	1.5	0.4
Germany	1.2	1.0	0.8	2.5	2.0	0.6
Holland	1.3	1.1	0.9	2.5	2.5	0.6
Italy	1.0	0.9	0.6	1.4	2.5	0.4
Norway	1.2	0.6	0.9	2.4	1.9	0.5
Spain	0.6	0.5	0.4	1.0	1.5	0.2
Sweden	1.6	0.9	0.9	3.8	2.2	0.6
Switzerland	0.8	0.7	0.6	1.5	1.5	0.3
U.K.	1.1	1.1	0.8	1.3	2.6	0.6
Total Europe	1.0	0.9	0.7	1.7	2.0	0.5
U.S.	2.5	2.4	1.3	4.7	3.7	1.2

NOTE: Adults are defined as those of age 15 and over; children are below age 15. The 15-24 age group is regarded as the prime advertising target for purchasers, although the age group for main sales extends from 15 to 35.

(Source: Euromonitor)

They wear the pants in the jeans world

Five manufacturers lead the European race for market share

In the competitive world of the jeans makers, market shares are hard to establish. Most manufacturers do their own studies for internal use.

But even when they become available, they are difficult to compare because individual definitions of the product vary to sometimes include, sportswear, tops and boots.

The three U.S. giants, Levi Strauss, Wrangler and Lee, are at the top of the polls. Their exports, including jeans manufactured by offshoots outside the U.S., doubled to 380,000,000 pairs between 1967 and 1980. The main European challengers are Britain's Lee Cooper and Spain's Lois.

Levi Strauss

The world's No. 1 jeans maker, Levi Strauss & Co. of San Francisco, also tops the branded sales in most European countries, with a turnover in Europe of around $88,000,000.

It established its position in the 1960s, opening a warehouse and distribution center in Belgium.

The first European branch was set up in the Netherlands in 1967, and the first manufacturing plant in Belgium the following year.

From 1970 it began buying back all the brand's national distribution companies and establishing local branches, most recently in Spain in 1980.

Blue Bell/Wrangler

Based in Greensboro, N.C., Wrangler is generally reckoned to hold second place in total European sales. Although its position varies according to country, it is put in the top five in most. Wrangler first hit Europe in 1959, but after years of expansion, it ran into a period of recession, losing some of both corporate and product images.

Lee

H.D. Lee Co., Merriam, Kan., a subsidiary of Wyomissing, Pa.-based V.F. Corp., was a late comer on the European jeans scene, not arriving until the 1970s and even then without much apparent conviction.

However, its Lee brand is now firmly established in the United Kingdom and Scandinavia.

It is second only to Lois in Spain and is pushing hard in France, where turnover doubled in a year to hit $17,000,000.

Latest available figures show over-all European sales of $100,000,000.

Lois

Spain's top-selling maker of branded jeans is gaining ground both in Europe and North America with its upmarket, sophisticated products. Output began in Valencia in 1962, and the European expansion started with the opening of Lois Holland in 1968.

Lois France was created in 1975, and the company, which has been promoting itself heavily there, is now considering setting up a French manufacturing facility.

Lee Cooper

This company started making jeans back in 1946 and for a long time was brand leader in the U.K. It has lost that status, but plans to win it back. Its first venture overseas was in Holland, followed by France in 1961 and the rest of the European Economic Community, except Germany, thereafter.

Branches are planned for Spain and Germany eventually, but the immediate aim is to consolidate existing bridgeheads.

Manufacturing plants outside the U.K. are in France, Greece and Tunisia. Sales in 1981 were $167,000,000.

Coffee decline may level off

By JOHN C. MAXWELL JR.

Once again in 1981, U.S. consumption of coffee dropped—whether measured in gallons per capita (26), pounds per capita (9.5) or absolute volume. Nonetheless, statistics do show the possibility of a leveling off in this drop after some two decades. Much of this is due to the general aging of the population; as the population moves into middle age, coffee consumption goes up substantially.

Soluble coffee appears to be the main growth area. It accounted for about 16.5% of industry volume in 1981, up about a point and a half in share from 1980. Leaders in this area are General Foods with Sanka and Brim, and Procter & Gamble with High Point; both of these increased share substantially in 1981. Nestle's Taster's Choice decaffeinated also showed meaningful share movement. We think this will continue to be the most interesting coffee industry area for the foreseeable future.

The other real winner in the industry is General Foods' Master Blend, which showed a 5% market share in 1981 and is currently running above that. General Foods increased share in both regular and instant coffee in 1981 to the detriment of almost everyone else, with the exception of Procter & Gamble in the instant area.

The coffee industry is working on a campaign to get more people to drink coffee from mugs, as they hold more coffee than regular cups. This is an interesting market ploy and should add to the growth of the industry if successful.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb, New York.

Coffee market shares

	Regular coffee	Per cent of market		
	1978	1979	1980	1981
General Foods				
Maxwell House*	22.1%	22.3%	22.3%	20.2%
Sanka	2.0	2.1	3.2	3.5
Yuban	2.0	2.0	2.0	1.5
Max-Pax & Brim	3.5	3.5	3.5	3.0
Mellow Roast	1.8	1.6	1.0	0.8
Master Blend	—	—	—	5.0
Total	31.4	31.5	32.0	34.0
Procter & Gamble				
Folgers	26.5	27.3	25.0	24.0
Hills Brothers				
Hills Brothers	6.9	6.6	6.3	6.0
Coca-Cola				
Maryland Club	1.4	1.2	1.0	1.0
Butternut	2.7	2.5	2.4	2.4
Total	4.1	3.7	3.4	3.4
Subtotal	68.9	69.1	66.7	67.4
All others	31.1	30.9	33.3	32.6
Grand Total	100.0%	100.0%	100.0%	100.0%
	Instant coffee	Per cent of market		
	1978	1979	1980	1981
General Foods				
Maxwell House	24.0%	23.4%	22.2%	22.3%
Maxim	4.0	3.7	3.6	3.5
Sanka	10.0	9.8	10.8	11.1
Yuban	1.3	1.3	1.3	1.3
Freeze Dried Sanka	2.5	2.5	2.5	2.5
Brim #	3.0	2.8	3.6	4.0
Mellow Roast	3.5	4.0	2.0	1.8
Total	48.3	47.5	46.0	46.5
Procter & Gamble				
Folgers	8.0	8.5	11.0	11.0
High Point	—	—	2.5	5.5
Total	8.0	8.5	13.5	16.5
Hills Brothers				
Hills Brothers	0.3	0.2	0.2	0.2
Nestle				
Nescafe Regular	8.7	8.2	7.8	7.5
Nescafe Decaffeinated	2.5	2.8	2.5	2.3
Taster's Choice 100% Coffee	12.5	12.7	11.7	9.5
Decaf	1.0	1.0	1.0	1.0
Taster's Choice Decaffeinated	5.1	4.8	4.3	6.0
Sunrise	3.0	4.0	2.3	1.5
Total	32.8	33.5	29.6	27.8
Borden				
Kava	1.0	1.0	1.0	1.0
Subtotal	90.4	90.7	90.3	92.0
All others	9.6	9.3	9.7	8.0
Grand Total	100.0%	100.0%	100.0%	100.0%

* Electra-Perk is roughly 6% in all years.
\# Brim and International after 1974.
Source: Lehman Brothers Kuhn Loeb Research.

U.S. per capita coffee totals

	Population*	Pounds	1957=100	Gallons	1957=100
1975	215.5	12.2	77.7	33.0	82.5
1976	217.6	12.5	79.6	29.4	73.5
1977	219.8	9.4	59.9	28.0	70.0
1978	222.1	10.5	66.9	27.0	67.5
1979	224.6	11.3	72.0	27.7	69.3
1980	227.2	10.4	66.2	27.0	67.5
1981	229.3	9.5	60.5	26.0	65.0

* In millions, as of July 1
Sources: USDA; Bureau of Census; LBKL Research

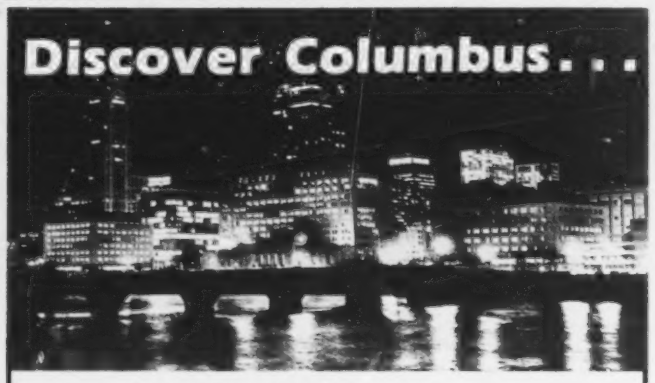
DAVID W. TIBBOTT

CHATHAM, MASS.—David W. Tibbott, 86, retired director of advertising and information services, New England Mutual Life Insurance Co., Boston, died March 4 after a long illness.

Prior to joining the company in 1939, he was in the national ad department, *Boston Globe*; covered the New England states and eastern Canada for the ad department of the *Saturday Evening Post*, and was an account exec in BBDO's Boston office.

EDITH H. BOSWORTH

BRISTOL, R.I.—Edith H. Bosworth, 85, retired treasurer of the Phoenix-Times Publishing Co., died here March 4. She was the wife of Roswell S. Bosworth Sr., retired publisher of the *Bristol Phoenix*. Survivors also include a son, Roswell Jr., who is now publisher of the Phoenix-Times Newspapers.#



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Sources: *Survey of Buying Power **Belden CMS, 1981

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Evening & Sunday

Columbus Citizen-Journal
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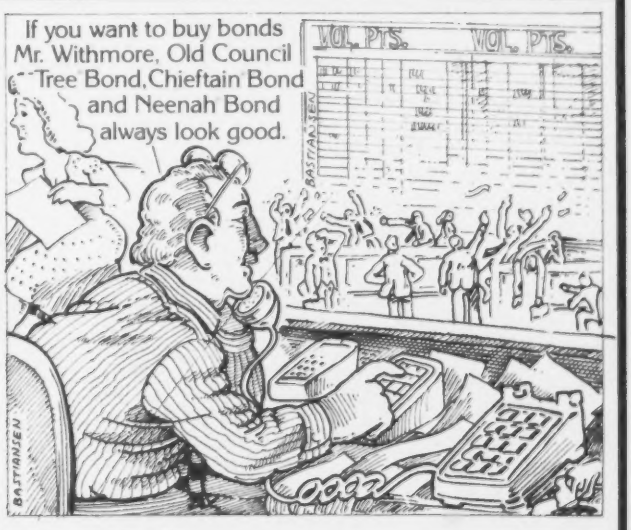
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Ad pages in farm publications for 3 months, 1982-1981

First quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

Key: (mon)-monthly; (sm)-semi-monthly; (bm)-bi-monthly; (bw)-bi-weekly; (w)-weekly; (d)-daily; (q)-quarterly

	Pages Jan.-March 1982	Pages Jan.-March 1981
General Farm Publications		
American Agriculturist	130.7	131.4
Measured in lines	99,277	99,955
◊Big Farmer	37.2	56.6
Measured in lines	15,940	24,274
§†California Farmer (sm)	282.2	281.5
Measured in lines	214,532	213,993
Cotton Farming	118.0	96.9
Measured in lines	49,560	40,698
§Farm Futures	85.7	116.5
Measured in lines	36,752	49,978
Farm Industry News	190.6	164.2
Measured in lines	144,858	124,822
Farm Journal	363.3	348.5
Measured in lines	152,581	149,445
Farm Money Management	35.0	32.9
Measured in lines	14,700	13,818
Farmer-Stockman Unit: (mon)		
Oklahoma Farmer-Stockman	62.2	48.2
Measured in lines	47,287	36,692
Texas Farmer-Stockman	51.0	51.1
Measured in lines	38,766	38,885
Harvest Publishing Unit: (sm)		
Florida Grower & Rancher	54.1	49.4
Measured in lines	41,085	37,508
Kansas Farmer	268.8	308.4
Measured in lines	204,300	234,385
Michigan Farmer	299.8	288.2
Measured in lines	227,859	219,067
Missouri Ruralist	358.5	357.1
Measured in lines	272,448	271,367
Ohio Farmer	440.1	418.0
Measured in lines	334,469	317,686
Pennsylvania Farmer	287.5	271.6
Measured in lines	218,519	206,389
High Plains Journal: (w)		
Eastern Kansas	644.1	621.3
Measured in lines	521,406	695,898
Colorado	646.7	635.7
Measured in lines	724,248	711,984
Nebraska	622.9	621.2
Measured in lines	697,696	695,716
Oklahoma-Texas	650.3	640.7
Measured in lines	728,294	717,542
Western Kansas	701.1	681.9
Measured in lines	785,246	763,756
§Irrigation Age	101.9	125.3
Measured in lines	43,733	53,772
Kentucky Farmer (mon)	177.7	136.8
Measured in lines	135,058	103,997
Lancaster Farming (w)	1,237.1	1,488.3
Measured in lines	1,939,773	2,000,302
Midwest Unit Farm Publications: (sm)		
The Farmer	524.0	526.0
Measured in lines	398,306	399,907
Nebraska Farmer	536.8	573.3
Measured in lines	407,942	435,694
§Prairie Farmer:		
#Illinois Edition	566.9	595.2
Measured in lines	430,874	452,343
#Indiana Edition	542.2	540.2
Measured in lines	412,068	410,556
Average 2 Editions	554.5	567.7
Measured in lines	421,436	431,453
§Wallaces Farmer	531.7	537.2
Measured in lines	404,108	408,237
Wisconsin Agriculturist	375.7	384.2
Measured in lines	285,539	292,022
▲Pecan South	32.9	29.2
Measured in lines	13,818	12,264
§Progressive Farmer	285.2	271.4
Measured in lines	119,776	113,969
Specialized Agricultural Publications:		
Flue Cured Tobacco Farmer	100.1	73.9
Measured in lines	42,628	31,485
Peanut Farmer	62.1	48.9
Measured in lines	26,447	20,823
§Successful Farming (mon)	339.9	354.4
Measured in lines	145,807	152,034
Tennessee Farmer (mon)	66.0	62.3
Measured in lines	50,123	47,312
Western Unit Farm Magazines: (mon)		
Arizona Farmer-Ranchman	130.0	134.1
Measured in lines	98,810	101,921
Colorado Rancher & Farmer	159.5	154.6
Measured in lines	121,202	117,520
Northwest Unit Farm Magazines:		
Idaho Farmer-Stockman	260.5	292.6
Measured in lines	197,992	222,384
Montana Farmer-Stockman	343.7	381.0
Measured in lines	261,208	289,558
Oregon Farmer-Stockman	202.7	232.0
Measured in lines	154,045	176,333
Utah Farmer-Stockman	183.4	216.4
Measured in lines	139,409	164,127
Washington Farmer-Stockman	223.0	241.0
Measured in lines	169,495	183,180
Wyoming Stockman-Farmer	88.9	115.2
Measured in lines	67,531	87,520
Total Group	13,929.2	14,302.5
Dairy & Livestock		
§Beef Magazine	181.6	162.9
The Cattleman (mon)	377.4	326.2
Dairy: (mon)		
Full Edition	75.8	63.7
Western Edition	111.9	126.9
Dairy Herd Management	134.9	158.7
§Drovers Journal	244.7	289.6
Farm Progress Hog Producers	26.6	37.8
Feedlot Management	75.1	93.4
Florida Cattleman (mon)	220.2	204.4
§Hoards Dairyman (sm)	303.2	310.3
Hog Farm Management	138.2	172.4
†Livestock Breeder Journal	232.8	254.7
National Hog Farmer	273.9	231.9
Pig American	65.0	99.6
Western Livestock Journal/Monthly		
Central Edition	104.2	123.0
Western Edition	124.0	117.2
Southern Edition	70.7	79.4
Western Livestock Journal Weekly		
Central Edition	118.8	147.8
Western Edition	140.3	176.1
Western Livestock Reporter/-Montwyo News (w)	446.0	270.7
Total Group	3,465.7	3,416.7
Fruit & Vegetable		
American Fruit Grower	147.3	152.5
American Vegetable Grower (mon)	139.9	146.2
Citrograph	148.1	114.7
Total Group	435.3	413.4
Poultry		
Broiler Industry	146.7	160.9
Poultry & Egg Mktg.	62.0	66.0
Poultry Digest	75.9	105.6
Poultry Times		
Southeast Edition	156.3	158.7
Southwest Edition	101.6	102.1
Northeast/Midwest Edition	77.6	79.2
Pacific Edition	73.1	68.6
Poultry Tribune	89.8	122.9
Total Group	783.0	864.0
Canadian		
Country Guide: (mon)		
#Eastern Edition	174.7	165.8
#National Edition	328.2	286.7
#Western Edition	214.4	196.7
Average 3 Editions	239.1	216.4
Le Bulletin des Agriculteurs (mon)	279.0	258.0
Total Group	518.1	474.4

§Sectional linage included but prorated to circulation of regional editions. †Published twice a month except June, July and Dec. monthly. ▲Published six times a year. ◊Published 11 times a year. #Not included in totals. ○Published ten times a year.

ABC soaps clean up on ratings sheets

'Capitol' scores with novel promo

By JAMES P. FORKAN

NEW YORK—ABC-TV continued to clean up in the world of daytime soap operas, in both homes and women 18 to 49, through the first quarter, but its rivals this month are working up a lather in scheduling and tune-in promotion.

On the advertiser side, Procter & Gamble still is having mixed results with its tv soaps, although daytime's biggest spender does produce three of the opening quarter's 10 most popular series.

The big daytime favorite still is ABC's "General Hospital," based on weekly and quarterly numbers through March 19. Coming closest to "GH's" 11.4 homes rating in the quarterly Nielsens were ABC's "All My Children" (at 9.7) and "One Life to Live" (9.4).

CBS' top show in the first quarter was P&G's "Guiding Light," at 8.7, followed by "The Price Is Right" with an 8.5 homes average. "As the World Turns," another P&G perennial, was sixth with an 8.1 score, slightly ahead of the other CBS serial hit, "The Young & the Restless," at 7.9.

P&G's "Search for Tomorrow" averaged a 7.4 for January through March to rank eighth, edging NBC's "Family Feud" and ABC's "Ryan's Hope," tied at No. 9 with 7.2 scores.

While P&G and fellow soap giant Colgate-Palmolive are not involved in an owner/producer capacity with the three hottest ABC soaps, Colgate is a participating sponsor in "GH," and P&G has spots running in the other two and in CBS' "Young," for example.

In the Nielsens for the week ended March 19, ABC's "All My Children" was closest to leader "GH" (9.0 to 10.1), with "One Life" right behind at 8.3.

"The Price Is Right" was CBS' top daytime show with an 8 rating for its 11:30 a.m. (ET) instalment. P&G's "Guiding Light" followed as CBS' favorite serial, while "Young & Restless" tied "As the World Turns" at No. 6 with a 7.2 homes average.

Rounding out the top 10 for that week were the opening half-hour of "The Price Is Right," ABC's "Ryan's Hope" and "Search for Tomorrow" near the end of its CBS run.

ABC execs also pointed to the daytime roster's sex appeal among the all-important women 18 to 49. The latest demographic data, covering January and February, showed "General Hospital" as the favorite with an average 5,790,000 women per show in that age bracket, out of a total viewership of 13,070,000. ABC also had the three other demographic biggies—"All My Children" with 5,230,000 women 18 to 49 out of 10,750,000 viewers; "One Life to Live" (5,000,000 women 18 to 49) and "Ryan's Hope" (3,200,000).

Their closest rivals for the women's affections were CBS' "Guiding Light" and "Young & Restless," tied for fifth with slightly more than 3,000,000 women 18 to 49 per episode. "Guiding Light" had 3,120,000 fewer total viewers than "GH" in the same 3 p.m. to 4 p.m. time period.

The highest-rated daytimer ever, "General Hospital," has slipped some since last season. It averaged a 12.1 rating with 14,000,000 fans in the span from June 29 through Sept. 18 (AA, Oct. 5). Some industry sources attributed the slippage to the departure of Genie Francis (Laura) from the serial shortly after her tv wedding to Tony Geary (Luke), who now has a new love interest. It was noted that the series' writing staff moved to NBC's "Days of Our Lives" (AA, Oct. 5).

■ "General Hospital" also leads among teens, 1,800,000 compared with the 620,000 drawn to "Guiding Light." The latter serial, apparently in an effort to rectify that, has begun using pop singers in the stories. Among those signed have been Judy Collins and the Bee-Gees' Maurice Gibb; this latest wrinkle in the celebrity guest trend will continue into June.

CBS is banking heavily on "Capitol's" success as it tries to break ABC's lock on daytime leadership. As James Rosenfield, CBS/Broadcast Group president, told an analysts group recently, "If we can achieve a one-point improvement in ratings over a year in daytime, we could increase our revenue for the year by $47,500,000."

CBS' strategy of slotting a preview "Capitol" special in prime time behind "Dallas" proved shrewd, delivering an 18 rating and 30 share to rank No. 29 among prime timers during the week ended March 22. ABC for its part benefited too: With "Capitol" losing 10 rating points from its "Dallas" lead-in, ABC's "Strike Force" got a 17.4 rating, its best showing of the season to that point.

(Continued on Page 86)

Serials win prime time points

NEW YORK—"Dallas," which helped the soap opera format bubble over into prime time, remains the overwhelming favorite of its genre.

That serial on the machinations of the J.R. Ewing clan, tv's top-rated series of any kind in the 46 audience share range, also is assisting "Falcon Crest," with a 37 share due mainly to the "Dallas" lead-in.

To further fuel the ratings, CBS ran a "Dallas" tune-in ad in *TV Guide* for the April 9 episode, saying, "Tonight! Each person's life will change...One will crumble. Which one?"

"Dynasty," in the top 25 for the season thus far with a 34 Nielsen share, is ABC's top prime time trials-and-tribulations drama. This serial posted its strongest numbers (23.7 rating and 42 share) in the week ended March 28, topping its previous high a week earlier.

"Knots Landing," the "Dallas" spinoff, is barely among the top 40 series for the season to date with a 28 share. Late last month, "Knots" tried to call up its J.R. connection once again with tune-in ads, but that episode lost the time period to both "Nurse" and "20/20."

■ NBC's "Flamingo Road" has not yet caught soap fever. The fact that it has scarcely cracked the top 70 prime time shows, thanks to a meager 24 share, puts it in jeopardy as renewal time nears.

The steamy drama format also has boiled over into syndication this year. Among the soapy series offered at the recent National Assn. of Television Program Executives international convention in Las Vegas were six focusing on serial story lines or stars: PolyGram's "Daytime World of Soaps," Firestone Syndication's "Soap Opera Digest," Andrews/Mitchell's "Soap Opera Recap," Mag/Net Inc.'s "Soap Talk" and Colbert/King World Productions' "Soap World" series and "The Soap Spot," a package of interview briefs. Series in soap format, meanwhile, included Comworld International's "Romance Theatre" dramas, Columbia Pictures TV's offnet reruns of the "Soap" prime timer and Worldvision Enterprises' "Dark Shadows" oldie.

The selling of Super Bowl hero Joe Montana — in one Magazine

C2710-1 4/20/87

Advertising Age

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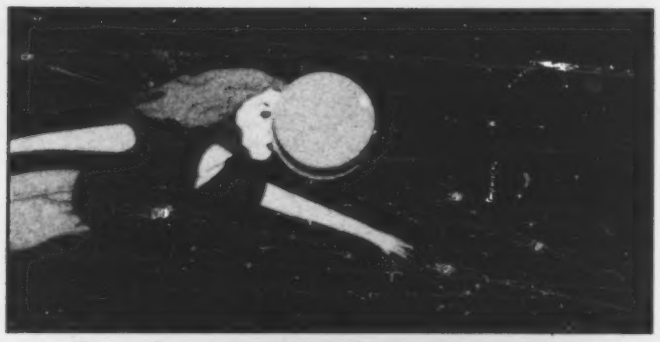
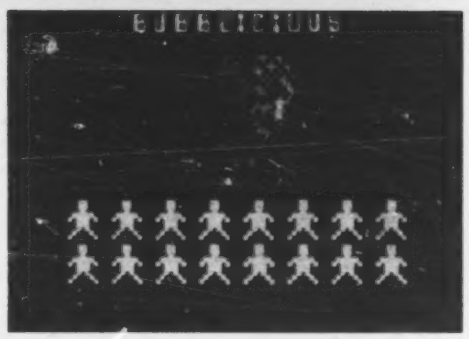
$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *April 19, 1982*





Gum's gimmick

New Ted Bates & Co. tv spots for Warner-Lambert's Bubblicious use computer motion graphics and special effects to create an extraterrestrial, videogame impression.

Ad industry to back Miller's FTC cutback

By RICHARD L. GORDON

WASHINGTON—Ending their silence, ad industry leaders are siding with Federal Trade Commission chairman James C. Miller III in a major political struggle to narrow the commission's authority to police deceptive advertising.

Three weeks of private deliberations, including consultations with key Miller advisers, ended with the joint announcement last week that the Assn. of National Advertisers, American Assn. of Advertising Agencies and the American Advertising Federation are ready to support congressional action to withdraw the sweeping authority given FTC in 1938 to regulate deceptive practices.

Instead, the associations will outline to a House subcommittee tomorrow their proposal that Congress, for the first time, write a definition of deception into the Federal Trade Commission Act that would set boundaries on the types of ad cases the commission could pursue. They will also continue to urge Congress to eliminate "unfairness" as a basis for FTC prosecution of an advertiser.

Support from the advertising industry was conspicuously absent when chairman Miller, a leading Reaganite spokesman on regulatory reform, first proposed legislative action to impose outside limits on FTC selection of deceptive advertising cases (AA, March 22). While the Chamber of Commerce and National Assn. of Manufacturers were quick to support the Miller approach, advertising spokesmen hung back, unwilling to move without a clearer understanding of the stakes.

The ad industry hop from fence-straddling to the Miller camp was greeted with dismay by FTC's three other commissioners, all opponents of the chairman's approach to FTC "reform," who renewed warnings that advertisers face years of regulatory turmoil if the commission and the courts are given new ad regulation instructions by Congress.

"I think they're making an error from their own

(Continued on Page 84)

K/D/P surprise Continental pick

LOS ANGELES—Continental Airlines, which two weeks ago got a new chairman and board of directors with Texas connections, has selected a new ad agency with similar claims of its own, Keye/Donna/Pearlstein.

The small Los Angeles agency, best known for its creative work for San Antonio-based Lone Star Brewing Co., competed for the $16,000,000 Continental account in a review involving several major agencies. Taking part were Chiat/Day; Doyle Dane Bernbach/West; Foote, Cone & Belding/Honig; Young & Rubicam; Scali, McCabe, Sloves, and Benton & Bowles, although the list finally was paired down to B&B and K/D/P. At press time, the airline had not yet announced the selection.

K/D/P was a surprise pick to most observers. The agency, which started in 1969 in an apartment on Wilshire Boulevard, is highly regarded and well-known in Southern California, but little known in other parts of the country.

Sources say Continental's management was impressed with K/D/P's work from the start, but hedged on the final selection for several days because of the agency's relative anonymity outside this area. But it was the strength of K/D/P's creative product that finally won Continental over.

The airline account will increase the agency's $30,000,000 billings by more than 50%.

B&B had handled the Continental account from the early 1970s until last year, when it was succeeded by Wells, Rich, Greene/West. Scali, New York, is the agency for Texas International.

Continental began the search for a new agency two days after its annual stockholders meeting two weeks ago, when Texas Air president Frank Lorenzo was installed as chairman, along with a Texas Air-dominated board of directors. One of Mr. Lorenzo's first actions was to can Continental's agency, Johns, Cohen & Pasqualina, a WRG spinoff that was formed in January after WRG's New York office took on the conflicting Pan Am account.

Continental president George Warde came under stockholder criticism at the annual meeting for retaining the Gardner unit

(Continued on Page 82)

NEWSPAPER
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CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
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WASHINGTON DC 20014
While down... Page 3

UNHAPPY GROUP WANTS OWN AGENCY

Avis franchisees shop

NEW YORK—As Norton Simon chairman David Mahoney prepared to go before the cameras in a new role as pitchman for the company's subsidiary, Avis Rent A Car System, rebellious Avis Texas franchise owners began screening agencies in what appears to be a split over new advertising strategy.

The move apparently was triggered by the franchise owners' displeasure over Avis' selection of McCaffrey & McCall as its agency (AA, March 22).

■ Agency sources said that the move, instigated by approximately six Avis franchise owners in Texas, could lead to a national revolt of Avis independent franchise owners over NSI-directed ads.

Such a move could drain approximately $6,000,000 franchisees contribute to the over-all $10,000,000 Avis account.

William Shechter, an Avis spokesman, declined comment on the franchise owners' actions, saying, "We really don't know what those guys are up to." David McCall, M&M chairman, was unavailable for comment.

Sources said that presentations were made in Texas last week. Shops that presented to franchisees were the Bloom Agency; Bozell & Jacobs, and Benton & Bowles.

Meanwhile, Mr. Mahoney is headed for a starring role as the new spokesman for Avis. On April 14 and 15 he went before the cameras at Newark International Airport in connection with the forthcoming tv commercial.

In M&M's presentation, which eventually landed it the account, Mr. Mahoney is heard delivering the familiar "we try harder" theme.

Mr. Mahoney apparently had expressed displeasure with current spokesman Glenn Ford, which led to a split between Avis and its former agency, BBDO.

Mr. Mahoney was a source of controversy during the competition for the account. Some losing agencies maintained he had made up his mind to select M&M before the presentations began. However, an M&M exec said Mr. Mahoney was not present during its presentations.

last minute news

'Wall Street Journal' to publish Europe edition

NEW YORK—*Wall Street Journal* is planning to publish a European edition with a separate staff and is expected to sign a printing contract in the Netherlands by next month, according to reliable sources in Europe. The newspaper will be printed by *Limburgs Dagblad*, a subsidiary of the huge Telegraaf Holding Co., in Heerlen (AA, Oct. 19). The *Journal* is likely to place up to 20 editorial and sales staffers in Europe and to shoot for doubling the current European circulation of the U.S. paper to 20,000 readers within two years. Dow Jones officials in New York deny that any final decision has been made about the European edition, but other sources say the go-ahead is "90% certain."

SSC&B reportedly getting Mello Yello account

ATLANTA—Coca-Cola reportedly will move Mello Yello citrus soft drink to SSC&B, New York, from McDonald & Little. The company would not comment on the report. Spending estimated at more than $5,000,000.

Shakey's splits with Chiat; review set for May

DALLAS—Shakey's Pizza Parlors and Chiat/Day, Los Angeles, will split July 15, with both sides citing differences in marketing and creative phi-

(Continued on Page 8)

Argentine ads, color tv to Falklands

By MEGAN O'REILLY

BUENOS AIRES—Trying to solidify its hold on the Falkland Islands, the Argentine government is bombarding its new and old subjects with powerful commercials justifying seizure of the British colony, and even has given the islanders something they were never able to get from the British: Color tv.

While morale in Argentina over the invasion is high, the government is taking no chances.

It has ordered tv stations to run frequently three propaganda commercials encouraging

(Continued on Page 80)

Allbritton, unions talking; Murdoch on hold

'News' stances soften

By STUART EMMRICH

NEW YORK—Their flirtation with Rupert Murdoch placed on indefinite hold, *New York Daily News* union negotiators returned to the bargaining table last week with Joe L. Allbritton, the only prospective buyer to whom the Tribune Co. says it will sell the paper.

And in contrast to Mr. Allbritton's first meetings earlier this month—meetings in which he demanded annual payroll cuts of $85,000,000 as a condition for his purchase of the paper—these bargaining sessions showed signs of some softening on both sides. Both sides agreed last week that some concessions will have to be made if the talks are to beat the April 25 deadline Mr. Allbritton has set.

Among the carrots Mr. Allbritton is offering as an incentive to go along with cuts of up to 1,600 full-time positions and a two-year wage freeze is a plan that would give employes a 20% share in the paper's future profits.

The profit-sharing offer came as bargaining resumed last Tuesday night after a four-day break brought on by Mr. Allbritton's anger over the unions' overture to *New York Post* owner Rupert Murdoch. The unions approached Mr. Murdoch about the possibility of a joint ownership of the *News* and the *Post* after Mr. Allbritton admittedly shocked them with the size and scope of his contract de-

(Continued on Page 80)

Sales rev-up for 'USA Today'

WASHINGTON—Gannett is stepping closer to launching its long-awaited full-court press to recruit national advertisers for *USA Today*.

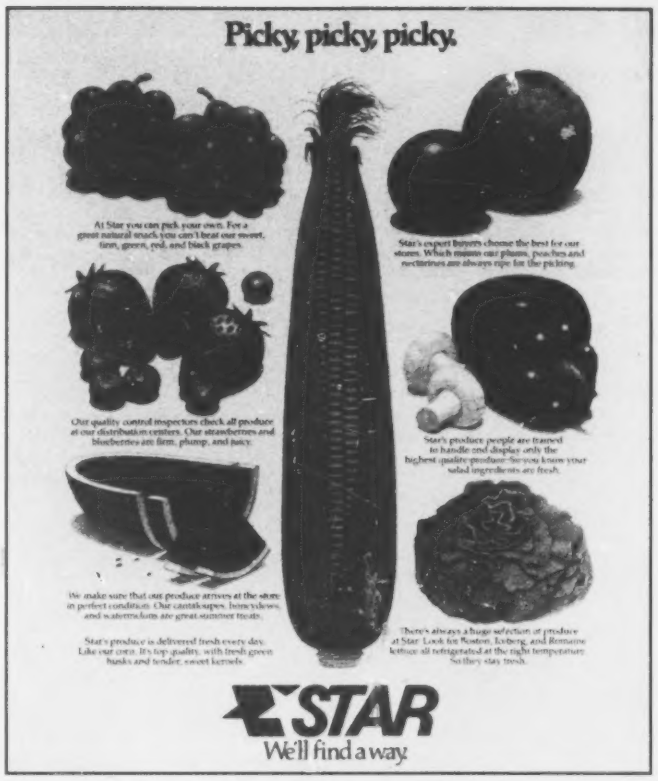
In announcements expected tomorrow, it's understood Gannett will commit to a mid-September startup date for *USA Today* in Washington/Baltimore, its first market, and disclose that a new, 40-page, four-section prototype of the a.m. newspaper will come off the press this week for presentations to the ad community and for additional research.

It's also understood the new prototype will be customized for each targeted advertiser, with that company's ads featured in prominent up-front positions in the newspaper. And it's known this latest version of *USA Today* will feature more business news coverage than previous sample issues, but will contain no major format changes.

While Gannett has previously circulated two prototypes, the company now has assembled the nucleus of a *USA Today* sales staff in New York. But Gannett has not disclosed whether ad rates have been set or whether its sales execs will have order books ready when they call on advertisers.

Until this week, Gannett execs have spoken only of an autumn launch for the first edition of what is planned as a "national" newspaper. Mid-September had been mentioned as possible. Plans call for start-ups in 14 additional markets, including New York, Los Angeles and Chicago, within six months of the

(Continued on Page 82)


Picky, picky, picky.
At Star you can pick your own. For a great natural snack you can't beat our sweet, firm, green, red, and black grapes.
Star's expert buyers choose the best for our stores. Which means our plums, peaches and nectarines are always ripe for the picking.
Our quality control inspectors check all produce at our distribution centers. Our strawberries and blueberries are firm, plump, and juicy.
Star's produce people are trained to handle and display only the highest quality produce. So you know your salad ingredients are fresh.
We make sure that our produce arrives at the store in perfect condition. Our cantaloupes, honeydews, and watermelons are great summer treats.
Star's produce is delivered fresh every day. Like our corn. It's top quality, with fresh green husks and tender, sweet kernels.
There's always a huge selection of produce at Star. Look for Boston, Iceberg, and Romaine lettuce all refrigerated at the right temperature. So they stay fresh.
STAR
We'll find a way.

How to pick 'em

Produce quality gets star billing in this color page for Star Markets scheduled for magazines in June. Agency for the supermarket chain is Quinn & Johnson, Boston.

'Backer shop gets shot at 7UP account

ST. LOUIS—Seven-Up Co. is finally going to give Backer & Spielvogel a crack at the 7UP and Diet 7UP business that N W Ayer earnestly wants to retain.

A reliable source confirmed that both agencies will be involved in a creative shootout for that estimated $30,000,000 chunk of business in the coming weeks. Backer & Spielvogel is the agency for Like, Seven-Up's caffeine-free cola that is testing in eight markets. Should that brand move national, it could pack an awesome $100,000,000 budget for a no-caffeine ad and promotional campaign that has upset other soft drink marketers. A spokesman for Seven-Up would not comment on the matter (AA, March 29).

The suddenness of the review has given rise to speculation that perhaps the agency and client may have had a disagreement over the recent switch to a no-caffeine creative tack for 7UP. The new ad approach has served to chill Seven-Up's relationship with bottlers and distributors, many of which carry competing caffeine-based colas.

Backer & Spielvogel and two of its other major accounts, Philip Morris' Miller Brewing Co. and Paddington Corp., were being given overtime treatment by the rumor mills late last week.

Miller denied that Young & Rubicam was being considered for Miller High Life beer, which is at Backer & Spielvogel along with Lite beer. The report apparently was generated by Y&R's handling of Special Reserve beer that has expanded from three to eight test markets.

Miller also scotched a report that it was to take over U.S. importation of Guinness stout and Harp Irish beer from Guinness-Harp Corp. That report apparently resulted from the fact that a number of Miller distributors in the New York area will henceforth assume distribution of Guinness and Harp formerly handled by G-H, which continues as a U.S. importer.

Paddington Corp. also denied that it was reviewing the J&B scotch account at B&S.#

highlights

Monday, April 19, 1982

Procter & Gamble will launch a "Marco Polo" sweepstakes May 16, tying in with an NBC-TV miniseries about the explorer. *See Page 10.*

An Indianapolis tv station is considering soliciting hard liquor accounts. *See Page 10.*

Reemtsma's West cigaret is lagging in the West German market, and observers are trying to figure out what went wrong. *See Page 12.*

RCA is giving up diversification to return to its tv/electronics businesses. *See Page 14.*

Mercedes-Benz has signed as the presenting sponsor of Lamar Hunt's World Championship Tennis Tournament of Champions event. *See Page 14.*

Working Woman has pulled itself from the grave to rival women's books' "seven sisters." *See Page 24.*

The National Advertising Division asked Air Florida, Borden, Maybelline and Ragold's Velamints to modify ad copy. *See Page 28.*

RCA Americom customers aren't rushing to spend $13,000,000 for Satcom IV leases. *See Page 45.*

The Los Angeles *Herald-Examiner* is challenging rival *Los Angeles Times'* classified ad promotion with one of its own. *See Page 50.*

Which major cola was the strong gainer in 1981? That depends on what major source is used. *See Page 59.*

A Pittsburgh postal inspector gets quick consumer response to his classified newspaper ad drive aimed at cutting down on mail fraud. *See Page 59.*

Michele Ferrero, the man behind a confectionery empire, also tries to stay behind the scenes and out of sight as much as possible. *See Page 63.*

CBS Fox Co. gets an operating chief—Fox vet Steve Roberts. *See Page 70.*

Gillette's new For Oily Hair Only shampoo/conditioner may further break down an already highly segmented shampoo market. *See Page 77.*

Cosmetics marketers recently were told to look more closely at market research studies. *See Page 77.*

CORPORATE CLOSEUP

From an almost fatal start in this country, the Italian candy maker Ferrero has Tic Tac mints back on a growth path and now is looking at adding other new confections to develop a stable of brands. *See Page 4.*

FOLLOWUP

Deodorant "refresher" bars are slipping into a larger share of the soap segment. *See Page 59.*

VIDEOTECH

The future of sports on pay and cable tv is examined by industry leaders. *See Page 48.*

Home Box Office and Showtime are using old-fashioned previews to hook new customers. *See Page 48.*

MAGAZINE

A new series titled "Admakers" debuts this week with a profile of Hal Riney, a San Francisco adman who for 25 years has waged war against boring and intrusive advertising, in the process creating brilliant, understated and often unconventional work. *See Page M-2.*

Fred W. Friendly, for more than 40 years a major force in broadcast journalism, takes an unequivocal stand in favor of expanding the half-hour evening network news to a full hour. *See Page M-9.*

SPECIAL REPORT

The "wiring of America" steadily continues. This week's Section 2/Special Report covers the current state of cable television in the U.S. *See Page M-11.*

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Johnston, JWT face analysts

NEW YORK—When Don Johnston, chairman and chief executive of the JWT Group, meets with the New York Society of Financial Analysts today, he will say "the emphasis in 1982 is to improve profit, maintain competitive pressures, keep creative levels high and operate efficiently and effectively."

As in talks the chairman has delivered to analysts before, Mr. Johnston will be bullish on the agency business as a whole by citing increases in tv prices and positive projections for all media.

The "Marie Luisi affair," the computer manipulations in J. Walter Thompson U.S.A.'s tv program syndication unit that resulted in a pretax adjustment of $30,005,000 over a four-year period, will be dealt with first by exec vp-finance Herb Eames, who will explain the restated figures and notes and answer questions regarding the company's investigation.

Mr. Johnston faces the financial community amid speculation that the irregular activities in the agency are jeopardizing his job. The chief executive dismissed such

(Continued on Page 82)

Nonbranded items hold record shares

NEW YORK—Nonbranded items reached record share levels for the 12-week period ending last Dec. 11, according to the SAMI national private-label trend report.

Published by Selling Areas-Marketing Inc., a Time Inc. subsidiary, the report indicated private label and generic products accounted for 16.33% of all warehoused categories, up from 13.65% in 1970 when SAMI first began releasing share trends.

■ For the 12 months ended Dec. 11, all product departments showed share advances for both private-label and generic items. The highest rate of gain came in refrigerated and frozens, which advanced to a 26.8% share, up from 24.46%. Dry grocery nonfood grew to a 12.26% share, up from 10.82%, while dry grocery food grew to 15.09%, up from 14.28%. Health & beauty aids grew to 3.69%, up from 3.33%. Both generic and private-label products contributed to the gains (see charts), although frozen and refrigerated items experienced greater gains in regular private-label while other lines saw greater gains from generics.

Categories with gains for nonbranded items over seven percentage points for the year were diet canned vegetables, up 24.9 percentage points to 32.3% of the category; miscellaneous bread products, up 7.8 points to 20.1%; coffee filters, up 7.6 points to 16.3%; refrigerated and frozen English muffins, up 13 points to 34.3%; American-style frozen vegetables, up 11.7 points to 46.8%; frozen strawberries, up 7.7 points to 61.9%; all other frozen fruits, up 7.6% to 18.6%.#

Buxton unit sold

CHICAGO—Beatrice Foods has sold its Buxton leather goods unit, Springfield, Mass., to current Buxton management, including president C. William Crain. Beatrice said Buxton did not fit into its long-term corporate plans.

Stendahl system set

NEW YORK—Stendhal USA is introducing Recette Merveilleuse, a skincare system for women over 40.

The line is formulated from marine extracts and protein and is priced in the range of $27.50 to $85. K.E. Ladd & Co. is handling the introductory effort.

Regular private label share trends

52 WEEK DATA PERIOD ENDING 12/11/81		DEPARTMENT	12 WEEK DATA PERIOD ENDING 12/11/81	
CURRENT DOLLAR SHARE	SHARE POINT CHANGE VS. YEAR AGO		CURRENT DOLLAR SHARE	SHARE POINT CHANGE VS. YEAR AGO
13.26%	+ .12	DRY GROCERY: FOOD	13.09%	- .22
9.54	+ .41	DRY GROCERY: NON-FOOD	9.88	+ 1.07
12.27	+ .16	TOTAL DRY GROCERY	12.13	- .07
21.97	+ 1.57	FROZEN	21.58	+ 1.39
29.82	+ 1.54	REFRIGERATED	29.73	+ 1.56
25.77	+ 1.62	FROZEN & REFRIGERATED	25.56	+ 1.48
3.16	+ .16	HEALTH & BEAUTY AIDS	3.10	+ .10
14.49	+ .46	GRAND TOTAL	14.35	+ .27

Source: SAMI Private Label Study

Private label generic share trends

52 WEEK DATA PERIOD ENDING 12/11/81		DEPARTMENT	12 WEEK DATA PERIOD ENDING 12/11/81	
CURRENT DOLLAR SHARE	SHARE POINT CHANGE VS. YEAR AGO		CURRENT DOLLAR SHARE	SHARE POINT CHANGE VS. YEAR AGO
1.83%	+ .69	DRY GROCERY: FOOD	2.00%	+ .67
2.72	+ 1.03	DRY GROCERY: NON-FOOD	3.05	+ .92
2.07	+ .79	TOTAL DRY GROCERY	2.27	+ .74
.92	+ .64	FROZEN	1.33	+ .91
1.14	+ .80	REFRIGERATED	1.29	+ .76
1.03	+ .72	FROZEN & REFRIGERATED	1.31	+ .84
.53	+ .20	HEALTH & BEAUTY AIDS	.58	+ .15
1.77	+ .73	GRAND TOTAL	1.98	+ .72

Source: SAMI Private Label Study

Hong Kong latest cola hot spot

By LYNNE CURRY

HONG KONG—In the latest battle of the cola wars, Pepsi has staged an advertising blitz against Coca-Cola in Hong Kong.

PepsiCo International's multimillion-dollar ad campaign was recently launched to regain the market share it lost in 1980 when the local bottler pulled out. But Coca-Cola, which holds the dominant market position in Hong Kong, is not expected to give up shares without a fight.

Pepsi currently has less than 10% of the soft-drink market and is aiming eventually to corner about 30% with the launching of this campaign, according to Edward Moerk, Pepsi's regional marketing director.

■ Pepsi spent more than $175,000 in the first week of the multimedia blitz, which is being managed by Meridian International, a wholly owned subsidiary of Ogilvy & Mather, New York.

The "Switch to Pepsi" campaign will make Hong Kong advertising history, with two-minute commercials running on all four television channels simultaneously. For a theme song, Pepsi bought the Hong Kong rights to pop star Rod Stewart's "Do You Think I'm Sexy?" for an undisclosed amount and overlaid it with the Pepsi jingle. The world-renowned British singer is particularly popular among the colony's youth.

Mr. Moerk said Pepsi's campaign strategy focuses on convincing the local population that "Pepsi is a big success in the U.S." He explained that, based on market research, Hong Kong residents, especially young ones, look to the U.S. as a role model for social trends.

The company estimated that over 90% of all residents saw the tv commercial three times during the first few days of the campaign. In addition to radio, tv and newspaper, the company plans to advertise heavily in the colony's subway, where it should reach nearly 5,000,000 passengers weekly.

Simultaneous with the campaign's launch, Pepsi began selling four brands—Pepsi, Diet Pepsi, Mirinda and Teem—in bottles to the local market. The company began distributing its soft drinks in cans about eight months ago.

Mr. Moerk said Pepsi is determined to turn the market around, as he claims it has done elsewhere in Southeast Asia. He said that Pepsi is now the leading soft drink in the Philippines, Thailand and Singapore and is attempting to crack the South Korean market.

The Hong Kong campaign coincides with the beginning of full production at PepsiCo's new $5,500,000 bottling plant in Shenzhen, one of China's Special Economic Zones (SEZs), located in Guangdong province, bordering Hong Kong. The SEZ offers favorable economic incentives to encourage foreign businessmen to invest in the area.

■ Under the terms of its arrangement with the Shenzhen authorities, 80% of the 100,000,000 cans and 100,000,000 bottles of Pepsi produced there annually will be exported to Hong Kong. The remaining 20% will be sold locally for Chinese currency.

The price, said Mr. Moerk, has not yet been determined, but it will be substantially less than the 45¢ Coca-Cola charges for its drink in Friendship Stores and hotels.#

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1982 edition

Foreign Agency Income Profiles

Dentsu widens world lead in '81

International agency income growth stalled by recession, devaluations

By Carolyn Hulse

Japan's Dentsu Advertising maintained a secure hold on its title as the world's largest advertising agency in 1981. While some felt this was the year that No. 2-ranked Young & Rubicam might usurp the top slot, in fact, Dentsu widened its lead.

Dentsu's reported gross income of $428,000,000 came in a secure $75,000,000 ahead of Y&R's $353,000,000, while the J. Walter Thompson Group held onto the No. 3 position, with gross income of $331,700,000. Ogilvy & Mather swept past McCann-Erickson to gain the No. 4 spot, with a gross income of $286,500,000, and McCann dropped to No. 5 with $268,700,000.

While world gross income rose 23% to $3.9 billion on worldwide billings of $14.8 billion, Advertising Age figures from 811 agencies in 72 countries indicate that international business was not the bonanza it promised to be last year. A worsening recession in Europe and massive currency devaluations in Latin America resulted in five of the top ten U.S. multinational agency groups (Y&R, JWT, McCann-Erickson, Foote, Cone & Belding and Doyle Dane Bernbach) posting drops in international income.

Despite the rivalry of numbers between Dentsu and Y&R, the two giants became partners in November, 1981, by merging the agencies' Tokyo subsidiaries—the first leg in an historic joint venture which will eventually extend to the U.S., Southeast Asia, Canada, Latin America and, finally, Europe. The marriage, while giving Y&R more muscle in Japan, gives the formerly conservative Dentsu an imposing entree into world markets.

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Carolyn Hulse is an editor on the international staff of Advertising Age.

Dentsu holds agency lead

(Continued from Page M-7)

The impetus to move beyond national boundaries is also driving European agencies. Weak currencies and depressed economies have underscored expansionist fervor. After Britain's creative hot shop, Collett Dickenson Pearce, announced in late February that it would pool resources with Chiat/Day of Los Angeles, it was upstaged last month by the U.K.'s Saatchi & Saatchi, the leading agency in Britain and Europe, announcing it would buy significantly larger Compton Advertising. The move will catapult the new Saatchi & Saatchi Compton into the world's top 10.

In France last year, rumors that Roux Seguela Cayzac & Goudard (No. 39 worldwide) and Publicis Intermarco-Farner (No. 21) were looking for U.S. partners abounded.

Meanwhile, U.S. agencies continued their race to open offices in Latin America or buy stakes in established Dutch agencies, undaunted by drops in international gross income. Y&R posted a $10,000,000 drop, from $140,865,000 in 1980 to $130,171,000 in 1981. JWT dropped from $184,700,000 to $178,000,000; McCann-Erickson, from $204,074,000 to $201,497,000; FCB, from $55,397,000 to $53,745,000; and DDB, from $52,600,000 to $50,000,000.

However, agency execs agree that these losses are no indicator of brewing disaster. According to Richard W. Cuthbertson, executive vp of FCB International, "We are confident that international business will play an even more significant role in agency earnings in the next 10 years." He also felt that while European networks are mature (gross income in Europe declined 3.7%), Latin America and Asia-Pacific regions are ripe for expansion. The numbers agree: Gross income in Asia increased 11.3% in 1981, while income in Latin America grew a whopping 104%, not accounting for inflation.

In Asia, Japan continues to be the standout, posting a 7.6% increase in gross income for 1981. Two more Japanese agencies made it into the world's top 50—Tokyu Advertising and Chuo Senko Advertising—meaning that ten of the world's top agencies are now Japanese. Before 1990, most major U.S. agencies will be obliged to follow Y&R's lead and forge a strong Japanese link in their networks. Some agencies, like FCB, have found that process slow and arduous.

While inflation rates soar and currencies plummet, Latin America continues to be a growth spot for advertising. The leader, Brazil, has sent three agencies into the top 50—MPM, Alcantara Machado, Periscinoto and Salles/Inter-Americana. Gross income in Brazil grew 137.7% in 1981, which represents significant growth despite 100% inflation.

Substantial growth continues in Chile, with a 73% increase in gross income and a 9.5% inflation rate. But the country to watch in coming years may be Peru. Rejecting the extreme economic measures employed in other Latin countries, Peru has an indexed economy, is creditworthy and is experiencing real growth in the all-important agricultural sector. Agencies in Peru reported an increase in gross income of 131%, with a 72.7% inflation rate.

While the mathematical equations measuring real growth in the international arena will continue to be checked by weak foreign currencies and economies in recession, the long-term prospects for agency growth are widely held to be strong.

"Jeans, Brazilian flavor," says playful ad by Alcantara Machado, Periscinoto, new to top 50.

Dreamy Benson & Hedges ad from Britain's CDP, linked with Chiat/Day.

ARGENTINA

The same 1981 average annual exchange rate of .000283 dollars to the Argentina peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 53% depreciation of the peso against the dollar based on the peso's 1980 exchange rate of .000601.

Leo Burnett-Sagarra, Buenos Aires, reports gross income of $1,020 on billings of $6.805 for 1981, its first year in business. (In local currency, gross income was Ps 3,604,900 on billings of Ps 24,044,683.) Employes: 39. Accounts gained: Seven-Up.

Casares, Grey & Asociados, S.R.L., Buenos Aires, reports gross income of $4,788,360 on billings of $36,203,624 for 1981, as compared to gross income of $2,353,145 on billings of

World's top 50 ad agencies in 1981

Figures shown here in millions are based on total equity interest in foreign shops.

Rank	Agency	Gross Income	Billings
1.	Dentsu	$428.0	$ 3.0
2.	Young & Rubicam	353.0	2.4
3.	J. Walter Thompson Co.*	331.7	2.2
4.	Ogilvy & Mather	286.5	1.9
5.	McCann-Erickson Worldwide	277.3	1.9
6.	Ted Bates	236.7	1.6
7.	BBDO Intl	205.2	1.4
8.	Leo Burnett Co	198.6	1.3
9.	SSC&B	176.4	1.2
10.	Foote, Cone & Belding	170.3	1.2
11.	Doyle Dane Bernbach	165.0	1.2
12.	D'Arcy-MacManus & Masius	164.0	1.1
13.	Hakuhodo	143.4	1.6
14.	Grey Advertising	133.4	889.8
15.	Benton & Bowles**	127.5	870.0
16.	Compton Advertising	118.9	812.6
17.	Marschalk Campbell-Ewald	106.0	707.3
18.	Eurocom/Univas	103.0	700.1
19.	Dancer Fitzgerald Sample	85.2	599.6
20.	N W Ayer Inc.	77.6	532.3
21.	Publicis-Intermarco-Farner	76.5	521.8
22.	Needham, Harper & Steers	73.6	490.0
23.	Marsteller Inc.	71.7	478.2
24.	William Esty Co.	66.8	445.0
25.	Wells, Rich, Greene	65.2	435.0
26.	Kenyon & Eckhardt	63.1	412.0
27.	Bozell & Jacobs	62.6	425.0
28.	Daiko Advertising	59.3	466.2
29.	NCK Organization	56.7	378.0
30.	Saatchi & Saatchi	55.0	340.0
31.	Ketchum Communications	48.7	342.2
32.	Dai-Ichi Kikaku	46.5	329.8
33.	Tokyu Advertising	44.9	341.9
34.	Yomiko	37.3	195.5
35.	Cunningham & Walsh	36.7	283.0
36.	Campbell-Mithun	31.5	210.0
37.	MPM Comunicacoes	31.4	107.0
38.	TBWA	31.1	207.0
39.	Roux Seguela Cayzac & Goudard	30.7	204.4
40.	Asahi Kokoku-sha	25.3	190.3
41.	Scali, McCabe, Sloves	27.2	185.6
42.	Backer & Spielvogel	27.0	180.0
43.	Asahi Tsushin	25.3	184.4
44.	Wunderman, Ricotta & Kline	23.6	157.4
45.	Dai-Ichi Advertising	23.3	168.3
46.	Leber Katz Partners	22.9	189.5
47.	Alcantara Machado, Periscinoto Comunicacoes	22.5	85.8
48.	Chuo Senko Advertising	21.8	135.2
49.	Royds Advertising Group	21.7	144.6
50.	Salles/Inter-Americana de Publicidade	21.6	86.3

*Figures include Euro-Advertising Group

**Included is 20% ownership in Gestion & Recherche Publicitaire, a French agency group consisting of B&B Publicite, Feldman, Calleux Associes and Concurrence

Foreign agency profiles

A comprehensive view of the agency business is presented in the following section, in which ADVERTISING AGE has prepared profiles of international agencies, including their gross income and billings in 1981 and 1980, accounts won and lost, media mix and number of employes. The agency profiles are arranged alphabetically, by country. A table listing the average annual rate of exchange per country is found below.

$18,417,923 for 1980. (In local currency, gross income was Ps 16.9 billion on billings of Ps 127.928 billion for 1981, as compared to gross income of Ps 8.3 billion on billings of Ps 65.081 billion for 1980.) Media breakdown: Newspapers 8%, magazines 3%, radio 10%, tv 79%. Employes: 99.

Accounts gained: S.A. Banco Internacional, Bank of America, Hileret Saic. Lost: Furlotti, Rigolleau, Sol Jet, Silvino Llaneza E Hijos.

Cicero/Ted Bates Publicidad, Buenos Aires, reports gross income of $1,630,000 on billings of $8,150,400 for 1981, as compared to gross income of $1,018,800 on billings of $5,094,000 for 1980. (In local currency, gross income was Ps 5.76 billion on billings of Ps 28.8 billion for 1981, as compared to gross income of Ps 3.6 billion on billings of Ps 18 billion for 1980.)

Media breakdown: Newspapers 31%, magazines 3%, radio 3%, tv 50%, outdoor 1%, business press 4%, point of sale 5%, cinema 1%.

Accounts gained: Secretaria de Turismo, BASF, Ericksson, Seiko Time, Mars Inc., Novo Industri. Lost: Inmobitalia, Siam.

Gabriel Dreyfus & Asoc., Buenos Aires, reports gross income of $900,000 on billings of $6,180,000 for 1981. The agency was founded Sept. 1, 1980, and plans to open up a Chilean branch by mid-1982. (In local currency, gross income was Ps 3.18 billion on billings of Ps 21.84 billion.)

Media breakdown: Tv 47%, newspapers 12%, magazines 4%, radio 30%, other 7%. Employes: 28.

Accounts gained: Kenwood audio equipment, Aguila Saint coffee, cocoa and confections, Bayer Labs veterinary division, Bulova watches, Corporacion General de Alimentos food products, Emece Editors, Instituto Superior Mariano Moreno professional schools, Inverfin financers, Laponia ice creams, *La Prensa*, Province of Misiones' tourism and economy, Province of Santa Cruz' tourism, SAFRA canned food and concentrated broth, Rheem thermo tanks, Schneider confections and soft drinks, Spar turbo fans and air filters, Cocha travel agency, Victoria Insurance, Canit home loans. Lost: Rheem.

Gomez Ferran Inter-Americana, Buenos Aires, part of Kenyon & Eckhardt International, reports only billings of $9,500,000 for 1981, as compared to billings of $12,000,000 for 1980. (In local currency, billings were Ps 33.56 billion for 1981, as compared to billings of Ps 40.24 billion for 1980.)

Media breakdown: Newspapers 30%; magazines 10%; radio 5%; tv 50%; outdoor 3%; point of sale 1%; cinema 1%.

Employes: 60. Accounts gained: Renault (institutional).

Johnson/Benton & Bowles, Buenos Aires, reports gross income of $1,041,099 on billings of $3,494,826 for 1981, as compared to gross income of $832,879 on billings of $2,795,861 for 1980. (In local currency, gross income was Ps 3.679 billion on billings of Ps 12.349 billion for 1981, as compared to gross income of Ps 2.943 billion on billings of Ps 9.880 billion for 1980.) Media Employes: 38.

Gunther Krauss S.A. de Publicidad, Buenos Aires, reports gross income of $3,813,172 on billings of $17,180,152 for 1981, as compared to gross income of $1,424,262 on billings of $7,038,583 for 1980. (In local currency, gross income was Ps 13.474 billion on billings of Ps 60.707 billion for 1981, as compared to gross income of Ps 5.033 billion on billings of Ps 24.871 billion for 1980.)

Media breakdown: Newspapers 4%, tv 86%, outdoor 10%.

Employes: 19. Accounts gained: Gandara descremado (low-fat yogurt), Mortimer cuadriculada (sponge pad), Blendi (children's toothpaste).

Lautrec Publicidad, Buenos Aires, part of Dancer Fitzgerald Sample, reports gross income of $3,622,100 on billings of $15,074,800 for 1981, the only year it reported. (In local currency, gross income was Ps 12.799 billion on billings of Ps 53.268 billion for 1981.) Media breakdown: Newspapers 3%, magazines 5%, radio 10%, tv 69%, outdoor 3%, business press 1%, point of sale 5%, cinema 4%. Employes: 63. Accounts gained: Duracell batteries, Monsanto (Round Up Lazo herbicides), Grimoldi (Hush Puppies and Gomycuer shoes).

Lost: Brassovora (Sampic cleanser and Robin, aerosol for dressing textiles), CGA (Arlistan instant coffee), and resigned A.J. Armando (Mitsubishi cars official importer).

Lintas Limitada SA (Argentina), Buenos Aires, reports gross income of $5,930,000 on billings of $39,527,000 for 1981, as compared to gross income of $3,560,000 on billings of $23,747,000 for 1980. (In local currency, gross income was Ps 20.955 billion on billings of Ps 139.684 billion for 1981, as compared to gross income of Ps 12.575 billion on billings of Ps 83.908 billion for 1980.) Media breakdown: Newspapers 12%, magazines 6%, radio 5%, tv 73%, outdoor 1%, cinema 3%. Employes: 59 in 1981; 71 in 1980. Accounts gained: Cica canned vegetables. Lost: Suchard.

"For looking down on the world." CPV Kenyon & Eckhardt, Milan.

McCann-Erickson S.A., Buenos Aires, reports gross income of $1,049,000 on billings of $6,997,000 for 1981, its first year in business. (In local currency, gross income was Ps 3.708 billion on billings of Ps 24.734 billion. Accounts gained: Casio Computer (musical instruments, cash registers), Johnson & Johnson (sanitary napkin).

Ortiz, Scopesi y Cia., Buenos Aires, part of the Ogilvy & Mather network, reports gross income of $7,125,398 on billings of $35,273,530 for 1981, as compared to gross income of $3,412,499 on billings of $17,445,847 for 1980. (In local currency, gross income was Ps 25.178 billion on billings of Ps 124.642 billion for 1981, as compared to gross income of Ps 12.058 billion on billings of Ps 61.646 billion for 1980.)

Media breakdown: Newspapers 14%, magazines 8%, radio 13%, tv 52%, outdoor 1%, point of sale 4%, cinema 8%.

Employes: 96. Accounts gained: Dulcemar SACI (sugar), British Caledonian Airways, Aguila Saint (candy bars and chocolate).

David Ratto, Buenos Aires, reports estimated gross income of $3,281,385 on billings of $21,875,900 for 1981. (In local currency, gross income was Ps 11.595 billion on billings of Ps 77.3 billion for 1981.) Gross income figure is AA estimate. No 1980 figures supplied by agency.

Solanas/Ayer, Buenos Aires, reports gross income of $3,017,000 on billings of $16,500,000 for 1981, as compared to gross income of $2,385,000 on billings of $9,820,000 for 1980. (In local

(Continued on Page 16)

Foreign currency rates

Exchange rates in these tables were applied to both 1981 and 1980 local currency figures for each agency. This provides a more accurate assessment of an agency's year-to-year income and billings growth than applying different exchange rates for each year.

The use of different exchange rates for each year would make an agency's growth captive to the foreign exchange market, eliminating its true growth as defined by its local currency performance. For example, if a German agency had billings of DM 10,000 in 1981 and DM 9,000 in 1980, AA's system of applying the same exchange rate of .4455 to both years would give the agency U.S. dollar equivalents of $4,455 and $4,010, respectively, indicating a growth in dollars as well as marks of 11%. However, if 1980's annual exchange rate of .5623 were applied to DM 9,000, the dollar equivalent would be $5,061, or a decline in dollar growth of about 12%.

Rates listed in the tables are average annual rates of exchange. These rates, along with those used in last year's issue, are listed in the lead-ins to the agency profiles for each country. Local currency figures are supplied in each agency profile.

Country	Currency	Rate	Country	Currency	Rate
Argentina	peso	.000283	Jamaica	dollar	.49
Australia	dollar	1.153	Japan	yen	.004555
Austria	schilling	.0632	Kenya	shilling	.10
Bahrain	dinar	2.639	Lebanon	pound	.2331
Barbados	dollar	.50	Malaysia	dollar	.44
Belgium	franc	.02467	Malta	pound	2.60
Bolivia	peso	.0404	Mexico	peso	.0411
Brazil	cruzeiro	.0117	Namibia	rand	1.1622
Canada	dollar	.8336	Netherlands	guilder	.4044
Chile	peso	.0256	New Zealand	dollar	.8731
China (Taiwan)	dollar	.0275	Nicaragua	cordoba	.1069
Colombia	peso	.0186	Nigeria	naira	1.62
Costa Rica	colon	.1162	Norway	kroner	.1755
Curacao	florin	.559	Pakistan	rupee	.10
Cyprus	pound	2.31	Paraguay	guarani	.0068
Denmark	kroner	.1419	Peru	sol	.002208
Dubai (UAE)	dirham	.2730	Philippines	peso	.1278
Ecuador	sucre	.0348	Portugal	escudo	.01642
Egypt	pound	1.29	Singapore	dollar	.4725
El Salvador	colon	.40	South Africa	rand	1.1622
Finland	markka	.2333	South Korea	won	.00145
France	franc	.1858	Spain	peseta	.010918
Germany	mark	.4455	Sri Lanka	rupee	.0556
Ghana	cedi	.3639	Sweden	kroner	.2002
Great Britain	pound	2.0952	Switzerland	franc	.5100
Greece	drachma	.0184	Thailand	baht	.05
Honduras	lempira	.50	Trinidad	dollar	.37
Hong Kong	dollar	.1800	Turkey	lira	.00902
India	rupee	.1167	Uruguay	peso	.0939
Indonesia	rupiah	.00159	Venezuela	bolivar	.2330
Ireland	pound	1.6140	Zambia	kwacha	1.30
Israel	shekel	.0944	Zimbabwe	dollar	1.377
Italy	lire	.00893			

Agency resumes from 72 nations

Figures shown in this table of agencies ranked by gross income and in other tables represent the best information available to Advertising Age and are constructed either from answers to questionnaires (sometimes revised on the basis of other information) or on the best data available. All material on this and the following pages is copyrighted, 1982 Crain Communications Inc. Quotation or reproduction in whole or in part without written permission is expressly prohibited. A blank space indicates no gross income was reported by the agency or estimated by AA. Also, figures listed under 1980 are based on the same exchange rates used to determine the dollar equivalent of an agency's gross for 1981. More complete data, including total billings, media breakdown, accounts gained and lost and local currency equivalents for 1981 are provided in these profiles.

Agency	1981	1980
M-8 Argentina		
J. Walter Thompson	$11,935,907	$3,881,258
Ortiz, Scopesi	7,125,398	3,412,499
Lintas	5,930,000	3,560,000
Casares, Grey & Asociados	4,788,360	2,353,145
Gunther Krauss	3,813,172	1,424,262
Lautrec Publicidad	3,622,100	—
David Ratto	3,281,385	—
Solanas / Ayer	3,017,000	2,385,000
Yuste Publicidad	2,514,676	3,870,925
Cicero / Ted Bates	1,630,000	1,018,800
Young & Rubicam	1,468,000	278,000
McCann-Erickson	1,049,000	—
Johnson / Benton & Bowles	1,041,099	832,879
Gabriel Dreyfus & Asoc.	900,000	—
Leo Burnett-Sagarra	1,020	—
Gomez Ferran Inter Americana	—	—
M-16 Australia		
George Patterson	27,000,000	24,000,000
Clemenger Australia	23,967,551	17,832,190
Fortune Group of Companies	15,450,200	14,873,700
D'Arcy-MacManus & Masius	15,044,659	12,567,992
McCann-Erickson	13,166,000	11,185,000
USP Needham	13,063,490	10,492,300
Ogilvy & Mather	12,563,941	9,275,379
Leo Burnett	12,452,000	9,869,000
Monahan Dayman Adams	10,511,710	7,794,280
J. Walter Thompson	9,414,860	8,622,493
Connaghan & May Paton Ayer	6,715,072	2,421,300
FCB / Spasm	6,302,537	5,615,569
Lintas	6,062,000	5,336,000
Young & Rubicam	6,059,000	5,662,000
Schofield Sherbon Baker	4,138,117	2,842,145
Doyle Dane Bernbach / - Berry Currie	4,035,000	2,882,500
Coudrey Dailey	3,409,955	2,538,060
Hertz Walpole Campbell-Ewald	3,367,000	2,779,000
MCR Compton	2,741,287	2,588,900
MOJO	2,366,315	1,085,544
Murray Evans	2,315,003	2,296,574
Grey Advertising	1,901,669	1,809,397
Begg Dow Priday	1,853,013	1,033,856
Pope & Kiernan & Black	1,850,004	2,202,660
Scali, McCabe, Sloves	546,819	782,140
Meridian Advertising	295,568	—
Kutt Skinner Bennett	—	—
Neville Jeffress Advertising	—	—
M-22 Austria		
Lintas Werbeagentur	2,444,000	2,368,000
McCann-Erickson Gesellschaft	1,918,000	1,713,000
GGK Wien Werbeagentur	1,845,400	1,769,600
J. Walter Thompson	1,733,134	1,583,000
MSS-Werbeagentur	1,422,000	1,327,200
Werbeagentur Wirz	1,232,400	1,251,360
Ogilvy & Mather (Vienna)	1,157,427	1,148,146
Werbetechnisches Studio	1,156,560	660,440
D'Arcy-MacManus & Masius	1,071,000	962,000
Young & Rubicam	1,032,000	1,010,000
Weinberger Werbehaus	983,000	1,023,840
Demner & Merlicek	$ 951,160	$ 903,760
NCK Austria	870,000	—
Dorland Advertising	853,200	821,600
R.W. Eggert	820,473	827,920
The Sieber Werbungsgesellschaft	840,560	790,000
Intermarco-Farner Werbeagentur	645,000	781,000
Die Werbe Wien	638,320	650,960
Gramm & Grey	607,000	588,000
Campbell-Ewald Werbeagentur	404,480	380,022
IMAA / Werbeagentur Erwin Muhlboeck	365,296	345,704
Inter-Marketing-Team	246,500	253,000
M-23 Bahrain		
Fortune Promoseven	—	—
M-23 Barbados		
Corbin Compton	360,364	279,867
Smith & Oxley Advertising	260,001	228,071
M-23 Belgium		
HHD Ogilvy & Mather	5,088,603	4,120,587
McCann-Erickson	4,483,000	5,578,000
Lintas (Belgium)	4,160,000	4,034,000
J. Walter Thompson	3,650,000	3,033,000
Benton & Bowles	3,614,025	4,269,869
Van Hees-Vlessing / - Enterprise	3,594,641	2,158,171
Young & Rubicam	3,107,000	3,260,000
Dechy Univas	2,830,364	2,467,345
D'Arcy-MacManus & Masius	2,781,000	2,775,000
Troost Campbell-Ewald	2,556,137	2,494,015
Marsteller International	2,208,000	2,355,000
Intermarco-Farner	2,079,262	1,895,000
Grey Belgium	1,995,800	1,824,642
Impact-FCB	1,925,966	1,597,601
Ted Bates	1,642,530	1,449,387
Doyle Dane Bernbach	1,554,000	1,491,000
Norman, Craig & Kummel	1,410,000	948,216
L.V.H. & Partners	1,186,295	932,656
Partner	1,152,706	1,471,641
TBWA Belgium	888,100	848,920
Roux Seguela Cayzac & Goudard	743,200	382,385
Leo Burnett	735,166	524,706
Moussault / Ayer	719,703	561,693
Trema	612,464	563,502
Markcom	594,794	486,147
DFS McCredie	434,220	133,200
Kenyon & Eckhardt	18,425	—
GelderGriswold	—	—
M-25 Bermuda		
Advertising Associates-Compton	731,591	633,277
M-25 Bolivia		
Unitros Bolivia	129,756	145,440
J. Walter Thompson	$ 142,612	$ 98,172
M-25 Brazil		
MPM Propaganda	31,384,860	13,368,595
Alcantara Machado, Periscinoto Comunicacoes	22,522,500	9,389,472
Salles / Interamericana de Publicidade	21,563,000	8,307,000
Duailibi, Petit, Zaragoza	15,795,000	6,435,000
Norton Publicidade	14,625,000	6,617,000
McCann-Erickson Publicidade	13,380,000	5,346,000
J. Walter Thompson	13,221,000	5,962,500
Denison Propaganda	12,870,000	5,850,000
Standard Ogilvy & Mather	11,674,791	5,558,409
SSC&B: Lintas	6,878,000	3,084,000
Castelo Branco e Associados Propaganda	6,002,100	2,421,900
Gang Publicidade e Promocoes	5,982,591	2,778,750
Assessor Comunicacao Social Integrada	5,319,300	—
Lage, Stabel and Guerreiro / BBDO	4,551,300	1,879,020
Campbell-Ewald Proeme	3,948,000	2,340,000
GFM / Propeg	3,718,188	1,760,990
Young & Rubicam do Brasil	2,960,000	1,185,000
Caio Domingues & Associados Publicidade	2,539,000	962,000
Esquire Propaganda	2,410,200	1,544,400
Leo Burnett	1,933,000	661,565
GGK	959,400	438,800
Foote, Cone & Belding do Brasil	520,758	468,735
Universal & Grey Publicidade	478,994	—
Publicidad Siboney	—	—
M-27 Britain		
Saatchi & Saatchi	55,000,000	32,000,000
J. Walter Thompson Group	42,323,040	35,827,920
D'Arcy-MacManus & Masius Group	33,695,000	26,609,000
McCann Group	31,582,000	29,905,000
Charles Barker Group	24,932,880	18,437,760
The Royds Advertising Group	21,694,748	19,534,528
Collett Dickenson Pearce & Partners	21,019,419	19,772,402
Ted Bates Holdings	19,942,000	14,029,000
Ogilvy & Mather	19,635,675	19,044,395
Foote, Cone & Belding	18,257,394	14,457,349
Young & Rubicam Holdings	18,048,000	19,490,000
Allen, Brady & Marsh	15,814,570	12,294,634
Dorland Advertising	12,858,018	11,242,843
Leo Burnett	12,399,000	12,080,000
Boase Massimi Pollitt Partnership	12,351,204	10,119,816
Geers Gross	12,200,000	9,291,950
Lintas	11,860,000	11,708,000
IMAA / Rex Stewart & Associates	11,775,000	11,880,000
Benton & Bowles	11,523,000	10,266,000
Wasey Campbell-Ewald	10,625,000	12,829,000
Doyle Dane Bernbach	9,672,000	8,535,845

Agency	1981	1980
Britain (cont.)		
Grey Advertising	$9,564,000	$6,945,000
Davidson Pearce Ltd.	9,152,000	8,477,000
Sharps Advertising	7,522,000	6,432,000
Michael Bungey & Partners Holdings	7,228,000	5,238,000
McCormick Intermarco-Farner	7,124,000	6,286,000
TBWA	6,772,700	4,808,480
Lonsdale Advertising	6,691,650	5,756,939
SJIP/BBDO	6,537,024	3,085,542
KMP Partnership	6,180,800	5,552,000
David Williams & Ketchum	6,138,700	5,307,800
Norman, Craig & Kummel	5,865,000	4,848,293
Abbott Mead Vickers/SMS	4,746,028	3,121,282
Butler Dennis Garland & Partners	4,650,000	5,223,000
Grandfield Rork Collins	3,980,880	1,089,504
BNRR Needham	3,771,000	2,304,720
Euro Advertising	3,009,754	3,021,278
Marsteller International	2,822,000	1,943,000
Contract Advertising	1,588,685	1,551,234
Ogilvy & Mather (Scotland)	1,444,106	1,125,998
Wells, Rich, Greene	1,238,000	705,000
Ogilvy & Mather Direct Response	1,159,911	997,510
Foster Turner & Benson	997,120	1,050,963
FCO Univas	957,513	1,126,488
Medicus Intercon	924,000	1,127,000
Mathers Advertising	864,848	981,788
Mathers & Bensons Advertising	315,856	537,982
LS&A Advertising and Print Consultants	155,045	—
Nicklin Advertising	—	—

M-30 Canada

Foster Advertising	15,210,700	13,183,380
J. Walter Thompson	13,986,000	11,643,000
McKim Advertising	13,757,700	11,256,300
F.H. Hayhurst	12,606,000	10,169,920
Vickers & Benson	10,480,852	9,319,000
O&M (Canada)	10,270,000	8,053,410
McCann-Erickson of Canada	7,512,000	7,146,000
Young & Rubicam	6,580,000	5,715,000
Leo Burnett	5,986,000	4,741,516
The BCP Group	5,002,800	4,836,000
Ted Bates	4,457,260	4,137,157
Grey Advertising	4,383,000	3,358,000
R.T. Kelley	3,666,340	3,514,458
Foote, Cone & Belding	3,223,215	2,277,003
Grant/Tandy	3,027,987	2,760,390
Norman, Craig & Kummel	3,000,300	2,738,622
Scali, McCabe, Sloves	2,286,378	1,336,323
Needham, Harper & Steers	2,062,000	1,405,000
Kert Advertising	2,000,640	1,667,200
Enterprise Advertising	1,911,000	1,523,000
Doyle Dane Bernbach	1,551,946	1,193,318
D'Arcy-MacManus & Masius	1,437,000	1,163,000
Pierre Tremblay Publicite	1,348,870	500,160
Benton & Bowles (Canada)	1,250,468	998,759
Jean Leveille & Associes	1,129,528	1,149,534
SSC&B: Lintas	965,000	711,000
N W Ayer	582,068	426,384
Bleau, Duperrey, Giguere & Associes	233,882	171,599
Medicus Intercon	166,000	—

M-33 Chile

J. Walter Thompson	4,348,330	3,061,970
Northcote Merino Silva/Lintas	2,824,090	1,923,098
Publicitaria Publiart BBDO	2,783,526	1,484,239
McCann-Erickson	2,561,000	1,749,000
Promoplan	2,397,306	1,686,574
Unitros Chile	2,030,000	614,400
Publicidad Fabres, De Heeckeren, Casares y Grey	$1,964,582	$1,282,859
Matte y Mendez	1,560,210	1,004,106
Azocar, Morrison & Walker	1,265,487	—
Sertec Inter-Americana	1,254,925	918,255
Leo Burnett Co.	487,000	—
Baumlis Publicidad	417,600	265,977
Young & Rubicam	295,000	—
Publicitaria Epoca/Ted Bates	—	—
Veritas Publicidad	—	—

M-33 China

McCann-Erickson Jardine	54,287	47,000

M-33 Colombia

Leo Burnett	2,606,000	1,934,000
McCann-Erickson	2,081,000	1,279,000
Puma Publicidad	1,950,000	1,393,680
G. Meza y Ted Bates	1,618,000	1,055,066
Atenas/BBDO	1,317,683	915,584
Centrum Publicitario Asociada a Ogilvy & Mather	1,004,400	762,600
Publicidad Artefilme	—	—
Jaime Uribe	—	—

M-36 Costa Rica

McCann-Erickson	679,000	474,000
APCU de Costa Rica	350,000	273,000
Publicidad Siboney	—	—

M-36 Curacao

R.J. Dovale Advertising	247,762	237,890

M-36 Cyprus

Impact/BBDO Intl.	2,593,000	2,120,118

M-36 Denmark

Ted Bates	3,570,000	3,134,000
Gutenberghus Reklamebureau A/S	2,090,000	2,316,943
Jersild, Lund & Lommer/BBDO	2,016,000	1,494,207
Lintas Reklamebureau	1,971,000	1,595,000
Ogilvy & Mather Reklamebureau A/S	1,766,000	1,750,000
Young & Rubicam	1,609,000	1,653,000
D'Arcy-MacManus & & Masius	1,323,000	1,354,000
Leo Burnett Co.	1,115,475	838,203
Intermarco-Farner A/S Pro-Media	1,064,250	1,064,000
Lockey, Norman, Craig & Kummel	1,035,000	703,256
Lyre & Valbo Reklamebureau A/S	1,032,000	881,000
Bergenholz & Arnesen	1,023,100	973,700
J. Walter Thompson	926,500	799,474
DEA/Grey	844,000	739,000
Compton	783,000	759,165
Weber & Sorensen	736,177	886,875
McCann-Erickson A/S	729,082	840,474
Foote, Cone & Belding A/S	328,628	818,437
Ervaco Kobenhavn A/S	225,000	325,000
Benton & Bowles	187,308	243,358
a-reklame	—	—
Scan-ad Reklamebureau	—	—

M-37 Dominican Republic

Young & Rubicam Demaris	1,139,000	1,044,000
Marca-Leo Burnett	1,056,000	—
Unitros Dominicana Extensa	108,008	—
McCann-Erickson	33,000	—
Publicidad Siboney	—	—

M-37 Dubai

Lintas Middle East	$ 641,000	$ 552,000
Caspian Middle East	15,000	—

M-37 Ecuador

McCann-Erickson	1,118,124	813,000
Veritas Publicitaria	483,700	—
Publicidad Artefilme	—	—

M-37 Egypt

Advertising & Marketing Associates/Leo Burnett	196,250	—
Societe Egyptienne de Publicite	—	—

M-38 El Salvador

McCann-Erickson	311,000	240,000
APCU de El Salvador	200,000	195,000

M-38 Finland

Mainosyhtymae Oy	4,292,720	3,503,700
Oy Liikemainonta-McCann	4,261,000	3,384,000
Oy Mainos Taucher Reklam	3,702,400	3,093,800
Turkama & Kumppanit Oy	3,569,490	3,489,513
Mainosrengas Oy	3,499,500	2,964,800
Markkinointi Viherjuuri	3,146,000	2,741,000
Finnad Advertising	2,560,000	2,158,025
Lintas Oy	2,461,000	2,440,000
Erva-Latvala Oy	2,301,270	2,127,695
Oy AC Mainos	2,140,000	1,587,000
MK-mainos oy	1,987,000	1,515,000
Suomen Ilmoituskeskus Oy Ilmo	1,320,000	983,000
Oy Valotorni	1,305,058	1,061,503
Oy Interplan	1,265,200	995,700
Ogilvy & Mather Oy	1,052,842	901,404
Oy Ervaco	1,035,000	915,000
Topitoerma Marketing	995,724	1,038,017
Kauppamainos Oy	886,540	653,240
Mainoskenttae Oy	886,540	769,890
Reklamainos Oy	859,898	794,200
Mainostoimisto LSM Oy	837,000	833,115
Lahti Mainos Oy	629,900	491,800
D'Arcy-MacManus & Masius	599,000	475,000
Ajan Mainos Oy	335,261	251,283
Mainostoimisto Prax Oy	326,620	262,460
Oy Goodwill	235,000	218,600
Pekka Vainio ja Kumpannit Oy	—	—

M-39 France

Publicis Conseil	31,440,332	26,469,253
Roux Seguela Cayzac & Goudard	30,650,000	25,080,000
Havas Conseil Group	25,287,000	20,698,120
Young & Rubicam France	17,432,000	15,770,000
Lintas: Paris	13,989,000	10,143,000
Belier Conseil	11,148,000	9,197,100
ECOM/Univas	10,386,220	9,317,870
Norman, Craig & Kummel	8,010,000	3,520,449
Impact-FCB	7,807,652	6,729,874
Intermarco-Conseil	7,711,000	7,902,631
Dupuy-Compton	7,710,700	6,317,200
McCann-Erickson Group	7,564,000	6,503,000
Futurs Groupe	7,153,300	6,967,500
Synergie/K&E	6 957,800	6,516,000
C.F.R.P.	6,785,000	5,900,000
Ted Bates France	6,737,294	6,150,909
Feldman Calleux Associes	6,711,000	6,332,000
Doyle Dane Bernbach & Peyrat Paternot Garnier	6,613,000	6,830,000
TBWA France	6,595,900	5,523,277

Agency	1981	1980
France (cont.)		
Ogilvy & Mather	$6,353,000	$4,961,000
Bazaine DFS	5,574,000	3,716,000
J. Walter Thompson	5,481,100	4,589,260
Grey France	5,245,320	4,988,730
Euro Advertising Lyon	4,091,301	3,283,457
CLM/BBDO	3,903,000	3,559,556
Alice	3,623,000	3,065,700
D'Arcy-MacManus & Masius	2,880,000	2,214,000
Leo Burnett	2,736,000	2,243,000
R&D Ketchum	2,686,600	1,653,600
M.A.O.	2,601,000	2,192,440
Mafia	2,410,755	1,978,956
Taurus	2,229,600	1,950,900
Euro Advertising Paris	2,137,000	2,415,000
EDIP	2,013,597	2,075,434
Campbell-Ewald Group	1,867,000	2,086,000
Benton & Bowles	1,865,000	1,460,000
Marsteller Intl.	1,686,000	1,337,000
GGK Paris	1,393,500	1,152,000
INF 14	1,226,310	723,460
Strategie/Campagnes	1,170,540	947,580
Eldorado	1,151,990	966,160
Compar	1,130,000	55,000
O.P.F. Univas	938,290	901,130
GMC Ayer	819,378	798,940
Medicus Communications	429,000	336,000
M-42 Germany		
Lintas	28,924,000	27,470,000
McCann-Erickson Group	25,824,000	28,298,000
TEAM/BBDO Group	23,838,259	23,140,161
J. Walter Thompson	20,667,607	19,554,152
Gramm & Grey	14,727,339	16,038,000
Ogilvy & Mather Group	13,300,000	12,028,500
Young & Rubicam	13,275,000	12,850,000
Doyle Dane Bernbach	11,656,000	14,358,900
Wilkens Group	11,549,000	12,301,000
MWI/Norman, Craig & Kummel	10,986,000	7,992,270
FCB Frankfurt	10,303,044	10,999,825
D'Arcy-MacManus & Masius	10,170,000	10,053,000
GGK Duesseldorf	10,157,400	9,088,200
Benton & Bowles und Partner	9,108,370	9,175,500
Troost Campbell-Ewald	8,911,000	8,045,000
Intermarco-Farner	8,821,000	9,266,400
Compton	8,179,380	6,620,130
R.W. Eggert	8,036,820	7,306,200
Luerzer, Conrad & Leo Burnett	7,430,495	8,717,099
Ted Bates	6,734,178	7,065,000
Heye, Needham & Partner	6,110,000	5,738,000
Intensiv-Werbung	5,513,062	5,346,000
Baums, Mang und Zimmerman	5,390,550	4,766,980
Westag Werbeagentur	4,496,000	4,651,911
TBWA	4,410,500	3,921,735
Spiess & Ermisch	4,030,000	4,670,000
CoPartner Ayer	4,015,000	3,677,000
DFS&R	4,009,000	3,653,000
MPW Univas	3,385,800	2,695,300
Intercom Medicus	3,136,320	2,781,791
Die Werbe Euro-Advertising	2,813,600	2,677,100
Marsteller International	2,590,000	2,113,000
Durana Ketchum	2,539,400	2,432,400
E&P Erdmann & Partner	2,367,387	2,221,708
IMAA/Die Gilde	2,205,000	2,196,000
Scholz & Friends	2,110,000	—
Hermann Geiling	1,810,000	2,097,000
Wirz & Hafner	260,000	378,675
Hildmann Simon Remmpen & Schmitz	—	—
Kenyon & Eckhardt	—	—
M-44 Ghana		
Lintas Ghana Ltd.	425,000	179,000

Agency	1981	1980
M-44 Greece		
Spot/Thompson Advertising	$1,381,785	$ 774,640
FCB Middle East	1,210,044	1,009,271
Bold Advertising	1,012,000	506,000
Euro Advertising Athens	978,880	693,680
Delta-Delta Publicity	936,060	519,285
Alector	903,440	588,800
Minos Advertising	883,200	616,032
Lintas Hellas	882,000	685,000
Interad Advertising & Marketing	754,400	610,880
Adel, Hellenic Advertising	727,600	570,388
Olympic Advertising	715,189	532,588
Ikon Advertising	680,800	355,120
Gnomi Advertising & Marketing	642,712	636,440
Lamda Alpha Advertising	585,023	370,462
J.N. Leoussis Advertising	550,000	370,000
ACR/Bates Hellas	504,399	298,080
McCann-Erickson Hellas	465,000	330,225
D'Arcy-MacManus & Masius	432,000	312,000
Victory Advertising	349,600	220,800
K&K Univas	235,899	196,880
Sigma	231,840	162,822
Geo Advertising & Marketing	179,799	95,537
Epsilon-Epsilon	159,712	127,880
M-46 Guatemala		
Publicidad McCann-Erickson Centroamericana	997,000	738,000
APCU Thompson Asociados	657,000	660,000
Publimerca, S.A.	280,000	350,000
Publicidad Siboney	—	—
M-46 Honduras		
McCann-Erickson Centro-americana	262,000	272,000
APCU de Honduras	175,000	150,000
M-46 Hong Kong		
Leo Burnett Ltd.	3,240,000	2,219,040
Ogilvy & Mather	2,147,342	1,522,229
Ling-McCann-Erickson	2,047,000	1,759,000
Far East Advertising Group	2,035,000	1,726,000
Ted Bates Ltd.	1,945,000	1,296,000
Young & Rubicam	1,890,000	1,341,000
Kenyon & Eckhardt Ltd.	1,436,854	1,774,183
Doyle Dane Bernbach Ltd.	1,254,000	1,008,900
J. Walter Thompson	1,151,640	761,760
People & Grey Advertising Ltd.	1,079,000	706,000
Tse, Needham & Standard Advertising	1,029,081	698,499
John Roddy-FCB Advertising Ltd.	1,021,237	843,005
Far East-Ketchum Advertising Ltd.	917,800	796,900
Modern Advertising Ltd.	826,560	588,960
Meridian Advertising	698,575	5,533
Team/BBDO Ltd.	676,300	591,246
Wong Lam Wang Ayer	653,952	513,000
Chuo Senko Advertising (H.K.)	621,232	495,785
Chase-Compton Advertising	591,508	640,080
APB/D'Arcy-MacManus & Masius	574,524	421,145
3A Publicity 'n Promotions	433,000	259,773
SSC&B: Lintas	267,000	305,000
Results Hong Kong	179,771	24,245

Agency	1981	1980
M-47 India		
Hindustan Thompson Associates	$3,559,350	$2,856,879
Lintas India Ltd.	2,092,000	1,686,000
Ogilvy Benson & Mather	1,460,355	1,214,064
Advertising & Sales Promotion Co.	1,284,984	1,141,910
Chaitra Advertising	1,283,200	796,478
Ulka Advertising	1,181,588	1,050,300
Everest Advertising	1,064,304	891,588
Sista's	899,424	666,940
Jaisons Advertising	753,829	409,690
Bidhan Advertising & Marketing	730,081	610,427
Grant/Kenyon & Eckhardt (India)	540,000	803,763
National Advertising Service	175,050	154,044
M-48 Indonesia		
Meridian Indonesia	506,000	—
M-48 Iran		
Caspian Advertising	18,000	15,000
M-48 Ireland		
Wilson Hartnell Advertising & Marketing	1,921,793	1,515,878
Bell Advertising Ltd.	1,312,164	1,161,256
O'Keeffes Ltd.	1,178,278	967,715
M-48 Israel		
Pelled Advertising & PR Ltd.	708,000	613,000
M-48 Italy		
McCann-Erickson Italiana	9,797,000	6,997,000
J. Walter Thompson Italia	8,561,162	6,269,356
Young & Rubicam Italia	7,340,000	6,146,000
Armando Testa	6,876,000	4,822,000
Foote, Cone & Belding	6,526,552	4,322,065
TBWA Italy	5,157,000	3,418,404
SSC&B	5,002,000	4,113,000
ATA Univas	4,494,469	3,060,311
Milano & Grey	3,516,634	3,050,488
Publinter wpt	3,304,100	3,098,710
Leader Pubblicita' e Marketing	2,768,000	2,322,000
CPV, Kenyon & Eckhardt Italiana	2,643,280	2,044,970
Compton Italia	2,625,000	1,782,000
Norman, Craig & Kummel	2,580,000	1,841,366
CBC	2,550,000	1,161,000
D'Arcy-MacManus & Masius	2,391,000	1,954,000
MAC	2,343,232	1,808,325
Benton & Bowles Italy	2,299,058	1,606,550
Troost Campbell-Ewald	1,972,000	1,717,000
B Communications	1,640,045	1,435,765
Livraghi, Ogilvy & Mather	1,459,851	613,648
Admarco	1,361,000	1,356,000
Leo Burnett Co.	1,347,376	1,020,115
Pubbli Dan Wirz	1,206,000	1,100,000
Intermarco-Farner Italia	1,145,000	605,000
Int. H.A. Univas	1,107,000	870,500
Euro-Advertising	1,045,646	965,333
Doyle Dane Bernbach Italia	1,030,522	1,383,422
Ted Bates & Co.	1,016,057	833,674
GGK Milano	870,700	669,800
Medicus Intercon	647,425	362,000
Emmer Pubblicita' & Marketing	646,532	622,421
Dorland Italiana	392,900	359,900

Agency	1981	1980
M-50 Jamaica		
Dunlap Corbin Compton	$ 501,248	$ 450,884
McCann-Erickson (Jamaica)	469,000	282,000
Lindo Norman Craig & Kummel	450,000	250,800
M-50 Japan		
Dentsu Inc.	428,010,000	401,920,000
Hakuhodo Inc.	143,350,000	132,890,980
Daiko Advertising	59,305,000	57,526,324
Dai-Ichi Kikaku	46,505,320	43,746,721
Tokyu Advertising Agency	44,928,921	38,234,506
Yomiko Advertising	37,297,499	34,584,871
Asahi Kokoku-sha	29,485,000	27,822,000
McCann-Erickson Hakuhodo	28,433,000	26,837,000
Asahi Tsushin	25,257,475	24,092,269
Dai-Ichi Advertising	23,256,527	18,894,140
Chuo Senko Advertising	21,800,000	18,900,000
Orikomi Advertising	20,052,568	18,158,417
Man-Nen-Sha	16,922,408	16,290,652
Kyodo Advertising	14,466,452	12,425,000
Sogei	13,700,000	11,000,000
Nihon Keizaisha Advertising	12,941,151	11,987,306
Osaka Yomiuri	11,225,342	11,084,000
J. Walter Thompson Co. Japan	10,527,484	10,268,418
Standard Advertising	8,818,441	8,562,073
Nippo Marketing & Advertising	6,909,091	6,811,360
Dentsu-Young & Rubicam	4,551,000	3,398,000
Grey-Daiko Advertising	4,091,000	4,760,000
Toei Advertising	2,795,312	2,864,854
Ketchum Advertising	1,729,500	1,955,400
Asia Advertising	1,366,500	1,175,190
Meitsu Advertising	1,169,000	1,014,000
Medicus Intercon	547,000	539,000
International Ad Co.	436,720	361,685
Yomiko DFS International	348,900	421,300
Tokyu Agency International	——	——
M-51 Kenya		
Ogilvy & Mather	818,890	666,896
McCann-Erickson Kenya	435,400	517,800
D'Arcy-MacManus & Masius	251,100	——
M-51 Lebanon		
Intermarkets	5,680,000	5,350,000
H&C-Leo Burnett	1,700,000	——
M-51 Malaysia		
PTM Thompson Advertising	2,389,640	1,614,360
Ogilvy & Mather	2,360,000	1,950,200
Ted Bates	2,332,000	1,980,000
Leo Burnett	1,918,000	1,516,000
Lintas	1,478,000	1,130,000
McCann-Erickson	839,000	776,000
KHK Needham Standard	801,064	——
Kenyon & Eckhardt	771,320	711,480
AP/Compton	512,300	——
Flagbearer Meridian	294,300	75,680
Advertising, Marketing and Communications	——	——
M-52 Malta		
BPC International	1,000,204	——
M-52 Mexico		
Noble y Asociados	10,216,492	6,456,839
Publicidad Ferrer	8,993,312	4,964,880
McCann-Erickson, div. of Corporacion Interpublic Mexicana	6,510,000	5,092,000
J. Walter Thompson de Mexico	$6,030,000	$3,494,000
Arellano-Ted Bates Publicidad	4,109,000	3,494,000
Publicidad D'Arcy	3,716,000	3,367,000
Maqueda, Gibert/NCK	3,600,000	2,357,702
Leo Burnett	3,580,000	2,797,636
Panamericana Ogilvy & Mather	3,479,011	2,753,820
Young & Rubicam	2,922,000	2,200,000
Teran Publicidad	2,406,446	1,653,535
Doyle Dane Bernbach de Mexico	2,371,500	2,033,750
Dieste, Merino/BBDO	2,334,536	1,456,672
Iconic	1,880,325	1,189,845
Arouesty & Asociados	1,549,278	1,849,500
Campbell-Ewald, div. of Corporacion Interpublic Mexicana	1,408,000	541,000
Orvananos: SSC&B Lintas	1,171,000	670,000
Foote, Cone & Belding de Mexico	855,555	739,563
Alcazar Montenegro/-Compton	763,597	576,633
Publicidad Profesional Blecher	657,600	411,000
Hart, Scali, McCabe, Sloves de Mexico	540,573	——
Crump Yrigoyen Publicidad	247,452	141,812
Kenyon & Eckhardt de Mexico	——	——
M-53 Namibia		
SSC&B: Lintas	52,299	——
M-53 Netherlands		
FHV/BBDO	7,382,807	8,649,712
Lintas Nederland	6,545,000	5,989,000
Prad B.V.	5,728,326	6,168,000
McCann-Erickson Nederland	5,229,000	5,056,000
Ogilvy & Mather	4,932,592	4,200,563
Young & Rubicam-Koster Holding	4,500,000	4,165,000
Intermarco-Farner	4,448,400	4,327,080
J. Walter Thompson Co.	4,438,290	4,550,309
N.P.O. Univas	4,258,000	3,720,000
Result/D'Arcy-MacManus & Masius	4,012,000	3,517,000
Noordervliet & Winninghoff Advertising & Marketing	3,684,084	3,117,924
Recla-Janssens Advertising	3,308,000	3,543,000
ARA Advertising & Marketing	3,231,156	2,543,676
PPGH/Moussault	3,217,000	3,276,000
HVR Advertising	2,790,360	3,033,000
VDB/Compton	2,790,360	2,487,060
Foote, Cone & Belding	2,340,263	2,657,312
GGK Amsterdam/KVH	2,212,100	2,420,300
Benton & Bowles Advertising B.V.	1,972,287	1,890,473
Campbell-Ewald Nederland	1,851,000	3,148,000
De Bussy Reclame	1,776,000	2,012,000
Cordon-Grey Advertising	1,587,221	1,316,339
R.V. Wiggert de Vries & Franssen/DDB	1,556,940	1,449,370
Allick B.V.	1,374,960	1,095,924
Breewer-Bates B.V.	1,213,192	1,252,320
Norman, Craig & Kummel	1,155,000	678,988
Leo Burnett	1,107,000	991,993
BBDO Industrieel	1,102,570	——
Smit's-Bates B.V.	925,135	1,073,737
DFS Gillissen Kaldewaay	607,000	407,200
Jan Moerbeek/-Marco Klein	485,000	444,840
TBWA Netherlands	318,500	——
Reclame Advies en Service Bureau	287,933	257,603
Prins, Meijer, Stamenkovits & van Walbeek Reklamebureau	——	——
M-55 New Zealand		
Clemenger (NZ)	4,126,578	2,996,508
Campaign Advertising Group	3,176,219	2,681,538
J. Inglis Wright	$3,128,306	$2,649,501
D'Arcy-MacManus & Masius	1,877,000	1,401,000
Ogilvy & Mather	1,598,568	1,554,507
SSC&B: Lintas New Zealand	1,372,000	1,071,000
Leo Burnett Co.	1,205,000	829,445
MacKay King Advertising	1,050,549	720,498
MacHarman/Ayer Advertising	973,367	973,988
USP Needham	582,791	491,810
IMAA/Wood & Mitchell Advertising	501,612	553,022
Ward & Grey Advertising	268,853	216,110
M-55 Nicaragua		
Publicidad McCann-Erickson	83,000	90,000
APCU de Nicaragua	5,445	7,449
M-56 Nigeria		
Lintas (Nigeria)	5,205,000	4,339,000
M-56 Norway		
Bates-gruppen	11,647,000	9,543,000
Benton & Bowles HO	2,948,400	2,656,000
Ervaco Oslo	2,890,000	2,495,000
Lund & Lommer	2,492,100	2,351,700
Ogilvy & Mather	2,402,616	1,956,433
Young & Rubicam	1,683,000	1,776,000
Pran & Torgersen	1,316,672	1,175,502
NCK-Norge	1,215,000	924,534
McCann-Erickson	1,208,000	1,123,025
Master	1,123,200	1,053,000
Klar Tale	1,062,477	827,132
Scaneco	923,130	738,504
D'Arcy-MacManus & Masius	817,000	759,000
Viking Reklamebyra	810,000	1,107,700
Jensen-Grey	742,294	643,383
Scan Partner	702,000	575,640
Intermarco-Farner	521,410	512,000
Inter-Media	473,850	456,300
Ervaco Bergen	420,000	615,000
M-56 Pakistan		
R-Lintas	564,000	482,000
International Advertising	335,673	308,335
Prestige Advertising	208,016	195,907
IMAA/D.J. Keymer	——	——
Orient Advertising	——	——
M-57 Panama		
Campagnani, Aleman Publicidad	1,076,067	756,924
McCann-Erickson de Panama	878,000	848,000
APCU de Panama	105,000	90,000
Publicidad Velmor	——	——
M-57 Paraguay		
J. Walter Thompson	270,638	192,405
McCann-Erickson	189,353	——
M-57 Peru		
J. Walter Thompson	1,479,581	597,043
McCann-Erickson	1,153,254	542,086
Compania Nacional de Publicidad	656,000	283,000
Publicidad Lowder	——	——
M-57 Philippines		
McCann-Erickson (Philippines)	1,421,000	1,107,000
Ace-Compton Advertising	1,392,640	1,289,524
Bates Alcantara	1,250,000	960,000

Agency	1981	1980
Philippines (cont.)		
CA: Lintas Manila	$ 370,000	$ 296,000
Hemisphere Eastern Advertising & Marketing	328,100	244,200
MINDS/Kenyon & Eckhardt	279,894	254,902
M-57 Portugal		
NCK Ciesa	1,575,000	862,066
McCann-Erickson-Hora	1,267,394	857,000
Intermarco Espiral	1,225,145	847,000
Lintas	1,011,687	818,717
Abrinicio 75	979,228	631,842
Team	901,458	623,960
Unitros Portugal	183,576	57,620
FCB Publicidade	144,233	—
J. Walter Thompson Publicidade	18,144	—
IMAA/Propagandas Belarte	—	—
M-58 Puerto Rico		
Badillo/Compton	3,700,000	3,400,000
Young & Rubicam Puerto Rico	2,894,000	3,870,000
J.R. Marquina	2,580,000	—
Norman, Craig & Kummel	1,245,000	1,004,497
Leo Burnett	1,206,000	1,097,000
McCann-Erickson Corp.	1,098,000	773,000
BBDO Puerto Rico	825,000	—
Kenyon & Eckhardt of Puerto Rico	225,000	—
Publicidad Siboney	—	—
M-58 Singapore		
Ogilvy & Mather	2,543,159	2,097,187
Batey Ads	2,200,000	1,980,000
Grant Kenyon & Eckhardt	1,611,300	1,082,000
Leo Burnett	1,353,240	1,063,598
SSC&B: Lintas	1,020,000	872,000
Needham Standard Advertising	733,750	612,608
J. Walter Thompson	732,107	402,111
McCann-Erickson	673,313	518,333
Young & Rubicam	610,000	286,000
Ted Bates	600,000	530,000
Compton Advertising	529,108	429,404
Ogilvy & Mather Direct Response	488,407	145,160
Adcom & Grey	431,000	688,000
Meridian Advertising	229,787	219,592
Adsell/D'Arcy-MacManus & Masius	116,700	81,800
M-59 South Africa		
BBDO	12,159,633	8,904,800
Grey-Phillips, Bunton, Mundel & Blake	10,754,000	7,001,093
Bates Wells Kennedy	9,752,020	6,823,276
Lindsay Smithers-FCB Holdings	7,471,000	4,975,378
J. Walter Thompson	6,138,818	4,833,448
Lintas	5,389,000	4,807,000
Van Zijl & Schultze, Lund & Tredoux	5,267,090	4,559,379
McCann-Erickson	5,037,000	3,927,000
D'Arcy-MacManus & Masius	3,691,300	3,440,200
G. De Villiers & Co.	3,553,900	2,902,400
Barker McCormac Advertising & Marketing	3,036,039	2,109,234
IMA Ltd.	2,693,302	2,385,442
Mortimer Tiley	2,013,429	1,258,494
Campbell-Ewald	1,635,000	1,504,000
Key Advertising	1,028,000	—
IMAA/R. Harwood Advertising	320,140	307,826
M-59 South Korea		
Oricom	5,842,814	2,979,937
Union Advertising	2,393,000	2,349,000

Agency	1981	1980
M-59 Spain		
J. Walter Thompson	$6,256,287	$4,461,216
NCK Espanola	4,245,000	2,513,116
McCann-Erickson	4,128,000	2,829,000
Cid S.A. Publicidad	4,046,000	3,381,850
Unitros	3,930,480	3,635,690
Delvico/DFS	3,646,600	2,489,300
Lintas (Spain)	3,476,000	2,505,000
Danis Benton & Bowles	3,220,810	2,729,500
Tiempo/BBDO	3,109,026	2,156,827
Young & Rubicam Espana	2,870,000	2,468,000
Interalas/D'Arcy-MacManus & Masius	2,475,000	2,836,000
Los Tiroleses	2,413,000	1,473,930
ARCE/Foote, Cone & Belding	2,220,634	2,665,903
Tandem/DDB & Campmany-Gausch	1,941,078	—
Leo Burnett	1,932,486	1,284,284
Bassat, Ogilvy & Mather	1,885,666	1,115,159
Grupo de Diseno/Ayer	1,659,536	1,305,792
Ted Bates Espana	1,437,900	1,122,370
Publinsa/K&E	1,410,000	1,346,000
Compton	1,105,279	1,407,330
TBWA	859,800	676,174
Tapsa-Tecnicos Asociados de Publicidad	857,063	653,093
Grey Espana	418,432	352,116
Prieto, Bassat, Ogilvy & Mather	363,554	—
Intermarco/MMLB Internacional	363,078	227,000
Ogilvy & Mather Direct	268,866	—
Slogan Publicidad	—	—
M-61 Sri Lanka		
Grant, Kenyon & Eckhardt	150,000	224,785
M-61 Sweden		
Anderson & Lembke	8,479,000	8,399,000
AB Ervaco	7,865,000	6,130,000
Ted Bates	7,583,000	6,923,000
Annonsbyran Svea	6,553,947	6,031,425
Nordstrom-Grey	6,063,658	4,224,220
Ogilvy & Mather Group	4,120,000	5,614,000
Young & Rubicam	3,435,000	4,248,000
AB Lintas	3,244,000	3,070,000
HLR/BBDO	2,642,640	2,802,800
Intermarco-Farner	2,588,186	2,053,000
Annonsbyran Landia	2,131,000	2,109,000
McCann-Erickson	2,026,000	2,015,000
Samrek/Springfeldt Group	2,002,000	1,801,800
Perceptum Information	1,885,283	1,673,872
D'Arcy-MacManus & Masius	1,842,000	1,932,000
Falk & Pihl/-Doyle Dane Bernbach	1,669,000	—
Norman, Craig & Kummel	1,620,000	1,159,158
J. Walter Thompson Co.	1,541,140	1,488,887
FCB & Partners	915,000	996,195
AB Gothus Annonsbyra	893,893	663,463
Reklambyran Thor	862,061	600,600
DFS Pihlstroem	801,600	735,000
Welinder Information	760,000	480,000
Nedeby Ayer	716,256	706,134
Dahlbaeck & Berglund	685,000	586,986
Marsteller Scandinavia	674,000	360,000
Sedell Reklam	175,851	211,292
IMAA/AB Olof Isacsons Advertising	—	—
M-62 Switzerland		
Adolf Wirz	4,651,200	4,034,100
GGK Basel	4,358,500	3,786,800
Gisler & Gisler	4,200,870	3,905,580
Dr. Rudolf Farner	4,014,000	3,876,000
Advico AG	3,860,700	3,438,605
Doyle Dane Bernbach	3,061,800	3,279,759
McCann-Erickson Europe	2,887,000	2,890,000
C.S.W.H. Univas	2,607,600	2,041,000
Marsteller Intl.	2,596,000	1,874,000
Lintas	2,525,000	2,374,000

Agency	1981	1980
Schellenberg Marketing	$2,312,000	$1,862,000
Creative Collaboration-Grey	2,295,000	2,357,118
TBWA Switzerland	2,295,000	2,287,350
Young & Rubicam	1,910,000	1,685,000
Zutter Sommer Marketing	1,909,950	1,598,850
Marsden Hartmann/NCK	1,845,000	1,131,690
J. Walter Thompson	1,824,000	1,444,004
Kloeti Werbeagentur	1,764,090	1,684,530
Bureau d'Etudes Publicitaires	1,345,400	1,145,000
D'Arcy-MacManus & Masius	1,316,000	1,291,000
Edelta SA	1,127,100	1,157,700
Kenyon & Eckhardt	510,000	102,000
IMAA/Fedier	348,840	268,260
Leuenberger & Aerni	277,950	294,270
Medicus Intercon	88,000	148,000
M-63 Taiwan		
United Advertising	2,244,000	1,716,000
Eastern Advertising	914,082	850,212
United Communications	313,500	—
M-63 Thailand		
SSC&B: Lintas	2,782,450	2,628,950
Ogilvy & Mather	1,996,008	1,430,022
Ted Bates	1,350,000	900,000
McCann-Erickson	1,335,000	1,318,300
Chuo Senko	1,146,439	917,012
Leo Burnett	1,087,000	1,350,000
Kenyon & Eckhardt	579,848	478,943
Meridian Advertising	321,411	226,583
Redford Intl. Co.	67,326	44,077
M-64 Trinidad		
McCann-Erickson	1,126,000	802,000
Norman, Craig & Kummel	750,000	779,319
Corbin Compton	741,668	545,113
Kenyon & Eckhardt Caribbean	345,000	349,650
Beston/Benton & Bowles	219,005	199,095
M-64 Turkey		
Manajans	4,961,000	838,860
Reklam Moran	860,000	252,560
M-64 Uruguay		
Grey, Casares, Vernazza y Asociados	761,877	768,503
McCann-Erickson	509,000	352,000
J. Walter Thompson	409,592	248,084
M-64 Venezuela		
J. Walter Thompson	7,963,189	5,701,955
Publicitaria Nacional Corpa	6,933,086	5,360,165
Leo Burnett	3,658,000	2,587,232
Grey Advertising	2,540,584	2,429,215
J.M.C. Creatividad Orientada	1,747,314	1,387,632
Vapro Publicidad	1,740,000	1,370,000
Sertec/K&E	1,500,000	1,200,000
Publicidad Siboney	—	—
M-64 Zambia		
McCann-Erickson	447,000	328,000
M-64 Zimbabwe		
Michael Hogg/D'Arcy-MacManus & Masius	1,028,070	1,135,824
Lintas	864,756	677,484

This foreign billings issue was compiled by associate editor Ilse Cermak.

ARGENTINA

(Continued from Page M-9)
currency, gross income was Ps 10.66 billion on billings of Ps 58.31 billion for 1981, as compared to gross income of Ps 8.43 billion on billings of Ps 34.7 billion for 1980.) Media breakdown: Newspapers 20.1%, magazines 5.5%, radio 21.7%, tv 50.3%, cinema 2.4%. Employes: 45 in 1981; 89 in 1980. Accounts gained: Philco Ford (tv sets), Finamerica Compania Financiera. Lost: Merck, Sharp & Dohme (resigned).

J. Walter Thompson Argentina, Buenos Aires, reports gross income of $11,935,907 on billings of $72,166,948 for 1981, as compared to gross income of $3,881,258 on billings of $25,875,055 for 1980. (In local currency, gross income was Ps 42.176 billion on billings of Ps 255.007 billion for 1981, as compared to gross income of Ps 13.715 billion on billings of Ps 91.431 billion for 1980.) Media breakdown: Newspapers 18%, magazines 10%, radio 23%, tv 41%, outdoor 3%, cinema 5%. Employes: 140. Accounts gained: Ciba-Geigy, Castle & Cooke Food, Intl. Gold Corp., Ceramicas, San Lorenzo, Frigorifico Antartico. Lost: None.

Young & Rubicam de Argentina, Buenos Aires, reports gross income of $1,468,000 on billings of $9,792,000 for 1981, as compared to gross income of $278,000 on billings of $1,854,000 for 1980. (In local currency, gross income was Ps 5.186 billion on billings of Ps 34.6 billion for 1981, as compared to gross income of Ps 983.6 million on billings of Ps 6.551 billion for 1980.) Y&R does not report billings. Figures given are AA estimates. Media breakdown: Newspapers 6%, magazines 15%, radio 6%, tv 69%, cinema 4%. Employes: 27. Accounts gained: BMW, Carrefour, Suchard.

Yuste Publicidad, Buenos Aires, part of the Univas network, reports gross income of $2,514,676 on billings of $14,373,384 for 1981, as compared to gross income of $1,822,750 on billings of $8,561,727 for 1980. (In local currency, gross income was Ps 8.886 billion on billings of Ps 50.789 billion for 1981, as compared to gross income of Ps 6.44 billion on billings of Ps 30.254 billion for 1980.)

Media breakdown: Newspapers 28%, magazines 14%, radio 1%, tv 36%, outdoor 8%, business press 5%, cinema 4%, other 4%. Employes: 89. Accounts gained: Colorin (paint and varnish).

AUSTRALIA

The same 1981 average annual exchange rate of 1.153 dollars to the Australian dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 0.5% appreciation of the A$ against the dollar based on the A$'s 1980 exchange rate of 1.1477.

Begg Dow Priday, Melbourne, part of Euro Advertising, reports gross income of $1,853,013 on billings of $12,318,121 for 1981, as compared to gross income of $1,033,856 on billings of $8,569,096 for 1980. (In local currency, gross income was A$1,607,123 on billings of A$10,683,539 in 1981, compared with gross income of A$896,666 on billings of A$7,432,000 for 1980.) Media breakdown: Newspapers 30.2%; magazines 1.4%; radio 2.8%; tv 39.3%; production costs 26.3%. Employes: 34. Accounts gained: Australian Dairy Corp., Air Vanuatu, Pyramid Building Society, Robert Harper, Ansett Air Freight, Farah Manufacturing, Schroder Darling, Hooker Industrial Developments.

Leo Burnett, Sydney, reports gross income of $12,452,000 on billings of $83,058,000 for 1981, as compared to gross income of $9,869,000 on billings of $65,830,000 for 1980. (In local currency, gross income was A$10,800,000 on billings of A$72,036,000 in 1981, compared with gross income of A$8,560,000 on billings of A$57,095,000 for 1980.) Employes: 276.

Clemenger Australia, Melbourne, part of BBDO Intl., reports gross income of $23,967,551 on billings of $128,644,000 for 1981, as compared to gross income of $17,832,190 on billings of $100,465,920 for 1980. (In local currency, gross income was A$20,787,121 on billings of A$111,573,500 for 1981, as compared to gross income of A$15,465,907 on billings of A$87,134,368 for 1980.) Media breakdown: Newspapers 38%; magazines 6%; radio 12%; tv 37%; business press 1%; farm press 1%; point of sale 4%; cinema 1%. Employes: 418. Accounts gained: Tyrepower, Ampol, Plumrose, Papermate, Channel 10. Accounts lost: Blues Union, Nestle, *Good Housekeeping*, Sealy Posturepedic.

Connaghan & May Paton Ayer, Sydney, reports gross income of $6,715,072 on billings of $44,390,500 for 1981, as compared to gross income of $2,421,300 on billings of $15,605,105 for 1980. (In local currency, gross income was A$5,824,000 on billings of A$38,500,000 in 1981, compared with gross income of A$2,100,000 on billings of A$13,534,350 for 1980.) On Oct. 1, 1981 Connaghan & May acquired Paton Australia. Media breakdown: Newspapers 20%; magazines 4%; radio 10%; tv 60%; outdoor 1%; business press 1%; farm press 1%; transit 1%; point of sale 1%; cinema 1%. Employes: 138 in 1981 as compared to 41 in 1980. Accounts gained: John Fairfax, General Pants, Taurina Spa mineral water, Kwikasair Express, Motor Traders Assn., MMI Insurance, Bovis Homes, Lindsay Edmonds Homes, Outboard Marine of Austr., Custom Fleet. Accounts lost: John Fairfax, General Pants, Pan Am, Dunlop Aust.P/L, Singapore Tourist Promotion Board, Girlock.

Coudrey Dailey, Sydney, reports gross income of $3,409,955 on billings of $30,353,926 for 1981, as compared to gross income of $2,538,060 on billings of $26,888,827 for 1980. (In local currency, gross income was A$2,957,463 on billings of A$26,326,041 in 1981, compared with gross income of A$2,201,266 on billings of A$23,320,752 for 1980.) Media breakdown: Newspapers 26%; magazines 6%; supplements 1%; radio 19%; tv 41%; outdoor 1%; business press 2%; farm press 1%; transit advertising 1%; point of sale 1%; cinema 1%. Employes: 66. Accounts gained: Bowater Tutt Bryant group, N.S.W. State Rail Authority, Suzuki motor bikes, Kolotex hosiery, Customtone kitchens, Logan farms, radio station 2Ws, Faberge, U.R.M. liquor distributors, National Ready Mixed Concrete Assn.

Doyle Dane Bernbach/Berry Currie, Sydney, reports gross income of $4,035,000 on billings of $26,900,000 for 1981, as compared to gross income of $2,882,500 on billings of $16,833,800 for 1980. (In local currency, gross income was A$3,500,000 on billings of A$23,330,000 in 1981, compared with gross income of A$2,500,000 on billings of A$14,600,000 for 1980.) Media breakdown: Newspapers 51%; radio 10%; tv 38%; outdoor 1%. Employes: 91. Accounts gained: AMATIL, Hamilton Laboratories. Accounts lost: Itaus, Northern Territory Govt.

D'Arcy-MacManus & Masius, Sydney, reports gross income of $15,044,659 on billings of $99,425,901 for 1981, as compared to gross income of $12,567,992 on billings of $84,463,763 for 1980. (In local currency, gross income was A$13,048,274 on billings of A$86,232,351 in 1981, compared with gross income of A$10,900,253 on billings of A$73,255,649 for 1980.) Media breakdown: Radio 7%; tv 64%; outdoor 1%; press 28%. Employes: 304 in 1981 compared to 283 in 1980. Accounts gained: K.R. Travis, N.T. Alcohol Abuse Authority, The XIIth Commonwealth Games, Defiance flour, Thiess Toyota, Brash's, Glaxo, Philip Morris, Australian Wool Corp., ACI fibreglass, ACI packaging div., ACI corporate div., Pilkington ACI, Pilkington ACI, Riviana Australia, Westlink Realty, Bond Corp., Barclays finance holdings, Parry's Esplanade, Motor Charge, Perth Outdoor, Westel Coop, Zimpel, Austmark, Amax, Dekalb Shand, Royal Doulton, Great Eastland TV, Richardson-Vicks —Oil of Ulan, World Travel, Nestle (Intl. Roast and Milks Div.) Barclays motor finance holdings. Accounts lost: Rundall Mall, Cambridge motors, PA Group, Four Square stores, AUF Industries, Wilkinson Sword blades, Australian Dairy Corp., Campbell's soup, Sportscraft, Orlando wines, Pioneer audio, Cairndale, Irene Whyte, Reckitts toiletries, Hooker Rex, Time-Life books.

FCB/Spasm, Sydney, reports gross income of $6,302,537 on billings of $42,037,922 for 1981, as compared to gross income of $5,615,569 on billings of $37,455,845 for 1980. (In local currency, gross income was A$5,466,207 on billings of A$36,459,601 in 1981, compared with gross income of A$4,870,398 on billings of A$32,485,554 for 1980.) Media breakdown: Press 33%; radio 8%; tv 58%; outdoor 1%. Employes: 100. Accounts gained: Harpers pet foods, The Carpet Shed, HSV 7, Guyatt Retail Store, Dunlop Retail Outlet, Permanent Building Society, Fowles Purdy, Blues Union, BTV6, *Newsweek*, Clifford Love, BMW, Formfit, Orlane. Accounts lost: International Harvester, Gillette, Scholl footwear, Olympic tyres.

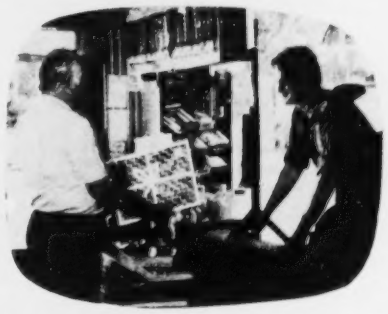
Fortune Group of Companies, Sydney, reports gross income of $15,450,200 on billings of $83,016,000 for 1981, as compared to gross income of $14,873,700 on billings of $81,286,500 for 1980. (In local currency, gross income was A$13,400,000 on billings of A$72,000,000 in 1981, compared with gross income of A$12,900,000 on billings of A$70,500,000 for 1980.) Media breakdown: Newspapers 29.01%; magazines 2.1%; supplements 2.4%; radio 9.31%; tv 48.28%; business press 1.7%; transit advertising 0.9%; point of sale 4.5%; cinema 1.8%. Employes: 345. Accounts gained: Bronnley, Gestetner, Health Commission of N.S.W., Firma Group (Aust.), Carpentaria Transport, Leo Muller Toyota, San Miguel breweries (New Guinea), Dean Furniture Industries, W.H. Milne. Indonesia office: Sakura Film paper, processing, Maxda 626,323, Trebor, Grundig, Computerland, Tokyo Electric Co., L'Oreal, Purol, Teh 2 Tang. Singapore office: Metal Box, Robert Bosch, Scanorient, Wilson's Heritage Barley beverage, Penfold, Chocolate Products Malaysia, Kiki bubble gum, Malayan flour mills. Malaysia office: Quinston Food Malaysia, Nim Jiom Chinese herbal medicine, 471l cologne, *Slimmers World*. Hong Kong office: Redafusion, Swedish Motors. Accounts lost: Abel Lemon, AVCO Financial Services, Enco Besser Masonry, Parry's Esplanade, Readymix Group, SM Tours.

Top 20 Advertising Markets

COUNTRIES	1981 GROSS INCOME ($)	1980 GROSS INCOME ($)	% INCREASE	1981 (%) INFLATION RATE
United States	5,189,491,864	4,670,000,000	11.0	8.9
Japan	1,020,226,611	948,525,466	7.6	4.3
Britain	520,962,343	449,331,790	16.0	12.0
W. Germany	323,556,511	316,420,937	2.2	14.0
France	286,321,479	243,997,128	17.0	12.0
Australia	206,592,770	168,387,979	23.0	11.3
Brazil	205,236,982	86,359,136	137.7	100.7
Canada	137,074,634	114,355,851	19.8	12.1
Italy	94,182,541	71,594,757	31.5	17.9
Netherlands	91,211,476	88,760,735	2.7	7.2
S. Africa	79,939,671	59,650,031	34.0	13.9
Sweden	72,154,515	66,117,135	9.0	9.2
Mexico	65,741,677	46,270,045	42.0	28.7
Spain	56,294,575	43,121,534	31.0	14.4
Belgium	55,022,201	51,273,298	7.3	8.1
Switzerland	54,086,083	48,824,926	10.7	6.6
Argentina	52,117,117	20,968,593	148.5	131.3
Finland	48,930,972	42,010,422	16.4	12.0
Norway	35,398,149	31,288,853	13.0	11.9
Denmark	24,374,520	23,169,092	7.3	12.2

NOTE: Source for rates of inflacon: Morgan Guaranty Trust Co. (N.Y.)
1980 gross income figures have been restated at current exchange rates.
Yearly totals fluctuate depending on the number of agencies reporting.

"Send your thoughts with us," encourages spot for TNT Courier in Australia, indicating TNT is the next best thing to being there as rugged Aussie-type pens: "Hello, old friend...made this gift all by myself to you



from me," and a new enlistee in the armed forces writes: "Hello ma, I guess it is no big deal...but I'm sending this so you'll know the way I feel." Agency: Connaghan & May Paton Ayer, Sydney.

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Grey Advertising, Sydney, reports gross income of $1,901,669 on billings of $12,684,132 for 1981, as compared to gross income of $1,809,397 on billings of $12,068,679 for 1980. (In local currency, gross income was A$1,649,323 on billings of A$11,000,984 for 1981, as compared to gross income of A$1,569,295 on billings of A$10,467,198 for 1980.) Media breakdown: Newspapers 7%; magazines 18%; radio 2%; tv 72%; business press 1%. Employes: 33. Accounts gained: B.F. Goodrich, Foremost Consolidated/Peters milk, Kroy Industries, Remington shavers. Accounts lost: BMW, Sharp.

Hertz Walpole Campbell-Ewald Advertising, Sydney, reports gross income of $3,367,000 on billings of $22,458,000 for 1981, as compared to gross income of $2,779,000 on billings of $18,536,000 for 1980. (In local currency, gross income was A$2,920,000 on billings of A$19,477,000 in 1981, compared with gross income of A$2,410,000on billings of A$16,074,000 for 1980.) Media breakdown: Newspapers 21%; magazines 8%; radio 14%; tv 38%; outdoor 1%; business press 1%; farm press 1%; production 16%. Employes: 48. Accounts gained—NSW: Corinthian Industries, John Fairfax, Republic Airlines, United Dominions, Daikin Australia, Straight Talk Tyre People, Magazine Promotions, Old Sydney Town. Victoria: Ansett Transport Industries—Hayman Island, Gateway Hotels, Red Top Distributors, Pluto furniture. Queensland: Glascon Pools, Corinthian Industries, Straight Talk Tyre People, Ansett Gateway Hotels. Western: Lynas motors, Corinthian Industries. Accounts lost—NSW: Heuga Australia, Menley & James Labs., Trade Credits, Taubmans, White Wings. Victoria: Community Credit Union, Franklin Caravans, Miele Australia. Queensland: Gold Coast Visitors Bureau, Hartley Computers, K.R. Darling Downs. Western: Barkers Holdings, Taubmans.

Kutt Skinner Bennett, Melbourne, only reports billings of $14,372,145 for 1981, as compared to billings of $11,053,811 for 1980. (In local currency, billings were A$12,465,000 for 1981, as compared to billings of A$9,587,000 for 1980.) Media breakdown: Newspapers 17%; magazines 7%; radio 15%; tv 48%; outdoor 3%; business press 3%; farm press 2%; point of sale 4%; cinema 1%. Employes: 37. Accounts gained: Kodak instant products, Comalco aluminum, RACV Travel, RACV Finance, The Stanley Wine Co. (subsidiary of H.J. Heinz), Brownbuilt Industries (BHP Group), Lee jeans. Accounts resigned: Australian Wool Corp., Wrightcel, Perkins.

Lintas (Australia), Sydney, reports gross income of $6,062,000 on billings of $39,742,000 for 1981, as compared to gross income of $5,336,000 on billings of $35,158,000 for 1980. (In local currency, gross income was A$5,257,000 on billings of A$34,469,000 for 1981, as compared to gross income of A$4,628,000 on billings of A$30,493,000 for 1980.) Media breakdown: Newspapers 3%; magazines 12%; radio 4%; tv 81%. Employes: 106. Accounts gained: Lever & Kitchen Breeze and Domestos, Rexona Aim toothpaste, Rosella, Amatil, Wills Borkhum Riff cigarets, Arnotts Colvan snack products, Feltex carpets. Account lost: McMahon dairy products.

MCR Compton, Melbourne, reports gross income of $2,741,287 on billings of $17,133,000 for 1981, as compared to gross income of $2,588,900 on billings of $16,181,000 for 1980. (In local currency, gross income was A$2,377,526 on billings of A$14,860,000 in 1981, compared with gross income of A$2,245,360 on billings of A$14,034,000 for 1980.) Media breakdown: Press 24%; radio 4%; tv 71%; outdoor 1%. Employes: 38. Accounts gained: Data General Australia, Alexanders Clothing Stores, LMS Australia, Conga Amalgamated, Yakka Australia, Jeep Australia. Accounts lost: Joseph Saba (Vic.), R. Wallace Mitchell, Kartyer jewelers, Rosella Foods.

McCann-Erickson Advertising, Sydney, reports gross income of $13,166,000 on billings of $87,817,000 for 1981, as compared to gross income of $11,185,000 on billings of $74,604,000 for 1980. (In local currency, gross income was A$11,419,000 on billings of A$76,165,000 for 1981, as compared to gross income of A$9,701,000 on billings of A$64,706,000 for 1980.) Employes: 279. Accounts gained: General Motors (J car), Hooker Corp., DHL Couriers, Parmelia Hilton Hotel, Western Australia Egg Marketing Board, Miles Labs, Retail Traders Assn., Bausch & Lomb, Weber-Stephen barbecues, Kenlow P/L (canvas and plastic products), Garrett Normalair Research (turbo systems), Family Health Plan (insurance), Radio 6 IX, *Sunday Times*, Queensland Consumer Affairs (community services).

Meridian Advertising, Melbourne, affiliated with Ogilvy & Mather Intl., reports gross income of $295,568 on billings of $1,971,438 for 1981. (In local currency, gross income was A$256,347 on billings of A$1,709,834 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 42%; magazines 11%; radio 1%; tv 46%. Employes: 7. Accounts gained: Consulere. Enco Besser, Law Institute of Victoria, Oce reprographics, J.B. Were and Sons.

Monahan Dayman Adams (Holdings), Melbourne, reports gross income of $10,511,710 on billings of $65,698,290 for 1981, as compared to gross income of $7,794,280 on billings of $42,776,300 for 1980. (In local currency, gross income was A$9,116,850 on billings of A$56,980,306 in 1981, compared with gross income of A$6,760,000 on billings of A$38,100,000 for 1980.) Media breakdown: Newspapers and magazines 25%; radio 11%; tv 45%; outdoor, cinema, etc., including production, 19%. Employes: 155. Accounts gained:Victoria: Beecham, Retravision, Just Sport, Wendys. NSW: Chem-Mart, W.M. Ritchie, National Mutual Permanent Building Society. Queensland: Chemway, Byrne Ford, papers 6%; magazines 1%; radio 9%; tv 83%; outdoor 1%. Employes: 29. Accounts gained: National 9 TV, Pasta foods, NSW Premiers Dept. Account lost: Bristol-Myers.

Neville Jeffress Advertising, Sydney, only reports billings of $36,812,984 for 1981, as compared to billings of $30,021,814 for 1980. (In local currency, billings were A$31,928,000 in 1981, compared with billings of A$26,038,000 for 1980.) Media breakdown: Newspapers 91%; magazines 3%; radio 1%; tv 1%; business press 4%. Employes: 181.

EVERYONE IS SCRAMBLING TO MAKE DIESELS...
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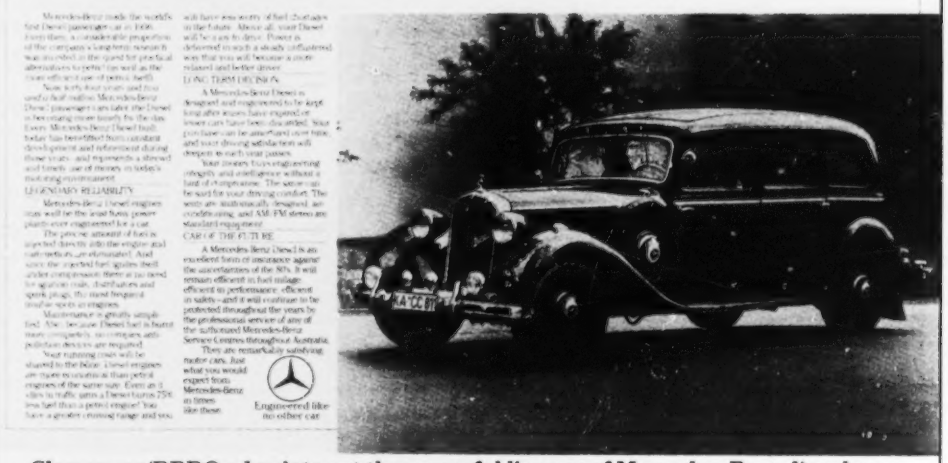

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Clemenger/BBDO ad points out the powerful lineage of Mercedes-Benz diesel cars.

Mojo Australia, Sydney, affiliated with D'Arcy-MacManus & Masius Intl., reports gross income of $2,366,315 on billings of $16,729,224 for 1981, as compared to gross income of $1,085,544 on billings of $7,714,597 for 1980. (In local currency, gross income was A$2,052,311 on billings of A$14,509,301 in 1981, compared with gross income of A$943,951 on billings of A$6,690,891 for 1980.) Media breakdown: Newspapers 21%; magazines 7%; radio 15%; tv 48%; outdoor 3%; business press 3%; farm press 2%; point of sale 4%; cinema 1%. Employes: 37. Accounts gained: Kodak instant products, Comalco aluminum, RACV Travel, RACV Finance, The Stanley Wine Co. (subsidiary of H.J. Heinz), Brownbuilt Industries (BHP Group), Lee jeans. Accounts resigned: Australian Wool Corp., Wrightcel, Perkins.

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Monahan Dayman Adams (Holdings), Melbourne, reports gross income of $10,511,710 on billings of $65,698,290 for 1981, as compared to gross income of $7,794,280 on billings of $42,776,300 for 1980. (In local currency, gross income was A$9,116,850 on billings of A$56,980,306 in 1981, compared with gross income of A$6,760,000 on billings of A$38,100,000 for 1980.) Media breakdown: Newspapers and magazines 25%; radio 11%; tv 45%; outdoor, cinema, etc., including production, 19%. Employes: 155. Accounts gained:Victoria: Beecham, Retravision, Just Sport, Wendys. NSW: Chem-Mart, W.M. Ritchie, National Mutual Permanent Building Society. Queensland: Chemway, Byrne Ford, Barry & Roberts. Singapore: Mobil, ICI, Hertz. Accounts lost: Victoria: Ansett Hotels, Fletcher Jones & Staff. NSW: Norman Ross, Formfit.

Murray Evans Advertising, Sydney, reports gross income of $2,315,003 on billings of $15,441,067 for 1981, as compared to gross income of $2,296,574 on billings of $15,311,260 for 1980. (In local currency, gross income was A$2,007,808 on billings of A$13,392,079 in 1981, compared with gross income of A$1,991,825 on billings of A$13,279,497 for 1980.) Media breakdown: Newspapers 18%; magazines 18%; radio 8%; tv 52%; outdoor 2%; business press 2%. Employes: 45. Accounts gained: Rothmans of Pall Mall (Aust.)—Gitanes cigarets, Frank B. Hall—insurance broker, General Textiles—Osti & Norman Hartnell dresses, Olivetti Australia—business machines, Australian Consolidated Press—*Cleo Magazine*. Accounts lost: Peugeot cars, Marshall Cavendish—part works.

Ogilvy & Mather (Australia), Melbourne, reports gross income of $12,563,941 on billings of $83,801,488 for 1981, as compared to gross income of $9,275,379 on billings of $61,866,775 for 1980. (In local currency, gross income was A$10,896,740 on billings of A$72,812,256 in 1981, compared with gross income of A$8,044,561 on billings of A$53,657,221 for 1980.) Media breakdown: Newspapers 21%;

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magazines 9%; supplements 1%; radio 6%; tv 57%; outdoor 1%; business press 4%; farm press 1%. Employes: 263. Accounts gained: Melbourne: Cargo Hold, Dept. of Employment and Training, Rosella Foods, Showcase jewelers. Sydney: Airlines of NSW, Domino Industries, Transworld Publishers, Yates seeds, Bicardi, Anthony Squires, Buckley and Nunn. Adelaide: Div. of Road Safety, Faulding, Oberoi Bali, Oliver sportsgoods, Rundle mall, Safe N Sound, Santos. Perth: Aust. Capital TV, Autohaus Porsche, Flower Davies Wemco, Western Mail. Brisbane: Burleigh Forest, David Jones, Development Equity, Rover Scott Bonnar, Miser Jones, Commonwealth Games, Duce Motors, Eagle jeans, Bougainville Copper. Accounts lost: Melbourne: Beecham Australia, Control Data, Jam Factory, Bond Corp., Carpet Shed. Sydney: C.S.R., Great Outdoors, Sussans, Pasta Foods, Bank of N.Z., Bega foods, E.O.I., Perpetual Trustees, Bay books, Realty Realizations. Adelaide: Costless Kentucky Cars, Hair Factory, Master Butchers. Perth: Liquor Stop, Perth Chamber of Commerce, Fleetwood, Floreat Forum, Solar King. Brisbane: Bridgestone tyres, Bunny Industries, Nuttal Holdings, PGH Ceramics, Real Estate Industry, Security Permanent, Whitsunday Village.

George Patterson, Sydney, reports gross income in excess of $27,000,000 on billings in excess of $180,000,000 for 1981, as compared to gross income in excess of $24,000,000 on billings in excess of $160,000,000 for 1980. (In local currency, gross income was in excess of A$24,000,000 on billings in excess of A$160,000,000 for 1981, as compared to gross income in excess of A$21,000,000 on billings in excess of A$140,000,000 for 1980.) Employes: 435. Accounts gained: Richardson-Vicks, Taurina Spa, Hospital Benefits Assn., Golden Circle. Account lost: BP Australia.

Pope & Kiernan & Black, Sydney, reports gross income of $1,850,004 on billings of $10,538,706 for 1981, as compared to gross income of $2,202,660 on billings of $13,471,811 for 1980. (In local currency, gross income was A$1,604,514 on billings of A$9,140,248 for 1981, as compared to gross income of A$1,910,373 on billings of A$11,684,138 for 1980.) Media breakdown: Newspapers and magazines 28%; radio 6%; tv 43%; production 23%. Employes: 39. Accounts gained: Sharp Corp. of Australia, Credit Union Assn. of NSW, Ciba-Geigy. Accounts lost: Carter Wallace Australia, Hunter BNZ Finance.

Scali, McCabe, Sloves (Australia), Melbourne, reports gross income of $546,819 on billings of $3,647,283 for 1981, as compared to gross income of $782,140 on billings of $5,216,858 for 1980. (In local currency, gross income was A$474,258 on billings of A$2,733,545 for 1981, as compared to gross income of A$678,350 on billings of A$4,524,595 for 1980.) Media breakdown: Newspapers 7%; magazines 23%; tv 70%. Employes: 13.

Schofield Sherbon Baker, Sydney, reports gross income of $4,138,117 on billings of $24,789,500 for 1981, as compared to gross income of $2,842,145 on billings of $16,718,500 for 1980. (In local currency, gross income was A$3,589,000 on billings of A$21,500,000 for 1981, as compared to gross income of A$2,465,000 on billings of A$14,500,000 for 1980.) Media breakdown: Newspapers 23%; magazines 5%; radio 7%; tv 54%; outdoor 2%; business press 2%; transit advertising 1%; point of sale 2%; cinema 3%; other 1%. Employes: 78 in 1981 as compared to 52 in 1980. Accounts gained: Lindemans Wines, British Petroleum (Aust.), James Hardie and Coy. Account lost: Club Mediterranee.

J. Walter Thompson Australia, Sydney, reports gross income of $9,414,860 on billings of $63,471,980 for 1981, as compared to gross income of $8,622,493 on billings of $54,045,676 for 1980. (In local currency, gross income was A$8,165,533 on billings of A$55,049,419 for 1981, as compared to gross income of A$7,478,311 on billings of A$46,873,960 for 1980.) Media breakdown: Newspapers 10.3%; magazines 12.3%; radio 8.8%; tv 65.7%; outdoor 1.6%; business press 1.2%; cinema 0.1%. Employes: 176. Accounts gained: Taubmans, Westons-Master Agency, Orlando, H&R Block, Malaysian Airlines, Tourist Development Corp. Accounts lost: Weight Watchers, John Fairfax.

USP Needham Australia, Sydney/Melbourne, reports gross income of $13,063,490 on billings of $87,132,000 for 1981, as compared to gross income of $10,492,300 on billings of $70,033,220 for 1980. (In local currency, gross income was A$11,330,000 on billings of A$75,571,000 in 1981, compared with gross income of A$9,100,000 on billings of A$60,740,000 for 1980.) Media breakdown: Newspapers 20%; radio 5%; tv 63%; outdoor, transit and cinema 1%; point of sale 11%. Employes: 228. Accounts gained: Wilkinson Sword Group, Producers Distributive Society, Red Seal laboratories, Allied Mills, Weight Watchers, J Osawa, Road Safety and Traffic Authority, Nilfisk, Ministry of Transport. Account lost: United Telecasters.

Young & Rubicam, Sydney, reports gross income of $6,059,000 on billings of $40,413,000 for 1981, as compared to gross income of $5,662,000 on billings of $37,766,000 for 1980. (In local currency, gross income was A$5,255,000 on billings of

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More information on German markets and media is available from Henry G. Meyer-Oertel, Gruner + Jahr International, 60 East, 56th Street, New York, N.Y. 10022, Phone (212) 753-6190, telex 223245.

G+J Communication in Germany

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A$35,050,194 for 1981, as compared to gross income of A$4,911,000 on billings of A$32,754,450 for 1980.) Y&R does not publish billings. Figures given are AA estimates. Media breakdown: Newspapers 19%; magazines 16%; radio 10%; tv 44%; outdoor 3%; business press 8%. Employes: 120. Accounts gained: Astra pharmaceuticals, Australia Govt. Advertising Service, Beecham Research Intl., Home Products, Lois jeans, Permanent Pantry, Servier Laboratories. Accounts lost: Carnation, CBS records, Ciba-Geigy, Courtaulds-Hilton, EMP Surgical, Hospital Benefits Assn., Lee Co., Remington shavers, Wellcome.

AUSTRIA

The same 1981 average annual exchange rate of .0632 dollars to the Austrian schilling was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 22% depreciation of the schilling against the dollar based on the schilling's 1980 exchange rate of .0810.

Campbell-Ewald Werbeagentur, Vienna, reports gross income of $404,480 on billings of $2,697,882 for 1981, as compared to gross income of $380,022 on billings of $2,535,000 for 1980. (In local currency, gross income was Sch 6,400,000 on billings of Sch 42,688,000 for 1981, as compared to gross income of Sch 6,013,000 on billings of Sch 40,107,000 for 1980.) Employes: 2.

D'Arcy-MacManus & Masius, Vienna, reports gross income of $1,071,000 on billings of $6,958,000 for 1981, as compared to gross income of $962,000 on billings of $6,086,000 for 1980. (In local currency, gross income was Sch 16,959,000 on billings of Sch 110,095,000 for 1981, as compared to gross income of Sch 15,223,000 on billings of Sch 96,300,000 for 1980.)

Media breakdown: Newspapers 7%; magazines 3%; radio 17%; tv 64%; outdoor 9%. Employes: 21. Accounts gained: Alfa Romeo cars, Koreska adhesive tapes and material, Dr. A. and L. Schmidgal—Sanotol (children's vitamin drink), Sugar Board (marmalade sugar). Accounts lost: Mothercare, Combe.

Demner & Merlicek Werbegesellschaft, Vienna, reports gross income of $951,160 on billings of $6,952,000 for 1981, as compared to gross income of $903,760 on billings of $6,509,600 for 1980. (In local currency, gross income was Sch 15,050,000 on billings of Sch 110,000,000 for 1981, as compared to gross income of Sch 14,300,000 on billings of Sch 103,000,000 for 1980.) Media breakdown: Newspapers 25%; magazines 27%; radio 5%; tv 20%; outdoor 10%; business press 7%; farm press 4%; point of sale 1%; cinema 1%. Employes: 18. Accounts gained: CD (Elida Gibbs), Olympus cameras, Solvay. Account resigned: Matzner.

Dorland Advertising, Vienna, reports gross income of $853,200 on billings of $4,436,640 for 1981, as compared to gross income of $821,600 on billings of $4,360,800 for 1980. (In local currency, gross income was Sch 13,500,000 on billings of Sch 70,200,000 for 1981, as compared to gross income of Sch 13,000,000 on billings of Sch 69,000,000 for 1980.) Media breakdown: Newspapers 39%; magazines 18%; supplements 1%; radio 7%; tv 19%; outdoor 12%; business press 0.5%; point of sale 1%; cinema 0.5%; direct mail 2%. Employes: 10. Account gained: Jacobs Kaffee.

R.W. Eggert, Vienna, reports gross income of $820,473 on billings of $5,416,240 for 1981, as compared to gross income of $827,920 on billings of $5,530,000 for 1980. (In local currency, gross income was Sch 12,900,000 on billings of Sch 85,700,000 for 1981, as compared to gross income of Sch 13,100,000 on billings of Sch 87,500,000 for 1980.) Media breakdown: Newspapers and magazines 10%; radio 15%; tv 73%; outdoor 2%. Employes: 13. Accounts gained: Schneekoppe, Seagram-Leroux, Blendax-Kario-dent, Persil-Liz, Olivin-Hattric, Bac, Dane, Vionell, Eckes-Trink 10, Barry. Accounts lost: Oetker, Hilcona, Grohe, AEG.

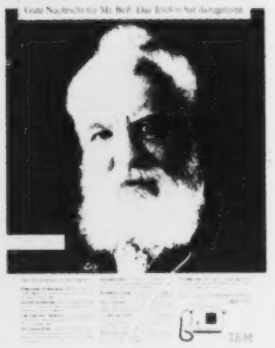
GGK Wien Werbeagentur in Vienna, reports gross income of $1,845,000 on billings of $12,324,000 for 1981, as compared to gross income of $1,769,600 on billings of $11,818,400 for 1980. (In local currency, gross income was Sch 29,200,000 on billings of Sch 195,000,000 for 1981, as compared to gross income of Sch28,000,000 on billings of Sch 187,000,000 for 1980.) Media breakdown: Newspapers 20%; magazines 13%; supplements 3%; radio 12%; tv 31%; outdoor 16%; point of sale 4%; cinema 1%. Employes: 25. Accounts gained: Kaerntner Landesfremdenverkehrsamt, Melitta kitchenpapers, Salomon sports articles, SPO Offentlichkeitsarbeit, W. Porsche trucks. Accounts lost: Burda, Elida, Black & Decker, Wrigley, Fischer.

Gramm & Grey, Vienna, reports gross income of $607,000 on billings of $4,045,000 for 1981, as compared to gross income of $588,000 on billings of $3,918,000 for 1980. (In local currency, gross income was Sch 9,600,000 on billings of Sch 64,000,000 for 1981, as compared to gross income of Sch 9,300,000 on billings of Sch 62,000,000 for 1980.) Media breakdown: Print 15%; radio 12%; tv 58%; outdoor 15%. Employes: 14. Accounts gained: Mennen Co. (Hamol), Schartner (Bombe beverages). Account lost: Inzersdorfer.

IMAA/Werbeagentur Erwin Muehlboeck, Linz, reports gross income of $365,296 on billings of $2,433,200 for 1981, as compared to gross income of $345,704 on billings of $2,306,800 for 1980. (In local currency, gross income was Sch5,780,000 on billings of Sch38,500,000 for 1981, as compared to gross income of Sch5,470,000 on billings of Sch36,500,000 for 1980.) Media breakdown: Newspapers 27%; magazines 3%; radio 27%; tv 8%; outdoor 21%; business press 4%; point of sale 10%. Employes: 8. Account gained: Ring food. Account lost: Banner batteries.

Invest now: Firms going for bigger cakes, says Demner & Merlicek for Creditanstalt.

Good news Mr. Bell, the phone is smarter nowadays, says D&M ad for IBM's 1750 unit.



Intermarco-Farner Werbeagentur, Vienna, part of the Publicis Intermarco-Farner agency network, reports gross income of $645,000 on billings of $5,378,000 for 1981, as compared to gross income of $781,000 on billings of $5,857,000 for 1980. (In local currency, gross income was Sch 10,200,000 on billings of Sch 85,100,000 for 1981, as compared to gross income of Sch 12,350,000 on billings of Sch 92,674,000 for 1980.) Media breakdown: Newspapers 17%; magazines 2%; radio 18%; tv 53%; outdoor 9%; cinema 1%. Employes: 20. Account gained: Sopexa French foods. Accounts lost: Nestle - Maggi food products, Singer sewing machines.

Inter-Marketing-Team IMT, Perchtoldsdorf near Vienna, reports gross income of $246,500 on billings of $2,000,000 for 1981, as compared to gross income of $253,000 on billings of $2,038,000 for 1980. (In local currency, gross income was Sch 3,900,000 on billings of Sch 31,670,000 for 1981, as compared to gross income of Sch 4,000,000 on billings of Sch 32,270,000 for 1980.) Media breakdown: Newspapers 25%; magazines 10%; radio 5%; outdoor 15%; business press 45%. Employes: 6.

Lintas Werbeagentur, Vienna, reports gross income of $2,444,000 on billings of $17,522,000 for 1981, as compared to gross income of $2,368,000 on billings of $16,672,000 for 1980. (In local currency, gross income was Sch38,669,000 on billings of Sch 277,240,000 for 1981, as compared to gross income of Sch 37,474,000 on billings of Sch 263,794,000 for 1980.) Media breakdown: Magazines 26%; radio 11%; tv 60% outdoor 3%. Employes: 41. Accounts gained: Rowntree Mackintosh (Lion bar), Artaker office machines, Austria Racing Team. Account lost: Interchron watches.

MMS-Werbeagentur, Linz, reports gross income of $1,422,000 on billings of $9,500,000 for 1981, as compared to gross income of $1,327,200 on billings of $9,037,600 for 1980. (In local currency, gross income was Sch 22,500,000 on billings of Sch 152,000,000 for 1981, as compared to gross income of Sch 21,000,000 on billings of Sch 143,000,000 for 1980.) Media breakdown: Newspapers 26%; magazines 4%; radio 11%; tv 29%; outdoor 10%; business press 2%; farm press 1%; point of sale 17%; cinema 0.5%. Accounts gained: Verband der E-Werke Oesterreich, Salko Kleiderfabriken. Account lost: Lutz Einrichtungshauser.

McCann-Erickson, Vienna, reports gross income of $1,918,000 on billings of $12,793,000 for 1981, as compared to gross income of $1,713,000 on billings of $11,426,000 for 1980. (In local currency, gross income was Sch 30,356,000 on billings of Sch 202,475,000 for 1981, as compared to gross income of Sch 27,110,000 on billings of Sch 180,824,000 for 1980.) Employes: 40. Baumax Schomer (DIY retail chain), Texas Instruments computers, Erzdioezese Wien (Catholic church), ADEG retail chain, Niemsee. Lost: Oce Van Der Grinten (duplicating machines, recruitment).

NCK Austria, Vienna, reports gross income of $870,000 on billings of $5,800,000 for 1981. (In local currency, gross income was Sch13,763,000 on billings of Sch91,756,000 for 1981.) Agency opened in 1981. Employes: 11. Accounts gained: Shulton, Bristol-Myers, General Biscuit.

Ogilvy & Mather, Vienna, reports gross income of $1,157,427 on billings of $7,583,149 for 1981, as compared to gross income of $1,148,146 on billings of $7,560,909 for 1980. (In local currency, gross income was Sch 18,313,726 on billings of Sch 119,986,530 for 1981, as compared to gross income of Sch 18,166,861 on billings of Sch 119,634,641 for 1980.) Media breakdown: Newspapers 17%; magazines 5%; radio 13%; tv 51%; outdoor 8%; business press 3%; farm press 3%. Employes: 27. Accounts gained: Oce van der Grinten, Richardson-Vicks, General Foods Middle East, Pooh jeans. Accounts lost: CBS, Knorr-CPC, Elida Gibbs.

Sieber Werbungsgesellschaft, Vienna, reports gross income of $840,560 on billings of $9,985,600 for 1981, as compared to gross income of $790,000 on billings of $9,480,000 for 1980. (In local currency, gross income was Sch 13,300,000 on billings of Sch 158,000,000 for 1981, as compared to gross income of Sch 12,500,000 on billings of Sch 150,000,000 for 1980.) Media breakdown: Newspapers 25%; magazines 1%; radio 29.5%; tv 37%; outdoor 5%; business press 2%; cinema 0.5%. Employes: 23. Accounts gained: Philips Data Systems, Black & Decker, Unipart, Radio Austria, Kleiderbauer.

J. Walter Thompson, Vienna, reports gross income of $1,733,134 on billings of $11,554,224 for 1981, as compared to gross income of $1,583,000 on billings of $10,550,228 for 1980. (In local currency, gross income was Sch 27,423,000 on billings of Sch 182,820,000 for 1981, as compared to gross income of Sch 25,040,000 on billings of Sch 166,934,000 for 1980.) Media breakdown: Newspapers 20%; magazines 8%; supplements 2%; radio 8%; tv 50%; outdoor 5%; business press 4%; point of sale 3%. Employes: 38. Accounts gained: Burger King, Kellogg (Smacks), Merck Sharp & Dohme, Ford Escort, CPC Knorr (bouillon cubes, packaged soups, canned soups, kitchen condiment range, baby food range, instant potato product range, sauce product range). Accounts lost: Agrosserta cheese, Elida Gibbs (Harmony haircare range).

Weinberger Werbehaus, reports gross income of $983,000 on billings of $6,636,000 for 1981, as compared to gross income of $1,023,840 on billings of $6,383,200 for 1980. (In local currency, gross income was Sch 15,554,000 on billings of Sch 105,000,000 for 1981, as compared to gross income of Sch 16,200,000 on billings of Sch 101,000,000 for 1980.) Media breakdown: Newspapers 25%; magazines 3%; supplements 3%; radio 22%; tv 19%; outdoor 23%; business press 1%; farm press 1%; point of sale 2%; cinema 1%. Employes: 20. Accounts gained: Mothercare, Pikano, Quelle.

Die Werbe Wien, Vienna, reports gross income of $638,320 on billings of $5,504,720 for 1981, as compared to gross income of $650,960 on billings of $5,713,280 for 1980. (In local currency, gross income was Sch 10,100,000 on billings of Sch 87,100,000 for 1981, as compared to gross income of Sch 10,300,000 on billings of Sch 90,400,000 for 1980.) Media breakdown: Newspapers 21%; magazines 9%; radio 13%; tv 43%; outdoor 2%; business press 2%;. Employes: 20.

Werbetechnisches Studio, Vienna, reports gross income of $1,156,560 on billings of $8,152,800 for 1981, as compared

to gross income of $660,440 on billings of $4,405,040 for 1980. (In local currency, gross income was Sch 18,300,000 on billings of Sch 129,000,000 for 1981, as compared to gross income of Sch 10,450,000 on billings of Sch 69,700,000 for 1980.) Media breakdown: Newspapers 17%; magazines 2%; radio 14%; tv 50%; outdoor 12; business press 5%. Employes: 21.

stset1. **Werbeagentur Wirz**, Vienna, reports gross income of $1,232,400 on billings of $10,307,920 for 1981, as compared to gross income of $1,251,360 on billings of $10,428,000 for 1980. (In local currency, gross income was Sch 19,500,000 on billings of Sch 163,100,000 for 1981, as compared to gross income of Sch 19,800,000 on billings of Sch 165,000,000 for 1980.) Media breakdown: Newspapers 26%; magazines 12%; supplements 2%; radio 11%; tv 25%; outdoor 4%; business press 3%; transit advertising 1%; point of sale 7%; cinema 2%; sales promotion 4%; direct mail 3%. Employes: 15. Accounts gained: A. Darbo Importing Co. (jams and honey). Accounts lost: Mischeck Fertighaus (do-it-yourself stores), Hamol cosmetics.

Young & Rubicam, Vienna, reports gross income of $1,032,000 on billings of $6,883,000 for 1981, as compared to gross income of $1,010,000 on billings of $6,737,000 for 1980. (In local currency, gross income was Sch 16,323,000 on billings of Sch 108,909,700 for 1981, as compared to gross income of Sch 15,982,000 on billings of Sch 106,599,500 for 1980.) Y&R does not report billings. Figures given are AA estimates. Media breakdown: Newspapers 9%; magazines 8%; radio 14%; tv 62%; outdoor 7%. Employes: 22. Accounts gained: BMW, Camelia, Korrugal, Singer, Union Carbide. Accounts lost: Bontempi, Talbot.

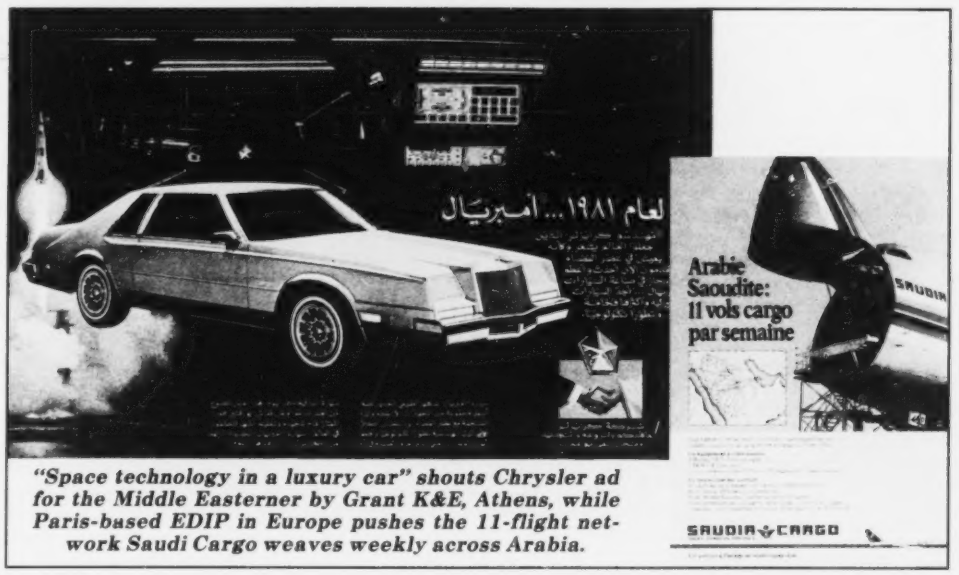
BAHRAIN

The same 1981 average annual exchange rate of 2.639 dollars to the Bahrain dinar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 0.4% apprepreciation of the B dinar against the dollar based on the B dinar's 1980 exchange rate of 2.65.

Fortune Promoseven, Bahrain, only reports billings of $14,736,147 for 1981, as compared to billings of $10,400,000 for 1980. (In local currency, billings were B dinars 5,585,000 for 1981 and B dinars 3,941,600 for 1980.) Figures are for its five offices. Employes: 80. Accounts gained: Reuteurs, DHL Business Systems division, Continental Office Equipment, Cardamom Board of India, Al Zayani Investments, Gulf Agency, Arab Asian Bank, Bank of Bahrain and Kuwait.

BARBADOS

The average annual exchange rate of .5 dollars to the Barbados dollar was the same for both 1981 and 1980.



"Space technology in a luxury car" shouts Chrysler ad for the Middle Easterner by Grant K&E, Athens, while Paris-based EDIP in Europe pushes the 11-flight network Saudi Cargo weaves weekly across Arabia.

Corbin Compton, Bridgetown, reports gross income of $360,364 on billings of $2,316,626 for 1981, as compared to gross income of $279,867 on billings of $1,918,647 for 1980. (In local currency, gross income was B$720,728 on billings of B$4,633,252 for 1981, as compared to gross income of B$559,734 on billings of B$3,837,294 for 1980.) Media breakdown: Newspapers 39.6%; magazines 3.9%; supplements 2%; radio 22.2%; tv 30.9%; outdoor 0.2%; transit advertising 0.4%; point of sale 0.6%; cinema 0.2%. Employes: 17. Accounts gained: Coopers & Lybrand, Alleyne & Aguilar, Sterling Drugs, Lascelles Laboratories. Accounts lost: Da Costa & Musson, Purity Bakeries.

Smith & Oxley Advertising, Belleville, reports gross income of $260,001 on billings of $2,209,759 for 1981, as compared to gross income of $228,071 on billings of $1,734,836 for 1980. (In local currency, gross income was B$520,002 on billings of B$4,059,518 for 1981, as compared to gross income of B$456,142 on billings of B$3,469,673 for 1980.) Media breakdown: Newspapers 43%; magazines 2%; supplements 1%; radio 25%; tv 24%; outdoor 1%; transit advertising 3%; point of sale 1%; cinema 1%. Employes: 19. Accounts gained: Barbados Developments Bank, Barbados cosmetics.

BELGIUM

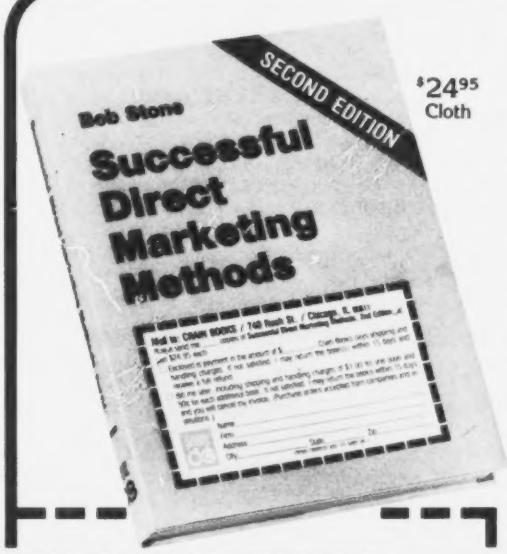
The same 1981 average annual exchange rate of .02467 dollars to the Belgian franc was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 29% depreciation of the B franc against the dollar based on the B franc's 1980 exchange rate of .034873.

Ted Bates, Brussels, reports gross income of $1,642,530 on billings of $10,955,700 for 1981, as compared to gross income of $1,449,387 on billings of $9,832,700 for 1980. (In local currency, gross income was BF66,580,000 on billings of BF444,090,000 for 1981, as compared to gross income of BF59,751,000 on billings of BF398,539,000 for 1980.) Media breakdown: Newspapers 10%; magazines 52%; tv 22%; outdoor 9%; business press 4%; other 3%. Employes: 42. Accounts gained: Sodefina, Agfa-Gevaert, Effem (Chappi), William Saurin, Bureau 82, Colgate-Palmolive (Tonigencyl), Becton-Dickinson (Holland), Rennie (Holland), Novo Industri. Account lost: Cerdiam (Dermaspray).

Benton & Bowles, Brussels, reports gross income of $3,614,025 on billings of $24,105,546 for 1981, as compared to gross income of $4,269,869 on billings of $28,480,024 for 1980. (In local currency, gross income was BF146,494,702 on billings of BF977,119,662 for 1981, as compared to gross income of BF173,079,396 on billings of BF1.154 billion for 1980.) Media breakdown: Newspapers 14%; magazines 39%; tv 30%; outdoor 11%; business press 1%; cinema 1%; free distributed papers 4%. Employes: 88 in 1981 as compared to 103 in 1980. Accounts gained: Yamaha motorbikes, Fina, Prevoyance Sociale, Bernina, Hubbard.

Leo Burnett, Brussels, reports gross income of $735,166 on billings of $4,904,000 for 1981, as compared to gross income of $524,706 on billings of $3,499,785 for 1980. (In local currency, gross income was BF29,800,000 on billings of BF198,766,000 for 1981, as compared to gross income of BF21,269,000 on billings of BF141,864,000 for 1980.) Employes: 15. Accounts gained: Austin Mini, Austin Metro, Triumph Acclaim, Rover, Jaguar. Account lost: AEG/Telefunken.

DFS McCredie, Brussels, reports gross income of $434,220 on billings of $2,760,600 for 1981, as compared to gross income of $133,200 on billings of $952,300 for 1980. (In local currency, gross income was BF17,600,000 on billings of BF111,900,000 for 1981, as compared to gross income of BF5,400,000 on billings of BF38,600,000 for 1980.)



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BELGIUM

Media breakdown: Newspapers 18%; magazines 31%; tv 29%; point of sale 5%. Employes: 11. Accounts gained: General Mills toys, Wendy hamburgers, Duracell batteries, ICI Europa, State of Maryland, Molnlycke, Thilly & Rittweger. Account lost: Leyland dealers.

D'Arcy-MacManus & Masius, Brussels, reports gross income of $2,781,000 on billings of $18,553,000 for 1981, as compared to gross income of $2,775,000 on billings of $18,508,000 for 1980. (In local currency, gross income was BF112,748,000 on billings of BF752,029,000 for 1981, as compared to gross income of BF112,480,000 on billings of BF750,241,000 for 1980.) Media breakdown: Newspapers 15%; magazines 40%; tv 25%; outdoor 13%; point of sale 5%; cinema 2%. Employes: 60. Accounts gained: Atlas Copco, Suzi Wan, Temana, Alfa Romeo, Willem II, Credit du Nord Belge, ORWO, Hewlett-Packard, Cullilane Mariner, Greek Tourist Board. Accounts lost: Trio Kenwood, Pernod, Heinz, Clark Equipment.

Dechy Univas, Brussels, reports gross income of $2.830,364 on billings of $18,869,096 for 1981, as compared to gross income of $2,467,345 on billings of $16,457,180 for 1980. (In local currency, gross income was BF114,729,000 on billings of BF764,860,000 for 1981, as compared to gross income of BF100,014,000 on billings of BF667,093,000 for 1980.) Media breakdown: Newspapers 21%; magazines 43%; supplements 7%; radio 3%; tv 8%; outdoor 16%; business press 1%; cinema 1%. Employes: 62. Accounts gained: Ducros spices, Moulinex small appliances, Lutti sweets, Phildar wool stores, Vichy/Perrier/Contrexeville - mineral waters, Peugeot/Talbot cars, Police de Bruxelles, Societe Generale de Banque - banking. Accounts lost: BBL-banking, Mazda/Saab cars, JVC-hi-fi.

Doyle Dane Bernbach, Brussels, reports gross income of $1,554,000 on billings of $10,337,000 for 1981, as compared to gross income of $1,491,000 on billings of $9,942,000 for 1980. (In local currency, gross income was BF62,851,702 on billings of BF419,000,000 for 1981, as compared to gross income of BF60,425,053 on billings of BF403,000,000 for 1980.) Media breakdown: Newspapers 17%; magazines 40%; tv 28%; outdoor 10%; business press 2%; cinema 3%. Employes: 32. Accounts gained: Yellow Pages, Johnson wax, Sheaffer pens, Credit Communal, Cote d'Or confectionery, Dermaspray - Nicholas laboratories. Account lost: Artis Historia.

GelderGriswold, Brussels, only reports billings of $3,712,835 for 1981, as compared to billings of $3,667,190 for 1980. (In local currency, billings were BF150,500,000 for 1981, as compared to billings of BF148,751,000 for 1980.) Media breakdown: Newspapers 39%; magazines 22%; tv 5%; outdoor 9%; business press 4%; direct mail, cinema, trade press and promotion 21%. Employes: 14. Accounts gained: Prolux, Marks and Spencer, Asco automotive, Bayferrox. Accounts lost: Telefusion, Van Berkel.

Grey Belgium, Brussels, reports gross income of $1,995,800 on billings of $13,322,000 for 1981, as com pared to gross income of $1,824,642 on billings of $12,162,000 for 1980. (In local currency, gross income was BF80,900,000 on billings of BF540,000,000 for 1981, as compared to gross income of BF73,962,000 on billings of BF493,000,000 for 1980.) Media breakdown: Newspapers 30%; magazines 26%; radio 1%; tv 15%; outdoor 7%; business press 5%; point of sale 10%; cinema 1%; local press 5%. Employes: 45. Accounts gained: Times and Kelton watches, Les Nutons, Gillette's Silkience. Accounts lost: Informazout, Deska, Hewlett-Packard.

HHD Ogilvy & Mather, Brussels, only reports gross income of $5,088,603 for 1981, as compared to gross income of $4,120,587 for 1980. (In local currency, gross income was BF206,266,865 for 1981, as compared to gross income of BF167,028,271 for 1980.) Agency did not report billing figures for 1981 and 1980. Employes: 104. Accounts gained: Guzzi motor bikes, Bridgestone tires, Glaverbel glass products, Oce copiers, Rolls Royce, Bentley, De Tomaso, Lotus cars, Ti Raleigh bicycles. Accounts lost: Bruxelles Lambert Bank, Citaco tobacco.

Impact-FCB Belgium, Brussels, reports gross income of $1,925,966 on billings of $12,846,191 for 1981, as compared to gross income of $1,527,601 on billings of $10,655,997 for 1980. (In local currency, gross income was BF78,069,140 on billings of BF520,721,164 for 1981, as compared to gross income of BF64,758,845 on billings of BF431,941,497 for 1980.) Media breakdown: Newspapers 20.64%; magazines 69.04%; radio 2.37%; tv 2.57%; outdoor 2.03%; cinema 3.35%. Employes: 45. Accounts gained: BBL, FNAC, Loewe, Informazout, Frabelmar, Purina, Locabel, ABB, General Mills, Patriotique, Ricola. Accounts lost: SCB, CPAB, William Saurin, Townsend Thoresen.

Intermarco-Farner, Brussels, part of the Publicis Intermarco-Farner agency network, reports gross income of $2,079,262 on billings of $13,869,000 for 1981, as compared to gross income of $1,895,000 on billings of $12,637,355 for 1980. (In local currency, gross income was BF84,283,000 on billings of BF562,168,000 for 1981, as compared to gross income of BF76,800,000 on billings of BF512,256,000 for 1980.) Media breakdown: Newspapers 20%; magazines 41%; tv 10%; outdoor 28%; cinema 1%. Employes: 44. Accounts gained: Dodge trucks, Nova candy bar, Babydop baby shampoo, Bienetre toilet water, Fines et Sures and Kotydia sanitary protection, Mennen men's toiletries, Printil deodorant (L'Oreal group). Account lost: Carpet Land carpet shops.

Kenyon & Eckhardt, Brussels, reports gross income of $18,425 on billings of $120,000 for 1981. (In local currency, gross income was BF746,950 on billings of BF4,864,800 for 1981.) Agency opened in 1981. Employes: 4. Accounts gained: Paul Renard cheeses, Helena Rubinstein, Varta batteries.

LVH & Partners, Brussels, reports gross income of $1,186,295 on billings of $8,248,874 for 1981, as compared to gross income of $932,656 on billings of $6,220,817 for 1980. (In local currency, gross income was BF 48,086,549 on billings of BF 334,368,678 for 1981, as compared to gross income of BF37,805,289 on billings of BF252,161,278 for 1980.) Media breakdown: Newspapers 25%; magazines 42%; tv 13.5%; outdoor 11%; business press 5%; point of sale 3%; cinema 0.5%. Employes: 23. Accounts gained: *Time*, Corona insurance, Noba textiles, BASF computers, Profile diet product, Castella liquid handcleaner. Account lost: Olympia typewriters.

Lintas (Belgium), Brussels, reports gross income of $4,160,000 on billings of $28,437,000 for 1981, as compared to gross income of $4,034,000 on billings of $27,452,000 for 1980. (In local currency, gross income was BF168,641,000 on billings of BF1.153 billion for 1981, as compared to gross income of BF163,500,000 on billings of BF1.113 billion for 1980.) Media breakdown: Newspapers 17%; magazines 38%; radio 1%; tv 26%; outdoor 16%; cinema 2%. Employes: 77. Accounts gained: Eurocard, Nuclear Energy Information, CBS records, Gerber, Lever Glorix toilet block and sanitary cleaner, Vinolia Gibbs All Clear and Impulse, Rowntree Mackintosh Lion bar, Iglo Pizza and Beefburger. Account lost: Initia.

Markcom, Brussels, affiliated with Compton Intl., reports gross income of $594,794 on billings of $3,219,963 for 1981, as compared to gross income of $486,147 on billings of $2,380,951 for 1980. (In local currency, gross income was BF24,110,000 on billings of BF130,521,000 for 1981, as compared to gross income of BF19,706,000 on billings of BF96,512,000 for 1980.) Media breakdown: Newspapers 17%; magazines 14%; supplements 1%; tv 7%; outdoor 2%; business press 22%; print/literature 31%; direct mail, fairs, promotions 6%. Employes: 17. Accounts gained: European Parliament, EBIC European Banks Intl., Heller Generale Factoring, Allied Corp., Air Florida, South African Airways, Gerber Scientific Europe. Account lost: Mobil Plastics Europe.

Marsteller International, Brussels, reports gross income of $2,208,000 on billings of $14,727,360 for 1981, as compared to gross income of $2,355,000 on billings of $15,707,850 for 1980. (In local currency, gross income was BF89,467,200 on billings of BF596,746,220 for 1981, as compared to gross income of BF95,460,000 on billings of BF636,718,200 for 1980.)

McCann-Erickson, Brussels, reports gross income of $4,483,000 on billings of $29,902,000 for 1981, as compared to gross income of $5,578,000 on billings of $37,205,000 for 1980. (In local currency, gross income was BF181,706,000 on billings of BF1.212 billion for 1981, as compared to gross income of BF226,101,000 on billings of BF1.508 billion for 1980.) Employes: 103. Accounts gained: B.A.T., EMI, Santens fabrics. Lost: Cote d'Or, Tampax, Oce van der Grinten.

Moussault/Ayer, Antwerp, reports gross income of $719,703 on billings of $4,798,026 for 1981, as compared to gross income of $561,693 on billings of $3,744,621 for 1980. (In local currency, gross income was BF29,173,241 on billings of BF194,488,273 for 1981, as compared to gross income of BF22,768,276 on billings of BF151,788,507 for 1980.) Media breakdown: Newspapers 20%; magazines 45%; tv 8%; outdoor 12%; business press 10%; point of sale 5%. Employes: 15. Accounts gained: Van Nelle (Planters and Droste), Sidca/Trade Arbed, Vlaamse Investeringsvennootschap, John Deere, Bungalowpark Erperheide, Gyproc Home, Slipad (Peaudouce), Clin-Dent and Eau Volee No. 2 (Beecham), Kreglinger/Loctite. Accounts lost: Hotelplan, Uniroyal.

Norman, Craig & Kummel, Brussels, reports gross income of $1,410,000 on billings of $9,400,000 for 1981, as compared to gross income of $948,216 on billings of $6,321,539 for 1980. (In local currency, gross income was BF57,161,400 on billings of BF381,076,000 for 1981, as compared to gross income of BF38,436,000 on billings of BF256,244,000 for 1980.) Employes: 21. Accounts gained: Life Savers, Lucky Strike cigarets.

Partner, Brussels, reports gross income of $1,152,706 on billings of $7,684,705 for 1981, as compared to gross income of $1,471,641 on billings of $6,943,964 for 1980. (In local currency, gross income was BF46,725,000 on billings of BF311,500,000 for 1981, as compared to gross income of BF42,200,000 on billings of BF281,474,000 for 1980.) Media breakdown: Newspapers 44%; magazines 14%; tv 3%; outdoor 16%; cinema 3%; technique 20%. Employes: 30.

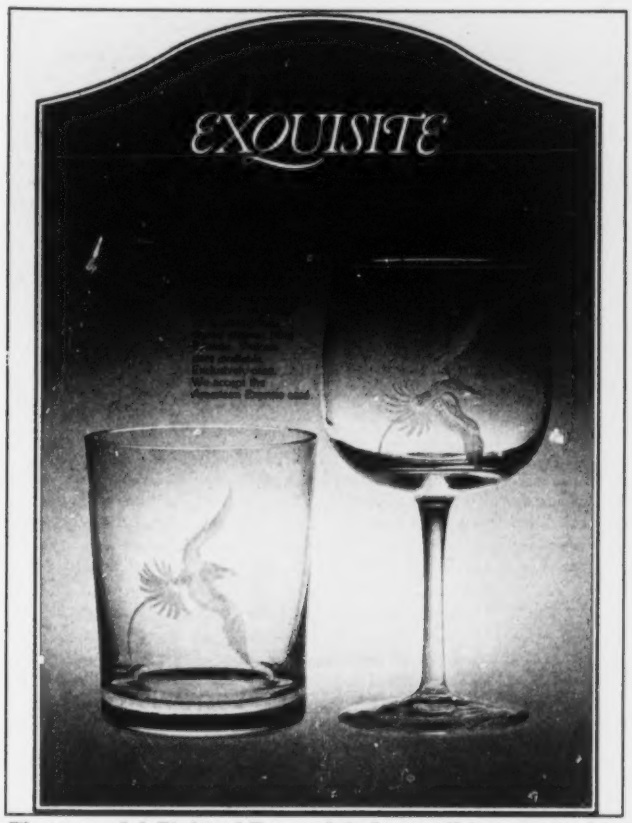
Roux, Seguela, Cayzac & Goudard, Brussels, only reports gross income of $743,200 for 1981, as compared to gross income of $382,385 for 1980. (In local currency, gross income was BF30,125,612 for 1981, as compared to gross income of BF15,500,000 for 1980.) Agency does not report billings. Account gained: Indesit.

TBWA, Brussels, reports gross income of $888,100 on billings of $5,921,000 for 1981, as compared to gross income of $848,920 on billings of $5,659,397 for 1980. (In local currency, gross income was BF36,000,000 on billings of BF240,000,000 for 1981, as compared to gross income of BF34,411,000 on billings of BF229,404,000 for 1980.) Media breakdown: Newspapers 33%; magazines 34%; tv 10%; outdoor 17%; point of sale 4%; cinema 2%. Employes: 16. Accounts gained: Ariston white goods, Barilla, Carlsberg, Cutex, Philip Morris Superlights, G.D. Searle. Account lost: Acec.

J. Walter Thompson, Brussels, reports gross income of $3,650,000 on billings of $24,319,500 for 1981, as compared to gross income of $3,033,050 on billings of $20,230,450 for 1980. (In local currency, gross income was BF146,000,000 on billings of BF973,780,000 for 1981, as compared to gross income of BF121,322,000 on billings of BF809,218,000 for 1980.) Media breakdown: Newspapers 30.4%; magazines 27.7%; tv 20.6%; outdoor 16.5%; business press 1.4%; cinema 1.8%; free sheets 1.6%. Employes: 58. Accounts gained: Campari, Anfo Motors, Euro Motors, Nestle Libby's, Vialle LPG. Account resigned: VPW.

Trema, Brussels, reports gross income of $612,464 on billings of $3.495,740 for 1981, as compared to gross income of $563,502 on billings of $3,229,500 for 1980. (In local currency, gross income was BF21,826,276 on billings of BF141,700,000 for 1981, as compared to gross income of BF22,841,592 on billings of BF130,908,000 for 1980.) Media breakdown: Newspapers 28%; magazines 30%; tv 6%; outdoor 13%; business press 8%; direct mail 15%. Employes: 15. Accounts gained: Pelikan, Miko. Account lost: Boots Co.

Troost Campbell-Ewald, Brussels, reports gross income of $2,556,137 on billings of $17,049,437 for 1981, as compared to gross income of $2,494,015 on billings of $16,635,080 for 1980. (In local currency, gross income was BF103,613,191 on billings of BF691,100,000 for 1981, as compared to gross income of BF101,095,067 on billings of BF674,304,000 for 1980.) Media breakdown: Newspapers 10%; magazines 36%; radio 2%; tv 20%; outdoor 24; business press 1%; transit advertising 1%; point of sale 2%; cinema 4%. Employes: 53. Accounts gained: Airtour, Bahlsen biscuits, Data



The graceful flight of Bermuda's Longtail is engraved in both Bavarian crystal and in this ad by Corbin Compton.

System computers, Fybogel - Reckitt and Colman, Philips Videopac, Philips Tensiometres, Zwan - Smokey, Wiskeman, Parmentier, Dolfi, Diadermine, Hush Puppies. Accounts lost: Electrolux aspirators, Sussholz diamonds, Greek tourism.

Van Hees-Vlessing/Enterprise, Brussels, affiliated with J. Walter Thompson's Euro Advertising group, reports gross income of $3,594,641 on billings of $5,458,730 for 1981, as compared to gross income of $2,158,171 on billings of $3,289,532 for 1980. (In local currency, gross income was BF145,709,000 on billings of BF221,270,002 for 1981, as compared to gross income of BF87,481,600 on billings of BF133,341,403 for 1980.) Media breakdown: Newspapers 10.5%; magazines 65%; tv 9.5%; outdoor 11%; business press 2%; point of sale 2%. Employes: 27. Accounts gained: Covesa wine and spirits, Hermes Data (computers), Promopharma pharmaceuticals, Louis Doize (roll-your-own tobacco), Richmond cigarets, Securi (personal care), Soubry (pasta products), Tarvo (milling), 7-Days shampoo, Prodent toothpaste. Accounts lost: Santens towels, Artic ice cream.

Young & Rubicam Belgium, Brussels, reports gross income of $3,107,000 on billings of $20,724,000 for 1981, as compared to gross income of $3,260,000 on billings of $21,744,000 for 1980. (In local currency, gross income was BF125,943,000 on billings of BF840,047,340 for 1981, as compared to gross income of BF132,144,000 on billings of BF881,393,040 for 1980.) Income figures include Cato Yasumura Behaeghel. Young & Rubicam does not report billings. Figures given are AA estimates. Media breakdown: Press 68%; broadcast 24%; miscellaneous 4%; outdoor 4%. Employes: 66 in 1981 as compared to 75 in 1980. Accounts gained: Bosch, IWS, Land/Range Rover, Madeira, Mazda, 3M Europe, Procter & Gamble - Luvs, Reynolds tobacco, Saab, Seita, Smiths food, Sunair, Vandemoortele. Accounts lost: Citizen, McCulloch, Pepsi, Philip Morris, Talbot.

BERMUDA

Bermuda's currency is the U.S. dollar.

Advertising Associates-Compton, Hamilton, reports gross income of $731,591 on billings of $5,917,566 for 1981, as compared to gross income of $633,277 on billings of $4,337,172 for 1980. Media breakdown: Newspapers 45%; magazines 4%; supplements 1%; radio 21%; tv 21%; tourist 8%. Employes: 22. Accounts gained: Bermuda Electric Light Co., Horizons Group Ltd., Clarendon Pharmacy, Bermuda Glass Co., Squires. Accounts lost: Hamma Galleries, Island Imports, Transcontinental Resorts Group.

BOLIVIA

The same 1981 average annual exchange rate of .0404 dollars to the Bolivian peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 20% depreciation of the B peso against the dollar based on the B peso's 1980 exchange rate of .0505.

J. Walter Thompson y Asociados, La Paz, reports gross income of $142,612 on billings of $1,056,315 for 1981, as compared to gross income of $98,172 on billings of $637,511 for 1980. (In local currency, gross income was Ps 3,530,000 on billings of Ps 26,146,400 for 1981, as compared to gross income of Ps 2,430,000 on billings of Ps 15,779,979 for 1980.) Media breakdown: Newspapers 50%, radio 10%, tv 30%, outdoor 7%, cinema 3%. Employes: Eight. Accounts gained: Cerveceria Boliviana Nacional, Plaza Hotel, Pepsi-Cola. Lost: None.

Unitros Bolivia, Cochabamba, reports gross income of $129,756 on billings of $1,000,000 for 1981, as compared to gross income of $145,440 on billings of $1,115,000 for 1980. (In local currency, gross income was Ps 3,211,786 on billings of Ps 24,752,504 for 1981, as compared to gross income of Ps 3,600,000 on billings of Ps 27,600,000 for 1980.) Accounts gained: Manaco, Taquina, Alke, Lada, Lloyd Aero, Fabe, Hitachi, Banco Cochabamba, Banco Mercantil, Banco Hipotecario, Olympia.

BRAZIL

The same 1981 average annual exchange rate of .0117 dollars to the Brazil cruzeiro was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 45.3% depreciation of the cruzeiro against the dollar based on the cruzeiro's 1980 exchange rate of .0214.

Alcantara Machado, Periscinoto Comunicacoes, Sao Paulo, reports gross income of $22,522,500 on billings of $85,757,256 for 1981, compared with gross income of $9,389,472 on billings of $37,849,500 for 1980. (In local currency, gross income was Cr1.925 billion on billings of Cr7.330 billion in 1981, compared with gross income of Cr802,519,000 on billings of Cr3.235 billion in 1980.) Media breakdown: Newspapers 19%; magazines 12%; radio 8%; tv 58%; outdoor 2%; cinema 1%. Employes: 417 in 1981, compared to 388 in 1980. Accounts gained: Industria de Confeccoes Vila Romana, Pepsico Prods. Alimenticios e Refrigerantes, Purina Alimentos, TAM Transportes Aereos Regionais. Account lost: Cia. Estadual de Telefones—CETEL.

Assessor Comunicacao Social Integrada, Rio de Janeiro, reports gross income of $5,319,300 on billings of $21,177,198 for 1981. (In local currency, gross income was Cr. 454,641,000 on billings of Cr. 1.819 billion for 1981.) Agency only reports 1981 figures. Media breakdown: Newspapers 14%; magazines 9%; radio 5%; tv 68%; outdoor 1%; cinema 1%; other 2%. Employes: 160. Accounts gained: London Multiplie, Fundao Cultural Brasil-Portugal, Cia. Internacional de Capitalizao, Industria e Comercio de Roupas Franco-Brasileira, Rio Roupas Comercio e Industria, Industria e Comercio de Roupas Wagle, Polipropileno, Grupo Empresarial Farid Kalaf, Abico Cia. de Investimento Arabe-Brasileira, Banco Bozano Simonsen, Brascon computadores Brasileiro, Shopping center de Brasilia, Acofil, Formiplac Nordeste, Caixa Economica Federal, Satipel Industria.

Leo Burnett Co., Sao Paulo, reports gross income of $1,933,000 on billings of $12,892,042 for 1981, compared with gross income of $661,565 on billings of $4,412,632 for 1980. (In local currency, gross income was Cr165,200,000 on billings of Cr1.102 billion in 1981, compared with gross income of Cr 56,544,000 on billings of Cr377,148,000 in 1980). Employes: 53.

Caio Domingues & Associados Publicidade, Rio de Janeiro, reports gross income of $2,539,000 on billings of $12,604,130 for 1981, compared with gross income of $962,000 on billings of $5,382,000 for 1980. (In local currency, gross income was Cr217,002,000 on billings of Cr1.077 billion in 1981, compared with gross income of Cr82,210,000 on billings of Cr460,000,000 in 1980). Media breakdown: Newspapers 12%; magazines 7%; radio 5%; tv 66%; outdoor 4%; transit advertising 1%; point of sale 5%. Employes: 97. Accounts gained: Merrell, Moura Brasil (subsidiary of Richardson-Merrell), Glaxo Laboratories, Century cigarets (R.J. Reynolds), Clairol hair preparation. Accounts lost: Darling, Touring Club of Brazil, Ericsson.

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Audience becomes mirror in this Brazilian bathroom drama between enraptured son and inquisitive father in Prestobarba razor ad by Esquire.

BRAZIL

Castelo Branco e Associados Propaganda, Sao Paulo, reports gross income of $6,002,100 on billings of $26,910,000 for 1981, compared with gross income of $2,421,900 on billings of $12,893,400 for 1980. (In local currency, gross income was Cr513,000,000 on billings of Cr2.3 billion in 1981, compared with gross income of Cr207,000,000 on billings of Cr1.102 billion in 1980). Media breakdown: Newspapers 18%; magazines 13%; radio 3%; tv 64%; outdoor 2%. Employes: 206 in 1981 compared to 167 in 1980. Accounts gained: Bayer Pharmaceutical Div., Duchen, Corn Products (part), Banco Nacional (part), Brasinca, ASBACE, DHL, Hering, UNICEF, Lojas Americanas, SEPLAN (Fed. Govt. planning agency). Account lost: Microlite—Ray-O-Vac dry batteries.

Denison Propaganda, Sao Paulo, reports gross income of $12,870,000 on billings of $51,480,000 for 1981, compared with gross income of $5,850,000 on billings of $24,570,000 for 1980. (In local currency, gross income was Cr1.1 billion on billings of Cr4.4 billion in 1981, compared with gross income of Cr500,000,000 on billings of Cr2.1 billion in 1980). Media breakdown: Newspapers 13%; magazines 13%; radio 7%; tv 65%; outdoor 2%. Employes: 280 in 1981 as compared to 312 in 1980.

Duailibi, Petit, Zaragoza Propaganda, Sao Paulo, reports gross income of $15,795,000 on billings of $63,191,700 for 1981, compared with gross income of $6,435,000 on billings of $25,763,400 for 1980. (In local currency, gross income was Cr1.35 billion on billings of Cr5.401 billion in 1981, compared with gross income of Cr550,000,000 on billings of Cr2.202 billion in 1980). Media breakdown: Newspapers 9.6%; magazines 15.8%; radio 9%; tv 63.2%; outdoor 0.9%; cinema 1.5%. Employes: 307 in 1981 compared to 284 in 1980. Accounts gained: Acucareira Zillo Lorenzetti -sugar.

Esquire Propaganda, Rio de Janeiro, reports gross income of $2,410,400 on billings of $11,676,600 for 1981, compared with gross income of $1,544,400 on billings of $6,692,400 for 1980. (In local currency, gross income was Cr206,000,000 on billings of Cr998,000,000 in 1981, compared with gross income of Cr132,000,000 on billings of Cr572,000,000 in 1980). Media breakdown: Newspapers 22%; magazines 18%; radio 3%; tv 57%. Employes: 42 in 1981 as compared to 87 in 1980. Accounts gained: Duracell, CBTUR, Intermark.

Foote, Cone & Belding do Brasil, Sao Paulo, reports gross income of $520,758 on billings of $3,473,452 for 1981, compared with gross income of $468,735 on billings of $3,126,460 for 1980. (In local currency, gross income was Cr44,509,192 on billings of Cr296,876,311 in 1981, compared with gross income of Cr40,062,788 on billings of Cr267,218,796 in 1980). Media breakdown: Newspapers 5%; magazines 22%; radio 8%; tv 55%; outdoor 5%; point of sale 5%. Employes: 36. Accounts lost: Perisem, Microlite.

"The telephone number for cheapskates" is featured in this tongue-in-cheek ad promoting use of collect calls by TELESP, the phone company of Brazil's Sao Paulo state. Agency: DPZ (Duailibi, Petit, Zaragoza Propaganda).

GFM/Propeg, Salvador, reports gross income of $3,713,188 on billings of $13,597,363 for 1981, as compared to gross income of $1,760,990 on billings of $7,254,000 for 1980. (In local currency, gross income was Cr.317,793,819 on billings of Cr.1.162 billion for 1981, as compared to gross income of Cr.150,511,990 on billings of Cr.620,000,000 for 1980.) Media breakdown: Newspapers 28%; magazines 19%; radio 8%; tv 36%; outdoor 9%. Accounts gained: Shopping Center Iguatemi Fortaleza, Semp—Toshiba, Vilejack jeans, Volkswagen dealers, Ultra group (petrochemicals and engineering), Itaiquara (sugar and alcohol mill), CEPLAC (federal agency for cocoa development).

Gang S/A Publicidade e Promocoes, Sao Paulo, reports gross income of $5,982,591 on billings of $22,208,760 for 1981, as compared to gross income of $2,778,750 on billings of $11,115,000 for 1980. (In local currency, gross income was Cr.511,332,603 on billings of Cr.1.898 billion for 1981, as compared to gross income of Cr.237,500,000 on billings of Cr.950,000,000 for 1980.) Media breakdown: Newspapers 6%; magazines 16%; radio 8%; tv 69%; outdoor 1%. Employes: 159. Accounts gained: Metalurgica Abrama Eberle, Noruega Ind. e Com. de Malhas, Nylonsul Textil A.M. Schomalz.

GGK, Sao Paulo, reports gross income of $959,400 on billings of $6,399,900 for 1981, as compared to gross income of $438,800 on billings of $2,925,000 for 1980. (In local currency, gross income was Cr82,000,000 on billings of Cr547,000,000 in 1981, compared with gross income of Cr37,500,000 on billings of Cr250,000,000 for 1980.) Media breakdown: Newspapers 10%; magazines 30%; supplements 10%; tv 10%; business press 25%; point of sale 15%. Employes: 26. Accounts gained: BancoFrances e Brasileiro, Max Factor cosmetics, Sandoz, Imagewerbung. Account lost: Radio & TV Manchete.

Lage, Stabel and Guerreiro/BBDO, Sao Paulo, reports gross income of $4,551,300 on billings of $16,929,900 for 1981, as compared to gross income of $1,879,020 on billings of $7,055,100 for 1980. (In local currency, gross income was Cr389,000,000 on billings of Cr1.447 billion for 1981, as compared to gross income of Cr160,600,000 on billings of Cr 603,000,000 for 1980.) Media breakdown: Newspapers 7%; magazines 37.5%; radio 4.5%; tv 47%; outdoor 3.5%; cinema 0.5%. Employes: 65. Accounts gained: Alpargatas (Madrigal blankets), Gillette (Trinity deodorant), Ericsson telephonic equipment, Laboratory Catarinense (otc pharmaceutical products), Digerede (data processing equipment). Accounts lost: Porto Ferreira, Hoechst, Black & Decker.

MPM Propaganda, Sao Paulo, reports gross income of $31,384,860 on billings of $106,996,180 for 1981, as compared to gross income of $13,368,595 on billings of $49,593,702 for 1980. (In local currency, gross income was Cr2.682 billion on billings of Cr9.145 billion in 1981, compared with gross income of Cr1.143 billion on billings of Cr4.239 billion for 1980.) Media breakdown: Newspapers 23%; magazines 8%; radio 8%; tv 58%; outdoor 2%; cinema 1%. Employes: 810 in 1981 as compared to 751 in 1980. Accounts gained: Seleto coffee, Placas do Parana furniture, Perdigao food, Ideal Tintas-inks, Itapemirim bus company, Brascan construction. Account lost: Pan American.

McCann-Erickson Publicidade, Sao Paulo, reports gross income of $13,380,000 on billings of $89,245,000 for 1981, as compared to gross income of $5,346,000 on billings of $35,658,000 for 1980. (In local currency, gross income was Cr 1.144 billion on billings of Cr 7.628 billion for 1981, as compared to gross income of Cr 456,927,000 on billings of Cr 3.047 billion for 1980.) Employes: 270. Accounts gained: Huyck blankets, Click retail photo stores, Glasslite toys, Kodak (Ektra), Letra savings bank.

Norton Publicidade, Sao Paulo, reports gross income of $14,625,000 on billings of $58,500,000 for 1981, as compared to gross income of $6,617,000 on billings of $26,467,000 for 1980. (In local currency, gross income was Cr1.25 billion on billings of Cr5 billion in 1981, compared with gross income of Cr565,531,000 on billings of Cr2.263 billion for 1980.) Gross income and billings figures for 1981 are estimated, since agency's fiscal year is April/March. Media breakdown: Newspapers 14%; magazines 9%; radio 10%; tv 55%; outdoor 1%; point of sale 1%; production 10%. Employes: 396. Accounts gained: Nestle-Nestea, Quick, institutional, Maggi-Soup Ideas, Minalba mineral water, KLM airlines, Promon engineering services, Sao Carlos textiles, Ministerio da Agricultura. Accounts lost: Copas fertilizers, Sao Lourenco mineral water.

Proeme S.A. Publicidade, Sao Paulo, part of Campbell-Ewald, reports gross income of $3,948,000 on billings of $26,333,000 for 1981, as compared to gross income of $2,340,000 on billings of $15,608,000 for 1980. (In local currency, gross income was Cr.337,460,000 on billings of Cr.2.251 billion for 1981, as compared to gross income of Cr.199,993,000 on billings of Cr.1.334 billion for 1980.) Employes: 154. Accounts gained: Johnson & Johnson, Banco Auxiliar, Usafarma (Revlon). Lost: SKF roller bearings, Leite Paulista dairy products.

SSC&B: Lintas (Brazil), reports gross income of $6,878,000 on billings of $30,247,000 for 1981, as compared to gross income of $3,084,000 on billings of $13,356,000 for 1980. (In local currency, gross income was Cr587,876,000 on billings of Cr2.585 billion for 1981, as compared to gross income of Cr263,650,000 on billings of Cr1.142 billion for 1980.) Media breakdown: Newspapers 3%; magazines 8%; radio 7%; tv 79%; outdoor 1%; business press 1%; cinema 1%. Employes: 179 in 1981 as compared to 152 in 1980. Accounts gained: Reckitt & Colman, Teacher's whisky, Firestone tires, Gessy Lever (new products), Johnson & Johnson (new products). Account lost: Belflam.

Salles/Inter-Americana de Publicidade, Sao Paulo, reports gross income of $21.563,000 on billings of $86,252,000 for 1981, as compared to gross income of $8,307,000 on billings of $33,228,000 for 1980. (In local currency, gross income was Cr1.843 billion on billings of Cr7.372 billion in 1981, compared with gross income of Cr710,000,000 on billings of Cr2.840 billion for 1980.) Media breakdown: Newspapers 25%; magazines 9%; radio 11%; tv 53%; outdoor 2%.

Employes: 459. Accounts gained: Copersucar, Votorantim,

Hotels Quatro Rodas, Sao Paulo Alpargatas, Rede de Hotels Hilton, Linhas Circulo.

Publicidad Siboney, Sao Paulo, in association with NCK Ltd., New York, only reports billings of $8,200,000 for 1981. (In local currency, billings were Cr.70,085,400 for 1981.)

Standard Ogilvy & Mather Publicidade, Sao Paulo, reports gross income of $11,674,791 on billings of $44,329,529 for 1981, as compared to gross income of $5,558,409 on billings of $20,380,709 for 1980. (In local currency, gross income was Cr997,845,360 on billings of Cr3.789 billion for 1981, as compared to gross income of Cr475,077,686 on billings of Cr1.742 billion for 1980.) Media breakdown: Newspapers 11.6%; magazines 12.4%; radio 8.5%; tv 64.1%; outdoor 3.4%. Employes: 335 in 1981 as compared to 315 in 1980. Accounts gained: Black & Decker, Cia. International Cinema, British Caledonian Airways, Gremio Fotebool Portoalegrense. Accounts lost: Salvat Editora, Tecelagem MM.

J. Walter Thompson Publicidade, Sao Paulo, reports gross income of $13,221,000 on billings of $88,184,400 for 1981, as compared to gross income of $5,962,500 on billings of $39,769,760 for 1980. (In local currency, gross income was Cr1.13 billion on billings of Cr7.537 billion for 1981, as compared to gross income of Cr509,614,000 on billings of Cr3.399 billion for 1980.) Media breakdown: Newspapers 2%; magazines 10%; radio 7%; tv 80%; outdoor 1%. Employes: 321. Accounts gained: Philips (brand image), Kraft, R.J. Reynolds (Century brand), Maksoud Plaza Hotel, Unilever (Vim liquid). Account lost: Kodak's Ektra camera.

Universal & Grey Publicidade, Rio de Janeiro, reports gross income of $478,994 on billings of $2,550,181 for 1981. (In local currency, gross income was Cr40,939,743 on billings of Cr217,964,239 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 29%; magazines 34%; radio 8%; tv 29%. Employes: 29. Accounts gained: Parke Davis laboratory, UCLAF Laboratories (veterinary division/pharmaceutical division), Etoile Modas (fashion), Timex watches, Revlon cosmetics, Inega jeans, L. Rocha (Roberto Carlos), Tecnilar real estate. Accounts lost: Inega jeans, Revlon, UCLAF Laboratories (veterinary division), Tecnilar.

Young & Rubicam do Brasil, Sao Paulo, reports gross income of $2,960,000 on billings of $19,743,000 for 1981, as compared to gross income of $1,185,000 on billings of $7,904,000 for 1980. (In local currency, gross income was Cr253,000,000 on billings of Cr1.687 billion in 1981, compared with gross income of Cr 101,299,000 on billings of Cr 675.554,880 for 1980.) Y&R does not publish billings. Figures given are AA estimates. Media breakdown: Newspapers 2%; magazines 13%; tv 85%. Employes: 76. Accounts gained: American Home Prods.—Destop, Johnson & Johnson baby oil, Cica—canned food, Kibon—Splesh, PepsiCo.—Bocaditos.

BRITAIN

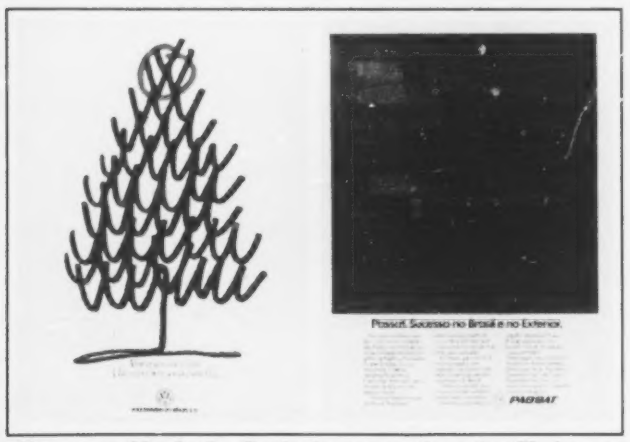
The same 1981 average annual exchange rate of 2.0952 dollars to the British pound was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 11% depreciation of the pound against the dollar based on the pound's 1980 exchange rate of $2.3521.

Abbott Mead Vickers /SMS Ltd., London, reports gross income of $4,746,028 on billings of $31,656,007 for 1981, as compared to gross income of $3,121,282 on billings of $20,818,952 for 1980. (In local currency, gross income was £2,265,191 on billings of £11,201,229 for 1981, as compared to gross income of £1,489,730 on billings of £9,936,499 for 1980.) Media breakdown: Newspapers 41%; magazines 12%; supplements 6%; radio 5%; tv 30%; outdoor 5%. Employes: 80 in 1981 as compared to 66 in 1980. Accounts gained: Smiths Food Group, Crisp products, Big Dee peanuts, Hepworths, ViewMaster. Accounts lost: British Ceramics, Pitch Grange, Watneys London.

Allen, Brady & Marsh, London, reports gross income of $15,814,570 on billings of $105,430,000 for 1981, as compared to gross income of $12,294,634 on billings of $81,964,000 for 1980. (In local currency, gross income was £7,548,000 on billings of £50,320,000 in 1981, as compared to gross income of £5,868,000 on billings of £39,120,000 in 1980.) Media breakdown: Newspapers 26%, magazines 10%, radio 2%, tv 59%, outdoor 2%, cinema 1%. Accounts gained: Electricity Council (appliance marketing), Intercept Alarms, National Milk Publicity Council, Canada Dry Rawlings, Weetabix, Guinness. Accounts lost: Wrigley Chewing Gum, Hepworth Tailoring Loctite.

BNRR Needham, London, reports gross income of $3,760,000 on billings of $25,500,000 for 1981, as compared to gross income of $2,250,000 on billings of $15,000,000 for 1980. (In local currency, gross income was £1,800,000 on billings of £12,200,000 for 1981, as compared to gross income of £1,100,000 on billings of £7,400,000 for 1980.) Media breakdown: Newspapers 18.6%, radio 1.1%, tv 76.8%, outdoor 0.1%, cinema 3.4%. Employes: 40 in 1981; 32 in 1980. Accounts gained: United Biscuits (McVities brands), G.D. Searle, Weetabix, Danhouse. Lost: Canada Dry Rawlings.

Charles Barker Group, London, reports gross income of $24,932,880 on billings of $155,254,320 for 1981, as compared to gross income of $18,437,760 on billings of $123,407,280 for 1980. (In local currency, gross income was £11,900,000 on billings of £74,100,000 in 1981, as compared to gross income of £8,800,000 on billings of £58,900,000 in 1980.) Media breakdown: Newspapers 28%, magazines 14%, supplements 1%, radio 4%, tv 44%, outdoor 2%, business press 3%, miscellaneous press 4%. Accounts gained: Waverly Vinters, Pura Cooking Fats & Oils, Abbey Unit Trust, National Bank of Kuwait, Willis Faber, Arab Insurance Group, ASL Garden Products, Hyundai Cars, Scottish Freight, GEC Diesels, Company of Master Jewellers, Plessey, Shell Chemicals, Pinkertons, Department of Industry, Firestone Industrial, American



Alcantara Machado, Periscinoto captions its Christmas greeting for VW: "A zero kilometer year is approaching. Spend it with common sense and be happy"; and toots Brazil's horn internationally: "Made in Brazil. Passat."

Advertising Age

25th ANNUAL CREATIVE WORKSHOP

August 22-25, 1982 • The New York Hilton

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BRITAIN

Express (pr), British Airways (pr), Chemical Bank Intl. (pr), London Docklands Development Corp. (pr). Accounts lost: Pan Am, London Life, Jardine Matheson (pr).

Ted Bates Holdings, London, reports gross income of $19,942,000 on billings of $147,243,000 for 1981, as compared to gross income in 1980 of $14,029,000 on billings of $103,285,000. (In local currency, gross income was £9,518,000 on billings of £70,276,000 in 1981, as compared to gross income of £6,696,000 on billings of £49,296,000 in 1980.) Media breakdown: Newspapers 28%, magazines 10%, radio 1%, tv 59%, outdoor 1%, cinema 1%. Accounts gained: DHL (worldwide), London Timeshare, Pedigree Chum Mixer, Ambrosia (Mrs. Beeton), Cadbury coffee, Compliment, Yeoman (cold cuts), Lancome (cosmetics), Leica optical equipment, Mars (Relays), White Horse (Glen Elgin), Plough (Maybelline cosmetics), Beecham (Silvikrin super soap, Voila perfume), Beefeater steak houses, Wellcome Foundation, Standard Telephone & Cables, IDV (Malibu). Accounts lost: Malaysian Airlines, Thomas Cook (retail), Karageorgis, Melitta, Olympia business machines (resigned).

Benton & Bowles, London, reports gross income of $11,523,000 on billings of $82,454,000 for 1981, as compared to gross income of $10,266,000 on billings of $68,444,000 for 1980. (In local currency, gross income was £5,500,000 on billings of £39,354,000 in 1981, as compared to gross income of £4,900,000 on billings of £32,667,000 in 1980.) Media breakdown: Newspapers 25%, magazines 11%, supplements 2%, radio 1%, tv 56%, outdoor 1%, business press 3%, farm press 1%. Accounts gained: Thomas Cook, Sleepezee, Southern Gas, Eli Lilly, Wella (UK), Essex Chemie, May & Baker, Kirby Warrick, Sangers. Accounts lost: Fisons (Agro Chemical), Fisons fertilizer division, *Sunday Times*, Gateway Building Society, LRC Products.

Boase Massimi Pollitt, London, reports gross income for 1981 of $12,351,204 on billings of $82,341,360, compared with gross income of $10,119,816 on billings of $67,465,440 for 1980. (In local currency, gross income was £5,895,000 on billings of £39,300,000 in 1981, as compared to gross income of £4,830,000 on billings of £32,200,000 in 1980.) Media breakdown: Newspapers 22%, magazines 11%, radio 1%, tv 63%, outdoor 3%. Accounts gained: Amoco, Assn. of Metropolitan Authorities, British Rail Freight, Cadbury Biscuits, Gillette, Sony Rental, Varela Sherry, Channel 4 TV. Accounts lost: Halfords, Pepsi, Tower Housewares.

Michael Bungey & Partners, London, reports gross income of $7,228,000 on billings of $48,399,000 for 1981, as compared to gross income of $5,238,000 on billings of $34,948,000 for 1980. (In local currency, gross income was £3,450,000 on billings of £23,100,000 in 1981, as compared to gross income of £2,500,000 on billings of £16,680,000 in 1980.) Media breakdown: Newspapers 18%, magazines 10%, radio 4.5%, tv 65%, outdoor 2%, cinema 0.5%. Accounts gained: Hoseason's Holidays, AIWA, Wendys, Palitoy, Wilkinson Shaving, Temana Airbal, LRC, Newcastle Breweries, Cuisine Kitchens. Accounts lost: Roche Products, Richardson-Merrell.

Leo Burnett, London, reports gross income of $12,399,000 on billings of $82,704,000 for 1981, as compared to gross income of $12,080,000 on billings of $80,579,000 for 1980. (In local currency, gross income was £5,918,000 on billings of £39,473,000 in 1981, as compared to gross income of £5,766,000 on billings of £38,459,000 in 1980.) No media breakdown was provided. Accounts gained: Chivers Hartley, Beecham's Body Mist, Sunbeam Appliances, Bradford & Bingley Bldg. Society, *Sunday Express*, Cadbury's Star Bar (UK), Bayer Bay Fresh Sunflower, Triumph Acclaim, Crosse & Blackwell, Philip Morris Super Lights, Rovers Cars. Accounts lost: The Times, Greek National Tourist Office, Budget rent-a-car, 3M industrial and commercial.

Butler Dennis Garland & Partners, London, reports gross income of $4,650,000 on billings of $31,000,000 for 1981, as compared to gross income of $5,223,000 on billings of $34,915,000 for 1980. (In local currency, gross income was £2,219,359 on billings of £14,795,723 in 1981, as compared to gross income of £2,220,000 on billings of £14,840,000 in 1980.) Media breakdown: Newspapers 25%, magazines 22%, tv 42%, outdoor 4%, business press 4%, point of sale 3%. Accounts gained: Turtle Wax, Wine Spectrum, Prime Computers, Klopman, IPC Printing, Fogarty (Bed Linen), Mace Retail Stores. Account lost: Coty.

Collett Dickenson Pearce & Partners, London, reports gross income of $21,019,419 on billings of $142,785,975 for 1981, as compared to gross income of $19,772,402 on billings of $120,424,041 for 1980. (In local currency, gross income was £10,032,178 on billings of £68,149,091 in 1981, as compared to gross income of £9,437,000 on billings of £57,476,156 in 1980.) Media breakdown: Newspapers 39%, radio 1%, tv 39%, outdoor 19%, cinema 2%.

Contract Advertising, London, reports gross income of $1,588,685 on billings of $10,578,709 for 1981, as compared to an estimated $1,551,234 in income and $10,329,336 in billings for 1980. (In local currency, gross income was £758,250 on billings of £5,049,021 in 1981, as compared to estimated gross income of £740,375 and billings of £4,930,000 in 1980.) Media breakdown: Newspapers 21%, magazines and supplements 14%, radio 7%, tv 47%, outdoor 3%, trade and technical 8%. Account gained: Golden Wonder (nuts). Account lost: Alcan Design Products.

D'Arcy-MacManus & Masius, London, reports gross income of $33,695,000 on billings of $221,044,000 for 1981, as compared to gross income in 1980 of $26,609,000 on billings of $175,997,000. (In local currency, gross income was £16,082,000 on billings of £105,500,000 in 1981, as compared to gross income of £12,700,000 on billings of £84,000,000 in 1980.) Media breakdown: Press 35%, tv 65%. Accounts gained: Dewhurst, Alfa Romeo, Comet Radiovision Services (James Mconomy Retail Stores), Express Dairy Food Group (Catering Foods), Harrison Beacon (Mr. Plumber Fittings), Town and Country Bldg. Society, Danish Cheese, Barbican Arts Centre, Glees, Fisons, Mills and Boon (Romance Books, new products), Pitney Bowes (copiers, postal equipment), Steward and Son of Dundee (Cream of Barley Whiskey), Video at Home, National Panasonic, J.R. Parkington (Pernod), Horticultural Botanical Assn. (Carters, Dobies, Cuthberts Seeds). Accounts lost: Christies Contemporary Art, Laker Airways, *Sunday Express*, Weetabix.

Davidson Pearce Ltd., London, reports gross income of $9,152,000 on billings of $64,332,640 for 1981, as compared to gross income of $8,477,000 on billings of $58,825,000 for 1980. (In local currency, gross income was £4,368,000 on billings of £30,700,000 in 1981, as compared to gross income of £4,046,000 on billings of £28,076,000 in 1980.) Media breakdown: Press 49%, radio 2%, tv 46%, outdoor 3%. Accounts gained: Walls Meat, Irish Distillers, Roche Products, Exclusive Cleaning. Accounts lost: Sleepezee Beds.

Dorland Advertising, London, reports gross income of $12,858,018 on billings of $96,163,367 for 1981, as compared to gross income in 1980 of $11,242,843 on billings of $79,644,628. (In local currency, gross income was £6,136,893 on billings of £45,896,987 in 1981, as compared to gross income of £5,366,000 on billings of £38,012,900 in 1980.) Media breakdown: Newspapers 41%; radio 3%; tv 53%; outdoor 3%. Accounts gained: Sherpa, BAT, Burtons Biscuits, BL Motorfair, Bass beers, DNT (CB radio), KIR, Heinz soups. Accounts lost: Rolls Royce (resigned), Smiths Crisps.

Doyle Dane Bernbach, London, reports gross income of $9,672,000 on billings of $64,482,000 for 1981, as compared to gross income of $8,535,845 on billings of $56,675,160 for 1980. (In local currency, gross income was £4,616,000 on billings of £30,776,000 in 1981, as compared to gross income of £4,074,000 on billings of £27,050,000 in 1980.) No media breakdown was provided. Accounts gained: None. Accounts lost: Commercial Union.

Euro Advertising, London, reports gross income of $3,009,754 on billings of $20,500,000 for 1981, as compared to gross income of $3,021,278 on billings of $20,870,000 for 1980. (In local currency, gross income was £1,436,500 on billings of £9,784,268 in 1981, as compared to gross income of £1,442,000 on billings of £9,960,862 in 1980.) Media breakdown: Newspapers 27%, magazines 37%, radio 5%,

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tv 26%, outdoor 5%. Accounts gained: Audi/Volkswagen Fleet, Levi Menswear, Suzy Waffles, National Provident Institution, Hilton Hotels (Gatwick). Accounts lost: None.

FCO Univas, London, reports gross income of $957,513 on billings of $6,383,416 for 1981, as compared to gross income of $1,126,488 on billings of $7,509,923 for 1980. (In local currency, gross income was £457,003 on billings of £3,046,686 in 1981, as compared to gross income of £537,652 on billings of £3,584,347 in 1980.) Media breakdown: Newspapers 35%, magazines 12%, radio 5%, tv 34%, outdoor 1%, business press 12%, cinema 1%. Accounts gained: Renault trucks & buses, Massey Ferguson, L'Oreal, Club Mediterranee. Accounts lost: Whitbread.

Foote, Cone & Belding, London, reports gross income of $18,257,394 on billings of $121,776,808 for 1981, as compared to gross income of $14,457,349 on billings of $96,430,520 for 1980. (In local currency, gross income was £8,713,914 on billings of £58,121,806 in 1981, as compared to gross income of £6,900,224 on billings of £46,024,494 in 1980.) Media breakdown: Newspapers 17%; magazines 6%; supplements 2%; radio 1%; tv 63%; outdoor 7%; business press 1%; farm press 2%; cinema 1%. Accounts gained: British Mail Order Corp., National Westminster, British School of Motoring, Toshiba, Wrigley, Dairy Crest, Westland Aircraft, Heinz, Clairol, BL cars, Blakes Tourist, Olympic Airways, World Vision, Chef & Brewer, Cinzano, Pasta Foods. Accounts lost: James Burroughs, Crest, Olau, Haylon Labs.

Foster Turner & Benson, London, reports gross income of $979,120 on billings of $6,105,614 for 1981, as compared to gross income of $1,050,963 on billings of $6,316,483 for 1980. (In local currency, gross income was £467,316 on billings of £2,914,096 for 1981, as compared to gross income of £501,605 on billings of £3,014,740 for 1980.) Media breakdown: Newspapers 100%. Accounts gained: Manufacturers Life Assurance, Charterhouse Japhet. Lost: North West Securities.

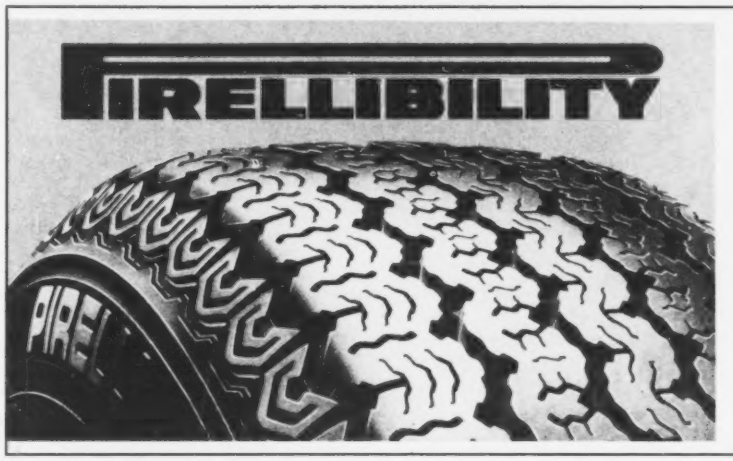
Geers Gross Ltd., London, reports gross income of $12,200,000 on billings of $77,500,000 for 1981, as compared to gross income of $9,291,950 on billings of $57,030,401 for 1980. (In local currency, gross income was £5,822,833 on billings of £36,989,308 in 1981, as compared to gross income of £4,434,875 on billings of £27,219,550 in 1980.) Figures include Geers Gross Advertising Ltd. and Geers Gross West in the U.K., but not Geers Gross Inc., New York. The latter had gross income of $11,300,000 in 1981 on billings of $79,500,000. Media breakdown: Newspapers 29%, magazines 11%, supplements 5%, radio 6%, tv 43%, outdoor 4%, business press 2%. Accounts gained: Olympia Business Machines, English Country Cheese Council, Silentnight Beds, United Rum Merchants, Liberty Life Asurance, House of Holland.

Grandfield Rork Collins, London, reports gross income of $3,980,880 on billings of $26,504,280 for 1981, as compared to gross income of $1,089,504 on billings of $7,270,344 for 1980. (In local currency, gross income was £1,900,000 on billings of £12,650,000 for 1981, as compared to gross income of £520,000 on billings of £3,470,000 for 1980.) Media breakdown: Press 40%; magazines 10%; tv 50%. Employes: 92 in 1981 as compared to 26 in 1980. Accounts gained: American Cigarette Co.—Peter Stuyvesant, Commodore business machines, Great Universal Stores, Levi Strauss, News Group newspapers—*News of the World* and Sunday color supplement, Tesco stores, Times Newspapers—*The Times* and Sunday Times, Linguaphone, BSR domestic appliances.

Grey Advertising, London, reports gross income of $9,564,000 on billings of $63,760,000 for 1981, as compared to gross income of $6,945,000 on billings of $46,300,000 for 1980. (In local currency, gross income was £4,563,000 on billings of £30,432,000 in 1981, as compared to gross income of £3,315,000 on billings of £22,100,000 in 1980.) Media breakdown: Newspapers 19%, magazines 25%, radio 2%, tv 54%. Accounts gained: Irish Distillers (Bushmills Whiskey, Black Bush Whiskey, Coleraine Whiskey), Bristol-Myers new product development. Account lost: Golden State California Wines.

IMAA/Rex Stewart & Associates, London, reports gross income of $11,775,000 on billings of $67,050,000 for 1981, as compared to gross income of $11,880,000 on billings of $63,904,000 for 1980. (In local currency, gross income was £5,620,000 on billings of £32,000,000 in 1981, as compared to gross income of £5,670,000 on billings of £30,500,000 in 1980.) Media breakdown: Newspapers 46%, magazines 12%, radio 5%, tv 10%, outdoor 2%, business press 13%, transit 3%, point of sale 9%. Accounts gained: Summers The Plumbers, Unwins, Turkey, Warner Lauren, Crown Agents, Rockwell Intl., Tote Bookmakers, John Brown Engineering, Clydebank, National Playing Fields Assn.

KMP Partnership, London, reports gross income of $6,180,800 on billings of $45,256,300 for 1981, as compared to gross income of $5,552,000 on billings of $40,647,000 for 1980. (In local currency, gross income was £2,950,000 on billings of £21,600,000 in 1981, as compared to gross income of £2,650,000 on billings of £19,400,000 in 1980.) Media breakdown: All print 18%, tv 61%, outdoor 21%. Accounts gained: Pentax cameras, Prins Ferries, Berkeley cigarettes. Accounts lost: None.



McCormick I-F London, suggests Pirelli's name is a test of performance.

LS&A Advertising & Print Consultants, London, reports gross income of $155,045 on billings of $1,060,171 for 1981. It did not report in 1980. (In local currency, gross income was £74,000 on billings of £506,000 in 1981.) Media breakdown: Newspapers 40%, tv 20%, farm press 30%, transit advertising 10%. Accounts gained: Meyer Cookware. Accounts lost: Spencer Stoves.

Lintas Ltd., London, reports gross income of $11,860,000 on billings of $79,108,000 for 1981, as compared to gross income of $11,708,000 on billings of $78,068,000 for 1980. (In local currency, gross income was £5,661,000 on billings of £37,759,000 in 1981, as compared to gross income of £5,588,000 on billings of £37,261,000 in 1980.) Media breakdown: Newspapers 11%, magazines 9%, radio 6%, tv 70%, outdoor 2%, cinema 2%. Accounts gained: Batchelors Slim-a-Soup, Birds Eye Walls Crispy Fish, Oven Crispy, Dracula, Finger & Funny Feet, Citibank, Hedges & Butler Mandarine Napoleon, Hirondelle, Gancia & Ruffino, Hitachi In Car Entertainment, Kickers, Kickself, Nuclear Power Information Group, Philips, UK Provident Life Assurance, Variety Club of Great Britain. Account lost: Thorn Lighting & Appliances.

Lonsdale Advertising, London, reports gross income of $6,691,650 on billings of $44,192,628 for 1981, as compared to gross income of $5,756,939 on billings of $37,794,934 for 1980. (In local currency, gross income was £3,193,800 on billings of £21,092,320 in 1981, as compared to gross income of £2,747,680 on billings of £18,038,820 in 1980.) Media breakdown: Newspapers 35%, magazines 7%, supplements 3%, radio 10%, tv 38%, outdoor 4%, business press 2%, cinema 1%. Accounts gained: E.T. Sutherland Foods, Cava Spanish Wines, Handmade Films, Wiggins Teape. Accounts lost: Lindt, Toshiba.

Marsteller International (Holdings) Ltd., London, reports gross income of $2,822,000 on billings of $18,822,740 for 1981, as compared to gross income of $1,943,000 on billings of $12,959,810 for 1980. (In local currency, gross income was £1,346,768 on billings of £8,982,943 in 1981, as compared to gross income of £927,500 on billings of £6,186,425 in 1980.) No media breakdown was provided.

Mathers Advertising, London, reports gross income of $864,848 on billings of $5,479,968 for 1981, as compared to gross income of $981,788 on billings of $5,951,332 for 1980. (In local currency, gross income was £412,776 on billings of £2,615,487 in 1981, as compared to gross income of £468,589 on billings of £2,840,460 in 1980.) Media breakdown: Newspapers 85%, tv 15%. Accounts gained: Spiralux, Grolsch Lager. Accounts lost: Ronson, Trust House Forte.

Mathers & Benson Advertising, London, reports gross income of $315,856 on billings of $2,017,024 for 1981, as compared to gross income of $537,982 on billings of $3,204,537 for 1980. (In local currency, gross income was £150,752 on billings of £962,688 for 1981, as compared to gross income of £256,769 on billings of £1,529,466 for 1980.) Media breakdown: Newspapers 100%. Accounts gained: New Opportunity Press, Personnel Management, Global Appointment, Windsor & Newton.

McCann Group, London, reports gross income of $31,582,000 on billings of $210,653,000 for 1981, as compared to gross income of $29,905,000 on billings of $199,466,000 for 1980. (In local currency, gross income was £15,074,000 on billings of £100,543,000 in 1981, as com-

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BRITAIN

pared to gross income of £14,273,000 on billings of £95,201,000 in 1980.) Accounts gained: McCann Group—Ramu Sugar (Booker Agriculture), *New York Times* (European advertising), Carpets Intl., Claridge Furniture Co., Superdrug Stores, Miles Labs (project in London and New York); Universal McCann—Associated Business Systems, Boyden Intl., Collins Engines, Fleet Publishing, National Freight Co., Texas Instruments, Post Office, Westminster Property. Accounts lost: McCann Group—Shulton Overseas (Middle East), Tesco Stores, George Pryce, Southern Gas, Gillette UK; Universal McCann—Britannia Arrow, Murray Johnstone, Ready Mixed Concrete; Harrison-McCann—Western Airlines, Milk Marketing Board, Cheese Information Service.

McCormick Intermarco-Farner, London, part of the Paris-based Publicis Intermarco-Farner network, reports gross income of $7,124,000 on billings of $48,609,000 for 1981, as compared to gross income of $6,286,000 on billings of $42,114,000 for 1980. (In local currency, gross income was £3,400,000 on billings of £23,200,000 in 1981, as compared to gross income of £3,000,000 on billings of £20,100,000 in 1980.) Media breakdown: Newspapers 19%, magazines 20%, supplements 4%, radio 1%, tv 44%, outdoor 10%, business press 1%, point of sale 1%. Accounts gained: Adidas sports goods, Allied Breweries Lager, Pirelli tires, Renault regional advertising, Temana Bees air fresheners (Shell group).

Medicus Intercon Ltd., London, partner company of Medicus Intercon International Inc. of New York, reports gross income of $924,000 on billings of $6,609,000 for 1981, as compared to gross income of $1,127,000 on billings of $7,710,000 for 1980. (In local currency, gross income was £441,000 on billings of £3,154,000 in 1981, as compared to gross income of £538,000 on billings of £3,680,000 in 1980.) Media breakdown: Business press 61%, salesmen's materials, audiovisual programs, direct mail 39%. Accounts gained: London Rubber Co., Surgimed A/S, Coloplast. Accounts lost: Nicholas Labs, Richardson-Vicks, A.H. Robins.

Nicklin Advertising, London, reports only billings of $15,190,000 for 1981, as compared to billings of $13,828,000 for 1980. (In local currency, billings were £7,250,000 in 1981, as compared to billings of £6,600,000 in 1980.) No media breakdown was provided. Accounts gained: MK Electric, CompAir Group, MITEL Corp., Clark's Proprietary Medicines, Plantronics Santa Crus, Albright & Wilson, Hasler Great Britain. Accounts lost: Kiwi, ISR, Harris Computers, Centronics.

Norman, Craig & Kummel, London, reports gross income of $5,865,000 on billings of $39,100,000 for 1981, as compared to gross income of $4,848,293 on billings of $32,331,031 for 1980. (In local currency, gross income was £2,797,605 on billings of £18,650,706 for 1981, as compared to gross income of £2,314,000 on billings of £15,431,000 for 1980.) Employes: 90. Accounts gained: Life Savers, Bourjois cosmetics, Thorne-EMI, Cordon Bleu freezer foods.

Ogilvy & Mather Direct Response, London, reports gross income of $1,159,911 on billings of $7,671,428 for 1981, as compared to gross income of $997,510 on billings of $6,514,241 for 1980. (In local currency, gross income was £553,604 on billings of £3,661,430 in 1981, as compared to gross income of £476,093 on billings of £3,198,126 in 1980.) Media breakdown: Newspapers 8%, direct mail 92%. Accounts gained: Financial Times, Lloyds & Scottish, Holimarine, Air Passengers Assn., Legal & General, Mitchell Beazley. Accounts lost: Blue Chip Direct Marketing, The Leisure Circle, *Now* magazine, Scientific & Technical.

Ogilvy & Mather, London, reports gross income of $19,635,675 on billings of $128,488,364 for 1981, as compared to gross income in 1980 of $19,044,395 on billings of $124,545,306. (In local currency, gross income was £9,371,743 on billings of £61,325,107 for 1981, as compared to gross income of £9,089,536 on billings of £59,443,159 for 1980.) Media breakdown: Newspapers 35%, radio 1%, tv 59%, outdoor 5%. Employes: 342 in 1981; 383 in 1980. Accounts gained: *Financial Times*, Hofmeister Lager, Oracle, Hoverspeed, Horlicks, Travellers Cheques Assn., Oce Copiers, Metal Box, Holimarine, Arcade, CPT, Silhouette Liquid Paper. Lost: National Dairy Council, Temana, Turtle Wax.

Ogilvy & Mather (Scotland), Glascow, reports gross income of $1,444,106 on billings of $9,037,553 for 1981, as compared to gross income of $1,125,998 on billings of $6,947,935 for 1980. (In local currency, gross income was £689,245 on billings of £4,313,456 in 1981, as compared to gross income of £537,418 on billings of £3,316,120 in 1980.) Media breakdown: Newspapers 44%, radio 2%, tv 51%, outdoor 2%, cinema 1%. Accounts gained: Crawford, Reid Furniture, George Outram.

The Royds Advertising Group, London, reports gross income of $21,694,748 on billings of $144,631,656 for 1981, as compared to gross income of $19,534,528 on billings of $130,230,200 for 1980. (In local currency, gross income was £10,354,500 on billings of £69,030,000 in 1981, as compared to gross income of £9,323,467 on billings of £62,156,453 in 1980.) Figures include Royds London, Royds Manchester, Royds Birmingham, Stowe & Bowden, Extel Advertising & PR, Woolward Royds (Scotland), Royds Wales, Royds South West, Belfast Progressive Advertising and other group agencies. Media breakdown: Newspapers 54%, magazines 5%, supplements 5%, radio 2%, tv 29%, outdoor 1%, business press 1%, transit 1%, point of sale 1%, cinema 1%. Accounts gained: Texaco, Scottish Hydro-Electric Board, The Royal Mint, Grattan Warehouses, BBC Personnel, Scottish Tourist Board, Ritter Chocolate. Accounts lost: Coalite & Chemical Co., Holimarine, Bradford & Bingley Bldg. Society.

SJIP/BBDO, London, reports gross income of $6,537,024 on billings of $43,580,160 for 1981, as compared to gross income of $3,085,542 on billings of $18,667,854 for 1980. (In local currency, gross income was £3,120,000 on billings of £20,800,000 in 1981, as compared to gross income of £1,472,672 on billings of £8,909,820 in 1980.) Media breakdown: Newspapers 10%; magazines 35%; radio 3%; tv 50%; outdoor 2%.lost: Employes: 83 in 1981 as compared to 61 in 1980. Accounts gained: Delmonte, Ponderosa, View-Tel. Accounts lost: Seagrams, Berni Inns.

Saatchi & Saatchi Compton Ltd., London, reports gross income of $55,000,000 on billings of $340,000,000 for 1981, as compared to gross income of $36,822,025 on billings of $207,826,000 for 1980. (In local currency, gross income was £26,250,477 on billings of £162,275,670 in 1981, as compared to gross income of £17,574,468 on billings of £99,191,489 in 1980.). Media breakdown: press 20%; magazines 15%; tv 55%; posters and radio 10%. Employes: 1,000. Account gains: Cadbury-Schweppes (Typhoo Tea Fresh Brew Bags), Ronson, Intl. Gold Corp., United Biscuits (KP Quick Lunch), Wimpey, Cunard (QE2 Lines), Gillette (razors and blades); new accounts or new business—Insurance Assn., Teledata, Smith & Nephew (Tender Touch and Elastoplast Antiseptic), K Shoes (Quant Range), British Caledonian Europe, Black & Decker (Home Exercise and Berger/Black & Decker Paintmate) Procter & Gamble (Pampers and Ariel Automatic), Kodak Intl., Campbell's Soup (Prego Sauces), Thorn EMI Video, *Mail On Sunday*, Totes, Gas Central Heating, BL Big A Deal, Life Offices Assn., BL (media coordination and Double Bonus), S&N (Limara), Allied Breweries. Account losses: Wallpaper Marketing Board, Kronenbourg, Miners, Octopus Books.

Sharps Advertising, London, reports gross income of $7,522,000 on billings of $49,700,000 for 1981, as compared to gross income of $6,432,000 on billings of $37,510,000 for 1980. (In local currency, gross income was £3,590,000 on billings of £23,720,000 in 1981, as compared to gross income of £3,070,000 on billings of £17,900,000 in 1980.) Media breakdown: Newspapers 50%, magazines 36%, radio 1%, tv 12%, outdoor 1%. Accounts gained: Kronenbourg, Simbari, J.P. & S. European. Institute of Taxation. Accounts lost: None.

TBWA Great Britain, London, reports gross income of $6,772,700 on billings of $45,151,000 for 1981, as compared to gross income of $4,808,480 on billings of $32,077,500 for 1980. (In local currency, gross income was £3,232,500 on billings of £21,550,000 in 1981, as compared to gross income of £2,295,000 on billings of £15,310,000 in 1980.) Media breakdown: Newspapers 8%, magazines 22%, radio 1%, tv 60%, outdoor 8%, cinema 1%. Accounts gained: Alliance Bldg. Society, Halfords, Hawaiian Tropic Suntan Products, Cosmos Air Tours. Accounts lost: Maybelline Cosmetics.

J. Walter Thompson, London, reports gross income of $42,323,040 on billings of $289,556,640 for 1981, compared with gross income in 1980 of $35,827,920 on billings of $238,224,240. (In local currency, JWT had gross income was £20,200,000 on billings of £138,200,000 in 1981, as compared to gross income of £17,100,000 on billings of £113,700,000 in 1980.) Media breakdown: All press 20%, radio 1%, tv 70%, outdoor 8%, cinema 1%. Accounts gained: JWT/London—Tower Housewares, Crittall Warmlife, FADS shops (part), Teachers Highland Cream Whisky, James Blackmore, British Overseas Trade Board, Pepsi-Cola/Diet Pepsi, Gallaher's Sobranie Black Russian and Sobranie Virginia Blend, Associated Biscuits, Peak Frean Favourites, Insulpak, Corning Pyrex and new product development, Flymo mowers, and additional assignments from clients including Elida Gibbs, Nestle, Rowntree Mackintosh's Festival. JWT/Manchester—Allied Carpets, Evode Roofing, Eurocamp Travel, Marshall Ward mail order catalog development. Lansdowne—Sketchley, Commercial Bank of Kuwait, Spa mineral water, Surrey Docks, Smedley, Braun Intl. new product development, projects from a number of other clients including Esselte Dymo, CPC and Magnetic Video. Deltakos—Hoechst U.K., SKF Italia, SKF USA, Abbott and Leo Labs. Accounts lost: JWT/London—Hedges & Butler, Colman, BP Retail, Singer, Rustenburg, DRG, Beecham Foods. JWT/Manchester—Silentnight, Gold Crown. Lansdowne—Mace. Deltakos—OEC.

Wasey Campbell-Ewald, London, reports gross income of $10,625,000 on billings of $70,869,000 for 1981, as compared to gross income of $12,829,000 on billings of $85,570,000 for 1980. (In local currency, gross income was £5,071,000 on billings of £33,823,000 in 1981, as compared to gross income of £6,123,000 on billings of £40,840,000 in 1980.) Accounts gained: Citizen watches, Eastern Airlines. Lost: ICI Plant Protection, Philips, Dewhurst butchers.

Wells, Rich, Greene, London, reports gross income of $1,238,000 on billings of $8,276,040 for 1981, as compared to gross income of $705,000 on billings of $8,171,280 for 1980. (In local currency, gross income was £590,874 on billings of £3,950,000 in 1981, as compared to gross income of £336,483 on billings of £3,900,000 in 1980.) Media breakdown: Newspapers 39%, magazines 22%, radio 4%, tv 21%, business press 12%, point of sale 2%. Accounts gained: Chase Manhattan Bank, Union Underwear (Underoos), Pan American World Airways (Europe, Mideast, Africa, India). Accounts lost: Hawaiian Tropic, Citibank Trust Ltd.

David Williams & Ketchum Ltd., London, reports gross income of $6,138,700 on billings of $41,858,900 for 1981, as compared to gross income of $5,307,800 on billings of $36,380,100 for 1980. (In local currency, gross income was £2,929,887 on billings of £19,978,474 in 1981, as compared to gross income of £2,533,293 on billings of £17,363,569 in 1980.) Media breakdown: Newspapers 63%, tv 32%, outdoor 3%, cinema 2%. Accounts gained: Wakefield Fortune Travel, Dodge City (dyi chain), Labello (Smith & Nephew Ltd.), Chapstick.

Young & Rubicam Holdings Ltd., London, reports gross income of $18,048,000 on billings of $120,380,000 for 1981, as compared to gross income of $19,490,000 on billings of $129,998,000 for 1980. (In local currency, gross income was £8,614,000 on billings of £57,457,374 in 1981, as compared to gross income of £9,302,000 on billings of £62,048,045 in 1980.) Income figures include Wunderman Intl. Y&R does not report billings. Figures given are AA estimates. Media breakdown: Newspapers 26%, magazines 4%, radio 1%, tv 66%, outdoor 2%, cinema 1%. Accounts gained: Associated British Foods (media buying), Jamaican Tourist Board, Kero Sun, Remington consumer products (media buying), Richardson-Vicks (Oil of Ulay, Milton baby products). Accounts lost: Courage Ltd. (Hofmeister lager), Eastern Air Lines, Intl. Distillers & Vintners (Gilbey's gin).

CANADA

The same 1981 average annual exchange rate of .8336 dollars to the Canadian dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 3.5% depreciation of the C$ against the dollar based on the C$'s 1980 exchange rate of .8636.

N W Ayer Ltd., Toronto, reports gross income of $582,068 on billings of $3,882,394 for 1981, as compared to gross income of $426,384 on billings of $2,743,378 for 1980. (In local currency, gross income was C$698,258 on billings of C$4,657,381 for 1981, as compared to gross income of C$511,497 on billings of C$3,291,000 for 1980.) Media breakdown: Newspapers 2%, magazines 35%, tv 52%, outdoor 11%. Accounts gained: DuPont, Bonne Bell, Australia Tourist Commission.

The BCP Group, Montreal, reports gross income of $5,002,800 on billings of $32,518,200 for 1981, as compared to gross income of $4,836,040 on billings of $29,183,000 for 1980. (In local currency, gross income was C$6,000,000 on billings of C$39,000,000 for 1981, as compared to gross income of C$5,800,000 on billings of C$35,000,000 for 1980.) Accounts gained: City & District Savings Bank, Chrysler Canada —Quebec division. Accounts lost: Dominion Stores (Quebec), Labatt's Brewery (Quebec division).

Ted Bates Advertising, Toronto, reports gross income of $4,457,260 on billings of $27,158,688 for 1981, as compared to gross income of $4,137,157 on billings of $24,874,000 for 1980. (In local currency, gross income was C$5,347,000 on billings of C$32,580,000 for 1981, as compared to gross income of C$4,963,000 on billings of C$29,839,000 for 1980.) Media breakdown: Newspapers and magazines, 21%, radio 4%, tv 72%, outdoor 3%. Accounts gained: Savin, Instruments de Precision, Thomas Cook. Lost: Hertz, Grand Toys, Bombardier.

Benton & Bowles Canada, Toronto, reports gross income of $1,250,468 on billings of $8,340,622 for 1981, as compared to gross income of $998,759 on billings of $6,661,723 for 1980. (In local currency, gross income was C$1,500,081 on billings of C$10,005,545 for 1981, as compared to gross income of C$1,198,127 on billings of C$7,991,510 for 1980.)

Bleau, Duperrey, Giguere & Associes, Quebec, reports gross income of $233,882 on billings of $1,035,280 for 1981, as compared to gross income of $171,599 on billings of $659,550 for 1980. (In local currency, gross income was C$280,569 on billings of C$1,241,939 for 1981, as compared to gross income of C$205,853 on billings of C$791,206 for 1980.) Media breakdown: Newspapers 44%, magazines 12%, supplements 3%, radio 14%, tv 20%, outdoor 1%, business press 3%, farm press 1%, transit 1%, point of sale 1%. Accounts gained: St.-Germain Restaurants, Somavrac Inc., Quebec Symphony Orchestra.

Leo Burnett Co., Toronto, reports gross income of $5,986,000 on billings of $39,927,000 for 1981, as compared to gross income of $4,741,516 on billings of $31,625,950 for 1980. (In local currency, gross income was C$7,181,000 on billings of C$47,897,000 for 1981, as compared to gross income of C$5,688,000 on billings of C$37,939,000 for 1980.). Accounts gained: None.

D'Arcy-MacManus & Masius, Toronto, reports gross income of $1,437,000 on billings of $9,580,000 for 1981, as compared to gross income of $1,163,000 on billings of $7,757,000 for 1980. (In local currency, gross income was C$1,724,000 on billings of C$11,493,000 for 1981, as compared to gross income of C$1,396,000 on billings of C$9,306,000 for 1980.) Media breakdown: Newspapers 14%, magazines 49%, radio 4%, tv 33%. Accounts gained: General Tire & Rubber, Ice Capades, Harlem Globetrotters. Lost: Inglis.

Doyle Dane Bernbach, Toronto, reports gross income of $1,551,946 on billings of $11,128,919 for 1981, as compared to gross income of $1,193,318 on billings of $8,036,300 for 1980. (In local currency, gross income was C$1,861,740 on billings of C$13,350,431 for 1981, as compared to gross income of C$1,431,523 on billings of C$9,640,475 for 1980.) Media breakdown: Newspapers 15%, magazines 20%, radio 2%, tv 60%, outdoor 3%. Accounts gained: Chanel. Lost: None.

Enterprise Advertising Associates, Toronto, part of JWT's Euro-Advertising group, reports gross income of $1,911,000 on billings of $12,744,000 for 1981, as compared to gross income of $1,523,000 on billings of $10,158,000 for 1980. (In local currency, gross income was C$2,292,000 on billings of C$15,288,000 for 1981, as compared to gross income of C$1,827,000 on billings of C$12,186,000 for 1980.) Media breakdown: Newspapers 10%, magazines 16%, radio 16%, tv 48%, outdoor 9%, business press 1%. Accounts gained: Foodex, Prime Computer, Elizabeth Arden, Kawasaki, Loews Hotel, McGuinness Distillers, Sparktec Engine Performance Additives, Abitibi Price, Canadian Assn. of Management Consultants, Jones Heward & Co., Biotech Electronics, Royal Trust, Financial & Trust Services. Lost: Martimes Dairy Group, Dare Foods, Foodex.

Foote, Cone & Belding, Toronto, reports gross income of $3,223,215 on billings of $21,498,846 for 1981, as compared to gross income of $2,277,003 on billings of $15,187,613 for 1980. (In local currency, gross income was C$3,866,621 on billings of C$25,790,362 for 1981, as compared to gross income of C$2,731,530 on billings of C$18,219,305 for 1980.) Media breakdown: Newspapers 8%, magazines 12%, radio 2%, tv 63%, outdoor 2%, production 13%. Accounts gained: CIL paints and retail stores, Canadian Canners (Del Monte juices, Hawaiian Punch), Atlantic Stores, D.K. Automobiles, Permanent Trust, Budget Rent-A-Car. Lost: CFTR, CHFI.

Foster Advertising Ltd., Toronto, reports gross income of $15,210,700 on billings of $101,455,000 for 1981, as compared to gross income of $13,183,380 on billings of $87,933,130 for 1980. (In local currency, gross income was C$18,247,000 on billings of C$121,707,000 for 1981, as compared to gross income of C$15,815,000 on billings of C$105,486,000 for 1980.) Figures include Foster's eight associated and affiliated companies.

Grant/Tandy Ltd., Toronto, part of Kenyon & Eckhardt, reports for its three offices gross income of $3,027,987 on billings of $20,186,579 for 1981, as compared to gross income of $2,760,390 on billings of $18,402,597 for 1980. (In local currency, gross income was C$3,632,422 on billings of C$24,216,146 for 1981, as compared to gross income of C$3,311,408 on billings of C$22,076,053 for 1980.) Media breakdown: Newspapers 10%, magazines 8%, radio 6%, tv 67%, outdoor 5%, business press 2%, point of sale 2%. Accounts gained: Canadian Telecommunications Group Inc.

Grey Advertising, Montreal, reports gross income of $4,383,000 on billings of $27,623,000 for 1981, as compared to gross income of $3,358,000 on billings of $24,905,000 for 1980. (In local currency, gross income was C$5,257,413 on billings of C$33,136,963 for 1981, as compared to gross income of C$4,028,866 on billings of C$29,876,551 for 1980.) Media breakdown: Newspapers 5%, magazines 8%, supplements 1%, radio 11%, tv 71%, outdoor 1%, business press 1%, transit 2%. Accounts gained: Basic Food Warehouse, Air France, Allis-Chalmers, Altex Decoration, Bank of America, Consumer Chemical Corp., Fireside Fabrics, Hoechst Canada, Hotel L'Esterel, Quebec government's Min. of Finance Savings Bonds, Remington Omar Inc., STP Intl. Lost: Miracle Food Mart, Morlands, Miracle Mart.

F.H. Hayhurst Co., Toronto, reports for its four offices only gross income of $12,606,000 for 1981, as compared to gross income of $10,169,920 for 1980. (In local currency, gross income was C$15,122,000 for 1981, as compared to gross income of C$12,200,000 for 1980.) Agency does not report billing figures for 1980 and 1981.Media breakdown: Newspapers 9%, magazines 14%, radio 8%, tv 40%, outdoor 6%, other 23%. Employes: 315 in 1981; 275 in 1980. Accounts gained: Bell Telephone, Canadian Cattlemen's Assn., Canadian Football League, Canadian National Sportmen's Show, Crows Nest Resources, Dome Petroleum, The Hockey Hall of Fame, Northern Pipe Line Agency, Paramount Pictures, Petroleum Resources Communication Foundation, Technical Service Council, Western Canada Lottery Foundation, Year of the Disabled (B.C.). Lost: Dominion Stores, Jaguar Rover Triumph, Michelin.

R.T. Kelley Inc., Hamilton, reports for its four offices gross income of $3,666,340 on billings of $19,699,551 for 1981, as compared to gross income of $3,514,458 on billings of $17,772,523 for 1980. (In local currency, gross income was C$4,398,200 on billings of C$23,631,900 for 1981, as compared to gross income of C$4,216,000 on billings of C$21,320,205 for 1980.) Media breakdown: Newspapers 31.6%, magazines 3.7%, radio 15%, tv 30.3%, outdoor 2.3%, business press 14.3%, Yellow Pages 2.8%. Accounts gained: British Columbia Resources & Investment Corp., Jackson Square, Ontario Min. of Municipal Affairs & Housing, EMCO Ltd.,

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CANADA

Pioneer Petroleum, WABCO. Lost: Chipman, Wendy's Restaurants.

Kert Advertising, Toronto, reports for its four offices gross income of $2,000,640 on billings of $15,004,800 for 1981, as compared to gross income of $1,667,200 on billings of $11,670,400 for 1980. (In local currency, gross income was C$2,400,000 on billings of C$18,000,000 for 1981, as compared to gross income of C$2,000,000 on billings of C$14,000,000 for 1980.) Media breakdown: Newspapers 6%, magazines 5%, radio 17%, tv 62%, outdoor 2%, farm press 1%, transit advertising 1%, point of sale 6%. Accounts gained: Crown Assets Disposal Corp., Noma Canada Inc.

Jean Leveille & Associes, Montreal, reports for its two offices gross income of $1,129,528 on billings of $7,530,184 for 1981, as compared to gross income of $1,149,534 on billings of $7,660,180 for 1980. (In local currency, gross income was C$1,355,000 on billings of C$9,033,330 for 1981, as compared to gross income of C$1,379,000 on billings of C$9,189,275 for 1980.) The agency opened in March 1981 a subsidiary in Quebec City called Publicima Quebec Inc. Its billings were C$500,000. Media breakdown: Newspapers 12%, magazines 14%, radio 20%, tv 40%, outdoor 13%, other 1%. Accounts gained: Assn. des fabricants de yogourt du Quebec, Chase Manhattan Bank, Corp. d'Amenagement Daon, Federation des magasins COOP, Hewlett Packard, Quebecair. Lost: A.L. Van Houtte, Piazza Tomasso. Publicima Quebec gained La Fiducie Pret et Revenu, Les magasins Canac-Marquis Grenier, Les restaurants Marie-Antoinette, Les Pneus C.T.R.

McCann-Erickson Advertising of Canada, Toronto, reports gross income of $7,512,000 on billings of $50,105,000 for 1981, as compared to gross income of $7,146,000 on billings of $47,664,000 for 1980. (In local currency, gross income was C$9,011,000 on billings of C$60,103,000 for 1981, as compared to gross income of C$8,573,000 on billings of C$57,182,000 for 1980.) Accounts gained: Electronic Distributors (audio equipment), Ohto pens, Suzuki, CKFM radio, Continental Explosives (dynamite), Coastal Business Systems, Vancouver Fancy Meats, Freddy Inc. pasta sauces. Lost: Tampax, Micom word processors.

McKim Advertising, Toronto, reports gross income of $13,757,700 on billings of $102,557,400 for 1981, as compared to gross income of $11,256,300 on billings of $91,718,000 for 1980. (In local currency, gross income was C$16,500,000 on billings of C$123,000,000 for 1981, as compared to gross income of C$13,500,000 on billings of C$110,000,000 for 1980.) Media breakdown: Newspapers 18%; magazines 22%; radio 9%; tv 49%; outdoor and transit 2%. Employes: 347 in six offices. Accounts gained: Canterbury Foods, Economics Laboratory, Canadian Satellite Commission, California Table Grapes & B.C. Ferries.

Medicus Intercon (Canada), Toronto, a partner company of Medicus Intercon International Inc. in New York, reports gross income of $166,000 on billings of $1,331,000 for 1981. It did not report for 1980. (In local currency, gross income was C$199,000 on billings of C$1,597,000.) Media breakdown: Business press 26.7%, salesmen's materials, audiovisual programs, direct mail, 73.3%. Accounts gained: HJ Heinx Co., McNeil Laboratories (Canada), Miles Procter & Gamble, SmithKline & French Canada, Standard Brands, Syntex. Lost: None.

Needham, Harper & Steers of Canada, Toronto, reports for its two offices gross income of $2,062,000 on billings of $15,252,000 for 1981, as compared to gross income of $1,405,000 on billings of $10,103,000 for 1980. (In local currency, gross income was C$2,474,000 on billings of C$18,296,000 for 1981, as compared to gross income of C$1,685,000 on billings of C$12,119,000 for 1980.) Media breakdown: Newspapers 16%, magazines 11%, tv 62%, outdoor 8%, business press 3%. Accounts gained: Honda Canada (auto division), Presvins Agencies Inc.

Norman, Craig & Kummel in Canada, Toronto, reports gross income of $3,000,300 on billings of $22,000,000 for 1981, as compared to gross income of $2,738,622 on billings of $16,293,372 for 1980. (In local currency, gross income was C$3,600,360 on billings of C$26,400,000 for 1981, as compared to gross income of C$3,285,295 on billings of C$19,545,792 for 1980.) Employes: 46.

Ogilvy & Mather (Canada), Toronto, reports for its two offices gross income of $10,270,000 on billings of $68,503,000 for 1981, as compared to gross income of $8,053,410 on billings of $53,717,814 for 1980. (In local currency, gross income was C$12,320,000 on billings of C$82,177,000 for 1981, as compared to gross income of C$9,661,000 on billings of C$64,440,000 for 1980.) Media breakdown: Newspapers 9%, magazines 14%, radio 15%, tv 51%, outdoor 9%, transit 1%, cinema 1%. Employes: 234 in 1981; 196 in 1980. Accounts gained: Dominion, Peugeot. Lost: Foodex, Clairol, Octagon.

SSC&B:Lintas (Canada), Toronto, reports gross income of $965,000 on billings of $6,439,000 for 1981, as compared to gross income of $711,000 on billings of $4,743,000 for 1980. (In local currency, gross income was C$1,158,000 on billings of C$7,724,000 for 1981, as compared to gross income of C$853,000 on billings of C$5,690,000 for 1980.) Media breakdown: Newspapers 7%, magazines 30%, radio 12%, tv 32%, outdoor 1%, production 17%, other 1%. Employes: 30 in 1981; 25 in 1980. Accounts gained: Amstel Brewery Canada, T.J. Lipton Herbal Tea.

Scali, McCabe, Sloves, Toronto, reports gross income of $2,386378 on billings of $15,917,141 for 1981, as compared to gross income of $1,336,323 on billings of $8,913,276 for 1980. (In local currency, gross income was C$2,862,737 on billings of C$19,381,693 for 1981, as compared to gross income of C$1,603,075 on billings of C$10,692,510 for 1980.) Media breakdown: Newspapers 7%; magazines 18%; supplements 2%; tv 73%. Employes: 54 in 1981 as compared to 37 in 1980. Accounts gained: Hertz, Bristol-Myers, Clairol. Accounts lost: Yardley, Associated Biscuits.

J. Walter Thompson Co., Toronto, reports for its four offices gross income of $13,986,000 on billings of $93,287,000 for 1981, as compared to gross income of $11,643,000 on billings of $77,658,000 for 1980. (In local currency, gross income was C$16,778,000 on billings of C$111,909,000 for 1981, as compared to gross income of C$13,967,000 on billings of C$93,160,000 for 1980.) Media breakdown: Newspapers 5%, magazines 13%, radio 8%, tv 71%, outdoor 2%, business press 1%. Employes: 354 in 1981; 304 in 1980. Accounts gained: Greb Industries, Oscar Mayer, Goodyear Canada, Lotus Furniture Systems, Les Proprieties Cite Concordia, Vidal Sassoon, Aronelle Inc., Air British Columbia, Cominco, Brittania Sportswear, Metro Intl. Caravan. Lost: Frito-Lay Canada, Investors Syndicate Ltd., Labatt Importers, Johnson & Johnson, La Brasserie Labatt, Montreal Trust, Petrofina Canada, Vidal Sassoon, Aronelle, Goya Intl.

Pierre Tremblay Publicite, Quebec City, reports gross income of $1,348,870 on billings of $9,121,904 for 1981, as compared to gross income of $500,160 on billings of $3,195,466 for 1980. (In local currency, gross income was C$1,618,126 on billings of C$10,942,784 for 1981, as compared to gross income of C$600,000 on billings of C$4,433,333 for 1980.) Media breakdown: Newspapers 35%, magazines 8%, radio 7%, tv 20%, outdoor 12%, transit 8%, other 10%.

Vickers & Benson, Toronto, reports for its two offices gross income of $10,480,852 on billings of $64,039,652 for 1981, as compared to gross income of $9,319,000 on billings of $61,403,809 for 1980. (In local currency, gross income was C$12,573,000 on billings of C$76,823,000 for 1981, as compared to gross income of C$11,179,000 on billings of C$73,661,000 for 1980.) Media breakdown: Newspapers 16%, magazines 12%, radio 17%, tv 52%, outdoor 2%, transit 1%. Employes: 327 in 1981; 289 in 1980. Accounts gained: Bristol-Myers Products Canada, Ontario Medical Assn., Labatt Importers Inc., A.E. LePage (Quebec), Simpsons (Quebec), Weston Bakeries, College Park, Benjamin Films Laboratories, Superclips Ltd., Grand & Toy Ltd. Lost: Parker Bros.

Young & Rubicam, Toronto, reports for four offices gross income of $6,580,000 on billings of $43,889,000 for 1981, as compared to gross income of $5,715,000 on billings of $38,119,000 for 1980. (In local currency, gross income was C$7,893,000 on billings of C$52,649,244 for 1981, as compared to gross income of C$6,856,000 on billings of C$45,727,552 for 1980.) Figures include those of Wunderman International. Y & R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 15%, magazines 22%, supplements 9%, radio 4%, tv 45%, business press 1%, direct mail 4%. Employes: 152 in 1981; 140 in 1980. Accounts gained: E. Bauer, The Bay, Bell

WHAT SOME DOGS WON'T DO FOR THE TASTE OF CHEESE.

Sometimes dogs have to go to extremes to get the cheese taste they love. Because when you can't talk, you can't ask for Top Choice® Beef 'n Cheese flavour burger for dogs. Top Choice from Gaines® is 100% nutritious, with all the good things known to be needed in your dog's diet. It provides balanced nutrition that's better than meat alone. And dogs love its mouth-watering, tail-waggin' good taste. Get our best for your dog. Don't get caught without Top Choice Beef 'n Cheese flavour!

Dogs and cheese do mix with Gaines, says O&M/Canada.

Canada, Consumers Assn. of Canada, Frito-Lay Canada, Gestas, Jamaica Tourist Board, *Journal Les Affaires*, Labatt Breweries of Manitoba. Lost: Eastern Air Lines, SEB Canada, Polygone.

CHILE

The same 1981 average annual exchange rate of .0256 dollars to the Chilean peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 1.5% depreciation of the peso against the dollar based on the peso's 1980 exchange rate of .026.

Azocar, Morrison & Walker, Santiago, reports gross income of $1,265,487 on billings of $8,436,580 for 1981. Agency established in 1981. (In local currency, gross income was Ps49,433,085 on billings of Ps329,553,900 for 1981.)

Media breakdown: Newspapers 11.5%; magazines 9%; radio 3%; television 71%; outdoor 5%; cinema 0.5%. Employes: 23. Accounts gained: Kraft, Soprole, Banco Concepcion, Compania Chilena de Tabaco, A.F.P. Summa, Warner Lambert, Farmoquimica del Pacifico, S.C. Johnson, Empresa El Mercurio. Accounts lost: A.F.P. Summa.

Baumlis Publicidad, Santiago, reports gross income of $417,600 on billings of $2,785,391 for 1981, as compared to gross income of $265,977 on billings of $1,774,070 for 1980. (In local currency, gross income was Ps16,312,493 on billings of Ps108,804,330 for 1981, as compared to gross income of Ps10,389,745 on billings of Ps69,299,599 for 1980.) Media breakdown: Newspapers 40%; magazines 17%; radio 7%; television 29%; business press 1%; point of sale 3%; cinema 3%. Accounts gained: Bayer Sacarine, Bronfman Real State, Sagra (importers of Vidal Sassoon, Arrid, Nair, Deeptan, Henna Care).

Leo Burnett Co., Inc., Santiago, reports gross income of $487,000 on billings of $3,245,312 for 1981. (In local currency, gross income was Ps19,006,000 on billings of Ps126,770,000 for 1981.) Accounts gained: Beecham, Beiersdorf, Fundacion Chile, Philip Morris, Procter & Gamble, Royal, Sanyo. Seven-Up, Vitalac.

Publicitaria Epoca/Ted Bates, Santiago, only reports billings of $8,287,258 for 1981, as compared to billings of $6,969,088 for 1980. (In local currency, billings were Ps323,721,001 for 1981, as compared to billings of Ps272,230,000 for 1980.) Media breakdown: Newspapers 21.4%; magazines 5.7%; radio 7.4%; television 49.9%; outdoor 1.8%; point of sale 1.8%; other 12.0%. Accounts gained: Fusa, Inmobiliaria Plaza Lyon, Establecimientos Nobis S.A., Soimco Ltda (Jeans Caribu), Sud Americana de Seguros, Amplitel Ltda (JVC), Edificio Torre del Paseo. Accounts lost: Arte Chino.

Publicidad Fabres, De Heeckeren, Casares Y Grey S.A., Santiago, reports gross income of $1,964,582 on billings of $13,103,764 for 1981, as compared to gross income of $1,282,859 on billings of $8,552,307 for 1980. (In local currency, gross income was Ps76,741,497 on billings of Ps511,865,785 for 1981, as compared to gross income of Ps50,111,675 on billings of Ps334,074,497 for 1980.)

Media breakdown: Newspapers 20.2%; magazines 6.7%; radio 11.1%; television 56.9%; outdoor 4.9%; cinema 0.2%. Accounts gained: Mennen de Chile, Lee, Ipsa. Accounts lost: Banco de Chile, S.C. Johnson.

Matte Y Mendez, Santiago, reports gross income of $1,560,710 on billings of $10,409,936 for 1981, as compared to gross income of $1,004,106 on billings of $6,697,390 for 1980. (In local currency, gross income was Ps60,965,244 on billings of Ps406,638,177 for 1981, as compared to gross income of Ps39,222,907 on billings of Ps261,616,790 for 1980.) Media breakdown: Newspapers 31%; magazines 7%; radio 9%; television 48%; outdoor 4%; cinema 1%.

McCann-Erickson S.A. de Publicidad, reports gross income of $2,561,000 on billings of $17,082,000 for 1981, as compared to gross income of $1,749,000 on billings of $11,666,000 for 1980. (In local currency, gross income was Ps100,045,000 on billings of Ps667,300,000 for 1981, as compared to gross income of Ps68,337,000 on billings of Ps455,808,000 for 1980.) Accounts gained: L.Q.L.(bubble gum, crackers), Levi's (jeans), Dow Chemical (insecticide), Texas Instruments (computers), Mont Blanc (flour), Imp. Ordonez (prints), Gafstar (vinyl flooring).

Accounts lost: Beiersdorf (Nivea), Establecimientos Calderon (Ripley clothes).

Northcote Merino Silva/Lintas, Santiago, reports gross income of $2,824,090 on billings of $19,074,000 for 1981, as compared to gross income of $1,923,098 on billings of $12,822,144 for 1980.

(In local currency, gross income was Ps110,316,000 on billings of Ps745,071,000 for 1981, as compared to gross income of Ps75,121,000 on billings of Ps500,865,000 for 1980.)

Media breakdown: Newspapers 23%; magazines 4%; radio 5%; tv 63%; outdoor 4%; cinema 1%. Employes: 78. Accounts gained: Productos Lacteos, Chamonix icecream, Industria de Productos Alimenticios, Ipal soups and nature cereals, Thomas J. Lipton Inc., Sundry Foods, *El Mercurio* (classified ads).

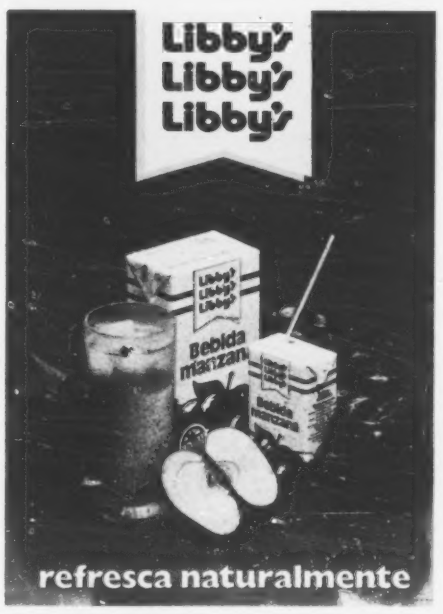
Promoplan, Santiago, associated with Ogilvy & Mather Intl., reports gross income of $2,397,306 on billings of $16,007,656 for 1981, as compared to gross income of $1,686,574 on billings of $11,249,463 for 1980. (In local currency, gross income was Ps93,644,785 on billings of Ps624,298,570 for 1981, as compared to gross income of Ps65,881,800 on billings of Ps439,432,100 for 1980.) Media breakdown: Newspapers 35%; magazines 2%; radio 6%; tv 50%; outdoor 2%; point of sale 4%; cinema 1%. Employes: 62. Accounts gained: Vina Santa Carolina wine, Black & Decker.

Publicitaria Publiart BBDO, Santiago, reports gross income of $2,783,526 on billings of $18,566,120 for 1981, as compared to gross income of $484,239 on billings of $9,899,871 for 1980. (In local currency, gross income was Ps108,731,500 on billings of Ps725,239,105 for 1981, as compared to gross income of Ps57,978,071 on billings of Ps386,713,734 for 1980.) Media breakdown: Newspapers 33%; magazines 5%; supplements 1%; radio 4%; tv 54%; outdoor 1%; transit ; tv 54%; outdoor 1%; transit advertising 1%; point of sale 1%. Employes: 47. Accounts gained: Bayer aspirin, Chilena Consolidada.

Sertec Inter-Americana, Santiago, reports gross income of $1,254,925 on billings of $8,366,207 for 1981, as compared to gross income of $918,255 on billings of $5,169,207 for 1980.

Unitros Chile, Santiago, reports gross income of $2,030,000 (In local currency, gross income was Ps49,020,504 on billings of Ps326,804,985 for 1981, as compared to gross income of Ps35,869,344 on billings of Ps201,944,145 for 1980.) Media breakdown: Newspapers 15%; magazines 6%, supplements 4%; radio 7%; tv 53%; outdoor 3%; business press 3%; farm press 2%; point of sale 4%; cinema 3%. Employes: 29. Accounts gained: Alfa Ltda. Banco Unido de Fomento, Firestone, Warfinite, Pegaso, Viscontea. Accounts lost: Chelino, Goodyear.

J. Walter Thompson Chilena, Santiago, reports gross income of $4,348,330 on billings of $28,988,865 for 1981, as compared to gross income of $3,061,970 on billings of $20,413,134 for 1980. (In local currency, gross income was Ps169,856,631 on billings of Ps1.132 billion for 1981, as compared to gross income of Ps119,608,205 on billings of Ps797,388,033 for 1980.) Media breakdown: Newspapers 9%; magazines 6%; radio 8%; tv 75%; outdoor 1%; cinema 1%. Employes: 95 in 1981 as compared to 85 in 1980. Accounts gained: Warner-Lambert, BHC, Mutual Funds, Abbott Laboratories, Planvital, Social Security Fund. Account lost: Kodak.



Libby's apple juice in Chile is positioned as "natural" refreshment", by Sertec I-A, Santiago.

Lautrec Publicidad, Argentina, an affiliate of Dancer Fitzgerald Sample, graphically equates client (Lee Jeans) logo, "Stone Wash", with the durability the name suggests.

Veritas Publicidad, Santiago, reports only billings of $11,944,137 for 1981, as compared to billings of $3,962,180 for 1980. (In local currency, billings were Ps 466,567,880 for 1981 and Ps 154,772,668 for 1980.) Media breakdown: Newspapers 41%, magazines 6%, radio 2%, tv 51%. Employes: 43. Accounts gained: A.F.P. Provida, Vina Concha y Toro, Ferriloza, Parque Arauco.

Young & Rubicam de Chile, Santiago, reports gross income of $295,000 on billings of $1,968,000 for 1981. (In local currency, gross income was Ps11,517,000 on billings of Ps76,870,080 for 1981.) Agency opened in 1981. Y&R does not publish billings. Figures are AA estimates.Media breakdown: Newspapers 26%; magazines 5%; radio 5%; tv 57%; outdoor 4%; point of sale 3%. Employes: 15%. Accounts gained: Arrocera Tucapel, Banco Mrgan Finansa, Dr Pepper, Esso, Farmacias Ahumada, Gillette, Grace y Cia., Johnson & Johnson, Kodak, Parke-Davis, Productos Lacteos, Supermercados Monserrat, Union Carbide.

CHINA

The same 1981 average annual exchange rate of .000283 dollars to the Hong Kong dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 12.2% depreciation of the HK$ against the dollar based on the HK$'s 1980 exchange rate of .2050.

McCann-Erickson Jardine (China), Beijing, reports gross income of $54,287 on billings of $360,000 for 1981, as compared to gross income of $47,000 on billings of $313,380 for 1980. (In Hong Kong dollars, gross income was HK$302,000 on billings of HK$2,014,000 for 1981, as compared to gross income of HK$261,000 on billings of HK$1,741,000 for 1980.) Employes: Three. Accounts gained: Coca-Cola, Miles Labs' Alka-Seltzer, Gillette blades, Guangdong Advertising Corp. (export ads), Texas Instruments calculators, Pfizer medical equipment, Lockheed, Swiss Watch Mfgs. Assn.

COLOMBIA

Athenas/BBDO, Bogota, reports gross income of $1,317,683 on billings of $10,525,000 for 1981, as compared to gross income of $614,400 on billings of $4,710,000 for 1980. (In local currency, gross income was Ps79,297,000 on billings of Ps411,133,000 for 1981, as compared to gross income of Ps24,000,000 on billings of Ps184,000,000 for 1980.) Media breakdown: Newspapers 24.5%; magazines 4.5%; radio 5%; tv 61%; cinema 2%; other 3%. Employes: 53 in 1981 as compared to 36 in 1980.

Accounts gained: Rental, Visal, San Cristobal, Editorial Andina, Monterrey Merck, Watts Beiersdorf. Accounts lost: Crav Tejidos, Tabacalera, Inmetal, Levi Strauss.

COLOMBIA

The same 1981 average annual exchange rate of .0186 dollars to the Colombian peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 31.1% depreciation of the peso against the dollar based on the peso's 1980 exchange rate of .0270.

on billings of $6,274,683 for 1981, as compared to gross income of $915,584 on billings of $4,345,238 for 1980. (In local currency, gross income was Ps 70,843,196 on billings of Ps 337,348,553 for 1981, as compared to gross income of Ps 49,224,921 on billings of Ps 233,614,919 for 1980.) Media breakdown: Newspapers 16%, radio 34%, tv 47%, point of sale 2%, research 1%. Employes: 65. Accounts gained: Cinzano de Colombia, Bavaria S.A., Monomeros Colombo-Venezolanos S.A., Schwarzkopf shampoo line and baby product line, Intercor. Lost: None.

Leo Burnett Colombiana, Bogota, reports gross income of $2,606,000 on billings of $17,382,000 for 1981, as compared to gross income of $1,934,000 on billings of $12,900,000 for 1980. (In local currency, gross income was Ps 140,106,000 on billings of Ps 934,507,000 for 1981, as compared to gross income of Ps 103,987,000 on billings of Ps 693,593,000 for 1980.) Employes: 131. Accounts gained: Seven-Up, Del Maiz, PAVCO. Lost: Prollantas (Uni-Royal tires), Postobon, Wellcome Labs.

Centrum Publicitario, Cali, associated with Ogilvy & Mather, reports for two offices gross income of $1,004,400 on billings of $5,301,000 for 1981, as compared to gross income of $762,600 on billings of $4,017,600 for 1980. (In local currency, gross income was Ps 54,000,000 on billings of Ps 285,000,000 for 1981, as compared to gross income of Ps 41,000,000 on billings of Ps 216,000,000 for 1980.) Media breakdown: Newspapers 13%, magazines 2%, radio 8%, tv 66%, point of sale 10%, cinema 1%. Employes: 72. Accounts gained: Home Products Inc., British Caledonian, Cafetera Almendra Tropical, new assignments from Colgate-Palmolive, Chesebrough-Ponds, Colombina General Goods and Papeles Nacionales. Lost: None.

McCann-Erickson Corp., Bogota, reports gross income of $2,081,000 on billings of $13,880,000 for 1981, as compared to gross income of $1,279,000 on billings of $8,531,000 for 1980. (In local currency, gross income was Ps 111,901,000 on billings of Ps 746,380,000 for 1981, as compared to gross income of Ps 68,761,000 on billings of Ps 458,636,000 for 1980.) Employes: 91. Accounts gained: Honda motorcycles, Central National Bank, Harinera del Valle (Consazoni pasta), Boehringer Ingelheim (cardiovascular blockader), Vandux plastic toys, Skandia insurance, Hiram Walker (Old Smuggler, Courvoisier), Proleche powdered milk, Colombina (Peter Paul chocolates), Dow Chemical agriculture products, Sony (sound and video equipment).

G. Meza y Ted Bates, Bogota, reports gross income of $1,618,000 on billings of $10,786,400 for 1981, as compared to gross income of $1,055,066 on billings of $7,037,329 for 1980. (In local currency, gross income was Ps 86,982,000 on billings of Ps 579,880,000 for 1981, as compared to gross income of Ps 56,724,300 on billings of Ps 378,351,100 for 1980.) Media breakdown: Newspapers 16%, magazines 13%, radio 9%, tv 54%, outdoor 1%, point of sale 7%. Employes: 70 in 1981; 50 in 1980. Accounts gained: Confecciones Caribu, Beiersdorf, Fiduciaria Colmena, Industrias Noel, Indecsa, Musitalia, Promotora Colmena, Proaves. Lost: Diner's Club, General Electric.

Publicidad Artefilme, Bogota, in association with NCK Ltd., New York, only reports billings of $3,000,000 for 1981. (In local currency, billings were Ps 16,128,000 for 1981.)

Puma Publicidad, Bogota, reports gross income of $1,950,000 on billings of $8,650,000 for 1981, as compared to gross income of $1,393,680 on billings of $6,249,600 for 1980. (In local currency, gross income was Ps 104,830,000 on billings of Ps 465,053,000 for 1981, as compared to gross income of Ps 74,929,000 on billings of Ps 336,000,000 for 1980.) Media breakdown: Newspapers 19%, magazines 4%, radio 16%, tv 40%, outdoor 5%, point of sale 10%, cinema 1%, merchandising services and special events 5%. Employes: 60. Accounts gained: Merck Laboratories, Papeles Suaves (kitchen and bath tissues), Levapan (jellies), Uni-Royal, Croydon (new shoes line), Coca-Cola, Esso (institutional campaign and lubricants), Valher men's suits, Valyin jeans. Lost: Postobon beverages, Caribu informal clothes, Concasa savings account.

Jaime Uribe & Asociados, Medellin, reports only billings of $5,022,000 for 1981, as compared to billings of $3,441,000 for 1980. (In local currency, billings were Ps 270,000,000 for 1981 and Ps 185,000,000 in 1980.) Media breakdown: Newspapers 25%, magazines 5%, radio 10%, tv 43%, outdoor 2%, point of sale 15%. Employes: 40 in 1981; 30 in 1980. Accounts gained: Pintuco paints, Cadena de Almacenes Ley, Volkswagen de Colombia, Karla beer, Helados La Fuente. Lost: Centro Honda de Antioquia. The agency's sister agency, Conambiente Publicidad, gained Banco Comercial Antioqueno, Hotel Intercontinental Medellin, Conconcreto (builders).

COSTA RICA

The same 1981 average annual exchange rate of .1162 dollars to the colon was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 0.7% depreciation of the colon against the dollar based on the colon's 1980 exchange rate of .117.

APCU de Costa Rica, San Jose, reports gross income of $350,000 on billings of $2,331,000 for 1981, as compared to gross income of $273,000 on billings of $1,820,000 for 1980. (In local currency, gross income was Colon 5,000,000 on billings of Colon 33,300,000 for 1981, as compared to gross income of Colon 3,900,000 on billings of Colon 26,000,000 for 1980.) Media breakdown: Newspapers 10%, radio 15%, tv 75%. Employes: 14. Accounts gained: Copa (Panama Airlines).

McCann-Erickson Centroamericana (Costa Rica), San Jose, reports gross income of $679,000 on billings of $4,529,000 for 1981, as compared to gross income of $474,000 on billings of $3,162,000 for 1980. (In local currency, gross income was Colon 9,570,000 on billings of Colon 63,832,000 for 1981, as compared to gross income of Colon 6,673,000 on billings of Colon 44,509,000 for 1980.) Accounts gained: PLN, IAT (snacks), Crolls washing machine, Burroughs, Ortho (Chevron, insecticides), ADE (Tronaditos, Soplitos), Polymer (Polypak), Dow Chemical fertilizers, Heublein (KFC).

Publicidad Siboney, San Jose, in association with NCK Ltd., New York, only reports billings of $1,900,000 for 1981. (In local currency, billings were Colon 16,359,000 for 1981.)

CURACAO

Curacao had the same average annual exchange rate of .559 dollars to the NA florin in both 1981 and 1980.

R.J. Dovale Advertising, Willemstad, reports gross income of $247,762 on billings of $1,598,464 for 1981, as compared to gross income of $237,890 on billings of $1,881,890 for 1980. (In local currency, gross income was NAfl 443,494 on billings of NAfl 2,861,251 for 1981, as compared to gross income of NAfl 425,824 on billings of NAfl 3,368,586 for 1980.) Media breakdown: Newspapers 20%, radio 12%, tv 60%, transit 1%, cinema 1%, production 6%. Employes: 17. Accounts gained: Duracell batteries, Warner-Lambert, Curacao Oil Terminal, Bristol-Myers, Mennen.

CYPRUS

The same 1981 average annual exchange rate of 2.31 dollars to the Cyprus pound was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a depreciation of 18.4% of the C pound against the dollar based on the C pound's 1980 exchange rate of 2.83.

Impact/BBDO International, based in Nicosia and with offices in Kuwait, Beirut and Cairo, reports gross income of $2,593,000 on billings of $17,300,000 for 1981, as compared to gross income of $2,120,118 on billings of $13,536,138 for 1980. (In local currency, gross income was C£1,122,511 on billings of C£7,489,177 for 1981, as compared to gross income of C£917,800 on billings of C£5,859,800 for 1980.) Media breakdown: Newspapers 23%, magazines 47%, radio 11%, tv 16%, cinema 3%. Employes: 84. Accounts gained: Sopexa, Francepac.

DENMARK

The same 1981 average annual exchange rate of .1419 dollars to the Danish kroner was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 22.1% depreciation of the D kroner against the dollar based on the D kroner's 1980 exchange rate of .1822.

a-reklame, Silkeborg, only reports billings of $2,540,000 for 1981, as compared to billings of $2,653,530 for 1980. (In local currency, billings were Dkr17,900,000 for 1981, as compared to billings of Dkr18,700,000 for 1980.) Employes: 22.

Ted Bates, Copenhagen, reports gross income of $3,570,000 on billings of $23,683,000 for 1981, as compared to gross income of $3,134,000 on billings of $20,717,000 for 1980. (In local currency, gross income was Dkr25,156,000 on billings of Dkr166,897,000 for 1981, as compared to gross income of Dkr22,089,000 on billings of Dkr145,999,000 for 1980.) Media breakdown: Newspapers 43%; magazines 26%; supplements 7%; outdoor 9%; business press 10%; cinema 2%; other 3%. Employes: 80. Accounts gained: Bang & Olufsen, Dandy (partly), S. Dyrup & Co., Privatbanken (partly), Elizabeth Arden, Louis Poulsen, Buch & Deichmann, Data General. Accounts lost: Intervision, Freia.

Benton & Bowles, Copenhagen, reports gross income of $187,308 on billings of $1,250,000 for 1981, as compared to gross income of $243,358 on billings of $1,623,335 for 1980. (In local currency, gross income was Dkr1,320,000 on billings of Dkr8,805,000 for 1981, as compared to gross income of Dkr1,715,000 on billings of Dkr11,440,000 for 1980.) Media breakdown: Newspapers 21%; magazines 5%; business press 5%; creative work and printed matter 69%. Employes: 6.

Bergenholz & Arnesen, Copenhagen, reports gross income of $1,023,100 on billings of $4,982,000 for 1981, as compared to gross income of $973,700 on billings of $4,990,000 for 1980. (In local currency, gross income was Dkr7,210,000 on billings of Dkr35,109,000 for 1981, as compared to gross income of Dkr6,862,000 on billings of Dkr35,170,000 for 1980.) Media breakdown: Newspapers 80%; magazines 10%; outdoor 1%; business press 9%. Employes: 21. Accounts gained: Kodak, Faxe light beer. Accounts lost: Ali coffee, Karhu-Titan, Faxe draught beer.

Leo Burnett, Copenhagen, reports gross income of $1,115,475 on billings of $7,440,243 for 1981, as compared to gross income of $838,203 on billings of $5,590,850 for 1980. (In local currency, gross income was Dkr7,861,000 on billings of Dkr52,433,000 for 1981, as compared to gross income of Dkr5,907,000 on billings of Dkr39,400,000 for 1980.) Employes: 28. Account gained: Beruvais.

Compton Denmark, Copenhagen, reports gross income of $783,000 on billings of $5,222,000 for 1981, as compared to gross income of $759,165 on billings of $5,063,700 for 1980. (In local currency, gross income was Dkr5,517,000 on billings of 36,798,000 for 1981, as compared to gross income of Dkr5,350,000 on billings of Dkr35,685,000 for 1980.) Media breakdown: Newspapers 28%; magazines 17%; outdoor 2%; business press 5%; farm press 7%; point of sale 10%; cinema 2%; local weekly papers 14%; direct mail 5%; printed material 10%. Employes: 18 in 1981 as compared to 27 in 1980. Accounts gained: Multifoods—confectionery, Deutz Fahr—agricultural machines, Empera—Humanic shoes; Electrolux—catering equipment. Account lost: John Deere & Co.—agricultural machines.

DEA/Grey, Copenhagen, reports gross income of $844,000 on billings of $5,165,000 for 1981, as compared to gross income of $739,000 on billings of $4,591,000 for 1980. (In local currency, gross income was Dkr 5,947,000 on billings of Dkr 36,398,000 for 1981, as compared to gross income of Dkr 5,208,000 on billings of Dkr 32,348,000 for 1980.) Media breakdown: Newspapers 33%; magazines 11%; supplements 6%; outdoor 5%; business press 13%; farm press 16%; transit advertising 3%; cinema 2%; other countries 11%. Employes: 18. Accounts gained: Tjaereborg Reiser packaged tours, Skjold Burne (wine), Mothercare, BL's Leyland tractors, Unipart Ltd.

D'Arcy-MacManus & Masius, Copenhagen, reports gross income of $1,323,000 on billings of $9,354,000 for 1981, as compared to gross income of $1,354,000 on billings of $9,770,000 for 1980. (In local currency, gross income was Dkr9,323,000 on billings of Dkr65,920,000 for 1981, as compared to gross income of Dkr9,541,000 on billings of Dkr68,854,000 for 1980.) Media breakdown: Newspapers 41%; magazines 45%; outdoor 1%; business press 4%; cinema 9%. Employes: 38. Accounts gained: Coleman camping equipment, Combicamp caravans, IFB Atomiska Bandage—nursing equipment, McDonald's fast food, Rejker textiles—knitwear. Accounts lost: Gilcodan textiles, Philips radio—video products, Wasa crispbread.

Ervaco Kobenhavn, Copenhagen, reports gross income of $225,000 on billings of $1,485,000 for 1981, as compared to gross income of $325,000 on billings of $2,160,000 for 1980. (In local currency, gross income was Dkr1,570,000 on billings of Dkr10,470,000 for 1981, as com-

pared to gross income of Dkr2,280,000 on billings of Dkr15,210,000 for 1980.) Employes: 7.

Foote, Cone & Belding, Copenhagen, reports gross income of $328,628 on billings of $2,191,949 for 1981, as compared to gross income of $818,437 on billings of $5,458,978 for 1980. (In local currency, gross income was Dkr2,315,914 on billings of Dkr15,447,146 for 1981, as compared to gross income of Dkr5,767,700 on billings of Dkr38,470,600 for 1980.) Media breakdown: Newspapers 52.04%; magazines 27%; supplements 4.95%; outdoor 2.95%; business press 11.64%; international media 1.36%. Employes: 10 in 1981 as compared to 21 in 1980.

Gutenberghus Reklamebureau, Copenhagen, reports gross income of $2,090,000 on billings of $13,349,000 for 1981, as compared to gross income of $2,316,943 on billings of $15,182,000 for 1980. (In local currency, gross income was Dkr14,730,000 on billings of Dkr94,075,000 for 1981, as compared to gross income of Dkr16,328,000 on billings of Dkr106,989,000 for 1980.) Media breakdown: Newspapers 66%; magazines 12%; outdoor 13%; business press 7%; cinema 1%; other 1%. Employes: 51. Accounts gained: Hugin cash registers, Control Data, Employers Union. Accounts lost: BLMC cars, Heinrich Jessen chocolate, Donald Duck.

Intermarco-Farner A/S Pro-Media, Copenhagen,part of the Publicis Intermarco-Farner International network, reports gross income of $1,064,250 on billings of $7,095,000 for 1981, as compared to gross income of $1,064,250 on billings of $7,095,000 for 1980. (In local currency, gross income was Dkr7,500,000 on billings of Dkr50,000,000 for 1981, as compared to gross income of Dkr7,500,000 on billings of Dkr50,000,000 for 1980.) Media breakdown: Newspapers 60%; magazines 25%; outdoor 5%; business press 5%; cinema 5%. Employes: 26.

Jersild, Lund & Lommer/BBDO, Copenhagen, reports gross income of $2,016,000 on billings of $14,240,658 for 1981, as compared to gross income of $1,494,207 on billings of $9,519,078 for 1980. (In local currency, gross income was Dkr 14,207,000 on billings of Dkr 100,357,000 for 1981, as compared to gross income of Dkr 10,530,000 on billings of Dkr 67,083,000 for 1980.)

Lintas Reklamebureau, Copenhagen, reports gross income of $1,971,000 on billings of $13,421,000 for 1981, as compared to gross income of $1,595,000 on billings of $10,920,000 for 1980. (In local currency, gross income was Dkr 13,888,000 on billings of Dkr 94,564,000 for 1981, as compared to gross income of 11,234,000 on billings of Dkr 76,928,000 for 1980.) Media breakdown: Newspapers 44%; magazines 26%; outdoor 5%; business press 7%; point of sale 12%; cinema 6%. Employes: 41. Accounts gained: Bayer Kemi, Mercury outdoor motors, Ceres beer, Ali Kaffe, Margarine-Selskabet Flora remoulade and mayonnaise.

Lockey, Norman, Craig & Kummel, Copenhagen, reports gross income of $1,035,000 on billings of $6,900,000 for 1981, as compared to gross income of $703,256 on billings of $4,688,944 for 1980. (In local currency, gross income was Dkr7,296,750 on billings of Dkr48,645,000 for 1981, as compared to gross income of Dkr4,956,000 on billings of Dkr33,040,000 for 1980.) Employes: 22. Accounts gained: Schweppes, BMW automobiles.

Lyre & Valbo Reklamebureau, Copenhagen, reports gross income of $1,032,000 on billings of $6,596,000 for 1981, as compared to gross income of $881,000 on billings of $5,697,000 for 1980. (In local currency, gross income was Dkr 7,270,000 on billings of Dkr46,483,000 for 1981, as compared to gross income of Dkr6,206,000 on billings of Dkr40,145,000 for 1980.) Media breakdown: Newspapers 50%; magazines 20%; outdoor 4%; business press 3%; point of sale 20%; cinema 3%. Employes: 31. Account gained: Jolly Time—soft drink. Account lost: Benckiser detergent.

McCann-Erickson (Denmark), Copenhagen, reports gross income of $729,082 on billings of $4,862,913 for 1981, as compared to gross income of $840,474 on billings of $5,605,900 for 1980. (In local currency, gross income was Dkr 5,138,000 on billings of Dkr 34,270,000 for 1981, as compared to gross income of Dkr 5,923,000 on billings of Dkr 39,506,000 for 1980.) Employes: 19. Accounts gained: Danish Fancy Food Group (confectionery), Texas Instruments, Andelspensionsforeningen (insurance).

Ogilvy & Mather Reklamebureau, Copenhagen, reports gross income of $1,766,000 on billings of $12,051,000 for 1981, as compared to gross income of $1,750,000 on billings of $11,939,000 for 1980. (In local currency, gross income was Dkr12,449,000 on billings of Dkr84,927,000 for 1981, as compared to gross income of Dkr12,333,000 on billings of Dkr84,141,000 for 1980.) Media breakdown: Newspapers 48%; magazines 22%; outdoor 3%; business press 16%; transit advertising 9%; cinema 2%. Employes: 53. Accounts gained: B&S building technique, Royal Copenhagen porcelain, De Forenede Kreditforeninger - mortgage loans, Copenhagen Tourist Board, Oce, Philips audio/video, Playtex-Wallco, Whittaker Int. Services.

scan-ad reklamebureau, Copenhagen, only reports billings of $10,387,080 for 1981, as compared to billings of $9,684,675 for 1980. (In local currency, billings were Dkr73,200,000 for 1981, as compared to billings of Dkr68,250,000 for 1980.) Media breakdown: Newspapers 38%; magazines 11%; supplements 8%; business press 6%; farm press 2%; point of sale 33%; cinema 2%.

J. Walter Thompson, Copenhagen, reports gross income of $926,500 on billings of $4,349,000 for 1981, as compared to gross income of $799,474 on billings of $3,845,400 for 1980. (In local currency, gross income was Dkr 6,529,000 on billings of Dkr 30,650,000 for 1981, as compared to gross income of Dkr 5,634,065 on billings of Dkr 27,099,100 for 1980.) Media breakdown: Newspapers 48%; magazines 25%; outdoor 7%; business press 6%; transit advertising 4%; point of sale 4%; cinema 6%. Employes: 20. Accounts gained: Mateus Rose, De Beers. Account lost: Nestle.

Weber & Sorensen, Arhus, reports gross income of $736,177 on billings of $4,576,200 for 1981, as compared to gross income of $886,875 on billings of $5,349,800 for 1980. (In local currency, gross income was Dkr 5,188,000 on billings of Dkr 32,249,000 for 1981, as compared to gross income of Dkr 6,250,000 on billings of Dkr 37,701,000 for 1980.) Media breakdown: Newspapers 41.5%; magazines 8.7%; outdoor 1.6%; trade papers 26.1%; weekly district papers 22.7%. Employes: 29.

Young & Rubicam, Copenhagen, reports gross income of $1,609,000 on billings of $10,732,000 for 1981, as compared to gross income of $1,653,000 on billings of $11,025,000 for 1980. (In local currency, gross income was Dkr11,336,000 on billings of Dkr75,630,550 for 1981, as compared to gross income of Dkr11,651,000 on billings of Dkr77,695,380 for 1980.) Y&R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 49%; magazines 25%; outdoor 6%; business press 11%; cinema 1%; local district papers 8%. Employes: 38. Accounts gained: BP, Johnson & Johnson, Kodak, Monsanto, Moulinex. Accounts lost: Bristol-Myers, ISS Catering.

DOMINICAN REPUBLIC

The DM peso tracks the dollar at 1 peso — $1.

Marca-Leo Burnett, Santo Domingo, reports gross income of $1,056,000 on billings of $7,043,000 for 1981. The agency did not report for 1980. Employes: 53. Accounts gained: Cerveceria Bohemia (Miller's), Suzuki. Lost: Honda, Banco Hipotecario.

McCann-Erickson Corp., Santo Domingo, reports gross income of $33,000 on billings of $220,000 for 1981. It did not report for 1980. Employes: Six. Accounts gained: Coca-Cola, Esso, Warner-Lambert, Hiroca.

Publicidad Siboney, Santo Domingo, in association with NCK Ltd., New York, only reports billings of $1,800,000 for 1981.

Unitros Dominicana Extensa, Santo Domingo, reports gross income of $180,008 on billings of $731,207 for 1981. It did not report for 1980.

Young & Rubicam Damaris, Santo Domingo, reports gross income of $1,139,000 on billings of $7,597,000 for 1981, as compared to gross income of $1,044,000 on billings of $6,963,000 for 1980. Y&R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 10%, magazines 1%, radio 15%, tv 26%, outdoor 1%, cinema 1%, production 21%, research 1%, services 24%. Employes: 52. Accounts gained: Alfonso's Decoraciones, Del Rio Sone, Asociacion Comercial. Lost: Asociacion Cibao de Ahorros y Prestamos n Font Gamundy, Eastern Airlines.

DUBAI

The same 1981 average annual exchange rate of .2730 dollars to the Dubai (UAE) dirham was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out an appreciation of 1.1% against the dollar based on the dirham's 1980 exchange rate of .270.

Caspian Middle East, Deira, a branch of Caspian in Iran, reports gross income of $124,000 on billings of $830,000 for 1981. It did not report for 1980. (In local currency, gross income was Dirhams 495,000 on billings of Dirhams 3,300,000.) Media breakdown: Newspapers 30%, tv 35%, point of sale 30%, other 5%. Employes: 8. Accounts gained: Eveready batteries (Energizer, collateral), Carrier room air-conditioners, Brown & Williamson (Kent, Kent Golden Lights, Viceroy), Lipton Tea Co. (tea and coffee and collateral), Inter-Consort (Mitsubishi pencils), Al Ola (Delico, Ola Ghee, Ziba detergent, Choco wafers, Tuc biscuits).

Lintas Middle East, Dubai, reports gross income of $641,000 on billings of $3,457,000 for 1981, as compared to gross income of $552,000 on billings of $3,247,000 for 1980. (In local currency, gross income was Dirhams 2,358,000 on billings of Dirhams 12,700,000 for 1981, as compared to gross income of Dirhams 2,030,000 on billings of Dirhams 11,928,000 for 1980.) Media breakdown: Newspapers 15%, magazines 11%, supplements 1%, radio 3%, tv 70%. Employes: 18. Accounts gained: Hyatt Regency Hotel, Boeing. Lost: DHL.

ECUADOR

The same 1981 average annual exchange rate of .0348 dollars to the Ecuadorian sucre was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 14.9% depreciation of the sucre against the dollar based on the sucre's 1980 exchange rate of .0409.

McCann-Erickson (Ecuador) Publicidad, Guayaquil, reports gross income of $1,118,124 on billings of $7,457,884 for 1981, as compared to gross income of $813,000 on billings of $5,423,000 for 1980. (In local currency, gross income was Sucre 32,130,000 on billings of Sucre 214,307,000 for 1981, as compared to gross income of Sucre 23,362,000 on billings of Sucre 155,825,000 for 1980.) Employes: 51. Accounts gained: Alban Borja (shopping mall), Chamber of Commerce (free enterprise campaign), Bunky Shoes, Budget Rent-a-Car, Banco Ecuatoriano Venezolano, Ray-O-Vac batteries, AHP (Black Flag), Andina Licores (Boone's Farms wines, Andree champagne, Gallo wines), Sherwin Williams, Aeroperu, Molinos Champion, Casa Moeller Martinez (Parche Leon—Medicated Path), Johnson & Johnson Pantishield. Lost: Myrurgia cosmetics, La Curacao major appliances.

Publicidad Artefilme, Guyaquil, in association with NCK Ltd., New York, only reports billings of $3,000,000 for 1981. (In local currency, billings were Sucre 86,220,000 for 1981.)

Veritas Publicitaria, Guayaquil, reports gross income of $483,700 on billings of $2,651,800 for 1981. It did not report for 1980. (In local currency, gross income was Sucre 13,900,000 on billings of Sucre 76,200,000.) Media breakdown: Newspapers 20%, magazines 8%, radio 3%, tv 65%, outdoor 1%, point of sale 2%, cinema 1%. Employes: 26. Accounts gained: San Airlines, Filanbanco, Filancard, Visa, Seagrams, Jaemsa, Saeta Airlines, Seg Guros Rocafuerte, Banco del Progreso, Transcafe. Lost: None.

EL SALVADOR

El Salvador had the same average annual exchange rate of .40 colon to the dollar in 1981 and 1980.

APCU de El Salvador, San Salvador, reports gross income of $200,000 on billings of $1,332,000 for 1981, as compared to gross income of $195,000 on billings of $1,300,000 for 1980. (In local currency, gross income was Colon 500,000 on billings of Colon 3,330,000 for 1981, as compared to gross income of Colon 487,500 on billings of Colon 3,250,000 for 1980.) Media breakdown: Newspapers 15%, radio 25%, tv 60%. Employes: Eight.

McCann-Erickson Centroamericana (El Salvador), San Salvador, reports gross income of $311,000 on billings of $2,074,000 for 1981, as compared to gross income of $240,000 on billings of $1,601,000 for 1980. (In local currency, gross income was Colon 770,000 on billings of Colon 5,136,000 for 1981, as compared to gross income of Colon 595,000 on billings of Colon 3,969,000 for 1980.) Em-

EL SALVADOR

ployes: 21. Accounts gained: Almacenes EFE department store, Colosal housing loans. Lost: Freund (Sherwin Williams paints).

EGYPT

The same 1981 average annual exchange rate of 1.25 dollars to the Egyptian pound was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 12.5% depreciation of the E pound against the dollar based on the E pound's 1980 exchange rate of 1.429.

Advertising & Marketing Assn./Leo Burnett, Cairo, reports gross income of $196,250 on billings of $1,308,750 for 1981, the first year of reporting. (In local currency, gross income was E£157,000 on billings of E£1,047,000.)

S.E.P., Cairo, reports only billings of $37,602,841 for 1981, as compared to billings of $28,925,262 for 1980. (In local currency, billings were E£30,082,273 for 1981 and E£23,140,210 in 1980.) Media breakdown: Newspapers 22%, magazines 6%, supplements 3%, radio 12%, tv 13%, outdoor 20%, business 4%, cinema 20%. Employes: 360.

FINLAND

The same 1981 average annual exchange rate of .2333 dollars to the Finnish markka was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 14.7% depreciation of the markka against the dollar based on the markka's 1980 exchange rate of .2734.

AC Mainos, Helsinki, reports gross income of $2,140,000 on billings of $9,853,000 for 1981, as compared to gross income of $1,587,000 on billings of $7,659,000 for 1980. (In local currency, gross income was Fmk9,200,000 on billings of Fmk42,200,000 for 1981, as compared to gross income of Fmk6,800,000 on billings of Fmk32,800,000 for 1980.)

Media breakdown: Newspapers 27.3%; magazines 18.5%; tv 33.2%; outdoor 0.9%; business press 18.3%; cinema 0.3%; direct mail 0.9%; other 0.6%. Employes: 49.

Ajan Mainos Oy, Helsinki, reports gross income of $335,261 on billings of $2,119,567 for 1981, as compared to gross income of $251,283 on billings of $1,920,245 for 1980.

(In local currency, gross income was Fmk 1,437,039 on billings of Fmk 9,085,157 for 1981, as compared to gross income of Fmk 1,077,080 on billings of Fmk 8,230,799 for 1980.) Media breakdown: Newspapers 66%; magazines 20%; tv and traffic 2%; outdoor 8%; direct mail 2%; others 2%. Employes: 13.

D'Arcy-MacManus & Masius Oy AB, Helsinki, reports gross income of $599,000 on billings of $3,996,000 for 1981, as compared to gross income of $475,000 on billings of $3,167,000 for 1980. (In local currency, gross income was Fmk2,568,000 on billings of Fmk17,128,000 for 1981, as compared to gross income of Fmk2,038,000 on billings of Fmk13,575,000 for 1980.) Media breakdown: Newspapers 12%; magazines 30%; tv 52%; outdoor 1%; business press 5%. Employes: 16. Accounts gained: Oy Rukka AB, Lasitukku Oy, Fennia Insurance. Account lost: Nautor.

Oy Ervaco Ab, Helsinki, reports gross income of $1,035,000 on billings of $6,905,000 for 1981, as compared to gross income of $915,000 on billings of $6,115,000 for 1980. (In local currency, gross income was Fmk4,430,000 on billings of Fmk29,600,000 for 1981, as compared to gross income of Fmk3,930,000 on billings of Fmk26,215,000 for 1980.) Employes: 33.

Erva-Latvala Oy, Helsinki, reports gross income of $2,301,270 on billings of $19,152,490 for 1981, as compared to gross income of $2,127,695 on billings of $15,152,490 for 1980. (In local currency, gross income was Fmk9,864,000 on billings of Fmk82,093,825 for 1981, as compared to gross income of Fmk9,120,000 on billings of Fmk68,307,000 for 1980.) Media breakdown: Newspapers 41.2%; magazines 21.7%; tv 20%; outdoor 1%; direct mail 16.1%. Employes: 85.

Finnad Advertising Agency, Helsinki, reports gross income of $2,560,000 on billings of $17,543,450 for 1981, as compared to gross income of $2,158,025 on billings of $14,361,180 for 1980. (In local currency, gross income was Fmk10,973,000 in 1981 on billings of Fmk75,197,000, compared with gross income of Fmk9,250,000 on billings of Fmk61,599,600 for 1980.) Media breakdown: Newspapers 25%; magazines 28%; tv 24%; outdoor 2%; point of sale 5%; cinema 1%; direct mail/printed matter 12%; other 3%. Employes: 62. Accounts gained: Vaeritukku (wholesale), JVC stereos and video, Daihatsu cars, John Deere agricultural machines.

Oy Goodwill Ab, Helsinki, reports gross income of $235,000 on billings of $1,858,000 for 1981, as compared to gross income of $218,600 on billings of $1,756,050 for 1980. (In local currency, gross income was Fmk1,007,000 on billings of Fmk7,963,000 for 1981, as compared to gross income of Fmk937,000 on billings of Fmk7,527,000 for 1980.) Media breakdown: Newspapers 15%; magazines 37%; tv 47%; other 1%. Employes: Seven. Accounts gained: Aksjeselskapet Freia, Ekstroems Livsmedelsprodukter. Filmitalo Oy, Monsanto Europe, Tarja Niskanen Ky, Oy Nordic Video Ab, Olivetti (Suomi) Oy, Swedish Trade Commission. Accounts lost: Forste Oy, Oy Gustav Paulig Ab.

Oy Interplan Ab, Helsinki, reports gross income of $1,265,000 on billings of $9,793,000 for 1981, as compared to gross income of $995,700 on billings of $7,800,300 for 1980. (In local currency, gross income was Fmk5,423,000 on billings of Fmk41,975,900 for 1981, as compared to gross income of Fmk4,268,000 on billings of Fmk33,434,800 for 1980.) Media breakdown: Newspapers 30%; magazines 48%; tv 20%; outdoor 1%; direct mail 1%. Employes: 38. Accounts gained: Aga earth energy system, *Hufvudstadsbladet*, Kraft salad dressing, Bukowski (Swedish art and antique auctions), Mercury outboard motors, Minolta office copying systems, Bosch household appliances.

Lahti Mainos Oy, Lahti, reports gross income of $629,900 on billings of $4,081,500 for 1981, as compared to gross income of $491,800 on billings of $3,483,100 for 1980. (In local currency, gross income was Fmk2,700,000 on billings of Fmk17,495,000 for 1981, as compared to gross income of Fmk3,571,000 on billings of Fmk28,524,000 for 1980.) Media breakdown: Newspapers 40.5%; magazines 36%; supplements 0.7%; tv 18.8%; outdoor 1.6%; cinema 0.5%; other 1.9%. Employes: 32. Accounts gained: Raision Tehtaat, Wrigley Scandinavia. Account lost: Siltala Yachts Oy.

Lintas Oy, Helsinki, reports gross income of $2,461,000 on billings of $16,272,000 for 1981, as compared to gross income of $2,440,000 on billings of $16,467,000 for 1980. (In local currency, gross income was Fmk10,551,000 on billings of Fmk69,750,000 for 1981, as compared to gross income of Fmk10,458,000 on billings of Fmk70,584,000 for 1980.) Media breakdown: Newspapers 11%; magazines 15%; tv 74%. Employes: 56. Accounts gained: Sinebrychoff beer and soft drinks, Rautaruukki building material, Jalostaja prepared meats, Generale Biscuit LU.

Finland's three biggest dailies judged the three ads shown within this composite ad appearing in* Helsingin Sanomat *the best three color ads in 1981. Top prize was won by Oy AC-mainos Ab for Fazer's Kesti-bread (top); second place by Mainosrengas Oy for Solive-margarine (middle), and third place again by Oy AC-mainos Ab for Mobil Super.

Kauppamainos Oy, Helsinki, reports gross income of $886,540 on billings of $7,395,600 for 1981, as compared to gross income of $653,240 on billings of $5,211,690 for 1980. (In local currency, gross income was Fmk3,800,000 on billings of Fmk31,700,000 for 1981, as compared to gross income of Fmk2,800,000 on billings of Fmk22,339,000 for 1980.) Media breakdown: Newspapers 45%; magazines 25%; tv 10%; outdoor 6%; business press 4%; direct mail 10%. Employes: 19. Accounts gained: Betox Oy, Suomen Vaeri Oy, Teknopiste Oy. Account lost: Oy Lohja Ab (Sharp).

Mainostoimisto LSM Oy, Turku, reports gross income of $837,000 on billings of $6,596,000 for 1981, as compared to gross income of $833,115 on billings of $6,655,000 for 1980. (In local currency, gross income was Fmk3,587,000 on billings of Fmk28,272,000 for 1981, as compared to gross income of Fmk2,108,000 on billings of Fmk14,930,000 for 1980.) Gross income and billings figures for 1981 are estimates. Media breakdown: Newspapers 51.1%; magazines 40.4%; tv 7.2%; other 1.3%. Employes: 23. Accounts gained: Mallasjuoma Oy, Starckjohann/Skiidoo, Terveydenhuoltoalan Keskusjaerjestoe.

Oy Liikemainonta-McCann, Helsinki, reports gross income of $4,261,000 on billings of $28,421,000 for 1981, as compared to gross income of $3,384,000 on billings of $22,571,000 for 1980. (In local currency, gross income was Fmk 18,265,000 on billings of Fmk121,828,000 for 1981, as compared to gross income of Fmk 14,504,000 on billings of Fmk 96,742,000 for 1980.) Employes: 96. Accounts gained: Hackman building elements, Tampereen Jalkine (shoe retailer), Finnprofile bras and women's underwear, *Uusi Suomi*, *Iltalehti* afternoon paper, Texman (chain of textile stores), Matka-Kaleva travel agency, Texas Instruments calculators and data equipment, Helsingin Puhelinyhdistys (telephone company). Accounts lost: Labor/John Deere (agricultural equipment), Playtex (mouth hygiene, glue, household products), Brio toys, Info (chain of book stores).

MK-mainos oy, Helsinki, reports gross income of $1,987,000 on billings of $22,161,000 for 1981, as compared to gross income of $1,515,000 on billings of $18,105,000 for 1980. (In local currency, gross income was Fmk 8,519,000 on billings of Fmk 94,991,000 for 1981, as compared to gross income of Fmk 6,494,000 on billings of Fmk 77,602,000 for 1980.) Media breakdown: Newspapers 36%; magazines 18%; tv 44%; outdoor 2%. Employes: 69.

Mainoskenttae Oy, Tampere, reports gross income of

$886,540 on billings of $5,902,500 for 1981, as compared to gross income of $769,890 on billings of $3,779,500 for 1980. (In local currency, gross income was Fmk3,800,000 on billings of Fmk25,300,000 for 1981, as compared to gross income of Fmk3,300,000 on billings of Fmk16,200,000 for 1980.) Media breakdown: Newspapers 54.6%; magazines 35.5%; tv 6.3%; outdoor 0.5%; cinema 0.1%; direct mail 1.5%; other 1.5%. Employes: 32. Accounts gained: Yhtyneet Paperitehtaat Oy, Oy Electrolux Ab/Partner, Visuvesi Oy, Oy Tampella Ab, Winter Oy.

Mainosrengas Oy, Helsinki, reports gross income of $3,499,500 on billings of $27,778,760 for 1981, as compared to gross income of $2,964,800 on billings of $24,650,000 for 1980. (In local currency, gross income was Fmk15,000,000 on billings of Fmk119,068,838 for 1981, as compared to gross income of Fmk12,708,114 on billings of Fmk105,655,700 for 1980.) Media breakdown: Newspapers 64%; magazines 5%; supplements 3%; tv 21%; outdoor 1%; business press 6%. Employes: 116 in 1981 as compared to 166 for 1980.

Mainosyhtyma Oy, Helsinki, reports estimated gross income of $4,292, 720 on billings of $32,526,453 for 1981, as compared to gross income of $3.503,700 on billings of $30,012,879 for 1980.

(In local currency, estimated gross income was Fmk18,400,000 on billings of Fmk139,419,000 for 1981, as compared to gross income of Fmk15,018,000 on billings of Fmk128,645,000 for 1980.) Media breakdown: Newspapers 45.1%; magazines 20.7%; tv 32.4%; outdoor 1.4%; cinema 1.1%; direct response 0.3%. Employes: 131.

Ogilvy & Mather Oy, Helsinki, reports gross income of $1,052,842 on billings of $8,011,738 for 1981, as compared to gross income of $901,404 on billings of $6,922,364 for 1980. (In local currency, gross income was Fmk4,512,825 on billings of Fmk34,388,075 for 1981, as compared to gross income of Fmk3,863,712 on billings of Fmk29,671,512 for 1980.) Media breakdown: Newspapers 40%; magazines 14%; tv 30%; outdoor 1%; business press 12%; cinema 2%; direct mail 1%. Employes: 34.

Accounts gained: American Express Co., Besta, Volvo leasing cars, spare parts, Union Bank of Finland (partly). Account lost: Espe Oy.

Pekka Vainio ja Kumppanit Oy, Helsinki, only reports billings of $2,776,270 for 1981, as compared to billings of $2,612,960 for 1980. (In local currency, billings were Fmk11,900,000 for 1981, as compared to billings of Fmk11,200,000 for 1980.) Media breakdown: Newspapers 55%; magazines 21%; tv 13%; outdoor 2%; business press 7%; point of sale 1%; cinema 1%. Employes: 18.

Mainostoimisto Prax Oy, Espoo, reports gross income of $326,620 on billings of $2,388,995 for 1981, as compared to gross income of $262,460 on billings of $2,004,050 for 1980. (In local currency, gross income was Fmk1,400,000 on billings of Fmk10,240,000 for 1981, as compared to gross income of Fmk1,125,000 on billings of Fmk8,590,000 for 1980.) Media breakdown: Newspapers 28%; magazines 20%; tv 21%; outdoor 5%; point of sale 3%; direct mail 23%. Employes: 11. Accounts gained: Viatek Oy, Oy Valitut Palat-*Reader's Digest* Ab, Yhtyneet Kuvalehdet Oy/Muoti | Kauneus, Pohja-yhtymae.

Reklamainos Oy, Helsinki, reports gross income of $859,898 on billings of $6,672,881 for 1981, as compared to gross income of $794,200 on billings of $5,579,761 for 1980. (In local currency, gross income was Fmk3,685,805 on billings of Fmk28,602,151 for 1981, as compared to gross income of Fmk3,404,212 on billings of Fmk23,916,680 for 1980.) Media breakdown: Newspapers 25.5%; magazines 13.9%; supplements 3%; tv 9.7%; outdoor 0.1%; business press 5%; transit advertising 1.2%; cinema 0.3%; trade journals 10%; foreign magazines 1%. Employes: 29.

Suomen Ilmoituskeskus Oy Ilmo, Helsinki, reports gross income of $1,320,000 on billings of $11,066,000 for 1981, as compared to gross income of $983,000 on billings of $6,953,000 for 1980. (In local currency, gross income was Fmk5,665,000 on billings of Fmk47,493,000 for 1981, as compared to gross income of Fmk4,217,000 on billings of Fmk29,838,000 for 1980.) Media breakdown: Newspapers 44%; magazines 27%; tv 28%; outdoor 1%. Employes: 33. Accounts gained: Digital Equipment Corp. Oy, Oy Raf, Haarla, Neste Oy, Postipankki, Wihuri Oy Autola.

Oy Mainos Taucher Reklam Ab, Helsinki, reports gross income of $3,702,400 on billings of $26,659,400 for 1981, as compared to gross income of $3,093,800 on billings of $21,920,700 for 1980. (In local currency, gross income was Fmk15,870,000 on billings of Fmk114,271,000 for 1981, as compared to gross income of Fmk13,261,000 on billings of Fmk93,959,000 for 1980.) Gross income and billings figures for 1981 are estimates. Media breakdown: Newspapers 26.9%; magazines 28.4%; tv 42.3%; other 2.4%. Employes: 119. Accounts gained: Amerplast plastic bags, DeBeers, Electrolux/Partner (chain saws), Lohikunta (fish farming coop), Seven-Up, Telenokia (telephone exchanges, radio links). Account lost: Hackman kitchenware.

Topitoermae Marketing, Helsinki, reports gross income of $995,724 on billings of $7,222,484 for 1981, as compared to gross income of $1,038,017 on billings of $9,055,777 for 1980. (In local currency, gross income was Fmk4,268,000 on billings of Fmk30,957,929 for 1981, as compared to gross income of Fmk4,449,281 on billings of Fmk38,816,019 for 1980.) Media breakdown: Newspapers 29.4%; magazines 33.2%; tv 36.2%; outdoor 0.6%; other 0.6%. Employes: 30. Accounts gained: Marketindex, Finnish Goldsmith's Assn., Finnish Pharmacologist's Assn. Accounts lost: Teboil Oil Co., A. Laaksonen paper wholesalers, Koff, Viapori beer, Frisco soft drinks.

Turkama & Kumppanit Oy Mainostoimisto, Helsinki, reports gross income of $3,569,490 on billings of $23,964,809 for 1981, as compared to gross income of $3,489,513 on billings of $23,450,538 for 1980. (In local currency, gross income was Fmk15,300,000 on billings of Fmk102,721,000 for 1981, as compared to gross income of Fmk14,957,193 on billings of Fmk100,516,670 for 1980.) Media breakdown: Newspapers 34%; magazines 16%; supplements 3%; tv 35%; outdoor 4%; business press 7%; cinema 1%. Employes: 90. Accounts gained: Asko Oy, Asko Trading (furniture export advertising), BrainTrainCenter, Oy Esso Ab (partly), Konekauppa Pellervo Oy (Massey Ferguson), Sokotel (hotel marketing), Vantaa City. Accounts lost: Oy Playtex, Wallco Ab (technochemical products), *Uusi Suomi Oy*. Wihuri Oy Sandudd (wallpaper).

Oy Valotorni Ab, Helsinki, reports gross income of $1,305,058 on billings of $11,554,210 for 1981, as compared to gross income of $1,061,503 on billings of $9,134,900 for 1980. (In local currency, gross income was Fmk5,593,906 on billings of Fmk49,525,121 for 1981, as compared to gross income of Fmk4,549,948 on billings of Fmk39,155,167 for 1980.) Media breakdown: Newspapers 38.4%; magazines 21.9%; tv 30.1%; outdoor 6%; cinema 0.7%. Employes: 36.

Markkinointi Viherjuuri Oy, Helsinki, reports gross income of $3,146,000 on billings of $19,605,000 for 1981, as compared to gross income of $2,741,000 on billings of $17,288,000 for 1980. (In local currency, gross income was Fmk13,484,000 on billings of Fmk84,036,000 for 1981, as compared to gross income of Fmk11,749,000 on billings of Fmk74,101,000 for 1980.) Media breakdown: Newspapers 37%; magazines 26%; tv 32%; other 4%. Employes: 70.

FRANCE

The same 1981 average annual exchange rate of .1858 dollars to the French franc was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 23.3% depreciation of the franc against the dollar based on the franc's 1980 exchange rate of .2422.

Alice, Paris, part of the EUROCOM/Univas agency network, reports gross income of $3,623,000 on billings of $24,154,000 for 1981, as compared to gross income of $3,065,700 on billings of $20,438,000 for 1980. (In local currency, gross income was FF19,500,000 on billings of FF130,000,000 for 1981, as compared to gross income of FF16,500,000 in 1980 on billings of FF110,000,000.)

Media breakdown: Newspapers 5%; magazines 31%; radio 41%; tv 8%; outdoor 14%; point of sale 1%. Employes: 40. Accounts gained include: Emmental cheese, Champignons de Paris, Colombine novelties, Tomy toys. Accounts lost: Greek tourism, 4 Temps (shopping center).

Ted Bates France, Puteaux, including subsidiaries CERCA and SEGESTE, reports gross income of $6,737,294 for 1981, as compared to gross income of $6,150,909 for 1980. (In local currency, gross income was FF36,261,000 for 1981, as compared to gross income of FF33,105,000 for 1980.) Agency does not supply billings figures. Media breakdown: Newspapers 1%; magazines 15%; radio 10%; tv 71%; outdoor 2%; cinema 1%. Employes: 150 in 1981 as compared to 128 in 1980. Accounts gained: Sauter laboratories (baby skin cream), Data General, Redland tiles, Wasa crispbread, Pechiney Ugine Kuhlmann (steel division), William Saurin (canned foods), Solo Moteurs (garden equipment).

Bazaine Publicite DFS, Paris, reports gross income of $5.574,000 on billings of $37,160,000 for 1981, as compared to gross income of $3,716,000 on billings of $26,941,000 for 1980. (In local currency, gross income was FF30,000,000 on billings of FF200,000,000 for 1981, as compared to gross income of FF20,000,000 on billings of FF145,000,000 for 1980.) Media breakdown: Newspapers 5%; magazines 19%; radio 12%; tv 30%; outdoor 12%; point of sale 11%; cinema 5%. Employes: 70 in 1981 as compared to 45 in 1980. Accounts gained: Conte pens, EGT answering machines and telecopiers, Noel sport shoes. Accounts lost: Peugeot cycles, Guy de Grenne cutlery.

Belier, Neuilly sur Seine, part of the EUROCOM/Univas network, reports gross income of $11,148,000 on billings of $74,320,000 for 1981, as compared to gross income of $9,197,100 on billings of $61,314,000 for 1980. (In local currency, gross income was FF60,000,000 on billings of FF400,000,000 for 1981, as compared to gross income of FF49,500,000 on billings of FF330,000,000 for 1980.) Media breakdown: Newspapers 4.5%; magazines 31%; radio 18.5%; tv 32%; outdoor 12.5%; cinema 1.5%. Employes: 159. Accounts gained: British Leyland France, Besmer SA, Amora BSN, Ouest France, Armand Thiery Sigrand, Dunlop.

Posteriors come a cropper in McCann-Erickson's American-motif ad for Levi's in France, and Mafia's pensive production for Yves Saint Laurent's Kouros scent, which the Paris-based agency prescribes "for the living gods."

Pour les dieux vivants. Kouros

YVES SAINT LAURENT

FRANCE

Benton & Bowles Publicite, Paris, reports gross income of $1.865,000 on billings of $12,439,000 for 1981, as compared to gross income of $1,460,000 on billings of $9,738,000 for 1980. (In local currency, gross income was FF10,037,000 on billings of FF66,947,000 for 1981, as compared to gross income of FF7,858,000 on billings of FF52,413,000 for 1980.) Media breakdown: Newspapers 1.5%; magazines 23%; radio 14%; tv 34%; outdoor 17%; business press 9.5%; cinema 1%. Employes: 27. Accounts gained: *Prisma*—women's magazine, Fleetguard diesel motor filters, Verkade biscuits, De Luze Cognac, Habourdin toys.

Leo Burnett, Paris, reports gross income of $2,736,000 on billings of $18,249,000 for 1981, as compared to gross income of $2,243,000 on billings of $14,962,000 for 1980. (In local currency, gross income was FF14,725,000 on billings of FF98,216,000 for 1981, as compared to gross income of FF12,073,000 on billings of FF80,527,000 for 1980.) Employes: 48. Accounts gained: Fila, *Femmes d'Aujourd'hui*, Nestle Maggi, Nestle new products. Accounts lost: Frigecrene, Kenwood, Elanco.

CLM/BBDO S.A., Paris, reports gross income of $3,903,000 on billings of $25,933,000 for 1981, as compared to gross income of $3,559,556 on billings of $23,708,080 for 1980. (In local currency, gross income was FF21,006,000 on billings of FF139,900,000 for 1981, as compared to gross income of FF19,158,000 on billings of FF127,600,000 for 1980.) Media breakdown: Newspapers 8%; magazines 32%; radio 3%; tv 41%; outdoor 14%; cinema 2%. Employes: 61. Accounts gained: Ozona children's wear, Lesieur Mir cleaner, Ciba-Geigy/Gesal chemical products, France Rail (outdoor advertising), Avenir Publicite (outdoor advertising), Eugne/Kerzo cosmetics, French Ministry of Telecommunications (telephone), Sotair Jumbo (tour operator). Accounts lost: Galenic cosmetics, R.J. Reynolds (Winstons), Agfa-Gevaert (cameras), Belin biscuits.

Compar, Paris, part of Compton Intl., reports gross income of $1,130,000 on billings of $7,560,000 for 1981, as compared to gross income of $55,000 on billings of $370,000 for 1980. (In local currency, gross income was FF6,100,000 on billings of FF40,700,000 for 1981, as compared to gross income of FF300,000 on billings of FF2,000,000 for 1980.) Media breakdown: Newspapers 12%; magazines 42%; radio 4%; tv 17%; outdoor 16%; business press 2%; transit advertising 2%; point of sale 5%. Employes: 12. Accounts gained: Rank Audio Visual (Wharfedale speakers), Bongrain-Gerard (St. Moret cheese), Pellegrin jeweler, M.T.C. toys.

Faites le test de la chaise avec la GSA.
Faites le test de la chaise avec d'autres.
GSA. La voiture à l'étonnante suspension hydropneumatique.

French car ads enjoy a wide berth as seen in Dupuy-Compton's demonstration of Citroen's smooth ride versus an unnamed competitor, and in Belier's nontraditional pastoral children's book-like creation for British Leyland's Metro.

Crehalet Foliot Robert & Partners, Paris, reports gross income of $6,785,000 on billings of $45,425,000 for 1981, as compared to gross income of $5,900,000 on billings of $39,500,000 for 1980. (In local currency, gross income was FF36,517,548 on billings of FF244,481,800 for 1981, as compared to gross income of FF 31,754,390 on billings of FF212,592,950 for 1980.) Gross income for 1981 is estimated. Media breakdown: Newspapers 2%; magazines 23%; radio 14%; tv 25%; outdoor 13%; point of sale 5%; cinema 1%; edition 6%; promotion 11%. Employes: 70.

D'Arcy-MacManus & Masius, Paris, reports gross income of $2,880,000 on billings of $19,208,000 for 1981, as compared to gross income of $2,214,000 on billings of $14,767,000 for 1980. (In local currency, gross income was FF15,500,000 on billings of FF103,385,000 for 1981, as compared to gross income of FF11,916,000 on billings of FF79,479,000 for 1980.) Media breakdown: Newspapers 33%; radio 11%; tv 46%; outdoor 10%. Employes: 49. Accounts gained: Alfa Romeo cars, Fimatic computers, Galeries Elysees Rond Point - shopping center, Klix drinking machines, Ricoh cameras and photocopiers, Suzi Wan - Asiatic foods, Tonka toys, SVP International - information center. Account lost: Combe - Odor Eater shoe soles.

Doyle Dane Bernbach & Peyrat Paternot Garnier, Paris, reports gross income of $6,613,000 on billings of $45,686,000 for 1981, as compared to gross income of $6,830,000 on billings of $46,698,000 for 1980. (In local currency, gross income was FF35,590,000 on billings of FF245,886,000 for 1981, as compared to gross income of FF28,198,000 on billings of FF192,809,000 for 1980.) Media breakdown: Newspapers 9%; magazines 48%; radio 16%; tv 11%; outdoor 6%; business press 6%; cinema 4%. Employes: 107. Accounts gained: Atari, Audi, Chanel, Peugeot bicycles, SmithKline, Sunkist fruit drinks.

Dupuy-Compton & Associes, Paris, reports gross income of $7,710,700 on billings of $53,882,000 for 1981, as compared to gross income of $6,317,200 on billings of $44,592,000 for 1980. (In local currency, gross income was FF41,500,000 on billings of FF290,000,000 for 1981, as compared to gross income of FF34,000,000 on billings of FF240,000,000 for 1980.) Media breakdown: Newspapers 7%; magazines 22%; radio 12%; tv 42%; outdoor 10%; business press 2%; farm press 1%; cinema 4%. Employes: 147. Accounts gained: International Coffee Organization, Alcatel, Gervais, Krug, La Pie qui Chante, Kickers, Lamy Lutti. Accounts lost: John Deere, Stendhal.

ECOM/Univas, Paris, reports gross income of $10,386,220 on billings of $69,275,500 for 1981, as compared to gross income of $9,317,870 on billings of $62,150,100 for 1980. (In local currency, gross income was FF55,900,000 on billings of FF372,850,000 for 1981, as compared to gross income of FF50,150,000 on billings of FF334,500,000 for 1980.) Media breakdown: Newspapers 4.7%; magazines 22.5%; radio 28.7%; tv 36.6%; outdoor 5.7%; cinema 1.8%. Employes: 161. Accounts gained: DiParco Eau Jeune, H pour Hommes, Gemey, Peyrigoux, Clair Moment, Vinco, Ducros (moutarde et tisaniere), Port de Boulogne, Ceji Import, Even, Phydor, Europages, PTT.C.F.E.S., Medecins sans Frontieres. Accounts lost: Miro Meccano, Week-End.

EDIP, Paris, reports gross income of $2,012,597 on billings of $13,191,526 for 1981, as compared to gross income of $2,705,437 on billings of $13,836,240 for 1980. (In local currency, gross income was FF10,837,446 on billings of FF70,998,525 for 1981, as compared to gross income of FF11,170,260 on billings of FF74,468,465 for 1980.) Media breakdown: Newspapers 15%; magazines 70%; radio 3%; tv 11%; outdoor 1%. Employes: 29. Accounts gained: Breguet watches, Cortes cigars, Flying Dutchman tobacco.

Eldorado, Paris, part of the EUROCOM/Univas agency network, reports gross income of $1,151,990 on billings of $8,361,200 for 1981, as compared to gross income of $966,160 on billings of $7,060,400 for 1980. (In local currency, gross income was FF6,200,000 on billings of FF45,000,000 for 1981, as compared to gross income of FF5,200,000 on billings of FF38,000,000 for 1980.) Media breakdown: Magazines 40%; radio 10%; outdoor 25%; point of sale 15%; cinema 1%; other 14%. Employes: 18. Accounts gained: Grohe, Valisere, Courreges, Benetton.

Euro Advertising Lyon, Lycn, reports gross income of $4,091,301 on billings of $27,290,000 for 1981, as compared to gross income of $3,283,457 on billings of $22,740,000 for 1980. (In local currency, gross income was FF22,021,000 on billings of FF146,880,000 for 1981, as compared to gross income of FF17,672,000 on billings of FF122,391,000 for 1980.) Media breakdown: Newspapers and magazines 35%; radio 12%; tv 22%; outdoor 9%; cinema 2%; other 20%. Employes: 70. Accounts gained: Skiss ski clothing, Froid Bonnet (commercial kitchens, commercial refrigerators and display units), Val Thorens (winter sports resort), Lombardini generators, Maillot Savarez (tennis clothing). Account lost: Florilege (bankrupt).

Euro Advertising Paris, Levallois, reports gross income of $2,137,000 on billings of $14,251,000 for 1981, as compared to gross income of $2,415,000 on billings of $16,110,000 for 1980. (In local currency, gross income was FF11,500,000 on billings of FF76,700,000 for 1981, as compared to gross income of FF13,000,000 on billings of FF86,710,000 for 1980.) Media breakdown: Newspapers 7%; magazines 40%; radio 15%; tv 23%; outdoor 3%; business press 5%; point of sale 5%; cinema 2%. Employes: 38 in 1981 as compared to 43 in 1980. Accounts gained: Casio, Brilvit, Option Confort, SFB sauce maker, Pierre Ferrua, Chesebrough-Pond's. Accounts lost: Ripolin, Jean Couzon.

Feldman Calleux Associes, Paris, reports gross income of $6,711,000 on billings of $44,759,000 for 1981, as compared to gross income of $6,332,000 on billings of $42,235,000 for 1980. (In local currency, gross income was FF36,117,000 on billings of FF240,900,000 for 1981, as compared to gross income of FF34,080,000 on billings of FF227,314,000 for 1980.) Media breakdown: Newspapers 3.5%; magazines 22.5%; radio 11%; tv 32%; outdoor 20%; point of sale 4%; cinema 3%; print 4%. Employes: 106 (excluding Gestion et Recherche Publicitaire and Utile personnel) Accounts gained: Vichy cosmetics, Wrangler jeans, Label 5 & Glen Turner - whiskys, Indosuez Bank, Astral paint, *F* magazine, Ambassadeur Vermouth, Pernod-Ricard - new product. Petit Coeur biscuits. Account lost: Liebig soups.

Futurs, Neuilly sur Seine, part of the EUROCOM/Univas agency network, reports gross income of $7,153,300 on billings of $47,564,800 for 1981, as compared to gross income of $6,967,500 on billings of $46,450,000 for 1980. (In local currency, gross income was FF38,500,000 on billings of FF256,000,000 for 1981, as compared to gross income of FF37,500,000 on billings of FF250,000,000 for 1980.) Media breakdown: Newspapers 7%; magazines 29%; radio 15%; tv 32%; outdoor 12%; cinema 5%. Employes: 115 in 1981 as compared to 133 in 1980. Accounts gained: Bis Pigier, Nivea, Mokarex, Merinos, Lamy Lutti, Aigle, Super Tele, Slendertone, Candy, Duma. Accounts lost: Vico, Grundig.

GGK, Neuilly-sur-Seine, reports gross income of $1,393,500 on billings of $9,290,000 for 1981, as compared to gross income of $1,152,000 on billings of $7,692,100 for 1980. (In local currency, gross income was FF7,500,000 in 1981 on billings of FF50,000,000, as compared to gross income of FF6,200,000 on billings of FF41,400,000 for 1980.) Media breakdown: Newspapers and magazines 48%; radio 7%; tv 9%; outdoor 34%; cinema 2%. Employes: 27. Accounts gained: Albert Kinderbekleidung, Campari aperitif, Salomon sports articles. Accounts lost: France-Courses, Bergasol, L'Automobile, UTC.

GMC Ayer, Paris, reports gross income of $819,378 on billings of $6,651,640 for 1981, as compared to gross income of $798,940 on billings of

$5,852,700 for 1980. (In local currency, gross income was FF4,410,000 on billings of FF35,800,000 for 1981, as compared to gross income of 4,300,000 on billings of FF31,500,000 for 1980.) Media breakdown: Newspapers 30%; magazines 30%; radio 7%; tv 17%; cinema 3%; printing production 8%; outdoor 5%. Employes: 17. Accounts gained: Chemical Bank, Collective du Lambris en Pin des Landes - wood panel committee, John Deere, BSL(Bignier, Schmid-Laurent), Yachting International. Account lost: Pan Am.

Grey France, Paris, reports gross income of $5,245,320 on billings of $34,986,326 for 1981, as compared to gross income of $4,988,730 on billings of $33,275,294 for 1980. (In local currency, gross income was FF28,231,000 on billings of FF188,301,000 for 1981, as compared to gross income of FF26,850,000 on billings of FF179,092,000 for 1980.) Media breakdown: Print 45%; radio 6%; tv 45%; outdoor 4%. Employes: 87. Accounts gained: William Pitters Intl. - wine, porto, whisky, Procter & Gamble France - Vizir liquid detergent, General Foods - new product, Playtex - Danskin and new product, BSN Diepal - Festilege and new product. Accounts lost: Sopad, Gerfruit, Audi, Temana.

Havas Conseil Group, Paris, reports gross income of $25,287,000 on billings of $168,666,000 for 1981, as compared to gross income of $20,698,120 on billings of $138,049,400 for 1980. (In local currency, gross income was FF136,100,000 on billings of FF907,787,000 for 1981, as compared to gross income of FF 111,400,000 on billings of FF743,000,000 for 1980.) Media breakdown: Newspapers 27%; magazines 32%; radio 14%; tv 13.5%; outdoor 10%; cinema 3.5%. Employes: 492 in 1981 as compared to 425 in 1980. Accounts gained: Panzani (new products), Athlon soft drink, TGV (railway), Arthur Martin household equipment, Voyage Conseil, Maison du Cafe, Manera real estate, Amora food. Accounts lost: Henkel Teramyl tooth paste, Fisher-Price toys, Vetir clothing stores, Henkel's Fa.

INF.14, Neuilly sur Seine, part of the EUROCOM/Univas network reports gross income of $1,226,310 on billings of $8,720,500 for 1981, as compared to gross income of $723,460 on billings of $4,825,450 for 1980. (In local currency, gross income was FF6,600,000 on billings of FF46,933,700 for 1981, as compared to gross income of FF3,893,730 on billings of FF25,971,180 for 1980.) Media breakdown: Newspapers 0.5%; magazines 8.5%; radio 40%; tv 51%. Employes: 14. Accounts gained: Poste PTT, Boulangerie, Transport, Comes. Accounts lost: C.F.E.S., Qualitel.

Impact-FCB, Paris, reports gross income of $7,807,652 on billings of $52,077,042 for 1981, as compared to gross income of $6,729,874 on billings of $44,888,263 for 1980. (In local currency, gross income was FF42,021,811 on billings of FF280,285,479 for 1981, as compared to gross income of FF36,221,068 on billings of FF241,594,524 for 1980.) Media breakdown: Newspapers 61%; radio 24%; tv 13%; outdoor 2%. Employes: 140 in 1981 as compared to 100 in 1980. Accounts gained: Louison Bobet - seaweed products, British Leyland, Gebsn Gervais-Danone, British American Tobacco - Kent, Sony, Miro meccano, Hennessy, Spret Mauchan Laboratory, Jean Couzon, Eugene Laboratory. Accounts lost: Douwe Egberts, Chartreuse.

Intermarco-Conseil, Paris, part of the Publicis Intermarco-Farner group, reports gross income of $7,711,000 on billings of $51,430,369 for 1981, as compared to gross income of $7,902,631 on billings of $52,711,000 for 1980. (In local currency, gross income was FF41,500,000 on billings of FF276,805,000 for 1981, as compared to gross income of FF42,533,000 on billings of FF283,695,000 for 1980.) Media breakdown: Newspapers 5%; magazines 30%; radio 12%; tv 36; outdoor 15%; point of sale 1%; cinema 1%. Employes: 144. Accounts gained: Courreges perfumes, French Federation of Leather Goods Manufacturers, Gloria sauces, Hachette Livre de Paris-mail order book sales. Account lost: Dutch Dairy Board.

Lintas:Paris (France), Paris, reports gross income of $13,989.000 on billings of $97,021,000 for 1981, as compared to gross income of $10,143,000 in 1980 on billings of $70,538,000. (In local currency, gross income was FF75,293,000 on billings of FF522,183,000 for 1981, as compared to gross income of FF54,593,000 in 1980 on billings of FF379,644,000.) Media breakdown: Newspapers 1%; magazines 14%; radio 11%; tv 54%; outdoor 7%; point of sale 6%; cinema 1%; other 6%. Employes: 179 in 1981 as compared to 147 in 1980. Accounts gained: Fralib Lipton Jaune, Motta ice cream, Rowntree Mackintosh Friolles, California Avocado Commission, Chartreuse liqueur, Goodyear tires, Direction General de Telecommunications. Account lost: Ciba-Geigy Super Herboxy.

M.A.O., Paris, reports gross income of $2,601,000 on billings of $19,695,000 for 1981, as compared to gross income of $2,192,440 on billings of $16,777,740 for 1980. (In local currency, gross income was FF14,000,000 on billings of FF106,000,000 for 1981, as compared to gross income of FF11,800,000 on billings of FF90,300,000 for 1980.) Media breakdown: Newspapers 16%; magazines 23%; radio 10.6%; tv 4%; outdoor 19.8%; specialized 14%; point of sale 2.6%; edition 10%. Employes: 33. Accounts gained: Letang & Remy, Paris Country Club, Seraba, U.T.P.U.R. Account lost: Unic S.A.

Maime Arnodin, Fayolle, International Associes, Paris, reports gross income of $2,410,755 on billings of $16,090,280 for 1981, as compared to gross income of $1,978,956 on billings of $13,199,603 for 1980. (In local currency, gross income was FF12,975,000 on billings of FF86,600,000 for 1981, as compared to gross income of FF10,651,000 on billings of FF71,042,000 for 1980.) Media breakdown: magazines 48%; radio 3%; tv 13%; outdoor 17%; point of sale 11%; cinema 2%; pr 6%. Employes: 41. Accounts gained: Bayard Press (J'aime Lire), Berthier (Wrangler shoes), Marcelle Griffon (women's ready-to-wear), Moniteur sportswear.

Marsteller International, Paris, reports gross income of $1,686,000 on billings of $11,245,620 for 1981, as compared to gross income of $1,337,000 on billings of $8,917,790 for 1980. (In local currency, gross income was FF9,073,914 on billings of FF60,523,006 for 1981, as compared to gross income of FF7,195,500 on billings of FF47,993,985 for 1980.)

McCann-Erickson Group, Paris, reports gross income of $7,564,000 on billings of $50,453,000 for 1981, as compared to gross income of $6,503,000 on billings of $43,374,000 for 1980. (In local currency, gross income was FF40,78,000 on billings of FF271,523,000 for 1981, as compared to gross income of FF34,999,000 on billings of FF233,444,000 for 1980.) Employes: 142. Accounts gained: Bayer (Pharma), Benedictine, Ravensburger toys, Glasso-Duschen, Miles Laboratories, Ripolin painting, William Grant & Sons (Glenfiddich Whisky), SKF roller bearings. Lost: Oce van der Grinten.

Medicus Communications, Paris, part of Medicus Intercon International, reports gross income of $429,000 on billings of $1,479,000 for 1981, as compared to gross income of $336,000 on billings of $1,253,000 for 1980. (In local currency, gross income was FF2,310,000 on billings of FF7,961,000 for 1981, as compared to gross income of FF1,810,000 on billings of FF6,734,000 for 1980.) Media breakdown: Business press 22%; Salesmen's materials, audiovisual programs, company-sponsored publications, direct mail 78%. Employes: 5 in 1981;12 in 1980.

Norman, Craig & Kummel, Paris, reports gross income of $8,010,000 on billings of $53,400,000 for 1981, as compared to gross income of $3,520,449 on billings of $39,556,634 for 1980. (In local currency, gross income was FF43,093,800 on billings of FF287,292,000 for 1981, as compared to gross income of FF31,934,000 on billings of FF212,899,000 for 1980.) Employes: 90. Accounts gained: Schweppes, Sandeman Port, Shulton, Esso institutional, Seagrams (Glenlivet Scotch).

O.P.F. Univas, Paris, reports gross income of $938,290 on billings of $4,645,000 for 1981, as compared to gross income of $901,130 on billings of $4,459,200 for 1980. (In local currency, gross income was FF5,050,000 on billings of FF25,000,000 for 1981, as compared to gross income of FF4,850,000 on billings of FF24,000,000 for 1980.) Media breakdown: Newspapers 17%; radio 3%; outdoor 16%; business press 45%; other 19%. Employes: 21.

Ogilvy & Mather, Paris, reports gross income of $6,353,000 on billings of $46,450,000 for 1981, as compared to gross income of $4,961,000 on billings of $37,160,000 for 1980. (In local currency, gross income was FF34,194,000 on billings of FF250,000,000 for 1981, as compared to gross income of 26,701,000 on billings of FF200,000,000 for 1980.)

Media breakdown: Newspapers 5%; magazines 25%; radio 15%; tv 42%; outdoor 8%; point of sale 3%; cinema 2%. Employes: 103.

Accounts gained: Asterix, Denclene & Diatril, Oil of Olaz (Richardson-Vicks), Epi d'Or (Astra), Hamelin (Papeteries), new product (Lever), Lancaster, Limonade, Monaco (government tourist office), Oce photocopiers, Paco Rabanne, Sanka (General Foods), Raleigh, French Packaging Glass Board. Accounts lost: Wrangler, Motta.

Publicis Conseil, Paris, including B.C.A., De Bonneville Orlandini, CLV, Edico, Mundoprint, Orexa, Oscar, Projectis, reports gross income of $31,440,332 on billings of $222,112,000 for 1981, as compared to gross income of $26,469,253 on billings of $192,153,000 for 1980. (In local currency, gross income was FF169,216,000 on billings of FF1.195 billion for 1981, as compared to gross income of FF142,461,000 on billings of FF1.034 billion for 1980.)

Media breakdown: Press 36%; radio 15%; tv 15%; outdoor and transit advertising 19%; cinema 4%; other 11%. Employes: 432 in 1981 as compared to 452 in 1980.

Accounts gained: Pirelli tires, Village Phenix - real estate development, K.Way sport clothes, Pierbe women's shirts, Savam road transport, Maisons de l'Avenir - house construction, O'Cedar Coup de fer - ironing product, IBM - 196 model typewriter, Ministry of Post and Telecommunications, *Valeurs Actuelles*, Hachette - Je Cuisine cooking encyclopedia; concise dictionary, Socotec - advice and building standards guarantee, Harnois - prefabricated basements and attics. Accounts lost: Vamo, Singer, Motobecane, Pasteur Production, BNP, Cruise Air.

Publi-Service Campbell-Ewald, Paris, reports gross income of $1,867,000 on billings of $12,453,000 for 1981, as compared to gross income of $2,086,000 on billings of $13,914,000 for 1980. (In local currency, gross income was FF10,049,000 on billings of FF67,027,000 for 1981, as compared to gross income of FF11,227,000 on billings of FF74,884,000 for 1980.) Employes: 53. Account gained: L'Oreal.

R&D Ketchum, Paris, reports gross income of $2,686,000 on billings of $17,911,100 for 1981, as compared to gross income of $1,653,600 on billings of $13,377,000 for 1980. (In local currency, gross income was

Beethoven and the Sphinx make incontrovertible presenters in ads for Kenwood's stereo system, and in RSC&G's promo for Sony's amplifier "with a memory."

FRANCE

FF14,460,000 on billings of FF96,400,000 for 1981, as compared to gross income of FF8,900,000 on billings of FF72,000,000 for 1980.) Media breakdown: Newspapers and magazines 31%; radio 14%; tv 30%; outdoor 17%; point of sale and promotion 8%. Employes: 34. Accounts gained: Le Thermogene, Scannon (Gucci perfume), Cogetex (Well tights), Charles Jourdan (shoes, ready-to-wear clothes, accessories), Assurances Mutuelles Agricoles, Sopexa, Rhodiagri (agricultural products), Compagnie du Jouet (games and toys). Accounts lost: Tia Maria, B.A.S.F., Le Chatelain cheese.

Roux Seguela Cayzac & Goudard, Paris reports gross income of $30,650,000 on billings of $204,380,000 for 1981, as compared to gross income of $25,080,000 on billings of $167,200,000 for 1980. (In local currency, gross income was FF165,000,000 on billings of FF1.1 billion for 1981, as compared to gross income of FF135,000,000 on billings of FF900,000,000 for 1980.) RSC&G has four offices in France, one in England, one in Germany, one in Spain, one in Belgium and one in Switzerland. Media breakdown: Newspapers 15%; magazines 35%; radio 10%; tv 25%; outdoor 15%. Employes: 520 in 1981 as compared to 480 in 1980. Accounts gained: R.J. Reynolds - Winston, Fisher-Price, La Redoute -direct marketing retail, Mariner men's underwear. Europe: Berlitz; U.K.: Silkience Merseyside; Spain: Porsche, Saab; Germany: Surf (Lever) and Glassbrau beer. Accounts lost: Sony, K way, Aldebert.

Strategie Campagne, Lyon, part of the EUROCOM/Univas network, reports gross income of $1,170,540 on billings of $7,803,600 for 1981, as compared to gross income of $947,580 on billings of $6,317,200 for 1980. (In local currency, gross income was FF6,300,000 on billings of FF42,000,000 for 1981, as compared to gross income of FF5,100,000 on billings of FF34,000,000 for 1980.) Media breakdown: Newspapers 60%; magazines 20%; radio 10%; tv 7%; outdoor 3%. Employes: 26. Accounts gained: Rivoire, Eurofor, *Hebdo Grenoble*. Accounts lost: Astra Plastique, Bourgeois.

Synergie/K&E, Paris, reports gross income of $6,957,800 on billings of $56,111,600 for 1981, as compared to gross income of $6,516,000 on billings of $55,740,000 for 1980. (In local currency, gross income was FF37,445,000 on billings of FF302,000,000 for 1981, as compared to gross income of FF35,070,000 on billings of FF300,000,000 for 1980.) Media breakdown: Newspapers 10%; magazines 33%; radio 18%; tv 16%; outdoor 17%; point of sale 4%; cinema 2%. Employes: 116 in 1981 as compared to 140 in 1980. Accounts gained: Calvados, Coquerei -distribution Taittinger, Collectives de la Forteau, Agalys, Les Emaux de Briare, Quotidien de Paris SAB, Flodor (SP/POP), Spontex, Phildar socks, Armani, Chrysler, Eau de Melisse des Garmes Boyer, Helena Rubinstein Europe, Heller, Indicateur Bertrand, Carita, Lune de Miel, Pricel textiles, Chargeurs Reunis. Accounts lost: Alfa Romeo, Rhone Poulenc, Fair Play.

TBWA, Paris, reports gross income of $6,595,900 on billings of $44,034,000 for 1981, as compared to gross income of $5,523,277 on billings of $36,822,400 for 1980 (In local currency, gross income was FF35,500,000 on billings of FF237,000,000 for 1981, as compared to gross income of FF29,727,000 on billings of FF198,183,000 for 1980.) Media breakdown: Newspapers 5%; magazines 35%; radio 18%; tv 29%; outdoor 6%; point of sale 5%; cinema 2%. Employes: 98. Accounts gained: Computerland, Panasonic, *Science Digest*, Ralston Purina, Agfa photocopiers. Accounts lost: Apple Computer, Descamps.

Taurus, Paris, part of the EUROCOM/Univas agency network, reports gross income of $2,229,600 on billings of $14,864,000 for 1981, as compared to gross income of $1,950,900 on billings of $13,006,000 for 1980. (In local currency, gross income was FF12,000,000 on billings of FF80,000,000 for 1981, as compared to gross income of FF10,500,000 on billings of FF70,000,000 for 1980.) Media breakdown: Newspapers 2.28%; magazines 19.42%; radio 33.95%; tv 4.72%; outdoor 26.6%; point of sale 3.21%; cinema 3.4%; other 6.42%. Employes: 38. Accounts gained: Pastis Blancart, San Pelegrino, Pokon, Grundig, Continent.

J. Walter Thompson, Paris, reports gross income of $5,481,100 on billings of $40,876,000 for 1981, as compared to gross income of $4,589,260 on billings of $33,444,000 for 1980. (In local currency, gross income was FF29,500,000 on billings of FF220,000,000 for 1981, as compared to gross income of FF24,709,000 on billings of FF180,000,000 for 1980.) Media breakdown: Newspapers 2%; magazines 25%; radio 23%; tv 29%; outdoor 5%; point of sale 1%; cinema 1%; print 3%; pr and production 11%. Employes: 92. Accounts gained: J'ai Lu, *International Herald Tribune*, Lachartre—new product (Anginex), Elida—new product (Timotei). Account lost: Burger King.

Young & Rubicam France, Paris, reports gross income of $17,432,000 on billings of $116,271,000 for 1981, as compared to gross income of $15,770,000 on billings of $105,186,000 for 1980. (In local currency, gross income was FF93,822,000 on billings of FF625,770,500 for 1981, as compared to gross income of FF84,876,000 on billings of FF566,111,050 for 1980.) Gross income figures include Wunderman Intl. Y&R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 4%; magazines 26%; radio 13%; tv 40%; outdoor 7%; cinema 2%; direct mail 8%. Employes: 384 in 1981 as compared to 377 in 1980. Accounts gained: Ajena, Auchan, Boutique Lacoste, Cacharel, Cartes Cofinoga, Confitures Boin, Fondation Cousteau, France Cartes, Frigecreme, Global, Joustra, Lafourcade, Les Cheminees Carpinelli, Lesieur, Liebig, Marque Descamps, Neocarnis, Regie Cassette Video, Singer, Spring Europe, Xerox distribution. Accounts lost: Baygon, Deville, La Redoute, *L'Express*, Remington, Wrangler.

GERMANY

The same 1981 average annual exchange rate of .4455 dollars to the German mark was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 20.8% depreciation of the mark against the dollar based on the mark's 1980 exchange rate of .5621.

Ted Bates Werbeagentur, Frankfurt, reports gross income of $6,734,178 on billings of $44,924,220 for 1981, compared with gross income of $7,065,000 on billings of $47,133,009 for 1980. (In local currency, gross income was DM15,116,000 on billings of DM100,840,000 in 1981, compared with gross income of DM15,858,000 on billings of DM105,798,000 in 1980.) Media breakdown: Newspapers 10%; magazines 32%; radio 7%; tv 38%; outdoor 6%; business press 7%. Employes: 124. Accounts gained: Effem petfood (Trim), Menley & James—Contac 700, Doux S.A., Einbecker Brauhaus, Roset Moebel. Accounts lost: Lancia, Duofrost, Kueppersbusch, ATE-TEVES.

Baums, Mang und Zimmermann Werbeagentur, Duesseldorf, reports gross income of $5,390,550 on billings of $35,818,200 for 1981, as compared to gross income of $4,766,850 on billings of $31,764,150 for 1980. (In local currency, gross income was DM12,100,000 on billings of DM80,400,000 for 1981, as compared to gross income of DM10,700,000 on billings of DM71,300,000 for 1980.) Media breakdown: Newspapers 15%; magazines 48%; radio 7%; tv 15%; outdoor 5%; trade press 5%; cinema 5%. Employes: 70. Accounts gained: Handelsblatt's *DM* consumer magazine, Henkel (Pattex adhesive), Romika Lemm shoes. Accounts lost: D.V. Schlumberger (Piper Heidsick), Coco Tara.

Benton & Bowles und Partner, Frankfurt, reports gross income of $9,108,370 on billings of $60,752,800 for 1981, compared with gross income of $9,175,500 on billings of $61,200,500 for 1980. (In local currency, gross income was DM20,445,280 on billings of DM136,370,000 in 1981, compared with gross income of DM20,596,000 on billings of DM137,375,000 in 1980.) Media breakdown: Newspapers 12%; magazines 42%; radio 4%; tv 12%; outdoor 24%; cinema 6%. Employes: 185. Accounts gained: Procter & Gamble, Hestia, Electrolux/Progress. Accounts lost: Rowenta, Henninger.

Compton Germany, Frankfurt, reports gross income of $8,179,380 on billings of $54,529,200 for 1981, compared with gross income of $6,620,130 on billings of $44,149,050 for 1980. (In local currency, gross income was DM18,360,000 on billings of DM122,400,000 in 1981, compared with gross income of DM14,860,000 on billings of DM99,100,000 in 1980). Media breakdown: Newspapers 3%; magazines 62%; radio 12%; tv 20%; farm press 1%; point of sale 2%. Employes: 138. Accounts gained: Blue Bell (Wrangler jeans), Dupont (Antron fibers, plus Remington Arms), Max Factor cosmetics, Procter & Gamble Switzerland (Pampers). Accounts lost: Deere FAC machines, Ralston Purina (Latz).

CoPartner Ayer Werbeagentur, Hamburg, reports gross income of $4,015,000 on billings of $26,863,650 for 1981, as compared to gross income of $3,677,000 on billings of $24,526,557 for 1980. (In local currency, gross income was DM9,013,000 on billings of DM60,300,000 for 1981, as compared to gross income of DM8,254,000 on billings of DM55,054,000 for 1980.) Employes: 75. Accounts gained: Godewind tobacco (Badische Tabakmanufaktur), ITT (Loewe pumps), BDF Beiersdorf media buying. Account lost: Cover Girl.

Doyle Dane Bernbach, Duesseldorf, reports gross income of $11,656,000 on billings of $77,743,000 for 1981, compared with gross income of $14,358,900 on billings of $95,773,900 for 1980. (In local currency, gross income was DM26,163,000 on billings of DM174,507,000 in 1981, compared with gross income of DM25,536,000 on billings of DM170,325,000 in 1980). Media breakdown: Newspapers 2%; magazines 45%; radio 10%; tv 35%; outdoor 6% business press 2%. Employes: 198. Accounts gained: Chanel, Atari. Account lost: Blue Bell.

DFS & R Advertising, Munich, reports gross income of $4,009,000 on billings of $26,730,000 for 1981, compared with gross income of $3,653,000 on billings of $24,368,000 for 1980. (In local currency, gross income was DM9,000,000 on billings of DM60,000,000Y in 1981, compared with gross income of DM8,200,000 on billings of DM54,700,000 in 1980). Media breakdown: Newspapers 20%; magazines 51%; supplements 1%; radio 8%; tv 17%; outdoor 3%. Employes: 82. Accounts gained: Parker Bros./General Mills, Wendy, Barnangen - Vademecum, Rolls Royce. Account lost: Texas Instruments.

D'Arcy-MacManus & Masius, Hamburg/Frankfurt, reports gross income of $10,170,000 on billings of $67,832,000 for 1981, compared with gross income of $10,503,000 on billings of $67,054,000 for 1980. (In local currency, gross income was DM22,827,000 on billings of DM152,258,000 in 1981, compared with gross income of DM22,566,000 on billings of DM150,514,000 in 1980.) Media breakdown: Radio 8%; tv 34%; outdoor 3%; press 55%. Employes: 193. Accounts gained: Pitney Bowes, Air Zimbabwe, Alfa Romeo cars, Koralle publishing, Undener Gilde. Accounts lost: Dresdner Bank, Eurocard Intl., Jensens, Phonogram, Reemtsma, Dubonnet.

"Not only great for your health, but also great for your taste," says this ad for Staatl Selters non-sparkling water. Agency is Kenyon & Eckhardt, Duesseldorf.

Durana Ketchum Werbeagentur, Frankfurt, reports gross income of $2,539,000 on billings of $16,929,000 for 1981, compared with gross income of $2,432,000 on billings of $16,127,000 for 1980. (In local currency, gross income was DM5,700,000 on billings of DM38,000,000 in 1981, compared with gross income of DM5,460,000 on billings of DM36,200,000 in 1980). Employes: 37. Accounts gained: Rowenta Werke—small electrical appliances, Madasan GmbH dietetic foods. Dr. Maudaus & Co.—otc pharmaceuticals.

R.W. Eggert Werbeagentur, Duesseldorf, reports gross income of $8,036,820 on billings of $53,593,650 for 1981, compared with gross income of $7,306,200 on billings of $47,668,500 for 1980. (In local currency, gross income was DM18,040,000 on billings of DM120,300,000 in 1981, compared with gross income of DM16,040,000 on billings of DM107,000,000 in 1980.) Media breakdown: Newspapers 8%; magazines 37%; radio 9%; tv 41%; outdoor 2.5%; business press 2%; cinema 0.5%. Employes: 139. Accounts gained: Fisher-Price toys, Rau Lebensmittelwerke—food, Krombacher beer, Boussac—Peaudouce diapers.

E&P Erdmann & Partner Werbeagentur, Duesseldorf, reports gross income of $2,367,387 on billings of $16,082,550 for 1981, compared with gross income of $2,221,708 on billings of $15,089,005 for 1980. (In local currency, gross income was DM5,314,000 on billings of DM36,100,000 in 1981, compared with gross income of DM4,987,000 on billings of DM33,870,000 in 1980.) Media breakdown: Newspapers 29%; magazines 27%; radio 4%; tv 12%; outdoor 9%; business press 2%; point of sale 16%; cinema 1%. Employes: 32. Account gained: Planters Vertriebe.

FCB Frankfurt Werbeagentur, Frankfurt, reports gross income of $10,303,044 on billings of $68,721,303 for 1981, compared with gross income of $10,999,825 on billings of $73,368,833 for 1980. (In local currency, gross income was DM23,126,922 on billings of DM154,256,560 in 1981, compared with gross income of DM24,690,966 on billings of DM164,688,743 in 1980.) Media breakdown: Newspapers 8%; magazines 40%; radio 5%; tv 32; outdoor 10%; business press 3%; cinema 2%. Employes: 201. Accounts gained: Colonia, General Mills, Arbit, Faxe, Poggenpohl, Robex, Erasco, CMA, Mont Blanc, Brinkmann. Accounts lost: Krombacher, Melitta Kaffee, Menley & James, Nordhaus, Portas, Moulinex, Pfanni, Singer, Varta.

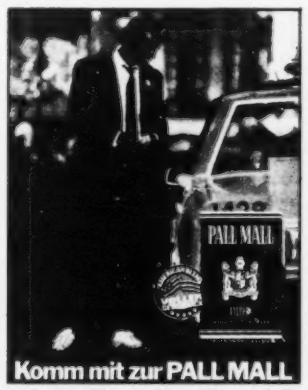
GGK Duesseldorf Werbeagentur, Duesseldorf reports gross income of $10,157,400 on billings of $67,716,000 for 1981, compared with gross income of $9,088,200 on billings of $60,588,000 for 1980. (In local currency, gross income was DM22,800,000 on billings of DM152,000,000 in 1981, compared with gross income of DM20,400,000 on billings of DM136,000,000 in 1980.) Media breakdown: Newspapers 12%; magazines 32%; supplements 1%; radio 4%; tv 15%; outdoor 7%; business press 5%; point of sale 4%; cinema 1%; sales promotion 19%. Employes: 157. Accounts gained: Henkel Secumed, Ruhrgas, SPD-elections, Heinze. Frankfurt—AEG Imagewerbung, Karlsruher insurance. Hamburg—*FAZ* magazine, Kuechenforum. Munich-Neue Constantin films, Salomon sports. Stuttgart—EVS. Accounts lost: Braun, Pfanni, Romika, Superposter. Frankfurt—Mettler, Herz-Punkt-Pharma. Hamburg- Adia, Haake-Beck, Floetotto. Munich—Gabor, MDG, Muenchener Merkur. Stuttgart- Dr. Thomae, Creative Inneneinrichter, Giessener beer.

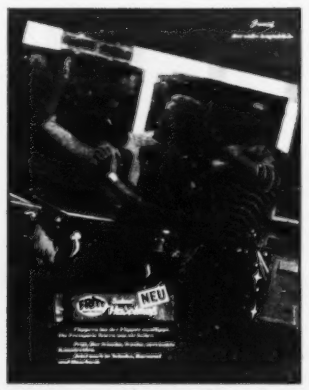
Hermann Geiling Werbeagentur, Stuttgart, reports gross income of $1,810,000 on billings of $16,296,000 for 1981, compared with gross income of $2,097,000 on billings of $17,365,000 for 1980. (In local currency, gross income was DM4,063,000 on billings of DM36,579,000 in 1981, compared with gross income of DM4,706,000 on billings of DM38,979,000 in 1980.) Media breakdown: Newspapers 27%; magazines 39%; supplements 1%; radio 11%; tv 11%; outdoor 5%; business press 5%; transit advertising 1%. Employes: 32. Account gained: Graetz Hotel und Gaststaettenverband. Account lost: Bauknecht.

Gramm & Grey, Duesseldorf, reports gross income of $14,727,339 on billings of $98,231,413 for 1981, as compared to gross income of $16,038,000 on billings of $106,973,460 for 1980. (In local currency, gross income was DM33,058,000 on billings of DM220,497,000 for 1981, as compared to gross income of DM36,000,000 on billings of DM240,120,000 for 1980.) Media breakdown: Newspapers 3.1%; magazines 31.1%; radio 8.8%; tv 39%; outdoor 16.2%; business press 1.8%. Employes: 240 in 1981 as compared to 265 in 1980. Accounts gained: Procter & Gamble (Vizir detergent), Citroen automobiles, Pfanni potato products assortment, Mennen (Vitamol). Accounts lost: Eduscho coffee, Wickueler-Kopper Brauerei (Wickueler Pilsener).

Heye, Needham & Partner, Unterhaching/Munich, reports gross income of $6,110,000 on billings of $40,763,000 for 1981, compared to gross income of $5,738,000 on billings of $38,268,000 for 1980. (In local currency, gross income was DM13,715,000 on billings of DM91,500,000 for 1981, as compared to gross income of DM12,880,000 on billings of DM85,900,000 for 1980.) Media breakdown: Newspapers 9%; magazines 48.9%; radio 7.2%; tv 16.2%; outdoor 14.5%; business press 4%; other 0.2%. Employes: 112. Accounts gained: McDonald's Schweiz, Osterreichische Fremdenverkehrswerbung, Kaffee-Gemeinschaftswerbung—collective advertising for coffee, Guhl cosmetics, Wamsler central heating systems, Delalande pharmaceuticals, Funny frisch, Merrell pharmaceuticals, Schwarzhaupt pharmaceuticals, Aiwa hi-fi, Maroc Oranges. Accounts lost: PKL packaging, Bauer Verlag—publishing, Melkland—milk products.

Hildmann Simon Rempen & Schmitz Werbeagentur, Duesseldorf, only reports billings of $20,047,000 for 1981, compared with billings of $19,156,500 for 1980. (In local currency, billings were DM45,000,000 in 1981, compared with billings of DM43,000,000 in 1980.) Media breakdown: Newspapers 18%; magazines 65%; outdoor 9%; business press 2%; point of sale 6%. Employes: 40. Accounts gained: Heinrich Mack Nachf., Coldimed-otc product, Deutsche Granini fruit juices, REWE-Zentral AG institutional advertising for retail chain, Bulthaup kitchen furniture, Hoechst institutional advertising, Dujardin Imperial and Melcher's Rat. Accounts lost: Herberts paints and varnish, Hoechst Gruenland—garden products range.





Ads by Heye, Needham & Partner are coming up American for Pall Mall (produced by HN&P's Hamburg shop), and for Fritt (produced by Heye's Dusseldorf unit).

IMAA/Die Gilde Werbeagentur, Hamburg, reports gross income of $2,205,000 on billings of $14,709,000 for 1981, as compared to gross income of $2,196,000 on billings of $14,657,000 for 1980. (In local currency, gross income was DM4,950,000 on billings of DM33,017,000 for 1981, as compared to gross income of DM4,930,000 on billings of DM32,900,000 for 1980.) Employes: 34.

Intensiv Werbung, Nuernberg, reports gross income of $5,513,062 on billings of $36,753,750 for 1981, compared with gross income of $5,346,000 on billings of $35,640,000 for 1980. (In local currency, gross income was DM12,375,000 on billings of DM82,500,000 in 1981, compared with gross income of DM12,000,000 on billings of DM80,000,000 in 1980.) Employes: 71.

Intercon Medicus, Frankfurt, part of Medicus Intercon Internatl., reports gross income of $3,136,320 on billings of $36,995,211 for 1981, compared with gross income of $2,781,791 on billings of $29,485,000 for 1980. (In local currency, gross income was DM7,040,000 on billings of DM83,042,000 in 1981, compared with gross income of DM6,242,000 on billings of DM66,184,000 in 1980.) Media breakdown: Business press 86%; salesmen's material, audiovisual programs, direct mail 14%. Employes: 59. Accounts gained: Astra Chemicals, Abbott Diagnostics, Cyanamid Benelux, Boehringer Mannheim, G.D. Searle, Dr. Thiemann, AVS div.: Homburg-Dequssa Pharma group, L. Merckle, Milupa, Schering, Teekanne, Zyma. Accounts lost: Much A.G., Interconcept div.: Eli Lilly.

Intermarco-Farner Werbeagenturen, Duesseldorf, part of the Publicis Intermarco-Farner network, reports gross income of $8,821,000 on billings of $58,835,403 for 1981, as compared to gross income of $9,266,400 on billings of $61,701,750 for 1980. (In local currency, gross income was DM19,800,000 on billings of DM132,066,000 for 1981, as compared to gross income of DM20,800,000 on billings of DM138,500,000 for 1980.) Media breakdown: Newspapers 10%; magazines 47%; radio 6%; tv 25%; outdoor 3%; business press 2.5%; point of sale 6%; cinema 0.5%. Employes: 158. Accounts gained: Cid detergent (Henkel group), Renault corporate, Winkelhausen brandy. Accounts lost: Andre shoes, Galac cheese, Interhome furniture, Philips audio equipment, Ritter beer, Schwartau jams, Schwarzkopf hair products.

Kenyon & Eckhardt, Duesseldorf, only reports billings of $5,200,000 for 1981, as compared to billings of $5,175,409 for 1980. (In local currency, billings were DM11,674,000 for 1981, as compared to billings of DM11,618,793 for 1980.) Media breakdown: Newspapers 10%; magazines 80%; tv 5%; outdoor 5%. Employes: 13. Account gained: TSI vacation promotions.

Lintas, Hamburg, reports gross income of $28,924,000 on billings of $192,921,000 for 1981, as compared to gross income of $27,470,000 on billings of $183,227,000 for 1980. (In local currency, gross income was DM64,662,000 on billings of DM433,043,000 for 1981, as compared to gross income of DM61,662,000 on billings of DM411,285,000 for 1980.) Media breakdown: Newspapers 4%; magazines 36%; supplements 1%; radio 14%; tv 38%; outdoor 4%; business press 3%. Employes: 488. Accounts gained: Henninger Brau, Reemtsma Erne 23 cigarets, Commerzbank, Numarco coins, DIHT (Assn. of German Industry & Trade), GEZ TV and radio usage fee, Deutsche Postreklame (directory of exporters and international services).

Luerzer, Conrad & Leo Burnett, Frankfurt. reports gross income of $7,430,495 on billings of $49,561,430 for 1981, compared with gross income of $8,717,099 on billings of $58,143,096 for 1980. (In local currency, gross income was DM16,679,000 on billings of DM111,249,000 in 1981, compared with gross income of DM19,567,000 on billings of DM130,512,000 in 1980.) Employes: 125. Accounts gained: CMA-German agricultural board, Condor Charter flights, Kellogg's Milk-Mate, two new brands from Philip Morris, 7UP. Account lost: MM Champagne.

M.P.W. Univas, Duesseldorf, part of the EURO-COM/Univas agency network, reports gross income of $3,385,000 on billings of $32,521,500 for 1981, as compared to gross income of $2,695,300 on billings of $24,725,200 for 1980. (In local currency, gross income was DM7,600,000 on billings of DM73,000,000 for 1981, as compared to gross income of DM6,050,000 on billings of DM55,500,000 for 1980.) Media breakdown: Newspapers 10%; magazines 45%; supplements 15%; radio 5%; tv 20%; outdoor 5%. Employes: 65 in 1981 as compared to 50 in 1980. Accounts gained: Agfa-Gevaert AG (instamatic cameras, pocket cameras, color films, slides), Moviechrome (super-8 films, family cameras, Diamator), Nordmende (hi-fi, tv, video, audio). Accounts lost: Novesia, Thompson-Siegel.

MWI/Norman, Craig & Kummel, Hamburg, reports gross income of $10,986,000 on billings of $67,200,000 for 1981, as compared to gross income of $7,992,270 on billings of $53,281,800 for 1980. (In local currency, gross income was DM24,608,640 on billings of DM150,528,000 for 1981, as compared to gross income of DM17,940,000 on billings of DM119,600,000 for 1980.) Employes: 149. Accounts gained: Seagrams - Paul Masson wine, Veedol motor oil.

Marsteller International, Frankfurt, reports gross income of $2,590,000 on billings of $17,275,300 for 1981, compared with gross income of $2,113,000 on billings of $14,093,710 for 1980. (In local currency, gross income was DM5,814,000 on billings of DM38,779,380 in 1981, compared with gross income of DM4,742,000 on billings of DM31,629,140 in 1980.)

GERMANY

McCann-Erickson Group, Frankfurt, reports gross income of $25,824,000 on billings of $172,245,000 for 1981, as compared to gross income of $28,298,000 on billings of $188,749,000 for 1980. (In local currency, gross income was DM57,968,000 on billings of DM386,647,000 for 1981, as compared to gross income of DM63,520,000 on billings of DM423,679,000 for 1980.) Employes: 439. Accounts gained: American Express (Green Card), Chemiewerke Homburg (Systral), Goedecke (Warner Lambert's Novadral), Kodak (Ektaprint copier), Lysia (Lysmina, Zellaforte Plus), Quaker & Partner (Henkel Group, Fido dogfood). Lost: Dutch Bloembollen Raad (flowers and bulbs), Rollei cameras.

Ogilvy & Mather Group, Frankfurt, reports gross income of $13,300,000 on billings of $88,100,000 for 1981, as compared to gross income of $15,200,000 on billings of $80,279,100 for 1980. (In local currency, gross income was DM29,700,000 on billings of DM197,800,000 for 1981, as compared to gross income of DM27,000,000 on billings of DM180,200,000 for 1980.) Media breakdown: Newspapers 5.2%; magazines 32.5%; radio 17.9%; tv 27.2%; outdoor 13.6%; business press 3.4%; cinema 0.2%. Employes: 225. Accounts gained: General Foods -C-frisch, Tang, Lingner & Fischer mouthwash, Oce van Grinten copy machines, Colonia AG insurance, Lancaster cosmetics, Merck Pharma - dietetics, Richardson (cough drops, denture cleanser, dev.projects), Ciba-Geigy institutional, Vereinigte Papierwerke (feminine napkins, toilet paper, paper diapers). Accounts lost: Effem pet food, Mattel toys, Wendy restaurants.

Scholz & Friends, Hamburg, reports gross income of $2,110,000 on billings of $14,066,000 for 1981. (In local currency, gross income was DM4,736,000 on billings of DM31,573,000 in 1981.) Agency opened on July 1, 1981. Media breakdown: Newspapers 14%; magazines 56%; radio 10%; tv 18% outdoor 1%; trade press 1%. Accounts gained: Koenig Pilsener, Tchibo coffee, Jil Sander fashion, Peter Stuyvesant cigarets, *Nicole*.

Spiess & Ermisch Werbeagentur, Duesseldorf, reports gross income of $4,030,000 on billings of $26,900,000 for 1981, compared with gross income of $4,670,000 on billings of $31,200,000 for 1980. (In local currency, gross income was DM9,500,000 on billings of DM63,400,000 in 1981, compared with gross income of DM9,200,000 on billings of DM61,400,000 in 1980.) Media breakdown: Newspapers 20%; magazines 35%; radio 5%; point of sale 15%; cinema 5%; prospecti, leaflets 20%. Employes: 53. Account gained: Zeitungsgruppe WAZ.

TBWA Germany, Frankfurt, reports gross income of $4,410,500 on billings of $29,403,000 for 1981, compared with gross income of $3,921,735 on billings of $26,145,500 for 1980. (In local currency, gross income was DM9,900,000 on billings of DM66,000,000 in 1981, compared with gross income of DM8,803,000 on billings of DM58,688,000 in 1980.) Media breakdown: Newspapers 4%; magazines 70%; radio 3%; tv 19%; outdoor 1%; point of sale 3%. Employes: 71. Accounts gained: Villeroy & Boch, German Tourist Board, Suchard chocolate, Ralston Purina. Accounts lost: Braun shavers, La-Croix soups.

Team/BBDO Group, Duesseldorf, reports gross income of $23,838,259 on billings of $159,002,000 for 1981, as compared to gross income of $23,140,161 on billings of $154,346,140 for 1980. (In local currency, gross income was DM53,509,000 on billings of DM356,905,000 for 1981, as compared to gross income of DM51,942,000 on billings of DM346,456,000 for 1980.) Media breakdown: Newspapers 25.1%; magazines 35.2%; radio 5.9%; tv 27.2%; outdoor 3.1%; business press 1.4%; cinema 2.1%. Employes: 351 in 1981 as compared to 368 in 1980. Accounts gained: RWE electricity, Ellen Betrix cosmetics, Sarotti confectionery, Wickueler beer, Compo garden equipment, Eduscho coffee, Wempe clocks. Accounts lost: Agfa films, Colonia insurance, Tchibo coffee, Koenig Brauerei beer.

J. Walter Thompson, Frankfurt, reports gross income of $20,667,607 on billings of $132,685,976 for 1981, as compared to gross income of $19,544,152 on billings of $126,287,672 for 1980. (In local currency, gross income was DM46,391,935 on billings of DM297,836,089 for 1981, as compared to gross income of DM43,870,151 on billings of DM283,474,011 for 1980.) Media breakdown: Newspapers 11%; magazines 41%; radio 10%; tv 32%; outdoor 1%; business press 4%; cinema 1%. Employes: 374. Accounts gained: Abbott N.V., Byk-Essex, CMA cut flowers and houseplants, Deutsche Libby fruit and vegetable products, Dolorgiet, Elida-Gibbs (addl. assignments), Eli-Lilly, Hoechst, Jacoby, Johnson Wax (addl. assignments), Kali-Chemie, Merz, Nestle, Warner-Lambert (addl. assignments), Woelm (addl. assignments). Accounts lost: B.A.T., DUB Einbeck, Fichtel & Sachs, Hercules, Jacobs Multiplan, Sechsaemtertropfen, VP Camelia.

Troost Campbell-Ewald, Duesseldorf, reports gross income of $8,911,000 on billings of $59,436,000 for 1981, as compared to gross income of $8,045,000 on billings of $53,660,000 for 1980. (In local currency, gross income was DM20,002,000 on billings of DM133,413,000 for 1981, as compared to gross income of DM18,058,000 on billings of DM120,447,000 for 1980.) Employes: 175. Accounts gained: AEG/Olympia typewriters, Reemtsma, Linique cosmetics, Allgauer Alpenmiich/Nestle, Arbeitgemeinschaft Holz (co-op for wood). Lost: Citizen watches, Toshiba audio and video equipment.

Die Werbe Euro-Advertising, Duesseldorf, reports gross income of $2,813,600 on billings of $18,766,500 for 1981, as compared to gross income of $2,677,100 on billings of $17,856,500 for 1980. (In local currency, gross income was DM6,315,500 on billings of DM42,124,400 for 1981, as compared to gross income of DM6,009,300 on billings of DM40,082,000 for 1980.) Media breakdown: Newspapers 16%; magazines 34%; radio 5.5%; tv 37%; outdoor 4%; business press 3%; cinema 0.5%. Employes: 42. Accounts gained: Minolta cameras, Roth-Haendle cigarets. Accounts lost RWE, Electricity.

Westag Werbeagentur Prigge, Hawel, Cologne, reports gross income of $4,496,000 on billings of $29,991,000 for 1981, as compared to gross income of $4,651,911 on billings of $31,028,184 for 1980. (In local currency, gross income was DM10,093,000 on billings of DM67,320,000 for 1981, as compared to gross income of DM10,442,000 on billings of DM69,648,000 for 1980.) Media breakdown: Print 60.6%; electronic media 7.5%; other 31.9%. Employes: 84. Accounts gained: EFKA Werke (cigaret paper, cigaret cases), Begros wholesale household goods, Assn. of the German Furniture Industry, FSCO Cinzano & Cia. (Tiziano), Maykamp (May condensed milk), Melitta Aquamat humidifiers, electric friers and plastic sealing machines, Bosch-Siemens household appliances, AWS Agrob, Wessel, Servais - Witterschlick tiles, Hahn Pharma Dr. C. Hahn (childrens Tylenol). Accounts lost: Martin Brinkmann tobacco, Wilhelm Jackstaedt adhesive paper, plastic and labels.

Wilkens Group, Hamburg, part of the EUROCOM/Univas agency network, reports gross income of $11,549,000 on billings of $77,030,000 for 1981, as compared to gross income of $12,301,000 on billings of $80,714,000 for 1980. (In local currency, gross income was DM25,923,000 on billings of DM172,907,000 for 1981, as compared to gross income of DM27,613,000 on billings of DM181,177,000 for 1980.) Media breakdown: Newspapers 11.4%; magazines 56.8%; supplements 1.6%; radio 4.2%; tv 12.6%; outdoor 4.5%; business press 5.6%; transit advertising 3.1%. Employes: 207 in 1981 as compared to 219 in 1980. Accounts gained: Hamburg Mannheimer Versicherung, Beck's beer, Ovomaltine, Philips Audio, Hueppe Duscha, Presta, Varta. Accounts lost: Homann, Lindener Gilde, Deutscher Ring.

Compton, Frankfurt, gives a mountainous look to client, Chocolate Tobler's, mound of chocolate.

Wirz & Hafner Werbeberatung, Munich, reports gross income of $260,000 on billings of $3,480,000 for 1981, compared with gross income of $378,675 on billings of $5,123,250 for 1980. (In local currency, gross income was DM580,000 on billings of DM7,800,000 in 1981, compared with gross income of DM850,000 on billings of DM11,500,000 in 1980.) Agency changed name from Wirz Werbeberatung in 1981 and moved to Frankfurt early in 1982. Media breakdown: Newspapers 18%; magazines 12%; supplements 1%; radio 5%; outdoor 6% business press 9%; farm press 1%; transit advertising 1%; point of sale 5%; cinema 2%; sales promotion 19%; direct mail 21%. Employes: 5 (Munich only). Accounts gained: Selters mineral water, Binding Brewery—nonalcoholic beverages. Accounts lost: Sanyo hi-fi, radio, tv, video, Kuoni travel agent.

Young & Rubicam, Frankfurt, reports gross income of $13,275,000 on billings of $88,544,000 for 1981, compared with gross income of $12,850,000 on billings of $85,709,000 for 1980. (In local currency, gross income was DM29,797,000 on billings of DM198,781,280 in 1981, compared with gross income of DM28,843,000 on billings of DM192,416,700 in 1980.) Income figures include Wunderman Intl. Y&R does not publish billings. Figures given are AA estimates. Media breakdown: Newspapers 13%; magazines 23%; supplements 1%; radio 22%; tv 35%; outdoor 1%; business press 2%; direct mail 3%. Employes: 241. Accounts gained: American Home—Doppelspalt, Atari, BP, Jamaica Tourist Board, K-Tel, Nadler/Heinz, Neckermann und Reisen, Sanufren, Technofoil, W.V. Zucker. Accounts lost: Carey pipe, Eckes brandy and cherry liqueur, General Foods—Cefrisch, Merrill Lynch, Oriflame, Suchard.

GHANA

The same 1981 average annual exchange rate of .3639 dollars to the Ghanian cedi was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 0.03% depreciation of the cedi against the dollar based on the cedi's 1980 exchange rate of .364.

Lintas Ghana, Accra, reports gross income of $425,000 on billings of $2,682,680 for 1981, as compared to gross income of $179,000 on billings of $1,027,936 for 1980. (In local currency, gross income was Cedi 1,168,000 on billings of Cedi 7,370,000 for 1981, as compared to gross income of Cedi 491,000 on billings of Cedi 2,824,000 for 1980.) Media breakdown: Newspapers 24%; radio 36%; tv 8%; outdoor 19%; cinema 13%. Employes: 24. Account gained: Ministry of Finance.

GREECE

The same 1981 average annual exchange rate of .0184 dollars to the Greek drachma was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 28.1% depreciation of the drachma against the dollar based on the drachma's 1980 exchange rate of .0256.

ACR/Bates Hellas Advertising, Athens, reports gross income of $504,399 on billings of $2,852,938 for 1981, as compared to gross income of $298,080 on billings of $1,787,928 for 1980. (In local currency, gross income was Drs.27,413,000 on billings of Drs.155,051,000 for 1981, as compared to gross income of Drs.16,200,000 on billings of Drs.97,170,000 for 1980.) Media breakdown: Newspapers 3%; magazines 15%; tv 70%; other 12%. Employes: 25. Accounts gained: Societe Generale (bank), Estee Lauder, International Gold Corp., Seagram, Bank of Attica, Ktisma S A. constructions, Honig Foods, Data General, Botrys (brandy, ouzo, wines), Kavounides Lines. Account lost: Karageorgis Lines.

Adel, Hellenic Advertising, Athens, reports gross income of $717,600 on billings of $4,968,000 for 1981, as compared to gross income of $570,388 on billings of $3,942,166 for 1980. (In local currency, gross income was Drs.39,000,000 on billings of Drs.270,000,000 for 1981, as compared to gross income of Drs.30,999,349 on billings of Drs.214,248,180 for 1980.) Media breakdown: Newspapers 15%; magazines 10%; radio 3%; tv 62%; outdoor 2%; point of sale 6%; cinema 2%. Employes: 34. Accounts gained: ShertonJet windsurfs, Oil of Olaz, Dr. Oetker premixes, Kelvinator electric household appliances, Evenflo nursers and nipples, Golden Harlequin novels, Irish Dairy Board Kerrygold cheese, Johnson & Johnson dental products, Reach toothbrush, Tabac Original cosmetics, Azzaro perfumes, R.J. Reynolds—More cigarettes, Procter & Gamble Head & Shoulder shampoo, Cellar S.A. wine merchants, Clearasil anti-acme cream.

Alector, Athens, reports gross income of $903,440 on billings of $6,421,600 for 1981, as compared to gross income of $588,800 on billings of $4,360,800 for 1980. (In local currency, gross income was Drs.49,100,000 on billings of Drs.349,000,000 for 1981, as compared to gross income of Drs.32,000,000 on billings of Drs.237,000,000 for 1980.) Media breakdown: Newspapers 15%; magazines 13%; radio 6%; tv 62%; outdoor 3%; cinema 2%. Employes: 42. Accounts gained: Phoenix Insurance Co., Bayer-Ceox antidandruff sham-

poo, Panty diapers, Kim cigarets, Yatagan men's cologne, Yacht Club Inter. men's cologne, Elite rusks, Citibank, Minos Matsas record co., Oscar Lights cigarets, Jantzen swim suits, Pour Un Homme men's cologne, Minerva olive oil, Badedas bubble bath, Herma French watches. Accounts lost: Marathon carpets, Rio Mare tunafish, Kodak instamatic cameras, Papellinas cosmetics.

Bold Advertising, Athens, reports gross income of $1,012,000 on billings of $6,752,800 for 1981, as compared to gross income of $506,000 on billings of $3,404,000 for 1980. (In local currency, gross income was Drs.55,000,000 on billings of Drs.367,000,000 for 1981, as compared to gross income of Drs.27,500,000 on billings of Drs.185,000,000 for 1980.) Media breakdown: Newspapers 4%; magazines 14%; radio 3%; tv 60%; outdoor 2%; cinema 2%; production 14%. Employes: 29. Accounts gained: Motta, Ben-Bits/Bentasil, Berkshire, Charles of the Ritz, Dona Mod/Babylino, Clairol, Binaca, F.U.'s, Zita Hellas, Lord Extra cigarets, Life Savers, SVB "3", Mitsubishi, Favre-Leuba.

D'Arcy-MacManus & Masius/Ergon Advertising, Athens, reports gross income of $432,000 on billings of $2,883,000 for 1981, as compared to gross income of $312,000 on billings of $2,081,000 for 1980. (In local currency, gross income was Drs.23,500,000 on billings of Drs.156,700,000 for 1981, as compared to gross income of Drs.16,950,000 on billings of Drs.113,100,000 for 1980.) Media breakdown: Newspapers 20%; magazines 15%; radio 2%; tv 56%; outdoor 1%; point of sale 1%; cinema 5%. Employes: 22. Accounts gained: Astir Insurance, Effem (Uncle Ben's rice). Accounts lost: TEK heating systems, Fintexport carpets.

Delta-Delta S.A. Publicity, Athens, reports gross income of $936,060 on billings of $6,243,520 for 1981, as compared to gross income of $519,285 on billings of $3,463,630 for 1980. (In local currency, gross income was Drs.50,872,820 on billings of Drs.339,321,710 for 1981, as compared to gross income of Drs.28,222,055 on billings of Drs.188,241,106 for 1980.) Media breakdown: Newspapers 24%; magazines 14%; radio 4%; tv 41%; outdoor 5%; cinema 2.5%; production, etc. 9.5%. Employes: 43. Accounts gained: Fast margarine, Olympias wines, Klorane shampoos, Chorio olive oil, Valda drops, Cristal d'Arques, Morfat cream. Accounts lost: Lord cigarets, Prisunic stores.

Epsilon-Epsilon, Athens, reports gross income of $159,712 on billings of $1,251,568 for 1981, as compared to gross income of $127,880 on billings of $687,166 for 1980. (In local currency, gross income was Drs.8,680,000 on billings of Drs.68,020,000 for 1981, as compared to gross income of Drs.6,950,000 on billings of Drs.37,346,000 for 1980.) Media breakdown: Newspapers 16%; magazines 26%; radio 3%; tv 55%. Employes: 14. Accounts gained: Drozan throat lozenges, Tamo ampoules (hair elixir), Stella spaghetti, Citron 312 cologne, Neushaefer cosmetics, Manex nose and hand tissues. Account lost: Chavalin baby toys.

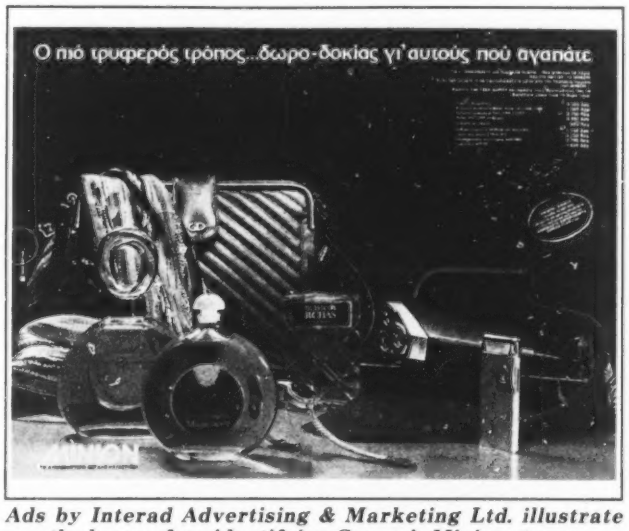
Euro-Advertising, Athens, reports gross income of $978,880 on billings of $6,570,000 for 1981, as compared to gross income of $693,680 on billings of $4,630,000 for 1980. (In local currency, gross income was Drs.53,200,000 on billings of Drs.357,000,000 for 1981, as compared to gross income of Drs.37,700,000 on billings of Drs.251,500,000 for 1980.) Media breakdown: Newspapers 12%; magazines 12%; radio 4%; tv 45%; outdoor 12%; business press 1%; point of sale 1%; cinema 3%; tv production 7%; printing 3%. Employes: 43. Accounts gained: LU biscuits, Buitoni pasta, Perfetti chewing gum, Cisa safety locks, Beau Mec men's toiletries.

FCB Middle East, Athens/Beirut, reports gross income of $1,210,044 on billings of $8,070,993 for 1981, as compared to gross income of $1,009,271 on billings of $6,731,838 for 1980. (In local currency, gross income was Drs.65,763,471 on billings of Drs.438,642,300 for 1981, as compared to gross income of Drs.54,851,860 on billings of Drs.365,861,900 for 1980.) Media breakdown: Newspapers 15%; magazines 55%; radio 10%; tv 12%; outdoor 2%; point of sale 4%; cinema 2%. Employes: 18. Accounts gained: Shering Corp.

Geo Advertising & Marketing, Athens, reports gross income of $179,799 on billings of $1,130,809 for 1981, as compared to gross income of $95,537 on billings of $616,400 for 1980. (In local currency, gross income was Drs.9,711,633 on billings of Drs.61,457,000 for 1981, as compared to gross income of Drs.5,192,250 on billings of Drs.33,500,000 for 1980.) Media breakdown: Newspapers 22%; magazines 25%; radio 1%; tv 45%; business press 4%; point of sale 2%; direct mail 1%. Employes: 11. Accounts gained: Limbo douche, Only You massage jelly, Legrand. Account lost: Korais.

Gnomi Advertising & Marketing, Athens, reports gross income of $642,712 on billings of $4,694,539 for 1981, as compared to gross income of $556,440 on billings of $4,324,000 for 1980. (In local currency, gross income was Drs.34,930,000 on billings of Drs.255,138,000 for 1981, as compared to gross income of Drs.30,241,328 on billings of Drs.235,000,000 for 1980.) Media breakdown: Newspapers 10%; magazines 21%; radio 8%; tv 41%; outdoor 10%; cinema 10%. Employes: 10. Accounts gained: Nationale Nederlanden (insurance company).

Ikon Advertising, Athens, reports gross income of $680,800 on billings of $4,787,780 for 1981, as compared to gross income of $355,120 on billings of $2,368,650 for 1980. (In local currency, gross income was Drs.37,000,000 on billings of Drs.260,205,436 for 1981, as compared to gross income of Drs.19,300,000 on billings of Drs.128,731,000 for 1980.) Media breakdown: Newspapers 6%; magazines 10.78%; supplements 3.64%; radio 1.82%; tv 56.4%; outdoor 6.51%; point of sale 1.14%; cinema 4.32%; tv production 8.14%; print production 1.25%. Employes: 36 in 1981 as compared to 27 in 1980. Accounts gained: FVGA Dairies (U.C.T. white and chocolate milk), Merck Darmstadt (BioNorm), Elastic/Inalax shampoo, Rielken (Germaine Monteil, Hellenica department stores), Lee jeans (Berkshire), Dunlop (Karantzos), Camelia (Hoechst), Studio Kosta Boda (Koumoutsos) and Agelonides. Accounts lost: Helioton/Polyton loudspeakers (Standard Electrik), R.J. Reynolds (Winston cigarets), Tasty Foods.



Ads by Interad Advertising & Marketing Ltd. illustrate the luxury fare identifying Greece's Minion stores.

Interad Advertising & Marketing, Athens, reports gross income of $754,400 on billings of $5,244,000 for 1981, as compared to gross income of $610,880 on billings of $4,406,984 for 1980. (In local currency, gross income was Drs.41,000,000 on billings of Drs.285,000,000 for 1981, as compared to gross income of Drs.33,200,000 on billings of Drs.239,510,000 for 1980.) Media breakdown: Newspapers 38%; magazines 13%; radio 8%; tv 29%; outdoor 4%; business press 2%; point of sale 1%; cinema 1%; pr-sales promotion 4%. Employes: 43. Accounts gained: Nikodimos furs, Philip Morris cigarets, Les Must de Cartier, Chicco cosmetics, L'eggs, Henkel glue, Rielken hair products, Lafont condominiums, Vat 69 whisky, Grand Marnier liqueur, Mackenzie whisky, Diadora sportshoes, R.N. sportswear, supermarket Electric. Account lost: Agency found itself with about half its billings in 1981 due to department store Minion's fire, which was a major client.

K&K Univas, Athens, reports gross income of $235,899 on billings of $1.603,448 for 1981, as compared to gross income of $196,880 on billings of $1,738,395 for 1980. (In local currency, gross income was Drs.12,820,600 on billings of Drs.87,143,954 for 1981, as compared to gross income of Drs.10,700,000 on billings of Drs.94,478,000 for 1980.) Media breakdown: Newspapers 7%; magazines 23%; radio 6%; tv 47%; outdoor 2%; cinema 1%; production 14%. Employes: 21. Accounts gained: Obao douche and milk, Riviera furniture shop, Dimioyrgiki (exhibit).

Lamda Alpha Advertising, Athens, reports gross income of $585,023 on billings of $3,938,909 for 1981, as compared to gross income of $370,462 on billings of $2,575,526 for 1980. (In local currency, gross income was Drs.31,794,754 on billings of Drs.214,071,112 for 1981, as compared to gross income of Drs.20,133,787 on billings of Drs.139,974,251 for 1980.) Media breakdown: Newspapers 8.5%; magazines 17%; radio 8%; tv 53.6%; outdoor 2.5%; point of sale 2%; cinema 2.4%; marketing surveys 6%. Employes: 21. Accounts gained: Benelli weapons, Elkron security lock system, Raymond Weil quartz watches, Hoya crystals, Anais gift stores, Commo-Lit convertible furniture. Account lost: Nilco - the "Sindy" doll.

J.N. Leoussis Advertising, Athens, reports gross income of $550,000 on billings of $3,500,000 for 1981, as compared to gross income of $370,000 on billings of $2,600,000 for 1980. (In local currency, its gross income was Drs.30,000,000 in 1981 on billings of Drs.190,000,000, compared with gross income of Drs.20,000,000 on billings of Drs.140,000,000 for 1980.) Media breakdown: Newspapers 22%; magazines 18%; radio 2%; tv 50%; outdoor 1%; business press 2%; point of sale 4%; cinema 3%. Employes: 27. Accounts gained: EEC Information campaign, Osram lamps.

Lintas Hellas, Athens, reports gross income of $882,000 on billings of $5,998,000 for 1981, as compared to gross income of $685,000 on billings of $4,581,000 for 1980. (In local currency, gross income was Drs.47,903,000 on billings of Drs.326,000,000 for 1981, as compared to gross income of Drs.37,225,000 on billings of Drs.249,000,000 for 1980.) Media breakdown: Newspapers 7%; magazines 6%; radio 3%; tv 79%; outdoor 3%; business press 1%; cinema 1%. Employes: 36 in 1981 as compared to 28 in 1980. Accounts gained: Lever Signal toothbrush, Impulse cologne and eau de toilette, Diana bleach, Alico (American Life) insurance, Skandinavian tobacco, Harvester Sperry New Holland, Lantec Wang computers, Numarco coins, Rowntree Macintosh Smarties. Account lost: 3M.

McCann-Erickson (Hellas), Athens, reports gross income of $465,000 on billings of $3,102,000 for 1981, as compared to gross income of $330,225 on billings of $2,202,590 for 1980. (In local currency, gross income was Drs.25,256,000 on billings of Drs.168,458,000 for 1981, as compared to gross income of Drs.17,947,000 on billings of Drs.119,706,000 for 1980.) Employes: 24. Accounts gained: Grindlays Bank, Lockheed, Dwight Cavendish video systems. Lost: Achaia Claus wines, Metaxa martini, Sekap cigarets.

Minos S.A.Advertising, Athens, reports gross income of $883,200 on billings of $6,366,000 for 1981, as compared to gross income of $616,032 on billings of $4,274,504 for 1980. (In local currency, gross income was Drs.48,000,000 on billings of Drs.346,000,000 for 1981, as compared to gross income of Drs.33,480,000 on billings of Drs.232,310,000 for 1980.) Media breakdown: Newspapers 7%; magazines 10%; radio 6%; tv 72%; cinema 2%; other 3%. Employes: 48. Accounts gained: Olivetti, Emial Columbia, Viosol electric heat accumulators, Babylino diapers, *Ethnos* newspaper, Old Spice, Pierre Leman sunglasses, Solpa toys, Greek Federation of Industries, Progress vacuum cleaners, Thomson electrical appliance and tv, Elizabeth Arden, Philippou tiles.

Olympic Advertising, Athens, reports gross income of $715,189 on billings of $4,770,314 for 1981, as compared to gross income of $532,588 on billings of $3,552,340 for 1980. (In local currency, gross income was Drs.38,869,000 on billings of Drs.259,256,230 for 1981, as compared to gross income of Drs.28,945,000 on billings of Drs.193,062,000 for 1980.) Media breakdown: Newspapers 24.8%; magazines 23.6%; radio 1.1%; tv 33%; outdoor 1.4%; point of sale 9.7%; cinema 1%; pr fees, direct mail, etc. 5.4%. Employes: 35. Accounts gained: Public Power Corp., General Electric irons.

Sigma Ltd., Athens, reports gross income of $231,840 on billings of $1,546,336 for 1981, as compared to gross income of $162,822 on billings of $1,085,968 for 1980. (In local currency, gross income was Drs.12,600,000 on billings of Drs.84,040,000 for 1981, as compared to gross income of Drs.8,849,000 on billings of Drs.59,020,000 for 1980.) Media breakdown: Newspapers 7%; magazines 24%; radio 3%; tv 45%; business press 5%; point of sale 6%; marketing studies, packaging 4%. Employes: 17. Accounts gained: Original knit-

GREECE

wear, Georges cosmetics, Pournaras children's wear, Pournaras men's socks, Garden Home, S&Z Constructions, Canon copiers. Account lost: Cellar wines.

Spot/Thompson Advertising, Athens, reports gross income of $1,381,785 on billings of $9,660,000 for 1981, as compared to gross income of $774,640 on billings of $5,347,960 for 1980. (In local currency, gross income was Drs.75,097,000 on billings of Drs.525,000,000 for 1981, as compared to gross income of Drs.42,100,000 on billings of Drs.290,650,000 for 1980.) Media breakdown: Press 36%; radio and tv 57%; outdoor 4%; cinema 2%; other 1%. Employes: 51. Accounts gained: Achaia Claus wines, Bacardi (Pernaud), Heineken beer, Ivi soft drinks, Philips hi-fi, 3M, R.J. Reynolds - Winston, Prisunic Marinopoulos super markets, *Reader's Digest*, Kodak Ektralite cameras (addl. assignment), Unilever Sunsilk hairspray/Mentadent toothpaste, Tudor car batteries, Lemmi children's wear, Hoechst Tempo handkerchiefs. Account resigned: Keranis filter cigarets.

Victory Advertising, Athens, reports gross income of $349,600 on billings of $2,502,400 for 1981, as compared to gross income of $220,800 on billings of $1,519,840 for 1980. (In local currency, gross income was Drs.19,000,000 on billings of Drs.136,000,000 for 1981, as compared to gross income of Drs.12,000,000 on billings of Drs.82,600,000 for 1980.) Media breakdown: Newspapers 46%; magazines 18%; radio 1.5%; tv 21%; business press 4%; cinema 2.5%; other 7%. Employes: 24.

GUATEMALA

The Guatemala quetzal tracks the dollar at 1 quetzal - $1.

APCU Thompson Asociados, Guatemala City, reports gross income of $657,000 on billings of $4,375,000 for 1981, as compared to gross income of $660,000 on billings of $4,400,000 for 1980. Media breakdown: Newspapers 25%, radio 20%, tv 55%. Employes: 38. Accounts gained: National (electronics), Nestle (tomato products and consomme), PepsiCo Intl., Pincasa (Glidden paints), Tropigas.

Publicidad McCann-Erickson Centroamericana (Guatemala), Guatemala City, reports gross income of $997,000 on billings of $6,650,000 for 1981, as compared to gross income of $738,000 on billings of $4,922,000 for 1980. Employes: 59. Accounts gained: National de Guatemala (Matsushita—sound equipment), Emporium (clothing), Ind. de Comidas Rapidas (fast food), Asesores de Seguros (insurance), Bacardi rum.

Publimerca S.A., Guatemala City, reports gross income of $280,000 on billings of $1,860,000 for 1981, as compared to gross income of $350,000 on billings of $2,310,000 for 1980. Media breakdown: Newspapers 25%, supplements 5%, radio 15%, tv 50%, outdoor 5%. Employes: 24. Accounts gained: McDonald's Intl.

Publicidad Siboney, Guatemala City, in association with NCK, Ltd., New York, only reports billings of $3,300,000 for 1981. The Guatemala office also covers El Salvador, Nicaragua and Honduras.

HONDURAS

The Honduran lempira recorded the same average annual exchange rate in 1981 and 1980 of .50 dollars.

APCU de Honduras, Tegucigalpa, reports gross income of $175,000 billings of $1,165,500 for 1981, as compared to gross income of $150,000 on billings of $1,000,000 for 1980. (In local currency, gross income was Lempira 350,000 on billings of Lempira 2,331,000 for 1981, as compared to gross income of Lempira 300,000 on billings of Lempira 2,000,000 for 1980.) Media breakdown: Newspapers 20%, radio 30%, tv 50%. Employes: 13. Accounts gained: Glidden paints.

McCann-Erickson Centroamericana (Honduras), Tegucigalpa, reports gross income of $262,000 on billings of $1,748,000 for 1981, as compared to gross income of $272,000 on billings of $1,814,000 for 1980. (In local currency, gross income was Lempira 519,000 on billings of Lempira 3,462,000 for 1981, as compared to gross income of Lempira 540,000 on billings of Lempira 3,602,000 for 1980.) Employes: 19. Accounts gained: Yude Canahuati (home entertainment), Industries Duval, Embutidos Delicia, Avianca, Nacionales de Aluminio, Heladera Hondurea. Lost: Distribuidora Caribe (school bags and suitcases).

HONG KONG

The same 1981 average annual exchange rate of .1800 dollars to the Hong Kong dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 12.2% depreciation of the HK$ against the dollar based on the HK$'s 1980 exchange rate of .2050.

APB/D'Arcy-MacManus & Masius, Hong Kong, reports gross income of $574,524 on billings of $3,756,780 for 1981, as compared to gross income of $421,145 on billings of $3,330,000 for 1980. (In local currency, gross income was HK$3,191,800 on billings of HK$20,871,000 for 1981, as compared to gross income of HK$2,339,692 on billings of HK$18,500,000 for 1980.) Media breakdown: Newspapers 24%; magazines 35%; radio 2%; tv 30%; transit advertising 8%; cinema 1%. Employes: 36. Accounts gained: Barclays Bank, Luke & Luke, Dr. Scholl, Effem foods (Mars, pet foods), Lam Soon, Hagemeyer (John Exshaw brandy). Account lost: Siber Hegner (Lindt, Ricola, Maja).

Ted Bates Ltd., Hong Kong, reports gross income of $1,945,000 on billings of $12,960,000 for 1981, as compared to gross income of $1,296,000 on billings of $8,640,000 for 1980. (In local currency, gross income was HK$10,800,000 on billings of HK$72,000,000 for 1981, as compared to gross income of HK$7,200,000 on billings of HK$48,000,000 for 1980.) Employes: 78.

Leo Burnett, Hong Kong, reports gross income of $3,240,000 on billings of $21,610,000 for 1981, as compared to gross income of $2,219,040 on billings of $14,801,040 for 1980. (In local currency, gross income was HK$17,999,000 on billings of HK$120,053,000 for 1981, as compared to gross income of HK$12,328,000 on billings of HK$82,228,000 for 1980.) Employes: 108.

Chase-Compton Advertising, Hong Kong, reports gross income of $591,508 on billings of $3,496,147 for 1981, as compared to gross income of $640,080 on billings of $3,357,000 for 1980. (In local currency, gross income was HK$3,286,153 on billings of HK$19,423,036 for 1981, as compared to gross income of HK$3,556,000 on billings of HK$18,650,000 for 1980.) Media breakdown: Newspapers 27%; magazines 25%; radio 2%; tv 30%; outdoor 3%; business press 10%; transit advertising 2%; cinema 1%. Employes: 35. Accounts gained: Agfa films, Lego toys, Pony cars, Timex watches, Hongkong Peggy foods, Telford Gardens. Accounts lost: Blair & Co. (Fruitella Candies), Hagemeyer (F.E.) Co.

Chuo Senko Advertising, Hong Kong, reports gross income of $621,232 on billings of $4,141,548 for 1981, as compared to gross income of $495,785 on billings of $3,305,235 for 1980. (In local currency, gross income was HK$3,451,291 on billings of HK$23,008,600 for 1981, as compared to gross income of HK$2,754,361 on billings of HK$18,362,415 for 1980.) Media breakdown: Newspapers 31.1%; magazines 7.3%; supplements 0.4%; radio 4%; tv 25%; outdoor 15%; point of sale 15%; cinema 2.2%. Employes: 20.

Doyle Dane Bernbach, Hong Kong, reports gross income of $1,254,000 on billings of $8,361,000 for 1981, as compared to gross income of $1,008,900 on billings of $6,729,480 for 1980. (In local currency, gross income was HK$6,964,000 on billings of HK$46,450,000 for 1981, as compared to gross income of HK$5,605,000 on billings of HK$37,386,000 for 1980.) Media breakdown: Newspapers 48%; magazines 12%; radio 2%; tv 35%; outdoor 3%. Employes: 54. Accounts gained: Intergold, Seagram.

FCB Advertising Ltd., **FCB Advertising Ltd.,** Hong Kong, reports gross income of $1,021,237 on billings of $6,811,650 for 1981, as compared to gross income of $843,005 on billings of $5,622,843 for 1980. (In local currency, the agency reported gross income of HK$5,673,537 on billings of HK$37,842,492 for 1981, compared with gross income of HK$4,683,359 on billings of HK$31,238,005 for 1980.) Media breakdown: Newspapers 29%; magazines 15%; radio 3%; tv 46%; outdoor 4%; cinema 3%. Employes: 34.

Far East Advertising Group, Hong Kong, reports gross income of $2,035,000 on billings of $11,488,000 for 1981, as compared to gross income of $1.726,000 on billings of $10,116,000 for 1980. (In local currency, gross income was HK$11,303,000 on billings of HK$63,822,000 for 1981, as compared to gross income of HK$9,591,000 on billings of HK$56,200,000 for 1980.) Employes: 110.

Far East-Ketchum Advertising, Hong Kong, reports gross income of $917,800 on billings of $5,202,000 for 1981, as compared to gross income of $796,900 on billings of $4,781,900 for 1980. (In local currency, gross income was HK$5,099,000 on billings of HK$28,900,000 for 1981, compared with gross income of HK$4,427,000 on billings of HK26,566,000 for 1980.) Media breakdown: Newspapers 31%; magazines 33%; tv 34%; outdoor 1%; cinema 1%. Employes: 30. Accounts gained: Hop Hing Oil Factory, Lancome cosmetics, Courreges Boutique, *Asiaweek* weekly magazine. Account lost: Wittnauer watches.

Kenyon & Eckhardt, Hong Kong, reports gross income of $1,436,854 on billings of $8,598,184 for 1981, as compared to gross income of $1,774,183 on billings of $10,420,378 for 1980. (In local currency, gross income was HK$7,982,526 on billings of HK$47,767,693 for 1981, as compared to gross income of HK$9,856,573 on billings of HK$57,890,993 for 1980.) Media breakdown: Newspapers 18%; magazines 11.5%; radio 1%; tv 53%; outdoor 3.5%; cinema 0.5%; other 12.5%. Employes: 61. Accounts gained: Winner Food Products, Dantas, Genting Highland Resort, Rexall, Eagle Insurance. Accounts lost: R.J. Reynolds Tobacco Co., Watsons The Wine Merchants (Remy Martin), Chase Manhattan Bank, Man on Toshiba, Shangri-la hotel.

Ling-McCann-Erickson, Hong Kong, reports gross income of $2,047,000 on billings of $13,653,000 for 1981, as compared to gross income of $1,759,000 on billings of $11,733,000 for 1980. (In local currency, gross income was HK$11,371,000 on billings of HK$75,845,000 for 1981, as compared to gross income of HK$9,773,000 on billings of HK$65,186,000 for 1980.) Employes: 80. Account gained: Texas Instruments. Accounts lost: Colgate-Palmolive's dental creams, Palmolive soap, detergents.

Meridian Advertising, Hong Kong, reports gross income of $698,575 on billings of $4,081,367 for 1981, compared with gross income of $5,533 on billings of $24,512 for 1980. (In local currency, gross income was HK$3,880,973 on billings of HK$22,674,262 for 1981, as compared to gross income of HK$30,741 on billings of HK$136,178 for 1980.) Media breakdown: Newspapers 14.2%; magazines 5.45%; radio 1.9%; tv 46.47%; outdoor 3.63%; cinema 0.55%; artwork and film production 27.8%. Employes: 32 in 1981 as compared to 4 in 1980. Accounts gained: Adec quartz watches, Chase Manhattan Bank, Toshiba electrical appliances, Pepsi-Cola, Winston cigarets, Lindt chocolates, Ricola candy, Maja soap, Remy Martin.

Modern Advertising, Hong Kong, reports gross income of $826,560 on billings of $5,429,340 for 1981, as compared to gross income of $588,960 on billings of $3,925,800 for 1980. (In local currency, Modern's gross income was HK$4,592,000 on billings of HK$30,163,000 to gross income of HK$3,272,000 billings of HK21,810,000 for 1980.) Media breakdown: Newspapers 30.16%; magazines 11.36%; radio 3.05%; tv 50.96%; outdoor 4.26%; cinema 0.21%. Employes: 35. Accounts gained: Grundig tv, Courbet Extra Cognac, Amway, Eupoair.

Ogilvy & Mather, Hong Kong, reports gross income of $2,147,342 on billings of $14,322,774 for 1981, as compared to gross income of $1,522,229 on billings of $10,164,068 for 1980. (In local currency, gross income was HK$11,929,680 on billings of HK$79,570,966 for 1981, as compared to gross income of HK$8,456,828 on billings of HK$56,467,043 for 1980.) Media breakdown: Newspapers 24.3%; magazines 20.5%; radio 1.1%; tv 52.2%; outdoor 1.6%; cinema 0.3%. Employes: 70. Accounts gained: Philips, Ford Motors, BMW, Peninsula Group, Ocean Park, Richardson-Vicks, Hutchison Properties. Account lost: Fortress.

People & Grey Advertising, Hong Kong, reports gross income of $1,079,000 on billings of $7,198,000 for 1981, as compared to gross income of $706,000 on billings of $4,708,000 for 1980. (In local currency, gross income was HK$5,995,000 on billings of HK$39,988,000 for 1981, as compared to gross income of HK$3,922,000 on billings of HK$26,158,000 for 1980.) Media breakdown: Newspapers 9.7%; magazines 8.8%; radio 2.7%; tv 78.5%; outdoor 0.2%; cinema 0.1%. Employes: 36 in 1981 as compared to 26 in 1980. Accounts gained: Berec Intl (5 Rams battery), Remington shavers, Garden bread and cream wafer. Accounts lost: Amatil (Cheezels), Emperor watch and jewelry.

Results (Hong Kong), Hong Kong, part of Ogilvy & Mather Intl., reports gross income of $179,771 on billings of $1,199,072 for 1981, as compared

to gross income of $24,245 on billings of $161,717 for 1980. (In local currency, gross income was HK$998.727 on billings of HK$6,661,509 for 1981, as compared to gross income of HK$134,697 on billings of HK$898,429 for 1980.) Gross income and billings figures for 1980 are for six months. Media breakdown: Newspapers 31.6%; magazines 19.4%; radio 0.1%; tv 1.5%; direct response 47.4%. Employes: Eight. Accounts gained: IBM, R.J. Reynolds, HK Telephone, *Reader's Digest*.

SSC&B:Lintas (Hong Kong), Hong Kong, reports gross income of $267,000 on billings of $1,741,000 for 1981, as compared to gross income of $305,000 on billings of $2,026,000 for 1980. (In local currency, gross income was HK$1,483,000 on billings of HK9,673,000 for 1981, as compared to gross income of HK$1,692,000 on billings of HK$11,257,000 for 1980.) Media breakdown: Newspapers 22%; magazines 13%; radio 2%; tv 59%; outdoor 2%; transit advertising 2%. Employes: 13. Accounts gained: Lever Bros. China, Fidelity Motors, Vymura wallpaper, Diners Club. Accounts lost: Dairy Farm Corp., Regent International Hotels.

Team/BBDO, Hong Kong, reports gross income of $676,300 on billings of $3,889,919 for 1981, as compared to gross income of $591,246 on billings of $3,140,739 for 1980. (In local currency, gross income was HK$3,757,224 on billings of HK$21,610,661 for 1981, as compared to gross income of F.K$3,284,701 on billings of HK$17,448,553 for 1980.) Media breakdown: Newspapers 23.87%; magazines 4.74%; radio 1.62%; tv 66.99%; outdoor 1.9%; cinema 0.88%. Employes: 28. Accounts gained: Air Lanka, Sahara. Samuel Taylor, R.J. Reynolds (Camels). Accounts lost: Tse Lee Yuen, MD Motors.

J. Walter Thompson, Hong Kong, reports gross income of $1,151,640 on billings of $7,681,500 for 1981, as compared to gross income of $761,760 on billings of $5,080,860 for 1980. (In local currency, gross income was HK$6,398,000 on billings of HK$42,675,000 for 1981, as compared to gross income of HK$4,232,000 on billings of HK$28,227,000 for 1980.) Media breakdown: Newspapers 22%; magazines 26%; radio 0.8%; tv 49%; outdoor 2%; cinema 0.2%. Employes: 49 in 1981 as compared to 37 in 1980. Accounts gained: Gulf Air, Fulcian Electronics, Le Saunda, Abuy H.K., Getz Corp., International Herald Tribune, Malaysian Airlines, Trafalgar Housing. Accounts lost: Hong Kong Hilton, M.D. Motors, Kowloon Dairy.

3A Publicity 'n Promotions, Hong Kong, reports gross income of $433,000 on billings of $2,880,000 for 1981, as compared to gross income of $259,773 on billings of $1,730,000 for 1980. (In local currency, gross income was HK$2,405,748 on billings of HK$16,001,280 for 1981, as compared to gross income of HK$1,443,299 on billings of HK$9,611,880 for 1980.) Media breakdown: Print 40%; broadcast 42%; transport, graphics, fees 18%. Employes: 22. Accounts gained: Choicest Holidays, Peter Koo & Co., Blue Cross medial insurance.

Tse, Needham & Standard Advertising, Hong Kong, reports gross income of $1,029,081 on billings of $6,863,975 for 1981, as compared to gross income of $698,499 on billings of $4,051,993 for 1980. (In local currency, gross income was HK$5,717,121 on billings of HK$38,133,197 for 1981, as compared to gross income of HK$3,880,551 on billings of HK$22,511,071 for 1980.) Media breakdown: Newspapers 24.2%; magazines 1.5%; radio 1.4%; tv 71.3%; outdoor 0.8%; cinema 0.8%. Employes: 51. Accounts gained: Best Homes, Chronicle Development, Fortress, Hunter Douglas, Kowloon Dairy Asia, The Kowloon Dairy, Lam Soon, Marvellous Investment, Max-Factor, Orlane, San Miguel Brewery, Seiko Time. Accounts lost: The Garden Co., Rediffusion Television, Tse Sui Luen jewelry, TeleCheck.

Wong Lam Wong Ayer, Hong Kong, reports gross income of $653,952 on billings of $4,361,863 for 1981, as compared to gross income of $513,000 on billings of $3,420,000 for 1980. (In local currency, gross income was HK$3,633,069 on billings of HK$24,232,573 for 1981, as compared to gross income of HK$2,850,000 on billings of HK$19,000,000 for 1980.) Media breakdown: Newspapers 17%; magazines 10%; radio 8%; tv 65%. Employes: 27. Accounts gained: B.A.T. (Hilton cigarets), Oscar de la Renta perfume, Foodles (instant noodles with meat and vegetables), Hing Sang Tong Co. (Ginseng products), Tai Cheung Properties, Sun Hung Kai Properties, United Restaurant. Accounts lost: Abuy detergent, Pan American.

Young & Rubicam, Hong Kong, reports gross income of $1,890,000 on billings of $12,606,000 for 1981, as compared to gross income of $1,341,000 on billings of $8,944,000 for 1980. (In local currency, gross income was HK$10,500,000 on billings of HK$70,038,936 for 1981, as compared to gross income of HK$7,449,000 on billings of HK$49,692,864 for 1980.) Y&R does not report billings. Figures given are AA estimates. Media breakdown: Newspapers 32%; magazines 17%; radio 1%; tv 50%. Employes: 59. Accounts gained: Atari, Brown & Williamson, Giordano shirts, HK & Kowloon wharf, Jardine Matheson (corporate), MD Motors (Jaguar, Rolls-Royce), Pizza Hut, Telecheck, *Time* magazine. Accounts lost: Eastern Airlines, Kingsburg, Watson toys.

INDIA

The same 1981 average annual exchange rate of .1167 dollars to the Indian rupee was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 10.4% depreciation of the rupee against the dollar based on the rupee's 1980 exchange rate of .1303.

Advertising & Sales Promotion Co., New Delhi, reports gross income of $1,284,984 on billings of $7,016,004 for 1981, as compared to gross income of $1,141,910 on billings of $5,969,205 for 1980. (In local currency, gross income was Rs 11,011,000 on billings of Rs 60,120,000 for 1981, as compared to gross income of Rs 9,785,000 on billings of Rs 51,150,000 for 1980.) Media breakdown: Newspapers 56%, magazines 10%, radio 7%, tv 15%, outdoor 4%, cinema 1%, exhibitions 7%. Employes: 244. Accounts gained: Bharat Heavy Electricals Ltd., Indian Oil Corp. Lost: Geoffery Manners, Pan American.

Bidhan Advertising & Marketing, Ahmedabad, reports for its Ahmedabad and Bombay offices gross income of $730,081 for 1981, as compared to gross income of $610,427 for 1980. No billings were reported. (In local currency, gross income was Rs 6,256,052 in 1981 and Rs 5,230,733 in 1980.) Media breakdown: Newspapers 67%, radio 21%, tv 1%, outdoor 6%, cinema 5%. Employes: 22. Accounts gained: I.C. Gandhi Silk Mills in Surat, Times Apparal in Bombay, Nitex Hosiery Mills in Ahmedabad.

Chaitra Advertising Private Ltd., Bombay, with offices in Delhi and Bangalore, reports gross income of $1,283,700 on billings of $8,565,780 for 1981, as compared to gross income of $796,478 on billings of $5,309,850 for 1980. (In local currency, gross income was Rs 11,000,000 on billings of Rs 73,400,000 for 1981, as compared to gross income of Rs 6,825,000 on billings of Rs 45,500,000 for 1980.) Media breakdown: Newspapers 38%, magazines 24%, radio 6%, tv 5%, outdoor 3%, point of sale 2%, cinema 10%, other 12%. Employes: 157. Accounts gained: Eskay Polymers (Electrom mixer/grinder), Estrela Batteries (Estrela dry cells), Tanna Exporters (peanuts), Ranbaxy Laboratories (toilet soap), Hotel Bangalore Intl., Indian Telephone Industries (institutional/telephone equipment).

Everest Advertising Private Ltd., with two offices in Bombay and one in New Delhi, reports gross income of $1,064,304 on billings of $6,698,580 for 1981, as compared to gross income of $891,588 on billings of $5,601,600 for 1980. (In local currency, gross income was Rs 9,120,000 on billings of Rs 57,400,000 for 1981, as compared to gross income of Rs 7,640,000 on billings of Rs 48,000,000 for 1980.) Media breakdown: Newspapers 56%, magazines 5%, radio 7%, tv 6%, outdoor 1%, point of sale 20%, cinema 5%. Employes: 167. Accounts gained: Pressure Cookers & Appliances Ltd., Hotel Corp. of India, Mahindra & Mahindra Ltd., Continental Devices India Ltd., Nicky Tasha, Janata Bazaar, Hudson Engineering Industries. Lost: Allana Oil and Mills, Hotel Poonam, Icosca, Intercraft.

Lithsome miss pulls burden with ease in ad by Sista's Private Ltd., Bombay.

Grant/Kenyon & Eckhardt (India), Bombay, reports gross income of $540,000 on billings of $3,600,000 for 1981, as compared to gross income of $803,763 on billings of $6,162,673 for 1980. (In local currency, gross income was Rs 4,627,260 on billings of Rs 30,848,400 for 1981, as compared to gross income of Rs 6,887,445 on billings of Rs 52,807,944 for 1980.) Media breakdown: Newspapers 33%, magazines 22%, radio 12%, tv 12%, outdoor 2%, cinema 1%, other 18%. Employes: 135. Accounts gained: BASF agricultural products.

Hindustan Thompson Associates, based in Bombay and with offices in Calcutta, New Delhi and Madras, reports gross income of $3,559,350 on billings of $23,340,000 for 1981, as compared to gross income of $2,856,879 on billings of $18,670,670 for 1980. (In local currency, gross income was Rs 30,500,000 on billings of Rs 200,000,000 for 1981, as compared to gross income of Rs 24,480,543 on billings of Rs 159,988,607 for 1980.) Media breakdown: Print 49.9%, radio 3.9%, tv 4%, outdoor 1.3%, point of sale 13.5%, cinema 9.2%, research, service fees, etc. 18.2%. Employes: 567. Accounts gained: Bush Boake Allen (India), C.K. Sen & Co., Dynamatic Hydraulics, Electronic Relays (India), G.M. Devices, Hindustan Aeronautics, The Hyderabad Allwyn Metal Works, Inter-Shoppe, Karnataka Consumer Products, Kerala State Electronics Development Corp., Kerala Tourism Development Corp., Kritika Rubber Industries, Ruchi Food Products, Savera Hotel, Time Aids (India), T.T.K. Pharma, T.T. Krishnamachari & Co., Wiltech India. Resigned: Amrutanjan Ltd., Best & Crompton Engineering, Crystal Knitters, Indo National, Kerala State Electronics Development Corp., Kerala Tourism Development Corp., Maharashtra State Financial Corp., Trade Fair Authority of India. Moved because of account re-allocation: Peico Electronics & Electricals Ltd. (S&I division).

Jaisons Advertising, Bombay. and with offices in New Delhi and Chandigarh, reports gross income of $753,829 on billings of $4,734,540 for 1981, as compared to gross income of $409,690 on billings of $2,483,758 for 1980. (In local currency, gross income was Rs 6,459,550 on billings of Rs 40,570,183 for 1981, as compared to gross income of Rs 3,510,625 on billings of Rs 21,283,277 for 1980.) Media breakdown: Newspapers 60%, magazines 10%, supplements 2%, radio 8%, tv 10%, outdoor 4%, business press 0.5%, farm press 0.5%, transit 1%, point of sale 0.5%, cinema 2.5%, audiovisual 1%. Employes: 94. Accounts gained: Alembic Glass Industries, Cenka Plastics, Nippon Bearings, RJ Knitwear, Unichem Laboratories, VGP Group. Lost: OCM

Lintas India, Bombay, reports for its four offices gross income of $2,092,000 on billings of $13,947,000 for 1981, as compared to gross income of $1,686,000 on billings of $11,240,000 for 1980. (In local currency, gross income was Rs 17,925,000 on billings of Rs 119,517,000 for 1981, as compared to gross income of Rs 14,445,000 on billings of Rs 96,315,000 for 1980.) Media breakdown: Supplements 51%, radio 9%, tv 14%, outdoor 5%, cinema 21%. Employes: 182 in 1981; 146 in 1980. Accounts gained: Hyderabad Allwyn Refrigerators, Mercantile Bank, Lipton Tea additional products, Lever Bros. Ceylon, Premier Mills Fabrics. Lost: Union Carbide.

National Advertising Service, based in Bombay, reports for its five offices gross income of $175,000 on billings of $1,167,058 for 1981, as compared to gross income of $154,044 on billings of $1,045,632 for 1980. (In local currency, gross income was Rs 1,500,000 on billings of Rs 10,000,000 for 1981, as compared to gross income of Rs 1,320,000 on billings of Rs 8,960,000 for 1980.) Media breakdown: Newspapers 30%, magazines 15%, radio 17%, tv 10, outdoor 10%, transit 3%, cinema 15%. Employes: 90. Accounts gained: Radhakrishan Prakashan, Tamilnadu Co-operative, Victor Undergarments, Melmoware Crockery.

Ogilvy Benson & Mather, Bombay, reports gross income of $1,460,355 on billings of $9,552,480 for 1981, as compared to gross income of $1,214,064 on billings of $7,905,734 for 1980. (In local currency, gross income was Rs 12,513,777 on billings of Rs 81,855,202 for 1981, as compared to gross income of Rs 10,403,288 on billings of Rs 67,744,082 for 1980.) Media breakdown: Newspapers 42%, magazines 20%, radio 5%, tv 9%, outdoor 2%, business press 2%, point of sale 11%, cinema 9%. Employes: 237. Accounts gained: Best & Crompton, East India Hotels, Geoffrey Manners, Hindustan Lever, Hindustan Reprographics, India Book House (Amar Chitra Katha), India Foils, Microcomp, Peico (Philips, and Science & Industry division and two new products), Power Control & Appliances (hair dryer), Shri Digvijaya, Usha Martin Black, Volga Ice Cream. Lost: Peico (Philips-radio recorder), Golden Tobacco, Jaina Time Industries, Triveni Engineering Works.

Sista's Private Ltd., Bombay, reports for its seven offices gross income of $899,424 on bill-

INDIA

ings of $5,999,162 for 1981, as compared to gross income of $666,940 on billings of $4,445,161 for 1980. (In local currency, gross income was Rs 7,707,150 on billings of Rs 51,406,700 for 1981, as compared to gross income of Rs 5,715,000 on billings of Rs 38,090,500 for 1980.) Media breakdown: Newspapers 41%, magazines 18%, radio 7%, tv 5%, outdoor 2%, point of sale 12%, cinema 15%. Employes: 172. Accounts gained: Humphreys & Glasgow Consultants, Menon & Menon, Samick Chemicals, Shri Vindhya Paper Mills, Alimchand Topandas, Hindustan National Glass & Industry, Deccan Fibre Glass, Unicorn Machinery Mfrs., Coney Electronics, Crystal Knitters, EID Parry (India), EIMCO-KCP Ltd. Lost: Arora Plastics, Hindustan Antibiotics, Cathay Pacific Airways, Hyderabad Allwyn Metal Works.

Ulka Advertising, based in Bombay and with offices in Calcutta and New Delhi, reports gross income of $1,181,588 on billings of $7,877,250 for 1981, as compared to gross income of $1,050,300 on billings of $7,002,000 for 1980. (In local currency, gross income was Rs 10,125,000 on billings of Rs 67,500,000 for 1981, as compared to gross income of Rs 9,000,000 on billings of Rs 60,000,000 for 1980.) Media breakdown: Newspapers 38%, magazines 12%, radio 9%, tv 10%, outdoor 5%, point of sale 5%, cinema 12%, art and production 9%. Employes: 187. Accounts gained: Gladstone Lyall & Co. (consumer products), Geoffrey Manners (consumer products), Tata Burroughs (corporate), Oswal Agro Mills (soaps and detergents), Shriram Fertilisers & Chemicals Ltd. (corporate/product), James Warren Ltd. (tea). Lost: Bank of Baroda, National Insurance Corp., Allahabad Bank.

INDONESIA

An exchange rate of .00159 rupiah was used to determine both 1980 and 1981 gross income and billings.

Meridian Indonesia, Jakarta, reports gross income of $506,000 on billings of $2,385,000 for 1981, the only years it reported. (In local currency, gross income was Rupiah 318,239,000 on billings of Rupiah 1,500,000,000 for 1981. Media breakdown: Newspapers 38%, magazines 43%, radio 5%, tv 9%, point of sale 4%, cinema 1%. Employes: 28. Accounts gained: Bata, Carlo Erba, Ferero, Richardson-Vicks, S.C. Johnson. Lost: None.

IRAN

The same 1981 average annual exchange rate of .0127 dollars to the Iranian rial was applied to local currency reported for both 1981 and 1980 income and billings in this issue.

Caspian Advertising, Tehran, affiliated with Grey Intl., reports gross income of $18,000 on billings of $120,000 for 1981, as compared to gross income of $15,000 on billings of $100,000 for 1980. (In local currency, gross income was Rial 1,417,320 on billings of Rial 9,448,800 for 1981, as compared to gross income of Rial 1,181,100 on billings of Rial 7,874,000 for 1980.)

IRELAND

The same 1981 average annual exchange rate of 1.614 dollars to the Irish pound was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 20.1% depreciation of the pound against the dollar based on the pound's 1980 exchange rate of 2.026.

Bell Advertising, Dublin, a member of the Wilson Hartnell Group, reports for its two offices gross income of $1,312,164 on billings of $7,674,526 for 1981, as compared to gross income of $1,161,256 on billings of $6,764,274 for 1980. (In local currency, gross income was I£812,989 on billings of I£4,754,973 for 1981, as compared to gross income of I£719,490 on billings of I£4,191,000 for 1980.) Media breakdown: Newspapers 38.5%, 16.5%, radio 11.6%, tv 28.6%, outdoor 4.4%, cinema 0.4%. Employes: 47 in 1981; 40 in 1980. Accounts gained: Beecham of Ireland (Body Mist, Macleans, Silvikrin), Dowdall O'Mahoney (Kraft—all products), Haig, Dewars Scotch whisky, Irish Shell (part), Lyons Tea, Post Office Savings. Lost: Curtain Centre.

Wilson Hartnell Advertising & Marketing, Dublin, reports gross income of $1,921,793 on billings of $10,727,467 for 1981, as compared to gross income of $1,515,878 on billings of $8,622,795 for 1980. (In local currency, gross income was I£1,190,702 on billings of I£6,646,310 for 1981, as compared to gross income of I£939,206 on billings of I£5,342,500 for 1980.) Media breakdown: Newspapers 24.11%, magazines 8.15%, radio 14.24%, tv 49.90%, outdoor 3.50%, cinema 0.1%. Employes: 61. Accounts gained: American Express (cards and travel), Hennessy Cognac, Tia Maria, Gordon's Gin, Bovril, Blueskies Travel, Irish Life Building Society.

O'Keeffes Ltd., Dublin, reports gross income of $1,178,278 on billings of $6,919,308 for 1981, as compared to gross income of $967,715 on billings of $5,591,941 for 1980. (In local currency, gross income was I£730,036 on billings of I£4,287,056 for 1981, as compared to gross income of I£599,576 on billings of I£3,464,648 for 1980.) Media breakdown: Newspapers 41.22%, magazines 2.05%, radio 8.27%, tv 40.79%, outdoor 1.10%, business press 2.10%, farm press 3.52%, transit 0.52%, cinema 0.43%. Employes: 27. Accounts gained: John Player Special Cigarettes, Magna Video (Video's tv, hi-fi), Deca (Cindy dolls, Deca bicycles). Lost: None.

ISRAEL

The same 1981 average annual exchange rate of .0944 dollars to the Israel shekel was applied to local currency reported for both 1981 and 1980 income and billings in this issue.

Pelled Advertising & PR, Tel Aviv, reports gross income of $708,000 on billings of $5,437,440 for 1981, as compared to gross income of $613,600 on billings of $4,583,120 for 1980. (In local currency, gross income was Sh7,500,000 on billings of Sh57,600,000 for 1981, as compared to gross income of Sh6,500,000 on billings of Sh48,550,000 for 1980.) Media breakdown: Newspapers 56%; magazines 20%; supplements 3%; radio 12%; outdoor 0.5%; business press 2%; farm press 1%; cinema 5.5%. Employes: 27. Accounts gained: Unions, Health Care Centre, Carmel.

ITALY

The same 1981 average annual exchange rate of .000893 dollars to the Italian lire was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 26.5% depreciation of the lire against the dollar based on the lire's 1980 exchange rate of .001215.

ATA Univas, Milan, reports gross income of $4,494,469 on billings of $29,927,109 for 1981, as compared to gross income of $3,060,311 on billings of $20,403,576 for 1980. (In local currency, gross income was LI 5.033 billion on billings of LI 33.513 billion for 1981, as compared to gross income of LI 3.427 billion on billings of LI 22.848 billion for 1980.) Media breakdown: Newspapers 14%; magazines 33%; radio 2%; tv 44%; outdoor 5%; cinema 2%. Employes: 74. Accounts gained: Lotus, Snam, Nuovo Pignone, Saipem, Anic, Europages, Maserati, Novicom, Triumph, Hollywood. Accounts lost: Guzzi, Acsal, Callegari e Ghigi, *Famiglia Cristiana.*

Admarco, Florence, reports gross income of $1,361,000 on billings of $7,596,000 for 1981, as compared to gross income of $1,356,000 on billings of $7,471,000 for 1980. (In local currency, gross income was LI 1.524 billion on billings of LI 8.597 billion for 1981, as compared to gross income of LI 1.519 billion on billings of LI 8.367 billion for 1980.) Media breakdown: Newspapers 8%; magazines 34%; radio 1%; tv 26%; outdoor 15%; business press 2%; transit advertising 2%; point of sale 6%; other 6%. Employes: 22 in 1981 as compared to 35 in 1980. Accounts gained: Alno, Centrale del Latte di Firenze, Editrice La Fiorentina, Fiorentina Calcio, Rasseno, Lenzi. Accounts lost: Automobile Club d'Italia, Bimak.

B Communications, Milan reports gross income of $1,640,045 on billings of $14,068,572 for 1981, as compared to gross income of $1,435,765 on billings of $10,931,115 for 1980. (In local currency, gross income was LI 1.837 billion on billings of LI 15.754 billion for 1981, as compared to gross income of LI 1.608 billion on billings of LI 12.241 billion for 1980.) Media breakdown: Newspapers 20%; magazines 35%; radio 1%; tv 29%; outdoor 12%; cinema 1%; promotion 2%. Employes: 40. Accounts gained: Spontex home polishing tissues, Lepharma—pharmaceutical and cosmetics products.

Ted Bates & Co., Milan, reports gross income of $1,016,057 on billings of $6,777,101 for 1981, as compared to gross income of $833,674 on billings of $5,560,602 for 1980. (In local currency, gross income was LI 1.138 billion on billings of LI 7.589 billion for 1981, as compared to gross income of LI 933,565,000 on billings of LI 6.227 billion for 1980.) Media breakdown: Newspapers 11.4%; magazines 33.1%; radio 4.2%; tv 42.6%; outdoor 0.8%; cinema 3.3%; other 4.6%. Employes: 25. Accounts gained: Felice Bisleri & C. (aperitif), DHL (carrier), Estee Lauder perfume, Telematica.

Benton & Bowles Italy, Milan, reports gross income of $2,299,058 on billings of $15,101,153 for 1981, as compared to gross income of $1,606,550 on billings of $10,869,657 for 1980. (In local currency, gross income was LI 2.575 billion on billings of LI 16.911 billion for 1981, as compared to gross income of LI 1.799 billion on billings of LI 12.172 billion for 1980.) Media breakdown: Newspapers 3%; magazines 40%; radio 12%; tv 38%; outdoor 5%; business press 1%; cinema 1%. Employes: 54. Accounts gained: Fisher-Price, Italgel, Gerber.

Leo Burnett, Milan, reports gross income of $1,347,376 on billings of $8,987,000 for 1981, as compared to gross income of $1,020,115 on billings of $6,804,167 for 1980. (In local currency, gross income was LI 1.509 billion on billings of LI 10.064 billion for 1981, as compared to gross income of LI 1.142 billion on billings of LI 7.619 billion for 1980.) Employes: 33. Account gained: Fila. Account lost: Zucchi.

CBC, Milan, reports gross income of $2,550,000 on billings of $17,012,000 for 1981, as compared to gross income of $1,161,000 on billings of $7,769,000 for 1980. (In local currency, gross income was LI 2.856 billion on billings of LI 19.050 billion for 1981, as compared to gross income of LI 1.3 billion on billings of LI 8.7 billion for 1980.) Media breakdown: Newspapers 46%; magazines 21%; radio 3%; tv 20%; outdoor 9%; cinema 1%. Employes: 31. Accounts gained: Ciba-Geigy, Sidalm.

CFV, Kenyon & Eckhardt Italiana, Milan, reports gross income of $2,643,280 on billings of $21,878,500 for 1981, as compared to gross income of $2,044,970 on billings of $16,967,000 for 1980. (In local currency, gross income was LI 2.96 billion on billings of LI 24.5 billion for 1981, as compared to gross income of LI 2.29 billion on billings of LI 19 billion for 1980.) Media breakdown: Newspapers 7%; magazines 31%; radio 3%; tv 25%; outdoor 7%; business press 5%; transit advertising 8%; point of sale 12%; cinema 2%. Employes: 60. Accounts gained: South African Airway, IPEC (international transport), Valvito (Galestro wines), Lemonsoda soft drink, Schiapparelli Farmaceutici. Accounts lost: Peugeot cars, Rowenta (electrical household appliances), CBM car accessories.

Compton Italia, Rome/Milan, reports gross income of $2,625,000 on billings of $17,803,000 for 1981, as compared to gross income of $1,782,000 on billings of $11,883,000 for 1980. (In local currency, gross income was LI 2.94 billion on billings of LI 19.6 billion for 1981, as compared to gross income of LI 1.996 billion on billings of LI 13.307 billion for 1980.) Media breakdown: Newspapers 21%; magazines 40%; radio 5%; tv 29%; outdoor 3%; cinema 1%; other 1%. Employes: 60 in 1981 as compared to 49 in 1980. Accounts gained: Max Factor, Italcable, Rizzoli, Saiwa-Nabisco, Air Malta, Unipart. Assignment gained: IBM computers, Playtex (Criss Cross, 24 hours), DuPont (Silverstone). Accounts lost: Texas Instruments, John Deere.

D'Arcy-MacManus & Masius, Milan, reports gross income of $2,391,000 on billings of $15,951,000 for 1981, as compared to gross income of $1,954,000 on billings of $13,030,000 for 1980. (In local currency, gross income was LI 2.678 billion on billings of LI 17.861 billion for 1981, as compared to gross income of LI 2.188 billion on billings of LI 14.591 billion for 1980.) Media breakdown: Newspapers 39%; radio 2%; tv 51%; outdoor 5%; cinema 3%. Employes: 48. Accounts gained: Peruzzo Editore, Banca Nazionale Agricoltura, Calpak, Mobil Oil Italiana, Arca, Haig whisky, Ersal. Accounts lost: Marigold, San Pelligrino.

Dorland Italiana, Milan, reports gross income of $392,900 on billings of $2,620,000 for 1981, as compared to gross income of $359,900 on billings of $2,335,200 for 1980. (In local currency, gross income was LI 440,000,000 on billings of LI 2.935 billion for 1981, as compared to gross income of LI 403,000,000 on billings of LI 2.615 billion for 1980.) Media breakdown: Newspapers 8%; magazines 52%; supplements 4%; tv 20%; outdoor 1%; business press 5%; point of sale 5%; cinema 5%. Employes: 20. Accounts gained: Monzino unit, Hewlett-Packard computer, Durex, American School in Switzerland. Accounts lost: Predictor pregnancy test, Hill boots, Unid Bloc.

Doyle Dane Bernbach Italia, Milan, reports gross income of $1,030,522 on billings of $6,870,146 for 1981, as compared to gross income of $1,383,422 on billings of $9,222,811 for 1980. (In local currency, gross income was LI 1.154 billion on billings of LI 7.693 billion for 1981, as

compared to gross income of LI 1.139 billion on billings of LI 7.591 billion for 1980.) Media breakdown: Newspapers 4%; magazines 43%; radio 7%; tv 41%; outdoor 2%; business press 1%; cinema 2%. Employes: 18. Accounts gained: Chanel, Soilax.

Emmer Pubblicita' & Marketing, Rome, reports gross income of $646,532 on billings of $4,313,190 for 1981, as compared to gross income of $622,421 on billings of $4,152,450 for 1980. (In local currency, gross income was LI 724,000,000 on billings of LI 4,830,000 for 1981, as compared to gross income of LI 697,000,000 on billings of LI 4,650,000 for 1980.) Media breakdown: Newspapers 4%; magazines 31%; radio 17%; tv 27%; outdoor 11%; point of sale 4%; cinema 6%. Employes: 15. Account gained: IGI Calzature (children's shoes).

Euro-Advertising, Bologna, reports gross income of $1,045,646 on billings of $6,517,698 for 1981, as compared to gross income of $965,333 on billings of $4,993,656 for 1980. (In local currency, gross income was LI 1.171 billion on billings of LI 7.299 billion for 1981, as compared to gross income of LI 1.081 billion on billings of LI 5.592 billion for 1980.) Media breakdown: Magazines 53.84%; tv 16.79%; outdoor 1.65%; farm press 3.23%; transit advertising 4.04%; point of sale 20.45%. Accounts gained: Sao Cafe, Jacuzzi Europe (whirlpool spas, whirlpool baths, pumps), Marposs electronic manual plug, Cisa locks. Account lost: Compagnia Fabbricazione Liquori.

Foote, Cone & Belding, Milan, reports gross income of $6,526,552 on billings of $43,532,104 for 1981, as compared to gross income of $4,322,065 on billings of $28,828,170 for 1980. (In local currency, gross income was LI 7.309 billion on billings of LI 48.748 billion for 1981, as compared to gross income of LI 4.84 billion on billings of LI 32.282 billion for 1980.) Media breakdown: Newspapers 15.27%; magazines 29.67%; radio 4.45%; tv 33.55%; outdoor 15.53%; cinema 1.53%. Employes: 138 in 1981 as compared to 105 in 1980. Accounts gained: Brown & Williamson, Elf, Spirit, Autovox. Accounts lost: GFT, Facis.

GGK Milano, Milan, reports gross income of $870,700 on billings of $5,804,500 for 1981, as compared to gross income of $669,800 on billings of $4,465,000 for 1980. (In local currency, gross income was LI 975,000,000 on billings of LI 6.5 billion for 1981, as compared to gross income of LI 750,000,000 on billings of LI 5 billion for 1980.) Media breakdown: Newspapers 28%; magazines 40%; radio 2%; tv 20%; point of sale 3%; mailings 7%. Employes: 14. Accounts gained: Calzaturificio de Varese (shoes), Ciga hotels, Atlas Copco, IFJ, Rizzoli. Accounts lost: Eminence, Silent Gliss.

Intermarco-Farner Italia, Milan, reports gross income of $1,145,000 on billings of $6,869,000 for 1981, as compared to gross income of $605,000 on billings of $3,136,000 for 1980. (In local currency, gross income was LI 1.282 billion on billings of 7.691 billion for 1981, as compared to gross income of LI 677,400,000 on billings of LI 3.512 billion for 1980.) Media breakdown: Newspapers 3%; magazines 41%; radio 3%; tv 36%; outdoor 12%; cinema 1%; other 4%. Employes: 22. Accounts gained: Castelmonte antique stoves, Ferbona security doors, Talpa safes. Accounts lost: Audiola car stereo, Radio Studio 105.

Int. H.A. Univas, Turin, reports gross income of $1,107,000 on billings of $6,581,400 for 1981, as compared to gross income of $870,500 on billings of $5,346,800 for 1980. (In local currency, gross income was LI 1.24 billion on billings of LI 7.37 billion for 1981, as compared to gross income of LI 974,798,000 on billings of LI 5.988 billion for 1980.) Media breakdown: Newspapers 13%; magazines 40%; tv 34%; outdoor 12%; cinema 1%. Employes: 28. Accounts gained: Peugeot, Toro, Federici.

Leader Pubblicita & Marketing, Florence, reports gross income of $2,768,000 on billings of $18,039,000 for 1981, as compared to gross income of $2,322,000 on billings of $15,270,300 for 1980. (In local currency, gross income was LI 3.1 billion on billings of LI 20.2 billion for 1981, as compared to gross income of LI 2.6 billion on billings of LI 17.1 billion for 1980.) Media breakdown: Newspapers 10%; magazines 42%; radio 2%; tv 24%; outdoor 13%; business press 1%; transit advertising 2%; point of sale 3%; cinema 3%. Employes: 66. Accounts gained: Post shampoo (balsam), British Caledonian Airways, H.R. Roberts (deodorant), Mercantile Bank. Account lost: Palmera tuna.

Livraghi, Ogilvy & Mather, Milan, reports gross income of $1,459,851 on billings of $9,737,209 for 1981, as compared to gross income of $613,648 on billings of $4,093,032 for 1980. (In local currency, gross income was LI 1.635 billion on billings of LI 10.904 billion for 1981, as compared to gross income of LI 687,176,000 on billings of LI 4.583 billion for 1980.) Media breakdown: Newspapers 6%; magazines 36%; radio 2%; tv 41%; outdoor 15%. Figures for 1980 only represent eight months gross income and billings. Employes: 36 in 1981 as compared to 20 in 1980. Accounts gained: Bayer (Bay-o-Fresh air freshener and new product), Cedit tiles, Elida-Gibbs (new product), Gillette (Scientel hair conditioner), Lever (new product), Oce copiers, San Carlo bakery products and potato crisps, Sigurta (Transpulmina cough drops), Van den Bergh (new product).

MAC, Milan, reports gross income of $2,343,232 on billings of $15,627,500 for 1981, as compared to gross income of $1,808,325 on billings of $12,055,500 for 1980. (In local currency, gross income was LI 2.624 billion on billings of LI 17.5 billion for 1981, as compared to gross income of LI 2.025 billion on billings of LI 13.5 billion for 1980.) Media breakdown: Newspapers 12.6%; magazines 31.8%; supplements 0.6%; radio 7.8%; tv 15%; outdoor 8.2%; business press 1.5%; transit advertising 3.4%; cinema 4%; private tv 15.1%. Employes: 30 in 1981 as compared to 20 in 1980. Accounts gained: OMSA, Golden Lady, Branca, Caravan, Grohe, Boselli, La Vecchia Marina, Linea Italia.

McCann-Erickson Italiana, Milan, reports gross income of $9,797,000 on billings of $65,346,000 for 1981, as compared to gross income of $6,997,000 on billings of $46,670,000 for 1980. (In local currency, gross income was LI 10.971 billion on billings of LI 73.178 billion for 1981, as compared to gross income of LI 7.836 billion on billings of LI 52.263 billion for 1980.) Employes: 199. Accounts gained: Eurogest (mutual fund), Vidal (new products), Texas Instruments (complete line), Lagostina cooking ware, Compagnolo bicycle accessories, Villeroy & Boch ceramics, Caber Spalding skis and boots, Gruppo Finanziario Tessile (men's clothing), IMEC (lingerie), Italia 1 (tv network), Roche. Lost: Colgate (all products), Oce van der Grinten.

Medicus Intercon, Milan, partner company of Medicus Intercon Intl. of New York, reports gross income of $647,425 on billings of $3,839,007 for 1981, as compared to gross income of $362,000 on billings of $2,408,470 for 1980. (In local currency, gross income was LI 725,000,000 on billings of LI 4.299 billion for 1981, as compared to gross income of LI 405,373,000 on billings of LI 2.697 billion for 1980.) Media breakdown: Business press 69%; salesmen's materials, audiovisual programs, direct mail 31%. Employes: 22. Accounts gained: Bayer Italia, Becton_Dickinson, Essex Italia, Cyanamid Italia, Laboratori Glaxo, Masson, Midi, Pfizer Italiana, Recordati Industria, Vita Delagrange, TIE. Accounts lost: Pierrel, Roche.

Milano and Grey, Milan, reports gross income of $3,516,634 on billings of $24,200,300 for 1981, as compared to gross income of $3,050,488 on billings of $21,074,800 for 1980. (In local currency, gross income was LI 3.938 billion on billings of LI 27.1 billion for 1981, as compared to gross income of LI 3.416 billion on billings of LI 23.6 billion for 1980.) Media breakdown: Newspapers 5%; magazines 34%; radio 12%; tv 45%; outdoor 3%; cinema 1%. Employes: 64. Accounts gained: Playtex—tampons, Temera, Danskin, Rene Briand—Glen Grant, Burnett's gin.

Norman, Craig & Kummel, Milan, reports gross income of $2,580,000 on billings of $17,200,000 for 1981, as compared to gross income of $1,841,366 on billings of $12,274,285 for 1980. (In local currency, gross income was LI 2.889 billion on billings of LI 19.621 billion for 1981, as compared to gross income of LI 2.062 billion on billings of LI 13.745 billion for 1980.) Employes: 42. Accounts gained: Seagrams—Bersani wines, Sandeman Port, Kiwi shoe polishes.

Publinter wpt, Milan, reports gross income of $3,304,100 on billings of $19,354,882 for 1981, as compared to gross income of $3,098,710 on billings of $20,692,596 for 1980. (In local currency, gross income was LI 3.7 billion on billings of LI 21.674 billion for 1981, as compared to gross income of LI 3.47 billion on billings of LI 23.172 billion for 1980.) Media breakdown: Newspapers 12%; magazines 37%; national and private tv 33%; national radio 7%; cinema 1%; outdoor and transit advertising 10%. Employes: 70. Accounts gained: Comitel (Loewe tv set regional distribution), Schiapparelli (Dorothy Gray), Noxzema, Long Bronze, John Deere agricultural and industrial divisions, Manetti and Roberts (Antica Tradizione toiletry line), BMW (spare parts and leasing), J.G. Durand (gift crystalware line), Motta biscuits, Domus, Rusconi, Economic Laboratories (Samo dishwashing liquid), CEE (European Community campaign for dairy products). Accounts lost: Polistil toys, Oetker Cameo cake mixes, Pezzi soap and bath products.

SSC&B (Italia), Milan, reports gross income of $5,002,000 on billings of $34,433,000 for 1981, as compared to gross income of $4,113,000 on billings of $28,615,000 for 1980. (In local currency, gross income was LI 5.6 billion on billings of LI 38.559 billion for 1981, as compared to gross income of LI 4.606 billion on billings of LI 32.045 billion for 1980.) Media breakdown: Magazines 58%; radio 5%; tv 29%; outdoor 6%; cinema 2%. Employes: 107. Accounts gained: Adveico, Tefal, Heineken, Chefaro Predictor, Interprogramme, Eldorado.

TBWA, Milan, reports gross income of $5,157,000 on billings of $34,380,000 for 1981, as compared to gross income of $4,650,000 on billings of $22,784,895 for 1980. (In local currency, gross income was LI 5.775 billion on billings of LI 38.5 billion for 1981, as compared to gross income of LI 3.828 billion on billings of LI 25.515 billion for 1980.) Media breakdown: Newspapers 5%; magazines 35%; radio 5%; tv 45%; outdoor 2%; point of sale 5%; cinema 3%. Employes: 96 in 1981 as compared to 82 in 1980. Accounts gained: Ragno, Ariston white goods, Barilla.

Armando Testa, Turin, reports gross income of $6,876,000 on billings of $45,990,000 for 1981, as compared to gross income of $4,822,000 on billings of $32,148,000 for 1980. (In local currency, gross income was LI 7.7 billion on billings of LI 51.5 billion for 1981, as compared to gross income of LI 5.4 billion on billings of LI 36 billion for 1980.) Media breakdown: Newspapers 8%; magazines 32%; radio 9%; tv 40%; outdoor 8%; transit advertising 2%; cinema 1%. Employes: 145. Accounts gained: Harlequin, Carapelli, Magnolia, Tamigi, Staver, Sorrisi e Canzoni TV, Eurotab. Account lost: Dr. Scholl's.

J. Walter Thompson Italia, Milan, reports gross income of $8,561,162 on billings of $60,215,040 for 1981, as compared to gross income of $6,269,656 on billings of $43,151,170 for 1980. (In local currency, gross income was LI 9.587 billion on billings of LI 67.43 billion for 1981, as compared to gross income of LI 7.021 billion on billings of 48.322 billion for 1980.) Media breakdown: Newspapers 16%; magazines 29%; radio 3%; tv 36%; outdoor 2%; point of sale 2%; cinema 2%; fees (pr, studio, media buying etc.) 10%. Employes: 141. Accounts gained:

CHE'
QUELLA STUPENDA
SENSAZIONE DI
VIVERE SENZA FORFORA.
Bay-o-fresh è un deodoran te per la casa a forma di rosa.
E' bello come una rosa e an che quando diventa piccolo
resta sempre una rosa...
Bay-o-fresh. Il deodorante che fa più bella la vostra casa.

Bayer deodorant and shampoo products under Livraghi, Ogilvy & Mather, Milan, have that fresh smell as sweet as a rose, and that freshness that goes with clean hair.

ITALY

Silver -Krug Champagne, Farmacotone (cottonwool), Rizzoli (wine encyclopedia), Filatura di Grignasco and Grignasco Garda (Threod), Gori & Zucchi jewelry, Channel 5 ("Dukes of Hazard", Atkinsons (Baruffa), Kraft (Baika cheese and sauces), Parke Davis (Mentholyptus). Accounts lost: Esselte Dymo, Singer sewing machines, Wax & Vitale (Bacardi rum).

Troost Campbell-Ewald, Milan, reports gross income of $1,972,000 on billings of $13,153,000 for 1981, as compared to gross income of $1,717,000 on billings of $11,452,000 for 1980. (In local currency, gross income was LI 2.208 billion on billings of LI 14.730 billion for 1981, as compared to gross income of LI 1.922 billion on billings of LI 12,823 billion for 1980.) Employes: 40. Accounts gained: Wuhrer beer, Compar Bata shoes, Procaccianti Editore encyclopedias. Lost: Bisleri bitters, CTL (linen mfgrs. assn.)

Pubbli Dan Wirz, Milan, reports gross income of $1,206,000 on billings of $8,040,700 for 1981, as compared to gross income of $803,700 on billings of $7,144,000 for 1980. (In local currency, gross income was LI 1.35 billion on billings of LI 9 billion for 1981, as compared to gross income of LI 900,000,000 on billings of LI 8 billion for 1980.) Media breakdown: Newspapers 6%; magazines 21%; supplements 3%; radio 5%; tv 37%; outdoor 20%; business press 2%; transit advertising 2%; point of sale 1%; cinema 1%; sales promotion 2%. Employes: 20. Accounts gained: Lazzaroni, Saronno—Frollini biscuits, Mediline Italiana, Milano—feminine hygiene products. Accounts lost: Italgel, Parma (Alemagna, Motta, Tanara ice cream), NTC, Milano (Luxman hi-fi, Audio-Technica hi-fi products).

Young & Rubicam Italia, Milan, reports gross income of $7,340,000 on billings of $48,958,000 for 1981, as compared to gross income of $6,146,000 on billings of $40,994,000 for 1980. (In local currency, gross income was LI 8.22 billion on billings of 54.82 billion for 1981, as compared to gross income of LI 6.882 billion on billings of LI 45.906 billion for 1980.) Media breakdown: Newspapers 10%; magazines 28%; radio 6%; tv 48%; outdoor 4%; cinema 1%; miscellaneous 3%. Y&R does not publish billings. Figures given are AA estimates. Employes: 120. Accounts gained: AMC Italia, Biscuiterie Nantaise, City of Naples tourism, Curti Riso, Ennerev, Fratelli Cora, Gervais-Danone, Monsanto, Personal care accessories, Sabiem, Singer, Star. Accounts lost: Barilla, Bontempi, Fonti Levissima.

JAMAICA

The same 1981 average annual exchange rate of .490 dollars to the Jamaican dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 13.3% depreciation of the J$ against the dollar based on the J$'s 1980 exchange rate of .5652.

Dunlop Corbin Compton, Kingston, reports gross income of $501,248 on billings of $3,343,325 for 1981, as compared to gross income of $450,884 on billings of $3,007,397 for 1980. (In local currency, gross income was J$1,022,955 on billings of J$6,823,113 for 1981, as compared to gross income of J$920,172 on billings of J$6,137,546 for 1980.) Media breakdown: Newspapers 27%, magazines 3%, radio 34%, tv 14%, outdoor 11%, printing 11%. Employes: 29. Accounts gained: Chesebrough-Pond's (Aviance), Highgate Foods (Ja, chocolate confectionery, beverages), Gyana Pharmaceuticals (otc health aids), Jamaica Citrus Growers, Appliance Traders (retail consumer durables). Lost: Henkel Chemical.

Lindo, Norman, Craig & Kummel, Kingston, reports gross income of $450,000 on billings of $3,000,000 for 1981, as compared to gross income of $250,880 on billings of $1,698,006 for 1980. (In local currency, gross income was J$918,000 on billings of J$6,120,000 for 1981, as compared to gross income of J$512,000 on billings of J$3,465,318 for 1980.) Employes: 21. Accounts gained: Air Florida.

McCann-Erickson (Jamaica), Kingston, reports gross income of $469,000 on billings of $3,128,000 for 1981, as compared to gross income of $282,000 on billings of $1,881,000 for 1980. (In local currency, gross income was J$957,000 on billings of J$6,383,000 for 1981, as compared to gross income of J$576,000 on billings of J$3,842,000 for 1980.) Employes: 33. Accounts gained: Jamaica Hosiery Co., Conditionedair & Associates (service), Carreras Group (corporate), Richardson-Vick, Estate Industries (Tia Maria), BWIA (airline), Processed Foods, Jamaica Citizens Bank, Blue Cross of Jamaica, Intl. Insurance Brokers, D&G Wines (Richmond brandy), Reginald Aitken (heavy industry), J. Ray & Nephew (Appleton Gold Rum). Lost: Highgate Food Products (candy and confectionery).

JAPAN

The same 1981 average annual exchange rate of .004555 dollars to the Japanese yen was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 1.9% appreciation of the yen against the dollar based on the yen's 1980 exchange rate of .004470.

Asahi Kokoku-sha, Tokyo, reports gross income of $29,485,000 on billings of $190,330,120 for 1981, compared with gross income of $27,822,000 on billings of $180,602,000 for 1980. (In local currency, gross income was Y6.473 billion on billings of Y41.784 billion in 1981, compared with gross income of Y6.108 billion on billings of Y39.649 billion in 1980.) Media breakdown: Newspapers 69.3%; magazines 3.2%; radio 3.2%; tv 7.8%; point of sale 16.5%. Employes: 914.

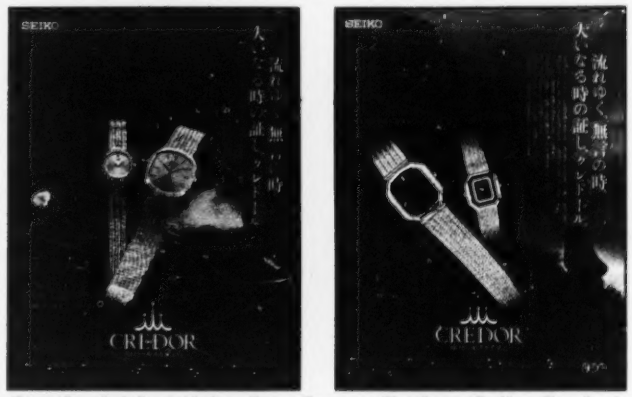
Asahi Tsushin Advertising Agency, Tokyo, reports gross income of $25,257,475 on billings of $184,377,290 for 1981, compared with gross income of $24,092,269 on billings of $170,867,160 for 1980. (In local currency, gross income was Y5.545 billion on billings of Y40.478 billion in 1981, compared with gross income of Y5.289 billion on billings of Y37.512 billion in 1980.) Media breakdown: newspapers 15%; magazines 11.7%; supplements 7%; radio 3.4%; tv 42.2%; outdoor 9%; transit advertising 4%; point of sale 5%; research 2.7%. Employes: 456. Accounts gained: Sodo Computer, Columbia (cinema).

Asia Advertising Agency, Tokyo, reports gross income of $1,366,800 on billings of $6,837,055 for 1981, compared with gross income of $1,175,190 on billings of $5,875,950 for 1980. (In local currency, gross income was Y300,000,000 on billings of Y1.501 billion in 1981, compared with gross income of Y258,000,000 on billings of Y1.290 billion in 1980.) Media breakdown: Newspapers 14%; magazines 17%; business press 40%; catalogs and brochures 17%; trade fair exhibits and conventions 8%; pr publications 3%. Employes: 53. Accounts gained: Hitachi consumer account (VTR, hi-fi).

Chuo Senko Advertising, Tokyo, reports gross income of $21,800,000 on billings of $135,200,000 for 1981, compared with gross income of $18,900,000 on billings of $121,800,000 for 1980. (In local currency, gross income was Y4.784 billion on billings of Y29.673 billion in 1981, compared with gross income of Y4.148 billion on billings of Y26.732 billion in 1980). Media breakdown: Newspapers 12.5%; magazines 9.9%; supplements 0.8%; radio 2.3%; tv 28.5%; outdoor 17.5%; business press 1.8%; farm press 0.6%; transit advertising 1.5%; point of sale 24.4%; cinema 0.2%. Employes: 320. Accounts gained: Philips Japan, Kibun food K.K., American Home Insurance, Kao soap, Nestle Japan.

Dai-Ichi Advertising, Tokyo, reports gross income of $23,256,527 on billings of $168,311,532 for 1981, compared with gross income of $18,894,140 on billings of $121,764,260 for 1980. (In local currency, gross income was Y5.106 billion on billings of Y36.951 billion in 1981, compared with gross income of Y4.148 billion on billings of Y26.732 billion in 1980). Media breakdown: Newspapers 15.9%; magazines 2.4%; radio 6.1%; tv 61.4%; outdoor 10.1%; other 4.1%. Employes: 495.

Dai-Ichi Kikaku, Tokyo, reports gross income of $46,505,320 on billings of $329,824,940 for 1981, compared with gross income of $43,746,721 on billings of $310,260,400 for 1980. (In local currency, gross income was Y10.209 billion on billings of Y72.409 billion in 1981, compared with gross income of Y9.604 billion on billings of Y68.114 billion in 1980.) Media breakdown: Newspapers 11.2%; magazines 8.5%; radio 7.2%; tv 65.3%; outdoor 2.8%; transit advertising 2.5%; point of sale 2.5%. Employes: 476. Accounts gained: Pan Am, Boots Co., Castrol, Johnson & Johnson. Account lost: Pan Am.



Standard Advertising Inc., Japan, displays Seiko Credor's exotic quality with Pacific themes: cratered lava and statuary on Easter Island.

Daiko Advertising, Osaka, reports gross income of $59,305,000 on billings of $466,244,000 for 1981, compared with gross income of $57,526,324 on billings of $450,205,920 for 1980. (In local currency, gross income was Y13.020 billion on billings of Y102.359 billion in 1981, compared with gross income of Y12.629 billion on billings of Y98.838 billion in 1980). Media breakdown: Newspapers 34%; magazines 4%; radio 5%; tv 34%; other 23%. Employes: 1,480.

Dentsu Inc., Tokyo, reports gross income of $428,010,000 on billings of $3.036 billion for 1981, compared with gross income of $401,920,000 on billings of $2.772 billion for 1980. (In local currency, gross income was Y3.964 billion on billings of Y666.596 billion in 1981, compared with gross income of Y88.236 billion on billings of Y608.615 billion in 1980.) Media breakdown: Newspapers 27.5%; magazines 4.7%; radio 3.9%; tv 46.9%; outdoor 12.4%; other 4.6%. Employes: 5,424, compared to 6,402 in 1980.

Dentsu-Young & Rubicam K.K., Tokyo, reports gross income of $4,551,000 on billings of $30,355,000 for 1981, as compared to gross income of $3,398,000 on billings of $22,665,000 for 1980. (In local currency, gross income was Y 999,181,000 on billings of Y 6.664 billion for 1981, as compared to gross income of Y 746,058,000 on billings of Y 4.976 billion for 1980.) Media breakdown: Newspapers 17%; magazines 24%; radio 1%; tv 44%; outdoor 7%; point of sale 5%; sales promotion 2%. Employes: 223 in 1981 as compared to 68 in 1980, before the agency merged with Dentsu. Accounts gained: Kentucky Fried Chicken, Nihon KCR. Accounts lost: Colombian coffee, Desco, Eastern Air Lines.

Grey-Daiko Advertising, Tokyo, reports gross income of $4,091,000 on billings of $32,690,000 for 1981, as compared to gross income of $4,760,000 on billings of $31,748,000 for 1980. (In local currency, gross income was Y 1.076 billion on billings of Y 7.177 billion for 1981, as compared to gross income of Y 1.045 billion on billings of Y 6.97 billion for 1980.) Media breakdown: Newspapers 4.3%; magazines 8.5%; radio 2%; tv 73.7%; outdoor 0.2%; print production 9.2%; fees etc. 2.1%. Employes: 117. Accounts gained: Autobacs Seven (car care products), Beecham (new products), Keneoka (bill discount), Nicholas Proprietary (Staminade), Pierre Balmain.

Hakuhodo Inc., Tokyo, reports gross income of $143,350,000 on billings of $1.059 billion for 1981, compared with gross income of $132,890,980 on billings of $944,635,750 for 1980. (In local currency, gross income was Y31.471 billion on billings of Y232.555 billion in 1981, compared with gross income of Y29.175 billion on billings of Y207.384 billion in 1980.) Media breakdown: Newspapers 21%; magazines 7.1%; supplements 1.1%; radio 4.1%; tv 44.9%; other 21.8%. Employes: 2,515 as compared to 2,435 in 1980.

International Ad Co., Osaka, reports gross income of $436,720 on billings of $5,687,722 for 1981, compared with gross income of $361,685 on billings of $4,058,050 for 1980. (In local currency, gross income was Y95,876,979 on billings of 1.249 billion in 1981, compared with gross income of Y79,404,015 on billings of Y890,900,086 in 1980). Media breakdown: Newspapers 39.5%; magazines 9.2%; radio 1.5%; tv 3.6%; outdoor 2.6%; point of sale 0.2%; cinema 0.9%; other (artwork and production 42.5%. Employes: 10.

Ketchum Advertising (Japan), Tokyo, reports gross income of $1,729,500 on billings of $11,512,300 for 1981, compared with gross income of $1,955,400 on billings of $13,028,000 for 1980. (In local currency, gross income was Y379,695,465 on billings of Y2.527 billion in 1981, compared with gross income of Y429,279,044 on billings of Y2.863 billion in 1980.) Media breakdown: Newspapers 8%; magazines 18%; radio 1%; tv 59%; sales promotion 14%. Em-

ployes: 32 as compared to 54 in 1980. Accounts gained: Oregon Freeze Dry Food. Account lost: Brown & Williamson Intl.—Kent cigarets.

Kyodo Advertising, Tokyo, reports gross income of $14,466,452 on billings of $96,443,000 for 1981, compared with gross income of $12,425,000 on billings of $88,747,520 for 1980. (In local currency, gross income was Y3.176 billion on billings of Y21.173 billion in 1981, compared with gross income of Y2.728 billion on billings of Y19.484 billion in 1980.) Media breakdown: Newspapers 24.3%; magazines 4.5%; radio 9.7%; tv 38.7%; outdoor 9.2%; other 13.6%. Employes: 365. Accounts gained: OKI Electric Industry, Kinki Nippon Tourist, Japan Sake Central Assn., Furukawa Electric, Ministry of Post and Telecommunications.

Man-nen-sha Inc., Tokyo, reports gross income of $16,922,408 on billings of $156,947,781 for 1981, compared with gross income of $16,290,652 on billings of $142,031,150 for 1980. (In local currency, gross income was Y3.715 billion on billings of Y34.456 billion in 1981, compared with gross income Y3.576 billion on billings of Y31.181 billion in 1980.) Media breakdown: Newspapers 33.4%; magazines 3.3%; radio 4.8%; tv 37.1; outdoor 16.6%; other 4.8%. Employes: 495.

McCann-Erickson Hakuhodo, Tokyo, reports gross income of $28,433,000 on billings of $189,648,000 for 1981, as compared to gross income of $26,837,000 on billings of $179,003,000 for 1980. (In local currency, gross income was Y 6.242 billion on billings of Y 41.636 billion for 1981, as compared to gross income of Y 5.892 billion on billings of Y 39.298 billion for 1980.) Employes: 516. Accounts gained: Texas Instruments, Hankyu Express (air cargo), Sun Chain (Daiei) convenience store chain, Dodwell Remy (Remy Martin cognac), Dodwell Pitney Bowes franking machines, Wakodo wet tissues, Ebara Foods BBQ sauce, Intl. Gold Assn. (Krugerrand, jewelry), Satoh Shoji, Kakinuma (games), Sanrio (corporate). Accounts lost: Eskimo Japan icecream, Australian Tourist Commission.

Medicus Intercon AG Japan, Tokyo, part of Medicus Intercon Internatl., reports gross income of $547,000 on billings of $5,389,000 for 1981, compared with gross income of $539,000 on billings of $5,190,000 for 1980. (In local currency, gross income was Y120,000,000 on billings of Y1.183 billion in 1981, compared with gross income of Y118,304,000 on billings of Y1.140 billion in 1980.) Media breakdown: Business press 13%; salesmen's material, audiovisual programs, direct mail 87%. Employes: 16. Accounts gained: SmithKline Fujisawa, Rhone-Poulenc/Kissei, Terumo.

Meitsu Advertising, Tokyo, reports gross income of $1,169,000 on billings of $ 8,475,000 for 1981, compared with gross income of $1,014,000 on billings of $6,377,000 for 1980. (In local currency, gross income was Y2.566 billion on billings of Y18.606 billion in 1981, compared with gross income of Y2.226 billion on billings of Y14 billion in 1980.) Media breakdown: Newspapers 25.9%; magazines 8.3%; supplements 5%; radio 7.8%; tv 36.1%; outdoor 8%; business press 3%; farm press 3%; transit advertising 1%; point of sale 1.8%. Employes: 260. Accounts gained: Australian Meat and Livestock Corp., CPC, Ricoh Business Machines, Digital Equipment Corp., Mariana Visitors Bureau. Account lost: Helena Rubinstein.

Nihon Keizaisha Advertising, Tokyo, reports gross income of $12,941,151 in 1981 on billings of $76,917,989, compared with gross income of $11,987,306 on billings of $69,202,743 for 1980. (In local currency, gross income was Y2.841 billion on billings of Y16.886 billion in 1981, compared with gross income of Y 2.632 billion on billings of Y15.193 billion in 1980.) Media breakdown: Newspapers 64.7%; magazines 8.1%; radio and tv 7.6%; transit advertising and point of sale 14.3%; other 5.3%. Employes: 377.

Nippo Marketing and Advertising, Tokyo, only reports billings of $6,909,091 for 1981, compared with billings of $6,811,360 for 1980. (In local currency, billings were Y15.2 billion in 1981, compared with billings of Y14.985 billion in 1980.) Media breakdown: Newspapers 10%; magazines 4%; radio 18%; tv 32%; print and tv production 20%; sales promotion 7%; other 3%. Employes: 230. Accounts gained: Pioneer Electric, Morinaga confectionery, Photo Friend. Account lost: Rotiny Co. - furs.

Orikomi Advertising, Tokyo, reports gross income of $20,052,568 on billings of $162,302,536 for 1981, compared with gross income of $18,158,417 on billings of $143,035,797 for 1980. (In local currency, gross income was Y4.402 billion on billings of Y35.632 billion in 1981, compared with gross income of Y3.986 billion on billings of Y31.402 billion in 1980.) Media breakdown: Newspapers 15%; magazines 4.5%; radio 3.6%; tv 21.6%; outdoor 21.9%; transit advertising 33.4%. Employes: 380.

Osaka Yomiuri, Osaka, reports gross income of $11,225,342 on billings of $63,078,000 for 1981, compared with gross income of $11,084,000 on billings of $60,490,400 for 1980. (In local currency, gross income was Y2.464 billion on billings of Y13.848 billion in 1981, compared with gross income of Y2.433 billion on billings of Y13.280 billion in 1980.) Media breakdown: Newspapers 57.6%; magazines 7.8%; radio 2.9%; tv 12.9%; outdoor 8.9%; transit advertising 3.8%; point of sale 5.8%; cinema 5.3%. Employes: 322.

Sogei Co., Tokyo, reports gross income of $13,700,000 on billings of $81,700,000 for 1981, compared with gross income of $11,000,000 on billings of $59,000,000 for 1980. (In local currency, gross income was Y3 billion on billings of Y18 billion in 1981, compared with gross income of Y2.4 billion on billings of Y13 billion in 1980.) Media breakdown: Newspapers 50%; magazines 4%; radio 2%; tv 2%; outdoor 5%; transit advertising 10%; point of sale 27%. Employes: 277. Accounts gained: Banks & Securities Market (Nomura Securities Co.), Fashion/Domestics Sound Equipment (Pioneer Co.). Account lost: Computers Market (Fujitsu).

Standard Advertising, Inc., Tokyo, affiliated with Needham, Harper & Steers Intl., reports gross income of $8,818,441 on billings of $74,587,988 for 1981, compared with gross income of $8,562,073 on billings of $67,778,772 for 1980. (In local currency, gross income was Y1.936 billion on billings of Y16.375 billion in 1981, compared with gross income of Y1.880 billion on billings of Y14.880 billion in 1980.) Media breakdown: Newspapers 19%; magazines 28%; radio 5%; tv 28%; other 20%. Employes: 136.

J. Walter Thompson Co. Japan, Tokyo, reports gross income of $10,527,484 on billings of $70,725,271 for 1981, as compared to gross income of $10,268,418 on billings of $68,456,125 for 1980. (In local currency, gross income was Y 2.311 billion on billings of Y 15.527 billion for 1981, as compared to gross income of Y 2.254 billion on billings of Y 15.029 billion for 1980.) Media breakdown: Newspapers 8%; magazines 21%; tv 42%; outdoor 1%; point of sale 12%; production 5%; market research 11%. Employes: 267. Accounts gained: R.J. Reynolds, Burroughs, Parfums Christian Dior, Olivetti (electronic typewriters), Bank of Montreal, Teachers whisky.

Toei Advertising, Tokyo, reports gross income of $2,795,312 on billings of $22,416,749 for 1981, compared with gross income of $2,864,854 on billings of $19,488,818 for 1980. (In local currency, gross income was Y613,680,000 on billings of Y4.921 billion in 1981, compared with gross income of Y628,947,000 on billings of Y4.279 billion in 1980). Media breakdown: Newspapers 16%; magazines 15%; radio 3%; tv 51%; outdoor 2%; point of sale 3%; cinema 5%. Employes: 50.

Tokyu Advertising Agency, Tokyo, reports gross income of $44,928,921 on billings of $341,540,629 for 1981, as compared to gross income of $38,234,506 on billings of $280,198,643 for 1980. (In local currency, gross income was Y9.864 billion on billings of Y75.069 billion for 1981, as compared to gross income of Y8.394 billion on billings of Y61.515 billion for 1980.) Media breakdown: Newspapers 13.6%; magazines 3.5%; radio 3.2%; tv 39.7%; outdoor 3.9%; transit advertising 9.4%; other 26.7%. Employes: 559.

Tokyu Agency International, Tokyo, only reports billings of $63,126,269 for 1981, as compared to billings of $52,951,888 for 1980. (In local currency, billings were Y13.859 billion for 1981, as compared to billings of Y52.952 billion for 1980.) Media breakdown: Newspapers 31.9%; magazines 12.9%; radio 6.8%; tv 27.4%; outdoor 0.2%; transit advertising 0.5%; point of sale 2.3%; cinema 10.5%; sales promotion 7.5%. Employes: 143. Accounts gained: South African Airways, Australian Tourist Commission, Esso Standard Oil, Pentax (Carl Zeiss). Account lost: Household Finance Corp.

Yomiko DFS International, Tokyo, reports gross income of $348,900 on billings of $2,666,500 for 1981, compared with gross income of $421,300 on billings of $3,674,500 for 1980. (In local currency, gross income was Y76,600,000 on billings of Y585,400,000 in 1981, compared with gross income of Y92,500,000 on billings of Y806,700,000 in 1980.) Media breakdown: Newspapers 8.5%; magazines 61.2%; radio 3%; tv 18.5%; outdoor 0.2%; other 8.6%. Employes: 17. Accounts gained: Boots Co., Nemic-Lambda Co., Dai-Ichi Hotel.

Yomiko Advertising Inc., Tokyo, reports gross income of $37,297,499 on billings of $195,498,769 for 1981, compared with gross income of $34,584,871 on billings of $179,365,676 for 1980. (In local currency, gross income was Y8.188 billion on billings of Y42.920 billion in 1981, compared with gross income of Y7.593 billion on billings of Y39.378 billion in 1980). Media breakdown: Newspapers 40.4%; magazines 3.2%; supplements 6.3%; radio 4.4%; tv 33.7%; outdoor 2.2%; other 9.8%. Employes: 674. Accounts gained: Brown & Williamson Intl. Tobacco, Japan Celine Corp., Kanebo Foods.

KENYA

The same 1981 average annual exchange rate of .10 dollars to the Kenyan shilling was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 28.6% depreciation of the shilling against the dollar based on the shilling's 1980 exchange rate of .14.

D'Arcy-MacManus & Masius, Nairobi, reports gross income of $251,100 on billings of $877,200 for 1981, its first year of reporting. (In local currency, gross income was KSh 2,511,000 on billings of KSh 8,772,000.) Media breakdown: Radio 55%, tv 5%, outdoor 5%, cinema 20%, press 15%. Employes: 23. Accounts gained: African Radio Mfg., Beecham, Crop Protection Chemicals, Colgate-Palmolive, Haco Industries, Henkel, House of Manji, Polygram Records, Pan Africa Insurance, Shell Chemical, Vick products, Union Carbide, Wigglesworth. Lost: None.

McCann-Erickson (Kenya), Nairobi, reports gross income of $435,400 on billings of $2,904,100 for 1981, as compared to gross income of $517,800 on billings of $3,453,700 for 1980. (In local currency, gross income was KSh 4,354,000 on billings of KSh 29,041,000 for 1981, as compared to gross income of KSh 5,178,000 on billings of KSh 34,537,000 for 1980.) Employes: 26.

Ogilvy & Mather (Eastern Africa), Nairobi, reports gross income of $818,890 on billings of $5,461,996 for 1981, as compared to gross income of $666,896 on billings of $4,322,494 for 1980. (In local currency, gross income was KSh 8,188,900 on billings of KSh 54,619,960 for 1981, as compared to gross income of KSh 6,668,960 on billings of KSh 43,224,940 for 1980.) Media breakdown: Newspapers 35.9%, magazines 4.9%, supplements 1.4%, radio 28.4%, tv 4.8%, outdoor 3.1%, farm press 0.5%, cinema 21%. Employes: 51. Accounts gained: Shulton, Guinness. Lost: None.

LEBANON

The same 1981 average annual exchange rate of .2331 dollars to the Lebanese pound was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 21.3% depreciation of the pound against the dollar based on the pound's 1980 exchange rate of .2963.

H&C/Leo Burnett, Beirut, reports gross income of $1,700,000 on billings of $11,337,000 for 1981, its first year of reporting. (In local currency, gross income was L£7,293,000 on billings of L£48,636,000).

Intermarkets S.A.L., Beirut, reports gross income of $5,680,000 on billings of $35,070,000 for 1981, as compared to gross income of $5,350,000 on billings of $31,400,400 for 1980. Figures are for Intermarkets' eight offices in the Middle East. (The agency consolidated U.S. dollar equivalents in currencies of Bahrain, Kuwait, Dubai, Egypt, Jordan, Syria, Qatar and Oman to arrive at its dollar totals.) Media breakdown: Magazines 50%, radio 3%, tv 30%, point of sale 2%, cinema 2%, promotions and creative 13%. (The agency says the over-all percentage for the press does not reflect a true picture of the media breakdown in the individual markets. The percentage, which is on the high side, is due to pan-Arab magazines and especially to media restrictions in Saudi Arabia where there is no commercial television, cinema or radio. Employes: 171 in 1981; 140 in 1980. Accounts gained: Reckitt & Colman, Vantage, Momento clothing, Tam juices.

MALAYSIA

The same 1981 average annual exchange rate of .440 dollars to the Malaysian dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 5.9% depreciation of the M$ against the dollar based on the M$'s 1980 exchange rate of .4678.

AP/Compton, Kuala Lumpur, reports gross income of

MALAYSIA

$512,300 on billings of $3,489,786 for 1981, its first year of reporting. (In local currency, gross income was M$1,164,318 on billings of M$7,931,332.) Media breakdown: Newspapers 30%, tv 50%, outdoor 10%, other 10%. Accounts gained: Federal Paint, Yomeishu Seizo.

Advertising, Marketing and Communications, Kuala Lumpur, reports only billings of $5,940,000 for 1981, as compared to billings of $4,136,000 for 1980. (In local currency, billings were M$13,500,000 for 1981, as compared to billings of M$9,400,000 for 1980.) Media breakdown: Newspapers 28%, magazines 10%, supplements 2%, radio 5%, tv 30%, outdoor 3%, business press 3%, point of sale 4%, cinema 15%. Employes: 80 in 1981 (41 in Kuala Lumpur, 21 in Jakarta, 18 in Singapore); 54 in 1980 (36 in Kuala Lumpur, 18 in Jakarta, none in Singapore). Accounts gained: Sterling Drug, CPC, NCR, Regent Intl. Hotels Lost: Cold Storage, Hilton Intl.

Ted Bates (Malaysia), Kuala Lumpur, reports gross income of $2,332,000 on billings of $15,400,000 for 1981, as compared to gross income of $1,980,000 on billings of $13,200,000 for 1980. (In local currency, gross income was M$5,300,000 on billings of M$35,000,000 for 1981, as compared to gross income of M$4,500,000 on billings of M$30,000,000 for 1980.) Employes: 94. Account lost: Malaysian Airlines System.

Leo Burnett, Kuala Lumpur, reports gross income of $1,918,000 on billings of $12,796,000 for 1981, as compared to gross income of $1,516,000 on billings of $10,113,000 for 1980. (In local currency, gross income was M$4,360,000 on billings of M$29,081,000 for 1981, as compared to gross income of M$3,446,000 on billings of M$22,985,000 for 1980.) Employes: 75.

Flagbearer Meridian Advertising, Kuala Lumpur, reports gross income of $294,300 on billings of $1,963,000 for 1981, as compared to gross income of $75,680 on billings of $505,120 for 1980. (In local currency, gross income was M$669,000 on billings of M$4,462,000 for 1981, as compared to gross income of M$172,000 on billings of M$1,148,000 for 1980.) Media breakdown: Newspapers 59%, magazines 7%, radio 1%, tv 20%, cinema 13%. Employes: 22 in 1981; 11 in 1980. Accounts gained: The East Asiatic Co., The Gatz Corp., Greatwall Furniture, Pernas Sime Darby, Pacific Food Products, Rediffusion, Tidy Car, Selberan.

KHK Needham Standard, Kuala Lampur, reports gross income of $801,064 on billings of $5,847,507 for 1981, the only year it reported. (In local currency, gross income was Bht 1,602,128 on billings of Bht 11,695,013.) KHK's media breakdown: Newspapers 30%, magazines 5%, radio 10%, tv 15%, outdoor 17%, cinema 23%. Employes: 43.

Kenyon & Eckhardt (Malaysia), Kuala Lumpur, reports gross income of $771,320 on billings of $5.142,280 for 1981, as compared to gross income of $711,480 on billings of $4,743,200 for 1980. (In local currency, gross income was M$1,753,000 on billings of M$11,687,000 for 1981, as compared to gross income of M$1,617,000 on billings of M$10,780,000 for 1980.) Media breakdown: Newspapers 38%, magazines 7%, supplements 1%, radio 2%, tv 49%, outdoor 1%, cinema 1%, business press 1%. Employes: 44. Accounts gained: Popeyes, Isuzu, G.M. vehicles, Metro Jaya Department Store, France Scott (product development), United Estate Projects, Vida. Lost: Wellcome Malaysia.

Lintas (Malaysia), Kuala Lumpur, reports for its two offices gross income of $1,478,000 on billings of $8,948,000 for 1981, as compared to gross income of $1,130,000 on billings of $6,918,000 for 1980. (In local currency, gross income was M$3,360,000 on billings of M$20,336,000 for 1981, as compared to gross income of M$2,568,000 on billings of M$15,723,000 for 1980.) Media breakdown: Newspapers 34%, magazines 6%, radio 7%, tv 38%, cinema 15%. Employes: 56. Accounts gained: Lever Jif and Rexona, Wendy's restaurants, Public Bank, East Asiatic Agfa color films, Remy Martin XO and QSS range, Dutch Baby Frisian Milk. Lost: Evercrisp.

McCann-Erickson, Kuala Lumpur, reports gross income of $839,000 on billings of $5,596,000 for 1981, as compared to gross income of $776,000 on billings of $5,176,000 for 1980. (In local currency, gross income was M$1,906,000 on billings of M$12,713,000 for 1981, as compared to gross income of M$1,764,000 on billings of M$11,766,000 for 1980.) Employes: 44. Accounts gained: Associated Pan Malaysian Cement, Kuala Lumpur Hilton, Wellcome (Hazeline Snow, Calpol Analgesic, Trillets Lozenges, Drapolene), Reckitt & Colman (Dettol soap and liquid, Preen, Steradent, Harpic, Mortein), Supreme Corp. (financial), Dreamland Spring (beds and bedding), General Motors Holden (Holden cars). Lost: United Motors Works (Nucco, Bomag), Credit Corp. of Malaysia.

Ogilvy & Mather (Malaysia), Kuala Lumpur, reports gross income of $2,360,000 on billings of $15,740,000 for 1981, as compared to gross income of $1,905,200 on billings of $12,622,720 for 1980. (In local currency, gross income was M$5,363,000 on billings of M$35,772,000 for 1981, as compared to gross income of M$4,333,000 on billings of M$28,688,000 for 1980.) Media breakdown: Newspapers 38%, magazines 9%, radio 4%, tv 31%, outdoor 1%, business press 1%, cinema 16%. Employes: 118 in 1981; 95 in 1980. Accounts gained: American Express, Bayer, Pepsi-Cola, Carrier. Lost: Sanyo.

PTM Thompson Advertising, Kuala Lumpur, reports for its three offices gross income of $2,389,640 on billings of $15,937,680 for 1981, as compared to gross income of $1,614,360 on billings of $10,855,680 for 1980. (In local currency, gross income was M$5,431,000 on billings of M$36,222,000 for 1981, as compared to gross income of M$3,669,000 on billings of M$24,672,000 for 1980.) Media breakdown: Newspapers 38%, magazines 35%, radio 2%, tv 17%, cinema 8%. Employes: 88 in 1981; 142 in 1980. Accounts gained: Malaysian Airline System, R.J. Reynolds, Sanyo, Kellogg, Bristol-Myers, Getz,Hoechst, Amanah Saham Nasional.

MALTA

The same 1981 average annual exchange rate of 2.60 dollars to the Malta pound was applied to local currency reported for both 1981 and 1980 income and billings in this issue.

BPC International, Valletta, reports only billings of $1,666,046 for 1981. (In local currency, billings were £M 640,787.) Media breakdown: Newspapers 38%, magazines 4%, radio 15%, tv 42%, cinema 1%. Employes: 25. Accounts gained: Valhmor Bor Import/Export, Express Catering, Reckitt & Colman, Libyan Arab Foreign Inv. Lost: La Fiorentina Boutique, Arabia Airlines.

MEXICO

The same 1981 average annual exchange rate of .0411 dollars to the Mexican peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 7.2% depreciation of the peso against the dollar based on the peso's 1980 exchange rate of .0443.

Alcazar Montenegro/Compton, Mexico City, reports gross income of $763,597 on billings of $5,096,400 for 1981, as compared to gross income of $576,633 on billings of $3,844,220 for 1980. (In local currency, gross income was Ps 18,579,000 on billings of Ps 124,000,000 for 1981, as compared to gross income of Ps14,030,000 on billings of Ps93,533,333 for 1980.) Media breakdown: Newspapers 5%; magazines 8%; radio 20%; tv 60%; outdoor 2%; business press 3%; farm press 2%. Employes: 28. Account gained: Harmex -Harlequin novels.

Arellano-Ted Bates Publicidad, Mexico City, reports gross income of $4,109,000 on billings of $22,000,000 for 1981, as compared to gross income of $3,494,000 on billings of $18,700,000 for 1980. (In local currency, gross income was Ps 99,976,000 on billings of Ps 535,300,000 for 1981, as compared to gross income of Ps 85,000,000 on billings of Ps 455,000,000 for 1980.) Media breakdown: Newspapers 6%; magazines 7%; radio 30%; tv 50%; outdoor 2%; point of sale 3%; cinema 2%. Employes: 123 in 1981; to 90 in 1980.

Arouesty & Asociados, Mexico City, reports gross income of $1,549,278 on billings of $8,791,111 for 1981, as compared to gross income of $1,849,500 on billings of $12,330,000 for 1980. (In local currency, gross income was Ps 37,693,933 on billings of Ps 213,887,730 for 1981, as compared to gross income of Ps 45,000,000 on billings of Ps 300,000,000 for 1980.)

Publicidad Profesional Blecher, Mexico City, only reports gross income of $657,600 for 1981, as compared to gross income of $411,000 for 1980. (In local currency, gross income was Ps 15,999,408 for 1981, as compared to gross income of Ps 9,999,630 for 1980.) Media breakdown: Newspapers 37.8%; magazines 0.8%; radio 20.3%; tv 22.5%; outdoor 1.3%; business press 0.7%; transit advertising 1.2%; point of sale 8.2%; cinema 7.2%. Employes: 24. Accounts gained: Hang Ten, Jordache, Eaton, Pepperone, Bayard Jr. Internacional. Daniel Hechter, Nino Cerruti, Infantiles Cache, Celline. Accounts lost: Almacenes Super Bella, Vel Form, TYT, Promociones Futurama.

Leo Burnett, Mexico City, reports gross income of $2,580,000 on billings of $23,877,332 for 1981, as compared to gross income of $2,797,636 on billings of $18,660,222 for 1980. (In local currency, gross income was Ps87,100,000 on billings of Ps580,957,000 for 1981, as compared to gross income of Ps68,069,000 on billings of Ps454,020,000 for 1980.) Employes: 97. Accounts gained: Emi Capitol, Seven-Up, Seagram's (Passport Scotch and Chivas Regal). Accounts lost: Banca Serfin, Exquisite Form, PepsiCo. (Mirinda and Diet Pepsi), Salvat Editores.

Campbell-Ewald, div. of Corporacion Interpublic Mexicana, Mexico City, reports gross income of $1,408,000 on billings of $9,391,000 for 1981, as compared to gross income of $541,000 on billings of $3,608,000 for 1980. (In local currency, gross income was Ps34,252,000 on billings of Ps228,461,000 for 1981, as compared to gross income of Ps13,162,000 on billings of Ps87,791,000 for 1980.) Employes: 41. Accounts gained: Lance (Ralston Purina), Eastern Airlines, Philips shavers, National Car Rental, Alfa Industries. Lost: Anderson Clayton desserts, Super Mercado.

Crump Yrigoyen Publicidad, Mexico City, reports gross income of $247,452 on billings of $1,549,081 for 1981, as compared to gross income of $141,812 on billings of $834,187 for 1980. (In local currency, gross income was Ps6,020,750 on billings of Ps37,690,555 for 1981, as compared to gross income of Ps3,450,409 on billings of Ps20,296,523 for 1980.) Media breakdown: Magazines 7%; radio 3%; tv 90%. Employes: 11. Account gained: Chocolates La Corona.

Publicidad D'Arcy, Mexico City, reports gross income of $3,716,000 on billings of $25,274,000 for 1981, as compared to gross income of $3,367,000 on billings of $22,334,000 for 1980. (In local currency, D'Arcy's gross income was Ps90,405,000 on billings of Ps614,935,000 for 1981, as compared to gross income of Ps81,928,000 on billings of Ps543,400,000 for 1980.) Media breakdown: Newspapers 4%; magazines 4%; radio 9%; tv 82%; outdoor 1%. Employes: 103. Accounts gained: L.Y.A.U.S.A., Laboratorios Terrier, Richardson-Vicks. Accounts lost: General Tire, Mobil oil, Nestle.

Dieste, Merino/BBDO, Mexico City, reports gross income of $2,334,536 on billings of $15,571,355 for 1981, as compared to gross income of $1,456,672 on billings of $9,715,999 for 1980. (In local currency, gross income was Ps56,801,361 on billings of Ps378,865,078 for 1981, as compared to gross income of Ps35,442,141 on billings of Ps236,399,000 for 1980.) Media breakdown: Newspapers 1%; magazines 5%; radio 4%; tv 85%; outdoor 3%; point of sale 1%; cinema 1%. Employes: 38. Accounts gained: Avis car rental, Wella Balsam, Wellapon shampoo, Hierbazid, Belcolor hair tint, Frontier Airlines, Purina (Tres Estrellas prepared flour mixes), Gillette (Kilometrico ballpoint pen), R.J. Reynolds (Camels), Sabritas (Pizzerolas).

Doyle Dane Bernbach de Mexico, Mexico City, reports gross income of $2,371,500 on billings of $16,070,000 for 1981, as compared to gross income of $2,033,750 on billings of $14,558,060 for 1980. (In local currency, gross income was Ps57,700,000 on billings of Ps391,000,000 for 1981, as compared to gross income of Ps49,483,800 on billings of Ps354,210,700 for 1980.) Media breakdown: Newspapers 10%; magazines 15%; radio 6%; tv 68%; outdoor 1%. Employes: 79. Account lost: Seagram.

Foote, Cone & Belding de Mexico,, Mexico City, reports gross income of $855,555 on billings of $5,706,552 for 1981, as compared to gross income of $739,563 on billings of $4,932,884 for 1980. (In local currency, gross income was Ps20,816,424 on billings of Ps138,845,548 for 1981, as compared to gross income of Ps17,994,227 on billings of Ps120,021,500 for 1980.) Media breakdown: Newspapers 19%; magazines 9%; radio 14%; tv 47%; outdoor 4%; business press 4%; cinema 3%. Employes: 29. Account gained: Extrumex. Accounts lost: Kahlua, Seven-Up.

Publicidad Ferrer, Mexico City, reports gross income of $8,993,312 on billings of $58,300,568 for 1981, as compared to gross income of

$4,964,880 on billings of $35,613,150 for 1980. (In local currency, gross income was Ps 218,807,280 on billings of Ps 1.418 billion for 1981, as compared to gross income of Ps 120,800,000 on billings of Ps 866,500,000 for 1980.)

Hart, Scali, McCabe, Sloves de Mexico, Mexico City, reports gross income of $540,573 on billings of $3.605,622 for 1981. (In local currency, gross income was Ps13,152,628 on billings of Ps87,684,193 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 3%; magazines 1%; radio 6%; tv 90%. Employes: 53. Accounts gained: Shell, Sony, BASF, Oxford-Pendaflex, Letraset. Account lost: Bic pen.

Iconic, Mexico City, reports gross income of $1,880,325 on billings of $12,535,500 for 1981, as compared to gross income of $1,189,845 on billings of $7,932,300 for 1980. (In local currency, gross income was Ps45,750,000 on billings of Ps305,000,000 for 1981, as compared to gross income of Ps28,950,000 on billings of Ps193,000,000 for 1980.) Media breakdown: Newspapers 23%; magazines 8%; radio 14%; tv 46%; outdoor 5%. Employes: 65. Accounts gained: Alimentos del Fuerte, Miss Georgette, Michelin tires. Account lost: McCormick de Mexico.

Kenyon & Eckhardt de Mexico, Mexico City, only reports billings of $10,799,720 for 1981, as compared to billings of $2,965,570 for 1980. (In local currency, billings were Ps262,766,924 for 1981, as compared to billings of Ps72,155,000 for 1980.) Media breakdown: Newspapers 9%; magazines 2%; radio 6%; tv 80%; cinema 3%. Employes: 32 in 1981 as compared to 22 in 1980. Account gained: Carven.

Macqueda, Gibert/NCK, Mexico City, reports gross income of $3,600,000 on billings of $24,000,000 for 1981, as compared to gross income of $2,357,702 on billings of $15,718,160 for 1980. (In local currency, gross income was Ps 87,588,000 on billings of Ps583,920,000 for 1981, as compared to gross income of Ps57,365,000 on billings of Ps382,437,000 for 1980.) Employes: 75. Accounts gained: Colgate-Palmolive, Kimberly-Clark, Cuauhtemoc breweries—Bohemia and Brisa beers.

McCann-Erickson, div. of Corporacion Interpublic Mexicana, Mexico City, reports gross income of $6,510,000 on billings of $43,422,000 for 1981, as compared to gross income of $5,092,000 on billings of $33,964,000 for 1980. (In local currency, gross income was Ps158,394,000 on billings of Ps1.056 billion for 1981, as compared to gross income of Ps123,904,000 on billings of Ps826,440,000 for 1980.) Employes: 193. Accounts gained: Tesoros Numismaticos (collectibles), *El Diario de Mexico*, Gelcaps Exportadora health food, Quaker Oats milk additive, chocolate bars, pet food, Hoteles Camino Real (Westin Hotels), Grupo Domit (shoes). Lost: Aconimanientos Selther (mattresses), American Airlines, Colgate (various), D.M. Nacional.

Noble y Asociados, Mexico City, reports gross income of $10,216,492 on billings of $68,144,005 for 1981, as compared to gross income of $6,456,839 on billings of $43,067,128 for 1980. (In local currency, gross income was Ps248,576,450 on billings of Ps1.658 billion for 1981, as compared to gross income of Ps157,100,718 on billings of Ps1.048 billion for 1980.) Media breakdown: Newspapers 3.47%; magazines 3.44%; radio 10.13%; tv 79.02%; outdoor 3.09%; cinema 0.85%. Employes: 297. Accounts gained: Aguas de Tehuacan, Manantiales Penafiel soft drinks, Banco Continental. Account lost: Posadas de Mexico.

Orvananos:SSC&B Lintas (Mexico), Mexico City, reports gross income of $1,171,000 on billings of $7,821,000 for 1981, as compared to gross income of $670,000 on billings of $5,474,000 for 1980. (In local currency, gross income was Ps28,500,000 on billings of Ps190,300,000 for 1981, as compared to gross income of Ps16,300,000 on billings of Ps133,176,000 for 1980.) Media breakdown: Newspapers 17%; magazines 2%; radio 13%; tv 62%; outdoor 2%; point of sale 3%; cinema 1%. Employes: 37 in 1981; 24 in 1980. Accounts gained: Richardson-Vicks, Mexican Assn. of Automobile Distributors, Hotel President, Maizoro cornflakes. Account lost: Ciba-Geigy.

Panamericana Ogilvy & Mather, Mexico City, reports gross income of $3,479,011 on billings of $22,523,003 for 1981, as compared to gross income of $2,753,820 on billings of $17,970,987 for 1980. (In local currency, gross income was Ps84,647,464 on billings of Ps548,004,959 for 1981, as compared to gross income of Ps67,002,929 on billings of Ps437,250,303 for 1980.) Media breakdown: Newspapers 7%; magazines 8%; radio 13%; tv 70%; outdoor 2%. Employes: 96. Accounts gained: Anderson Clayton, Kimberly Clark, Lance, Lawry's. Accounts lost: Western Intl. Hotels, Cartier.

Teran Publicidad, Mexico City, reports gross income of $2,406,446 on billings of $10,958,945 for 1981, as compared to gross income of $1,653,535 on billings of $7,531,986 for 1980. (In local currency, gross income was Ps58,551,000 on billings of Ps266,641,000 for 1981, as compared to gross income of Ps40,232,000 on billings of Ps183,260,000 for 1980.) Media breakdown: Newspapers 42%; magazines 13%; radio 9%; tv 24%; point of sale 12%. Employes: 63. Accounts gained: Bordados Maty-children's apparel, Drambuie liqueur, D'Velvet, Rancho Avandaro Country Club, Lomas de San Jeronimo real estate. Accounts lost: Loma Dorada real estate, Mandarine Napoleon.

J. Walter Thompson de Mexico, Mexico City, reports gross income of $8,030,000 on billings of $40,198,000 for 1981, as compared to gross income of $3,494,000 on billings of $23,294,000 for 1980. (In local currency, gross income was Ps146,708,000 on billings of Ps978,053,000 for 1981, as compared to gross income of Ps85,013,000 on billings of Ps566,755,000 for 1980.) Media breakdown: Newspapers 8%; magazines 7%; radio 15%; tv 67%; outdoor 2%; cinema 1%. Employes: 148 in 1981 as compared to 122 in 1980. Accounts gained: Pepsi-Cola Mexicana - Mirinda and new prods., Chocolatera de Jalisco - Ibarra table chocolate, Gonzalez Byass - Tio Pepe, Hoteles Calinda Quality Inns, Reynolds Aluminum, Johnson & Johnson - Ethicon, Parke Davis - Chloromycetin, Brown Foreman -Southern Comfort and Jack Daniels, addl. assignments from Ford, Warner-Lambert, Kellogg and Cerveceria Cuauhtemoc.

Young & Rubicam, Mexico City, reports gross income of $2,922,000 on estimated billings of $19,490,000 for 1981, as compared to gross income of $2,200,000 on estimated billings of $14,674,000 for 1980. (In local currency, gross income was Ps71,090,000 on estimated billings of Ps474,211,190 for 1981, as compared to gross income of Ps53,530,000 on estimated billings of Ps357,033,000 for 1980.) Young & Rubicam does not report billings. Figures given are AA estimates. Media breakdown: Newspapers 5%; magazines 9%; radio 3%; tv 82%; cinema 1%. Employes: 73. Account gained: Chocolatera de Jaliso. Accounts lost: Eastern Airlines, Unibanco.

NAMIBIA

The same 1981 average annual exchange rate of 1.1622 dollars to the rand was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 9.9% depreciation of the rand against the dollar based on the rand's 1980 exchange rate of 1.2585.

SSC&B:Lintas Worldwide Namibia, Windhoek, reports gross income of $52,299 on billings of $297,523 for 1981. (In local currency, gross income was R45,000 on billings of R256,000 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 17%; tv 47%; outdoor 36%. Employes: 1.

NETHERLANDS

The same 1981 average annual exchange rate of .4044 dollars to the Dutch guilder was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 21.4% depreciation of the guilder against the dollar based on the guilder's 1980 exchange rate of .5145.

Reclame Advies en Service Bureau, Baarn, reports gross income of $87,933 on billings of $1,921,000 for 1981, as compared to gross income of $257,603 on billings of $1,719,000 for 1980. (In local currency, gross income was DFl 712,000 on billings of DFl 4,750,000 for 1981, as compared to gross income of DFl 637,000 on billings of DFl 4,250,000 for 1980.) Media breakdown: Newspapers 51%, magazines 10%, radio 2%, tv 12%, outdoor 2%, point of sale 21%, direct mail 2%. Accounts gained: Caribbean Cosmetics B.V., Taxfree Seatours Corp. Lost: Dolfinarium.

Allick B.V., Amsterdam, reports gross income of $1,374,960 on billings of $9,159,660 for 1981, as compared to gross income of $1,095,924 on billings of $7,311,552 for 1980. (In local currency, gross income was DFl 3,400,000 on billings of DFl 22,650,000 for 1981, as compared to gross income of DFl 2,710,000 on billings of DFl 18,080,000 for 1980.) Media breakdown: Newspapers 37.1%, magazines 27.1%, radio 2%, tv 16%, outdoor 1.7%, point of sale 16.1%. Accounts gained: De Grenswisselkantoren N.V., RAET C.V., Perkin-Elmer, Ohra Verzekeringen, Dorco Ballograf, Martell, Phildar, N.V. Spoorwegreklame, Shulton. Lost: Clipper Games & Toys B.V., Kinzo B.V.

ARA Advertising & Marketing, Rotterdam, part of BBDO Intl., reports gross income of $3,231,156 on billings of $21,542,388 for 1981, as compared to gross income of $2,543,676 on billings of $20,337,276 for 1980. (In local currency, gross income was Dfl 7,990,000 on billings of Dfl 53,270,000 for 1981, as compared to gross income of Dfl 6,290,000 on billings of Dfl 50,290,000 for 1980.) Media breakdown: Newspapers 33%; magazines 37%; radio 3%; tv 21%; outdoor 6%. Employes: 58. Accounts gained: United Dairymen (milk products for export), Black & Decker (Workmate, garden equiment, DeWalt and McCulloch), British Leyland (dealer account, Mini, Triumph, Austin, Rover, Landrover, Jaguar, Daimler), Harris, Gaastra sailmakers, Bayer, Cilag, Sterling Winthrop, Whitehall. Accounts lost: Fuji films, Incotrans.

BBDO Industrieel, Amsterdam, reports gross income of $1,102,570 on billings of $7,286,479 for 1981. (In local currency, gross income was Dfl 2,726,434 on billings of Dfl18,018,000 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 40%; magazines 10%; business press 45%; farm press 5%. Employes: 18. Accounts gained: Wilma, Copyer, Stam, DHV, Boehringer-Ingelheim, Sandoz. Accounts lost: Ahrend, Van Heek medical.

Benton & Bowles Advertising B.V., Amsterdam, reports gross income of $1,971,287 on billings of $13,141,913 for 1981, as compared to gross income of $1,890,473 on billings of $12,603,153 for 1980. (In local currency, gross income was DFl 4,874,597 on billings of DFl 32,497,312 for 1981, as compared to gross income of DFl 4,674,760 on billings of DFl 31,165,067 for 1980.) Media breakdown: Newspapers 30%, magazines 23%, radio 5%, tv 22%, outdoor 2%, business press 18%. Accounts gained: Ely Lily, Iberbus, Wickes, Nationale Nederlanden, Van Gend en Loos, Van Dam Ziekenhuis, United States Lines (personnel recruitment).

Breewer-Bates B.V., Amsterdam, reports gross income of $1,213,192 on billings of $10,136,382 for 1981, as compared to gross income of $1,252,320 on billings of $9,873,435 for 1980. (In local currency, gross income was DFl 2,999,981 on billings of DFl 25,065,238 for 1981, as compared to gross income of DFl 3,096,737 on billings of DFl 24,415,022 for 1980.) Media breakdown: Newspapers 31%, magazines 13%, radio 6%, tv 24%, business press 16%, other 10%. Accounts gained: DHL Intl. courier express, Kelderman bread, Nikon cameras, Schiesser Belgium underwear, Sio toys. Lost: Conimex, NUVO, Becton & Dickinson, Guhl, Roters.

Leo Burnett Co., Amsterdam, reports gross income of $1,107,000 on billings of $7,383,000 for 1981, as compared to gross income of $991,993 on billings of $6,617,000 for 1980. (In local currency, gross income was DFl 2,737,000 on billings of DFl 18,256,000 for 1981, as compared to gross income of DFl 2,453,000 on billings of DFl 16,362,000 for 1980.) Accounts gained: Sperry Univac, Dom Benedictine Liqueur, Droste bitter sweet chocolate liqueur, Saudi Arabian Airlines, Van Melle confectionary, Providentia Insurance. Lost: HTH.

Campbell-Ewald Nederland, Amsterdam, reports gross income of $1,851,000 on billings of $12,346,000 for 1981, as compared to gross income of $3,148,000 on billings of $20,997,000 for 1980. (In local currency, gross income was Df 14,577,000 on billings of Dfl 30,529,000 for 1981, as compared to gross income of Dfl 7,785,000 on billings of Dfl 51,926,000 for 1980.) Employes: 49. Accounts gained: EMI/Skala tv rental, Unigrant insurance. Lost: Pierson Heldring & Pierson bank, Koopmans & Bruinier alcoholic beverages, Canon photocopiers.

Cordon-Grey Advertising, Baarn, reports gross income of $1,587,221 on billings of $10,795,030 for 1981, as compared to gross income of $1,316,339 on billings of $9,002,159 for 1980. (In local currency, gross income was Dfl 3,924,879 on billings of Dfl 26,693,944 for 1981, as compared to gross income of Dfl 3,255,040 on billings of Dfl 22,260,534 for 1980.) Media breakdown: Newspapers 32%; magazines 31%; supplements 1%; radio 5%; tv 23%; outdoor 1%; business press 3%; transit advertising 1%; point of sale 1%; cinema 2%. Employes: 24. Accounts gained: Airwick, Hermans Groep, Nutricia, Boldoot, Intradal, Pronk & Co., Grand Metropolitan Hotels, Amsterdam, Combe. Accounts lost: Aviko, Mediamar, Hofnar.

DFS Gillissen Kaldewaay, Amsterdam, reports gross income of $607,000 on billings of $3,433,800 for 1981, as compared to gross income of

$407,200 on billings of $2,310,300 for 1980. (In local currency, gross income was DFl 1,501,000 on billings of DFl 8,491,000 for 1981, as compared to gross income of DFl 1,007,000 on billings of DFl 5,713,000 for 1980.) Media breakdown: Newspapers 20%, magazines 20%, radio 5%, tv 15%, point of sales 20%, collateral 20%. Accounts gained: ITT (various divisions), General Mills toy division, Gestetner duplicators, World Vision fund raising, Albert de Bary (bank). Lost: Duracell batteries, Baygon insecticide.

De Bussy Reclame, Amsterdam, reports gross income of $1,776,000 on billings of $11,850,000 for 1981, as compared to gross income of $2,012,000 on billings of $13,900,000 for 1980. (In local currency, gross income was DFl 4,392,000 on billings of DFl 29,300,000 for 1981, as compared to gross income of DFl 4,975,000 on billings of DFl 34,400,000 for 1980.) Media breakdown: Newspapers 47%, magazines 20%, supplements 1%, radio 1%, tv 3%, outdoor 1%, business press 18%, farm press 1%, point of sales 8%. Accounts gained: AEG electrical tools, Finnlines ferry, Euro-Index.

FHV/BBDO, Amstelveen, reports gross income of $7,382,807 on billings of $48,455,208 for 1981, as compared to gross income of $8,649,712 on billings of $57,707,880 for 1980. (In local currency, gross income was Dfl 18,256,200 on billings of Dfl 119,820,000 for 1981, as compared to gross income of Dfl 21,389,000 on billings of Dfl 142,700,000 for 1980.) Media breakdown: Newspapers 33.5%; magazines 46%; radio and tv 16.5%; outdoor 4%. Employes: 120 in 1981 as compared to 150 in 1980. Accounts gained: Frico cheese, Scott paper towels and tissues, Molnlycke, Libero drapes, Royal Leerdam (household glassware), Rowntree Mackintosh nuts, Caddy and Bros candy bars, Weekbladpers (*Voetbal International, Sport International*). Accounts lost: Ago Verzekeringen, Schuitema.

Foote, Cone & Belding, Amsterdam, reports gross income of $2,340,263 on billings of $15,610,000 for 1981, as compared to gross income of $2,657,312 on billings of $17,724,447 for 1980. (In local currency, gross income was DFl 5,787,000 on billings of DFl 38,600,000 for 1981, as compared to gross income of DFl 6,571,000 on billings of DFl 43,829,000 for 1980.) Media breakdown: Newspapers 43%, magazines 41%, radio 2%, tv 12%, outdoor 2%. Accounts gained: Meerburg Theater Beheer, Earex ear care, Epeda, *Elsevier*, Clipper Games & Toys. Lost: None.

GGK Amsterdam/KVH, Amsterdam, reports gross income of $2,212,100 on billings of $14,760,600 for 1981, as compared to gross income of $2,420,300 on billings of $16,784,200 for 1980. (In local currency, gross income was DFl 5,470,000 on billings of DFl 36,500,000 for 1981, as compared to gross income of DFl 5,985,000 on billings of DFl 41,504,000 for 1980.) Media breakdown: Newspapers 39%, magazines 46%, radio 3%, tv 8%, outdoor 1%, business press 1%, cinema 2%. Accounts gained: NVA, Versicherungen, Nutsspaarbank Den Haag, Sparkasse, Henkel, Kosmetika. Lost: Max Factor, Admedia, Burroughs.

HVR Advertising, Amsterdam, reports gross income of $2,790,360 on billings of $18,602,400 for 1981, as compared to gross income of $3,033,000 on billings of $20,220,000 for 1980. (In local currency, gross income was DFl 6,900,000 on billings of DFl 46,000,000 for 1981, as compared to gross income of DFl 7,500,000 on billings of DFl 50,000,000 for 1980.) Accounts gained: Stichting C.B.R., Samenwerkingscommissie Promotie Bollen, Bloemen en Bomen, Floriade '82, Gonzalez Byass, Nibb-it (new product), Rapistan Lande, VEGIN. Lost: Caligen Europe, KLM Nederland, Luba, Stokvis.

Intermarco-Farner, Amsterdam, part of the Publicis Intermarco-Farner agency network, reports gross income of $4,448,400 on billings of $29,683,000 for 1981, as compared to gross income of $4,327,080 on billings of $29,117,000 for 1980. (In local currency, gross income was Dfl 11,000,000 on billings of Dfl 73,400,000 for 1981, as compared to gross income of Dfl 10,700,000 on billings of Dfl 72,000,000 for 1980.) Media breakdown: Newspapers 35%; magazines 37%; radio 4%; tv 14%; outdoor 4%; business press 6%. Employes: 79. Accounts gained: Agfa-Gevaert copiers, El Bas cigars, Veronica broadcasting system. Accounts lost: Delial suntan lotion, Natrena sweetener, Nescafe instant coffee.

Recla-Janssens Advertising, Amsterdam, reports gross income of $3,308,000 on billings of $22,080,000 for 1981, as compared to gross income of $3,543,000 on billings of $23,620,000 for 1980. (In local currency, gross income was DFl 8,180,000 on billings of DFl 54,600,000 for 1981, as compared to gross income of DFl 8,760,000 on billings of DFl 58,400,000 for 1980.) Media breakdown: Printed media 81%, radio 3%, tv 16%. Accounts gained: Blaupunkt, SPAR, Calve de Betuwe. Lost: Frico.

Lintas Nederland, Rotterdam, reports gross income of $6,545,000 on billings of $46,828,000 for 1981, as compared to gross income of $5,989,000 on billings of $42,774,000 for 1980. (In local currency, gross income was Dfl 16,184,000 on billings of Dfl 115,795,000 for 1981, as compared to gross income of Dfl 14,809,000 on billings of Dfl 105,772,000 for 1980.) Media breakdown: Newspapers 50%; radio 5%; tv 42%; outdoor 1%; other 2%. Employes: 126 in 1981 as compared to 112 in 1980. Accounts gained: Perrier, Tefal Irons and Miniwash, National Nederlanden Studenten Verzekering, Igo Pizzas and Kwartponders. Account lost: Calve pindakaas.

McCann-Erickson (Nederland), Amsterdam, reports gross income of $5,229,000 on billings of $34,877,000 for 1981, as compared to gross income of $5,056,000 on billings of $33,724,000 for 1980. (In local currency, gross income was Dfl 12,931,000 on billings of Dfl 86,250,000 for 1981, as compared to gross income of Dfl 12,503,000 on billings of Dfl 83,395,000 for 1980.) Employes: 105. Accounts gained: Texas Instruments, Ennia (insurance), Kodak office equipment, Ministry of Justice (shoplifting study), Duphar (OTC products, vitamins, insecticides, etc.). Lost: Wessanen Meel (flour), Internacionale Parfumeriefabriek (4711), AC Restaurants (fast food).

Noordervliet & Winninghoff Advertising & Marketing, Amsterdam, reports gross income of $3,684,084 on billings of $24,572,840 for 1981, as compared to gross income of $3,117,924 on billings of $20,789,292 for 1980. (In local currency, gross income was DFl 9,110,000 on billings of DFl 60,763,700 for 1981, as compared to gross income of DFl 7,710,000 on billings of DFl 51,430,000 for 1980.) Accounts gained: Jamin confectionary mfrs. and retail chain, ANWB publishing, Triumph foundation, Amro Bank/HDM Mundus, *Algemeen Dagblad*, Dru, Rheuma Fonds, Foster Parents Plan, Tefal. Lost: Rowntree Mackintosh nuts, Sperry Univac.

"Directly from maker to user" heads agency ad, featuring principals who tout advantages of working without middlemen. By Jan Moerbeek/Marco Klein, Amsterdam.

Jan Moerbeek/Marco Klein, Amsterdam, reports gross income of $485,000 on billings of $3,250,000 for 1981, as compared to gross income of $444,840 on billings of $3,000,000 for 1980. (In local currency, gross income was DFl 1,200,000 on billings of DFl 8,000,000 for 1981, as compared to gross income of DFl 1,100,000 on billings of DFl 7,500,000 for 1980.) Media breakdown: Newspapers 40%, magazines 10%, tv 15%, business press 10%, collateral 25%. Accounts gained: Albert van Zoonen snacks, Linmij, RAF HiFi & Stereo, DSU, Selecta plays. Lost: None.

N.P.O. Univas, The Hague, part of the EUROCOM/Univas agency network, reports gross income of $4,258,000 on billings of $28,390,000 for 1981, as compared to gross income of $3,720,000 on billings of $25,680,000 for 1980. (In local currency, gross income was Dfl 10,530,000 on billings of Dfl 70,200,000 for 1981, as compared to gross income of Dfl 9,200,000 on billings of Dfl 63,500,000 for 1980.) Media breakdown: Newspapers 28%; magazines 16%; supplements 5%; radio 4%; tv 7%; outdoor 2%; business press 2%; point of sale 20%; other 16%. Employes: 72. Accounts gained: CDA—political party, Ricills—L'Oreal, Van Nelle—Planters, Amaretto di Saronno liqueur, Vivitar—camera lenses, Story Romans—books, Falkplan—maps, Gipsen office furniture, *Partner* magazine, BMDE—energy discussion. Accounts lost: Rollei cameras, Heidemij, Berenschot—personnel.

Norman, Craig & Kummel, Amsterdam, reports gross income of $1,155,000 on billings of $7,700,000 for 1981, as compared to gross income of $678,988 on billings of $4,528,875 for 1980. (In local currency, gross income was Dfl 2,852,850 on billings of Dfl 19,019,000 for 1981, as compared to gross income of Dfl 1,679,000 on billings of Dfl 11,199,000 for 1980.) Employes: 9. Accounts gained: Nashua copiers, Quaker Oats honey products, KINZO tools.

Ogilvy & Mather, Amsterdam, reports gross income of $4,932,592 on billings of $32,900,387 for 1981, as compared to gross income of $4,200,563 on billings of $28,017,755 for 1980. (In local currency, gross income was DFl 12,197,309 on billings of DFl 81,356,051 for 1981, as compared to gross income of DFl 10,387,149 on billings of DFl 69,282,284 for 1980.) Media breakdown: Newspapers 27.4%, magazines 33.1%, supplements 0.1%, radio 1.3%, tv 31%, outdoor 0.7%, business press 4.5%, farm press 0.9%, cinema 1%. Accounts gained: Oce copiers, Bovag Motorclub, City Courier messenger service, Baccolor, Burroughs computers, *Elsevier*. Lost: Olau line (passenger service), Iglo frozen foods, Inter Footwear.

PPGH/Moussault, Amsterdam, reports gross income of $3,217,000 on billings of $21,433,000 for 1981, as compared to gross income of $3,276,000 on billings of $21,838,000 for 1980. (In local currency, gross income was Dfl 7,954,000 on billings of Dfl 53,000,000 for 1981, as compared to gross income of Dfl 8,100,000 on billings of Dfl 54,000,000 for 1980.) Media breakdown: Newspapers and magazines 50%; radio and tv 37%; outdoor 1%; point of sale 4%; cinema 8%. Employes: 52 in 1981 as compared to 66 in 1980. Accounts gained: Vandemoortele, Schuitema, Bayer, Edet, Miauw account from our client Felix Bonzo/Purina. Accounts lost: Fiat cars, Leonard Lang.

Prad B.V., Amsterdam, reports gross income of $5,728,326 on billings of $38,189,000 for 1981, as compared to gross income of $6,168,000 on billings of $41,120,000 for 1980. (In local currency, gross income was DFl 14,165,000 on billings of DFl 94,433,000 for 1981, as compared to gross income of DFl 15,252,000 on billings of DFl 101,681,000 for 1980.) Media breakdown: Newspapers 40.2%, magazines and supplements 36.9%, radio 3.1%, tv 17.8%, outdoor and cinema 2%. Accounts gained: Mercedes-Benz dealers, De Zithoek furniture retailers, Calve roasted peanuts, Park & Ride Amsterdam, Admedia (partial), Conimex Indonesian food, Polydor, ANWB (partial), Government Crime Prevention, Ombudsman, Hotel de l'Europe, Traffic Safety Fund, Jack Daniels. Lost: Robex, Hero jams, Pizza di Mama (Calve).

Prins, Meijer, Stamenkovits & van Walbeek Reklamebureau, Amsterdam, 40% of the agency of which came under the ownership of Young & Rubicam in late 1981, reports only billings of $17,000,000 for 1981 and $10,110,000 for 1980. (In local currency, billings were DFl 42,000,000 for 1981 and DFl 25,000,000 for 1980.) Media breakdown: Newspapers 27%, magazines 57%, tv 13%, cinema and outdoor 3%. Accounts gained: Heineken Distilled Holland (Hoppe jenever), KLM, Fiat Nederland cars and light vans. Lost: Febo/Purina, Molnlyke Nederland.

Result/D'Arcy-MacManus & Masius, Amsterdam, reports gross income of $4,012,000 on billings of $26,759,000 for 1981, as compared to gross income of $3,517,000 on billings of $23,456,000 for 1980. (In local currency, gross income was DFl 9,921,000 on billings of DFl 66,172,000 for 1981, as compared to gross income of DFl 8,696,000 on billings of DFl 58,002,000 for 1980.) Media breakdown: Newspapers 22%, magazines 29%, radio 4%, tv 28%, outdoor 1%, business press 16%. Accounts gained: Archer Intl., Gabriel Europe, Kip Caravans, Leaseplan Nederland, B.V. Modulex Nederland planning systems.

Smit's-Bates B.V., Amsterdam, reports gross income of $925,135 on billings of $7,317,714 for 1981, as compared to gross income of $1,073,737 on billings of $8,102,881 for 1980. (In local currency, gross income was DFl 2,287,674 on billings of DFl 18,095,237 for 1981, as compared to gross income of DFl 2,655,135 on billings of DFl

NETHERLANDS

20,036,797 for 1980.) Media breakdown: Newspapers 27%, magazines 28%, radio 2%, tv 33%, business press 6%. Employes: 18 in 1981 and 31 in 1980. Accounts lost: Dactylo, Kuypers, Rick's restaurants, VNU and Shulton.

TBWA Netherlands, Amsterdam, which opened in April of last year, reports gross income of $318,500 on billings of $2,123,100 for nine months of 1981. (In local currency, gross income was DFl 787,500 on billings of DFl 5,250,000. Employes: 12. Accounts: Cadbury, City of Amsterdam, Bailey's Irish Cream, Philip Morris, and Pierson Heldring & Pierson Bank.

J. Walter Thompson, Amsterdam, reports gross income of $4,438,290 on billings of $29,603,415 for 1981, as compared to gross income of $4,550,309 on billings of $30,350,624 for 1980. (In local currency, gross income was Dfl 10,975,000 on billings of Dfl 73,203,300 for 1981, as compared to gross income of Dfl 11,252,000 on billings of Dfl 75,051,000 for 1980.) Media breakdown: Newspapers 38%; magazines 39%; radio 2%; tv 17%; other 4%. Employes: 103. Accounts gained: Andrelon haircare products, Burger King, Calve's (Unilever) De Betuwe peanut butter and new products, Van Dale dictionaries, Jobes horticultural products, Malaysian Airline systems, Noors Marketing. Account lost: Vegin.

VDB/Compton, Amsterdam, reports gross income of $2,790,360 on billings of $18,602,400 for 1981, as compared to gross income of $2,487,060 on billings of $16,580,400 for 1980. (In local currency, gross income was DFl 6,900,000 on billings of DFl 46,000,000 for 1981, as compared to gross income of DFl 6,150,000 on billings of DFl 41,000,000 for 1980.) Media breakdown: Newspapers 29%, magazines 28%, radio 30%, tv 28%, outdoor 2%, business press 8%, point of sale 2%. Accounts gained: Max Factor (Colorfast, Mary Quant), Procter & Gamble (Ariel Belgium and Head & Shoulders), Lake Ijssel Polder Authority. Lost: John Deere, Wella-Lavona and Recrin, British Leyland (Holland).

Wiggert de Vries & Franssen/DDB, Amsterdam, reports gross income of $1,556,940 on billings of $10,393,080 for 1981, as compared to gross income of $1,449,370 on billings of $9,624,720 for 1980. (In local currency, gross income was DFl 3,850,000 on billings of DFl 25,700,000 for 1981, as compared to gross income of DFl 3,584,000 on billings of DFl 23,800,000 for 1980.) Employes: 35 in 1981; 49 in 1980.

Young & Rubicam-Koster Holding, Amsterdam, reports gross income of $4,500,000 on billings of $30,015,000 for 1981, as compared to gross income of $4,165,000 on billings of $27,781,000 for 1980. (In local currency, gross income was DFl 11,128,000 on billings of DFl 74,221,092 for 1981, as compared to gross income of DFl 10,298,000 on billings of DFl 68,696,856 for 1980.) Y&R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 36%, magazines 18%, radio 2%, tv 10%, outdoor 1%, business press 2%, transit 1%, point of sale 9%, cinema 1%, production 20%. Accounts gained: *Cosmopolitan* magazine, Heinz (Weight Watchers), PTT postal services, Singer, Swedish National Trade/Tourist Board, Vredestein Tires. Lost: Citizen watches.

NEW ZEALAND

The same 1981 average annual exchange rate of .8731 dollars to the New Zealand dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 11.6% depreciation of the NZ$ against the dollar based on the NZ$'s 1980 exchange rate of .9878.

Leo Burnett, Auckland, reports gross income of $1,205,000 on billings of $8,033,000 for 1981, as compared to gross income of $829,445 on billings of $5,524,104 for 1980. (In local currency, gross income was NZ1,380,000 on billings of NZ9,200,000 for 1981, as compared to gross income of NZ950,000 on billings of NZ6,327,000 for 1980).

Campaign Advertising Group, Auckland, reports gross income of $3,176,219 on billings of $14,295,965 for 1981, as compared to gross income of $2,681,538 on billings of $12,570,076 for 1980. (In local currency, gross income was NZ$3,637,864 on billings of NZ$16,373,802 for 1981, as compared to gross income of NZ$3,071,285 on billings of NZ$14,397,064 for 1980.) Media breakdown: Newspapers 20%; magazines 8%; radio 11%; tv 55%; outdoor 1%; business press 1%; farm press 1%; transit advertising 1%; cinema 2%. Employes: 77. Accounts gained: Formica, Dupont, W.F. Tucker (cereals), Nestle (addl.), General Foods (snack products), Deanes (sportswear and garments), PDL (Scope and Goldair), Alliance Textiles (Kaiapoi and Shepherd brands), Lion Breweries (Green Bottle wholesale). Accounts lost: Group Rentals, Butlands Industries (cheese).

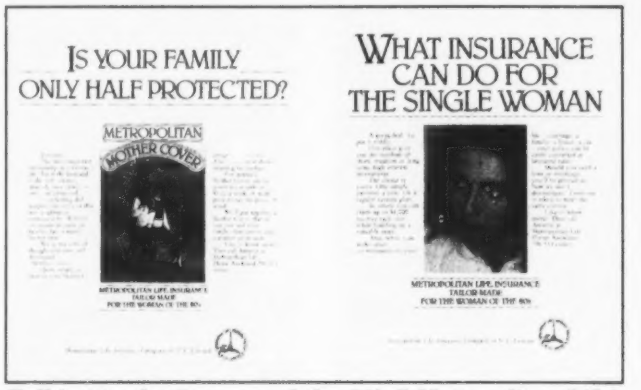
Clemenger Ltd., Auckland, reports gross income of $4,126,578 on billings of $20,632,890 for 1981, as compared to gross income of $2,996,508 on billings of $14,982,538 for 1980. (In local currency, gross income was NZ4,726,352 on billings of NZ23,631,760 for 1981, compared with gross income for 1980 of NZ3,432,033 on billings of NZ17,160,163.) Media breakdown: Newspaper 16%; magazines 8%; radio 3%; television 71%; business press 1%; farm press 1%.

D'Arcy-MacManus & Masius, Auckland, reports gross income of $1,877,000 on billings of $10,255,000 for 1981, as compared to gross income of $1,401,000 on billings of $7,871,000 for 1980. (In local currency, gross income was NZ2,150,000 on billings of NZ11,745,000 for 1981, as compared to gross income of NZ1,605,000 on billings of NZ9,015,000 for 1980.) Media breakdown: Newspapers 14%; magazines 8%; radio 11%; television 65%; business press 1%; farm press 1%. Accounts gained: Kenwood Manufacturing Co., Nissan Datsun (newmarket), Butland Industries (cheese), Sanyo, Lockwood Homes, Polaroid (special projects), Bayer (NZ), NZ Film Commission

IMAA/Wood & Mitchell Advertising, Wellington, reports gross income of $501,612 on billings of $2,689,937 for 1981, as compared to gross income of $553,022 on billings of $2,717,477 for 1980. (In local currency, gross income was NZ$574,518 on billings of NZ$3,080,904 for 1981, as compared to gross income of NZ$633,401 on billings of NZ$3,112,447 for 1980.) Media breakdown: Newspapers 26%; magazines 15%; radio 15%; tv 31%; outdoor 2%; business press 5%; farm press 6%. Employes: 23. Accounts gained: Torocolor, Youth Services, NZ Mountain Safety Council, Okato Coop Dairy, F.C.O.S. Direct Imports, Maharahara Milk Co., McKechnie Bros., Electronic Business Systems. Accounts lost: Wholesale Book Distributors, Courier Systems, Ministry of Energy.

MacHarman/Ayer Advertising Ltd., Auckland, reports gross income of $973,367 on billings of $4,626,589 for 1981, as compared to gross income of $973,988 on billings of $3,992,265 for 1980. (In local currency, gross income was NZ1,114,840 on billings of NZ5,229,037 for 1981, as compared to gross income of NZ1,115,552 on billings of NZ4,572,518 for 1980.) Media breakdown: Newspapers 26%; magazines 11%; radio 21%; television 34%; business press 5%; cinema 3%. Accounts gained: Autex International Ltd., Carter Holt Holdings Ltd. (Sealord brand), Fletcher Challenge Ltd. (Corporate Services), Fisher & Paykel Ltd. (Kelvinator brand).

MacKay King Advertising, Wellington, reports gross income of $1,050,549 on billings of $5,348,560 for 1981, as compared to gross income of $720,498 on billings of $3,631,174 for 1980. (In local currency, gross income was NZ1,203,240 on billings of NZ6,125,943 for 1981, as compared to gross income of NZ825,218 on billings of NZ4,158,944 for 1980.) Media breakdown: Newspapers 22%; magazines 24%; supplements 1%; radio 12%; television 33%; outdoor 1%; business press 1%; farm press 2%; point of sales 3%; cinema 1%. Accounts gained: NZ Wool Board, Burroughs Ltd. (computers), Lombard NZ Ltd., Lion Breweries Ltd., Lion-Brown, Ricoh Plain Paper Copiers.



Talking to the "woman of the 80's," Metropolitan Life's informational ads, by MacHarman ABH International, Auckland, reach a growing market.

Ogilvy & Mather (New Zealand), reports gross income of $1,598,568 on billings of $7,992,840 for 1981, as compared to gross income of $1,554,507 on billings of $7,772,533 for 1980. (In local currency, gross income was NZ$1,830,910 on billings of NZ$9,154,550 for 1981, as compared to gross income of NZ$1,780,445 on billings of NZ$8,902,225 for 1980.) Media breakdown: Newspapers 20%; magazines 12%; supplements 1%; radio 11%; tv 56%. Employes: 49. Accounts gained: Cambridge Clothing, Intl. Correspondence Schools, N.Z. Apple and Pear Marketing Board, Progressive Enterprises, Radio New Zealand, Toyworld. Accounts lost: Eta Foods, N.Z. Wool Board, Shell Chemicals, South Pacific Credit Card.

SSC&B:Lintas New Zealand, Auckland, reports gross income of $1,372,000 on billings of $10,672,000 for 1981, as compared to gross income of $1,071,000 on billings of $5,181,000 for 1980. (In local currency, gross income was NZ$1,571,000 on billings of NZ$12,223,000 for 1981, as compared to gross income of NZ$1,226,000 on billings of NZ$5,932,000 for 1980.) Media breakdown: Newspapers 5%; magazines 17%; radio 7%; tv 71%. Employes: 29 in 1981 as compared to 16 in 1980. Account gained: Philips Appliances. Accounts lost: Feltex carpets, Tuckers foods.

USP Needham, Wellington, reports gross income of $582,791 on billings of $2,914,350 for 1981, as compared to gross income of $491,810 on billings of $2,462,924 for 1980. (In local currency, gross income was NZ$667,496 on billings of NZ$3,337,934 for 1981, as compared to gross income of NZ$563,292 on billings of NZ$2,820,896 for 1980.) Media breakdown: Newspapers, magazines and supplements 33.9%; radio 8.2%; tv 57.9%; Employes: 16. Account gained: Group Rentals (N.Z.).

Ward & Grey Advertising, Auckland, reports gross income of $268,853 on billings of $1,220,594 for 1981, as compared to gross income of $216,110 on billings of $1,002,290 for 1980. (In local currency, gross income was NZ$307,561 on billings of NZ$1,398,000 for 1981, as compared to gross income of NZ$247,521 on billings of NZ$1,147,968 for 1980.) Media breakdown: Newspapers 9%; magazines 19%; radio 4%; tv 62%; business press 4%; point of sale 2%. Employes: 8. Accounts gained: Colman foods, Stevens (NZ) grain health foods, Line Seven, Prime Computers, Jergens.

J. Inglis Wright Ltd., Wellington, reports gross income of $3,128,306 on billings of $15,756,092 for 1981, as compared to gross income of $2,649,501 on billings of $13,396,810 for 1980. (In local currency, gross income was NZ3,582,988 on billings of NZ18,046,148 for 1981, as compared to gross income of NZ3,034,591 on billings of NZ15,343,959 for 1980.) Media breakdown: Newspapers, magazines, supplements 42.6%; radio 14.4%; television 41.9%; other 1.1%. Accounts gained: GEC (NZ), Shoprite Stores, Dominion Lead Group, NZ Spa & Mineral Water Ltd., Ivon Watkins Dow Ltd., Johnson Wax of NZ Ltd. (part only). Accounts lost: Aakronite Ltd. (NZ), Bradmill Industries Ltd.

NICARAGUA

The same 1981 average annual exchange rate of .1089 dollars to the Nicaraguan cordoba was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 4.5% depreciation of the cordoba against the dollar based on the cordoba's 1980 exchange rate of .1140.

APCU de Nicaragua, Managua, reports gross income of $5,445 on billings of $36,264 for 1981, as compared to gross income of $7,449 on billings of $49,658 for 1980. (In local currency, gross income was Cordoba 50,000 on billings of Cordoba 333,000 for 1981, as compared to gross income of Cordoba 68,400 on billings of Cordoba 456,000 for 1980.) Media breakdown: Newspapers 20%, radio 30%, tv 50%. Employes: 2.

Publicidad McCann-Erickson Centroamericana (Nicaragua), Managua, reports gross income of $83,000 on billings of $554,000 for 1981, as compared to gross income of $90,000 on billings of $600,000 for 1980. (In local currency, gross income was Cordoba 762,000 on billings of Cordoba 5,083,000 for 1981, as compared to gross income of Cordoba 822,000 on billings of Cordoba 5,483,000 for 1980.)

NIGERIA

The same 1981 average annual exchange rate of 1.62 dollars to the Nigerian naira was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 12% depreciation of the naira against the dollar based on the naira's 1980 exchange rate of 1.84.

Lintas (Nigeria), Lagos, reports gross income of $5,205,000 on billings of $29,867,000 for 1981, as compared to gross income of $4,339,000 on billings of $23,471,000 for 1980. (In local currency, gross income was Naira 3,210,000 on billings of Naira 18,422,000 for 1981, as compared to gross income of Naira 2,676,000 on billings of Naira 14,476,000 for 1980.) Media breakdown: Newspapers 16%, magazines 5%, radio 37%, tv 22%, outdoor 18%, cinema 2%. Employes: 170.

NORWAY

The same 1981 average annual exchange rate of .1755 dollars to the Norwegian kroner was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 16% depreciation of the kroner against the dollar based on the kroner's 1980 exchange rate of .2090.

Bates-gruppen, Oslo, formerly AB Bates, reports gross income in its six offices of $11,647,000 on billings of $79,930,000 for 1981, as compared to gross income of $9,543,000 on billings of $60,157,000 for 1980. (In local currency, gross income was NKr 66,366,000 on billings of NKr 455,441,000 for 1981, as compared to gross income of NKr 54,374,000 on billings of NKr 342,774,000 for 1980.) Media breakdown: Newspapers 35.8%, magazines 13.5%, outdoor 1.2%, business press 6.4%, cinema 1.6%, production 27.3%, fees 14.2%. Employes: 326 in 1981; 288 in 1980. Accounts gained: Bykredittforeningen, Philips Petroleum, NKS, Viking microcomputers, B.A.T., Norsk A/S Philips white goods, Volvo Norge, Kefas retail chain, Ing.forr. Atlas (Pioneer hifi, Saba tv, TDK tape. Accounts lost: Tomten, ITT, OCAS (Maroc oranges).

A/S Benton & Bowles, Oslo, reports gross income for three offices of $2,948,400 on billings of $19,666,000 for 1981, as compared to gross income of $2,656,000 on billings of $17,714,443 for 1980. (In local currency, gross income was NKr 16,800,000 on billings of NKr 112,056,000 for 1981, as compared to gross income of NKr 15,133,000 on billings of NKr 100,937,000 for 1980.) Media breakdown: Newspapers 53%, magazines 12%, business press 6%, cinema 6%, creative work and printed matter 23%. Employes: 67. Accounts gained: De Beers, Norwegian Goldsmiths' Assn., Maarud soft drinks, Glaxo (medical). Lost: NKS.

D'Arcy-MacManus & Masius, Oslo, reports gross income of $817,000 on billings of $5,302,000 for 1981, as compared to gross income of $759,000 on billings of $5,196,000 for 1980. (In local currency, gross income was NKr 4,654,000 on billings of NKr 30,213,000 for 1981, as compared to gross income of NKr 4,322,000 on billings of NKr 29,609,000 for 1980.) Media breakdown: Newspapers 36%, magazines 49%, outdoor 2%, business press 7%, cinema 5%, other 1%. Employes: 18. Accounts gained: Robert Bosch, Eurocard, Gyldendal Norsk Forlag. Lost: Wiba, Dumex.

Ervaco Bergen, Bergen, reports gross income of $420,000 on billings of $2,800,000 for 1981, as compared to gross income of $615,000 on billings of $4,100,000 for 1980. (In local currency, gross income was NKr 2,390,000 on billings of NKr 15,950,000 for 1981, as compared to gross income of NKr 3,500,000 on billings of NKr 23,350,000 for 1980.) Employes: 11.

Ervaco Oslo, Oslo, reports gross income of $2,890,000 on billings of $19,290,000 for 1981, as compared to gross income of $2,495,000 on billings of $16,640,000 for 1980. (In local currency, gross income was NKr 16,475,000 on billings of NKr 109,900,000 for 1981, as compared to gross income of NKr 14,210,000 on billings of NKr 94,800,000 for 1980.) Employes: 60.

Intermarco-Farner A/S, Oslo, part of the Publicis Intermarco-Farner agency, reports gross income of $521,410 on billings of $2,243,000 for 1981, as compared to gross income of $512,000 on billings of $1,985,000 for 1980. (In local currency, gross income was NKr 2,971,000 on billings of NKr 12,775,000 for 1981, as compared to gross income of NKr 2,916,000 on billings of NKr 11,310,000 for 1980.) Media breakdown: Newspapers 85%, magazines 2%, business press 13%. Employes: 6. Accounts gained: Bjerke contractors, Byggtjeneste Bldg. Assn., Norske Fritidshus, Onskefoto.

Inter-Media, Oslo, reports gross income of $473,850 on billings of $2,123,550 for 1981, as compared to gross income of $456,300 on billings of $1,632,150 for 1980. (In local currency, gross income was NKr 2,700,000 on billings of NKr 121,000,000 for 1981, as compared to gross income of NKr 2,600,000 on billings of NKr 93,000,000 for 1980.) Employes: 30. Accounts gained: Alfsen & Gunderson.

Jensen-Grey, Oslo, reports gross income of $742,294 on billings of $4,951,557 for 1981, as compared to gross income of $643,383 on billings of $4,291,326 for 1980. (In local currency, gross income was NKr 4,229,600 on billings of NKr 28,214,000 for 1981, as compared to gross income of NKr 3,666,000 on billings of NKr 24,452,000 for 1980.) Media breakdown: Newspapers 48%, magazines 6%, outdoor 2%, business press 20%, point of sale 4%, cinema 4%, other (print, direct mail) 16%. Employes: 18. Accounts gained: Peter Moller A/S, Bygge-Extrakt, Investfakta, Groner & Co., Pop-Sko.

Klar Tale A/S, Oslo, part of the Compton Advertising network, reports gross income of $1,062,477 on billings of $6,038,253 for 1981, as compared to gross income of $827,132 on billings of $5,902,592 for 1980. (In local currency, gross income was NKr 6,054,000 on billings of NKr 34,406,000 for 1981, as compared to gross income of NKr 4,713,000 on billings of NKr 33,633,000 for 1980.) Media breakdown: Newspapers 76.5%, magazines 5.5%, outdoor 0.9%, business press 16.2%, cinema 0.9%. Employes: 20. Accounts gained: Mesterhus prefabricated houses, "K" grocery chain, VCM. Lost: John Deere.

Lund & Lommer, Oslo, reports gross income of $2,492,100 on billings of $17,128,800 for 1981, as compared to gross income of $2,351,700 on billings of $14,917,500 for 1980. (In local currency, gross income was NKr 14,200,000 on billings of NKr 97,600,000 for 1981, as compared to gross income of NKr 13,400,000 on billings of NKr 85,000,000 for 1980.) Media breakdown: Newspapers 72.6%, magazines 8.5%, outdoor 2.1%, business press 14.3%, farm press 0.5%, cinema 2%. Employes: 52. Accounts gained: Libertas, Norski (Puma/Raleigh), Finn Solvang, Boutique 31, Kahrs A/S, Ajungilak, Pappersgruppen, Renault. Lost: Volvo Norge spare parts division.

Master A/S, Oslo, reports gross income for its three offices of $1,123,200 on billings of $7,063,875 for 1981, as compared to gross income of $1,053,000 on billings of $6,247,800 for 1980. (In local currency, gross income was NKr 6,400,000 on billings of NKr 40,250,000 for 1981, as compared to gross income of NKr 6,000,000 on billings of NKr 35,600,000 for 1980.) Media breakdown: Newspapers 40%, magazines 8%, supplements 2%, outdoor 3%, business press 15%, farm press 3%, point of sale 6%, cinema 3%, printed matters (direct marketing) 20%. Employes: 24. Accounts gained: Suzuki motorcycles, Pulsar Quartz, Hydro Perstorp Laminater A/S.

McCann-Erickson A/S, Oslo, reports gross income of $1,208,000 on billings of $8,057,000 for 1981, as compared to gross income of $1,123,025 on billings of $7,490,516 for 1980. (In local currency, gross income was NKr 6,881,000 on billings of NKr 45,896,000 for 1981, as compared to gross income of NKr 6,399,000 on billings of NKr 42,681,000 for 1980.) Employes: 32. Accounts gained: Texas Instruments, Fabritius, Andre de Brett, Price Waterhouse, Pandy Marketing, Del Monte, Sound-vision. Lost: Hoyang Polaris, Oce.

NCK-Norge, Oslo, reports gross income of $1,215,000 on billings of $8,100,000 for 1981, as compared to gross income of $924,534 on billings of $6,164,262 for 1980. (In local currency, gross income was NKr6,925,500 on billings of NKr46,170,000 for 1981, as compared to gross income of NKr5,268,000 on billings of NKr35,124,000 for 1980.)

Ogilvy & Mather A/S, Oslo, reports gross income for its two offices of $2,402,616 on billings of $9,874,369 for 1981, as compared to gross income of $1,956,433 on billings of $7,962,011 for 1980. (In local currency, gross income was NKr 13,690,118 on billings of NKr 56,264,211 for 1981, as compared to gross income of NKr 11,148,764 on billings of NKr 45,367,583 for 1980.) Media breakdown: Newspapers 60%, magazines 19%, outdoor 3%, business press 10%, cinema 8%. Employes: 48. Accounts gained: Bertel O. Steen (Mercedes trucks), Norges Bank, Gjensidige, Oce-Norge, Norske Rorleggerbedrifters Landsforb.

Pran & Torgersen, Oslo, reports gross income of $1,316,672 on billings of $9,713,641 for 1981, as compared to gross income of $1,175,502 on billings of $8,301,844 for 1980. (In local currency, gross income was NKr 7,502,403 on billings of NKr 55,348,384 for 1981, as compared to gross income of NKr 6,698,017 on billings of NKr 47,303,956 for 1980.) Media breakdown: Newspapers 42%, magazines 18%, outdoor 1%, business press 15%, point of sale 13%, cinema 1%, other 10%. Employes: 30. Accounts gained: Interfoto, Norges Geografiske Oppmaling, Polaris Assurance.

Scan Partner, Oslo, reports gross income of $702,000 on billings of $2,614,950 for 1981, as compared to gross income of $575,640 on billings of $2,144,259 for 1980. (In local currency, gross income was NKr 4,000,000 on billings of NKr 14,900,000 for 1981, as compared to gross income of NKr 3,280,000 on billings of NKr 12,218,000 for 1980.) Employes: 146. Accounts gained: AEG, SAS, GEC. Lost: Renault, NFB (Norway state railway).

Scaneco, Oslo, which has merged with Young & Rubicam, reports gross income of $923,130 on billings of $7,371,000 for 1981, as compared to gross income of $738,504 on billings of $6,089,850 for 1980. (In local currency, gross income was NKr 5,260,000 on billings of NKr 42,000,000 for 1981, as compared to gross income of NKr 4,208,000 on billings of NKr 34,700,000 for 1980.) Employes: 45. Accounts gained: Johnson's Wax, NYCO pharmaceuticals.

Viking Reklamebyra, Oslo, reports gross income of $810,000 on billings of $5,400,000 for 1981, as compared to gross income of $1,107,700 on billings of $6,102,800 for 1980. (In local currency, gross income was NKr 4,615,380 on billings of NKr 30,769,200for 1981, as compared to gross income of NKr 6,311,675 on billings of NKr 34,773,754 for 1980.) Employes: 20.

Young & Rubicam A/S, Oslo, reports gross income of $1,683,000 on billings of $11,226,000 for 1981, as compared to gross income of $1,776,000 on billings of $11,846,000 for 1980. Billings figures are AA estimates. (In local currency, gross income was NKr 9,592,000 on billings of NKr 63,965,748 for 1981, as compared to gross income of NKr 10,117,000 on billings of NKr 67,498,500 for 1980.) Employes: 31 in 1981; 42 in 1980.

PAKISTAN

The same 1981 average annual exchange rate of .10 dollars to the Pakistan rupee was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 3.3% depreciation of the rupee against the dollar based on the rupee's 1980 exchange rate of .1034.

IMAA/D.J. Keymer & Co. (Pakistan), Karachi, reports billings only of $1,750,000 for 1981, as compared to billings of $1,550,000 for 1980. (In local currency, billings were Rs 17,500,000 in 1981 and Rs 15,500,000 in 1981. Media breakdown: Newspapers 45%, magazines 2%, radio 8%, tv 30%, outdoor 3%, point of sale 5%, cinema 7%. Employes: 26. Accounts gained: Wrangler, Seiko, Sony.

International Advertising, Karachi, reports gross income of $335,673 on billings of $2,238,940 for 1981, as compared to gross income of $308,335 on billings of $2,056,599 for 1980. (In local currency, gross income was Rs 3,356,733 on billings of Rs 22,389,409 for 1981, as compared to gross income of Rs 3,083,358 on billings of Rs 20,565,997 for 1980.) Media breakdown: Newspapers 43%, magazines 7%, supplements 1%, radio 8%, tv 25%, business press 2%, point of sale 4%, cinema 10%. Employes: 46 in 1981; 53 in 1980. Accounts gained: London Group of Industries.

R:Lintas (Pakistan), Karachi, reports gross income of $564,000 on billings of $3,762,000 for 1981, as compared to gross income of $482,000 on billings of $3,254,000 for 1980. (In local currency, gross income was Rs 5,640,000 on billings of Rs 37,620,000 for 1981, as compared to gross income of Rs 4,820,000 on billings of Rs 32,540,000 for 1980.) Media breakdown: Newspapers 15%, radio 18%, tv 53%, outdoor 5%, point of sale 2%, cinema 7%. Employes: 61 in 1981; 51 in 1980. Accounts gained: Coral Laboratories, Milkpak.

Orient Advertisers, Karachi, only reports billings $2,919,137 for 1981, as compared to billings of $2,288,724 for 1980. (In local currency, billings were Rs 29,191,380 in 1981 and Rs 22,887,237 for 1980.) Media breakdown: Newspapers 26%, magazines 6%, supplements 3%, radio 10%, tv 42%, outdoor 4%, business press 1%, point of sale 3%, cinema 5%. Employes: 76. Accounts gained: Masudsons Industries, K.J. Vegetable Oil Mills, Bolan Textile Mills, Friends Associates, Hotel Imperial, Pan-Islamic Fertiliser Corp., Omar Glass Industries, Ajma Corp., Metropolitan Steel Corp., National Trading Corp. Lost: Ulbrichts (Pakistan) Ltd.

Prestige Advertising, Karachi, reports gross income of $208,016 on billings of

PAKISTAN

$1,476,073 for 1981, as compared to gross income of $195,907 on billings of $1,414,135 for 1980. (In local currency, gross income was Rs 2,080,164 on billings of Rs 14,760,725 for 1981, as compared to gross income of Rs 1,959,071 on billings of Rs 14,141,352 for 1980.) Media breakdown: Newspapers 40%, radio 3%, tv 33%, outdoor 2%, point of sale 10%, cinema 5%, other 7%. Employes: 53. Accounts gained: Milko, Universal Commodities, Attock Cement Pakistan, Ghandhara Motors, Universal Industrial Corp., Zulfeqar Industries, Industrial Equipments, American Foods (Pakistan). Lost: Sind Engineering, Domestic Appliances, United Bank.

PANAMA

The Panamanian balboa tracks the dollar 1 balboa = $1.

APCU de Panama, Panama City, reports gross income of $105,000 on billings of $700,000 for 1981, as compared to gross income of $90,000 on billings of $600,000 for 1980. Media breakdown: Newspapers 15%, radio 15%, tv 70%. Employes: 6.

Campagnani, Aleman Publicidad, Panama City, affiliated with Leo Burnett Co., reports gross income of $1,076,067 on billings of $4,336,589 for 1981, as compared to gross income of $756,924 on billings of $3,283,961 for 1980. Media breakdown: Newspapers 22%, magazines 4%, radio 10%, tv 60%, outdoor 4%. Employes: 36 in 1981; 28 in 1980. Accounts gained: Philip Morris.

McCann-Erickson de Panama, Panama City, reports gross income of $878,000 on billings of $5,856,000 for 1981, as compared to gross income of $848,000 on billings of $5,656,000 for 1980. Employes: 41. Accounts gained: General Mills (bread), Industrias Tosty (snacks), Polymer (plastic bags), Quaker Oats. Lost: Tabacalero Nacional (Philip Morris—all cigarets), Destiladora Nacional (bourbon, Cortez rum), Importadora Panama (sports shoes).

Publicidad Velmor, Panama City, in association with NCK Ltd., New York, only reports billings of $2,200,000 for 1981.

PARAGUAY

The same 1981 average annual exchange rate of .0068 dollars to the Paraguayan guarani was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 15% depreciation of the guarani against the dollar based on the guarani's 1980 exchange rate of .0080.

McCann-Erickson (Paraguay), Asuncion, reports gross income of $189,353 on billings of $1,261,000 for 1981, its first year of reporting. (In local currency, gross income was Guarani 27,846,000 on billings of Guarani 185,733,000.) Employes: 18. Account gained: Whitehall Labs (otc). Lost: R.J. Reynolds cigarets.

J. Walter Thompson, Asuncion, reports gross income of $270,638 on billings of $1,805,152 for 1981, as compared to gross income of $192,405 on billings of $1,282,698 for 1980. (In local currency, gross income was Guarani 39,799,636 on billings of Guarani 265,463,572 for 1981, as compared to gross income of Guarani 28,294,800 on billings of Guarani 188,632,026 for 1980.) Media breakdown: Newspapers 25%, radio 15%, tv 55%, cinema 5%. Employes: 8. Accounts gained: Compania Oleaginosa Itena S.A., Shell.

PERU

The same 1981 average annual exchange rate of .002208 dollars to the Peruvian sol was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 54% depreciation of the sol against the dollar based on the sol's 1980 exchange rate of .0048.

Compania Nacional de Publicidad, Lima, reports gross income of $656,000 on billings of $4,377,000 for 1981, as compared to gross income of $283,000 on billings of $1,885,000 for 1980. (In local currency, gross income was Soles 297,341,276 on billings of Soles 1,982,275,600 for 1981, as compared to gross income of Soles 128,051,597 on billings of Soles 853,680,900 for 1980.) Media breakdown: Newspapers 17%, magazines 2%, radio 19%, tv 60%, outdoor 1%, cinema 1%. Employes: 72. Accounts gained: Procter & Gamble (Pampers), Revlon, American Home Products, Vitrorex, STP, Banco de Lima, Canada Dry, Provecto "A", Jean Book. Lost: Chrysler Peru, Miami (diapers), Sunbeam.

Publicidad Lowder & Comunicando, Lima, reports only billings of $1,600,000 for 1981. (In local currency, billings were Soles 724,638,400.) Employes: 26. Accounts gained: Exportaciones Lehard, Organizacion Comercial Latina, La Viscontea, Cia de Industrias Nacionales, Asociacion Peruana de Avicultura, Transformadora Alimenticia. Lost: Cia Comercial Domingo Marcazzolo, Cosmetalga, Laboratorios Arlena.

McCann-Erickson Publicidad, Lima, reports gross income of $1,153,254 on billings of $7,692,204 for 1981, as compared to gross income of $542,086 on billings of $3,615,715 for 1980. (In local currency, gross income was Soles 522,307,000 on billings of Soles 3,483,788,000 for 1981, as compared to gross income of Soles 245,510,000 on billings of Soles 1,637,552,000 for 1980.) Employes: 70. Accounts gained: Sunbeam small appliances, Heublein (KFC), Adhesivos Industriales glue, Universidad del Pacifico, Financiera Sudamericana (S&L), IBM (institutional), Peruvian Air Force (institutional), Nexus S.A. (personnel). Lost: Mobil Oil, Enci (milk), Estudio: 501 (furniture), Mutual Arequipa (S&L).

J. Walter Thompson Peruana, Lima, reports gross income of $1,479,581 on billings of $9,868,804 for 1981, as compared to gross income of $597,043 on billings of $3,982,274 for 1980. (In local currency, gross income was Soles 670,100,000 on billings of Soles 4,469,567,000 for 1981, as compared to gross income of Soles 270,400,000 on billings of Soles 1,803,566,000 for 1980.) Media breakdown: Newspapers 13%, magazines 5%, radio 16%, tv 63%, outdoor 3%. Employes: 84. Accounts gained: Ford Export Corp., Hiram Walker Intl., Joy Mfg. Co., Ceramica Lima, Cia Seguros la Nacional, Idiesa, Grupo 'J'. Lost: Caretas.

PHILIPPINES

The same 1981 average annual exchange rate of .1278 dollars to the Philippine peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out an 8.1% depreciation of the peso against the dollar based on the peso's 1980 exchange rate of .1390.

Ace-Compton Advertising, Manila, reports estimated gross income of $1,391,640 on billings of $9,282,229 for 1981, as compared to gross income of $1,289,524 on billings of $8,601,119 for 1980. (In local currency, estimated gross income was Ps 10,889,200 on billings of Ps 72,630,900 for 1981, as compared to gross income of Ps 10,090,170 on billings of Ps 67,301,400 for 1980.) Media breakdown: Newspapers 2%, magazines 11%, radio 24%, tv 60%, outdoor 1%, cinema 2%. Employes: 156. Accounts gained: CFC-McVitie biscuits, Ding Velayo jewelry, Filipro's Nutrend weaning food, G.A. Yupangco & Co., Johnson & Johnson products, National Science Development Board (pr), Oceanic Commercial (Bic ball-point pen).

Bates Alcantara (Philippines), Manila, reports gross income of $1,250,000 on billings of $8,300,000 for 1981, as compared to gross income of $960,000 on billings of $6,400,000 for 1980. (In local currency, gross income was Ps 9,750,000 on billings of Ps 65,000,000 for 1981, as compared to gross income of Ps 7,500,000 on billings of Ps 50,000,000 for 1980.) Employes: 108.

CA:Lintas Manila, Manila, reports gross income of $370,000 on billings of $2,472,000 for 1981, as compared to gross income of $296,000 on billings of $1,981,000 for 1980. (In local currency, gross income was Ps 2,891,000 billings of Ps 19,342,000 for 1981, as compared to gross income of Ps 2,315,000 on billings of Ps 15,499,000 for 1980.) Media breakdown: Newspapers 26%; magazines 9%; radio 15%; tv 49%; business press 1%. Employes: 29. Accounts gained: Abbott Laboratories, Banco de Oro, Warner Barnes. Account lost: Egon von Fuerstenberg.

Hemisphere Eastern Advertising & Marketing Managers, Manila, affiliated with Grey Advertising, reports gross income of $328,100 on billings of $2,187,000 for 1981, as compared to gross income of $244,200 on billings of $1,628,800 for 1980. (In local currency, gross income was Ps 2,567,000 on billings of Ps 17,113,000 for 1981, compared with gross income of Ps 1,911,000 on billings of Ps 12,745,000 for 1980.) Media breakdown: Radio 17%, tv 44%, other 39%. Employes: 36. Accounts gained: Nabisco Brand's Planters snack products, General Motors Philipinas, Manila Hilton Intl., Melleco Foods (Caramella and Mellomint candies), Manila Bay Island Resort (Covelandia Island Resort), Alemars Computer Group (Vector Micro Computer). Lost: Norkis Trading (Yamaha motorcycles), Super Mfg. Inc. (electrical devices and Kenwood stereos).

McCann-Erickson (Philippines), Manila, reports gross income of $1,421,000 on billings of $9,478,159 for 1981, as compared to gross income of $1,107,000 on billings of $7,384,000 for 1980. (In local currency, gross income was Ps 11,119,000 on billings of Ps 74,164,000 for 1981, as compared to gross income of Ps 8,660,000 on billings of Ps 57,762,000 for 1980.) Employes: 117. Accounts gained: San Miguel (Gold Eagle Beer, cheese), Levi Strauss jeans. Lost: Carnation (condensed milk), Philippine Plaza Hotel.

Minds/Kenyon & Eckhardt (Philippines), Manila, reports gross income of $279,894 on billings of $1,839,089 for 1981, as compared to gross income of $254,902 on billings of $1,771,140 for 1980. (In local currency, gross income was Ps 2,190,098 on billings of Ps 14,390,365 for 1981, compared with gross income of Ps 1,994,540 on billings of Ps 13,858,685 for 1980.) Media breakdown: Newspapers 13%, magazines 15%, radio 23%, tv 45%, cinema 4%. Employes: 34. Accounts gained: Helene-Curtis, Wynner & Lee Cooper Jeans, Lady's Choice Tomato Catsup, Alsa desserts, Monsanto. Lost: Warner-Lambert, Max Factor.

PORTUGAL

The same 1981 average annual exchange rate of .01642 dollars to the Portuguese escudo was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 23.2% depreciation of the escudo against the dollar based on the escudo's 1980 exchange rate of .021371.

Abrinicio 75-Publicidade e Marketing, Lisbon, reports gross income of $979,228 on billings of $6,568,000 for 1981, as compared to gross income of $631,842 on billings of $4,269,200 for 1980. (In local currency, gross income was Esc.59,636,304 on billings of Esc.400,000,000 for 1981, as compared to gross income of Esc.38,480,000 on billings of Esc.260,000,000 for 1980.) Media breakdown: Newspapers 3.5%; magazines 1.5%; radio 13%; tv 70%; outdoor 12%. Employes: 52. Accounts gained: Gillette—new product assignment (Slalom, Paper Mate, Ultra Fine, Replay, Liquid Paper), Reckitt.

FCB Publicidade, Lisbon, reports gross income of $144,233 on billings of $962,031 for 1981. (In local currency, gross income was Esc.8,784,000 on billings of Esc.58,589,000 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 39%; magazines 8%; tv 50%; outdoor 3%. Employes: 16. Accounts gained: Arrancar textiles, Hiram Walker/Ballantines, Avis Rent a Car, British Airways, Cinzano, C. Santos/Mercedes Benz, Delta C. computers, Frisado refrigerators, Laprovar/Pala-Pala potato chips, Lubritex car sales system, Casio watches, Probife/Caia frozen food, Castrol oil, Sonipol appliances, Vilamarina.

IMAA/Propagandas Belarte, Oporto, only reports billings of $2,348,060 for 1981, as compared to billings of $1,953,980 for 1980. (In local currency, billings were Esc.143,000,000 for 1981, as compared to billings of Esc.119,000,000 for 1980.) Media breakdown: Newspapers 12.3%; magazines 4%; radio 1.5%; tv 17.5%; outdoor 31.7%; cinema 21%; pr, business papers, point of sale and supplements 12%. Employes: 70. Accounts gained: Coelima, Electricidade de Portugal.

Intermarco Espiral, Lisbon, part of the Publicis Intermarco-Farner agency network, reports gross income of $1,225,145 on billings of $6,404,000 for 1981, as compared to gross income of $847,000 on billings of $4,433,400 for 1980. (In local currency, gross income was Esc.76,440,000 on billings of Esc.390,000,000 for 1981, as compared to gross income of Esc.51,570,000 on billings of Esc.270,000,000 for 1980.) Media breakdown: Newspapers and magazines 36%; radio 7%; tv 48%; outdoor 8%; other 1%. Employes: 71. Accounts gained: Austria Tabak cigarets, Banca Totta & Acores, Caiado canned products, Beta hosiery, CP Portuguese railways, Cosec credit insurance, Gauloise cigarets, Gelmar frozen food, Sical coffees.

Lintas - Agencia Internacional de Publicidade, Lisbon, reports gross income of $1,011,687 on billings of $6,975,266 for 1981, as compared to gross income of $818,717 on billings of $5,871,972 for 1980. (In local currency, gross income was Esc.61,613,000 on billings of Esc.424,803,000 for 1981, as compared to gross income of Esc.49,861,000 on billings of Esc.357,611,000 for 1980.) Media breakdown: Newspapers 9%; magazines 6%; radio 6%; tv 71%; outdoor 2%; point of sale 6%. Employes: 52. Accounts gained: Lever—Vim Vidros and Timotei, Ciba-Geigy, Costa Pina whiskies, SIS Sachs. Accounts lost: Bayer, ICL.

McCann-Erickson-Hora, Publicidade, Lisbon, reports gross income of $1,267,394 on billings of $8,451,000 for 1981, as compared to gross income of $857,000 on billings of $5,714,390 for 1980. (In local currency, gross income was Esc.77,186,000 on billings of

Esc.514,831,000 for 1981, as compared to gross income of Esc.52,176,000 on billings of Esc.348,014,000 for 1980.) Employes: 57. Accounts gained: Texas Instruments, Sociedade Nacionale de Saboes (abrasive sponges), Eurofil, Solidal, Moroccan Tourist Board, Imprimarte (ITT—Yellow Pages), Portuguese Tourist Board (intl. campaign).

Norman, Craig & Kummel-Ciesa Publicidade, Lisbon, reports gross income of $1,575,000 on billings of $10,500,000 for 1981, as compared to gross income of $862,066 on billings of $5,747,115 for 1980. (In local currency, gross income was Esc.95,917,500 on billings of Esc.639,450,000 for 1981, as compared to gross income of Esc.52,501,000 on billings of Esc.350,007,000 for 1980.) Employes: 65. Accounts gained: Grundig video and hi-fi, Adams chewing gum, Sandeman Port.

Team, Lisbon, affiliated with Grey Intl., reports gross income of $901,458 on billings of $6,010,000 for 1981, as compared to gross income of $623,960 on billings of $4,121,000 for 1980. (In local currency, gross income was Esc.54,900,000 on billings of Esc.366,000,000 for 1981, as compared to gross income of Esc.38,000,000 on billings of Esc.251,000,000 for 1980.) Media breakdown: Newspapers 22%; radio 8%; tv 45%; outdoor 9%; point of sale 1%; production 15%. Employes: 58. Accounts gained: Singer, Portugal. Account lost: Bayer Pharmaceuticals.

J. Walter Thompson Publicidade, Lisbon, reports gross income of $18,144 on billings of $121,015 for 1981. (In local currency, gross income was Esc.1,105,000 on billings of Esc.7,370,000 for 1981.) Agency opened in October, 1981. Employes: 10. Accounts gained: DeBeers, Duphar, Pioneer.

Unitros Portugal, Lisbon, reports gross income of $183,576 on billings of $1,080,436 for 1981, as compared to gross income of $57,620 on billings of $384,160 for 1980. (In local currency, gross income was Esc.11,180,000 on billings of Esc.65,800,000 for 1981, as compared to gross income of Esc.3,509,400 on billings of Esc.23,396,200 for 1980.)

PUERTO RICO

Puerto Rico's currency is the U.S. dollar.

BBDO Puerto Rico, San Juan, reports gross income of $825,000 on billings of $5,500,000 for 1981. Agency opened in 1981.Media breakdown: Newspapers 12%; magazines 9%; radio 3%; tv 54%; business press 9%; cinema 6%; radio and tv production 7%. Employes: 20. Accounts gained: Ballester Hnos., Delta Airlines, Campbell's Soup Co., Humberto Vidal, R.J. Reynolds Tobacco Co., R.J.R. Foods, Stanley Sales, Cafe Rico, Cafe Yaucono, Whitehall Laboratories. Sein Mendez.

Badillo/Compton, San Juan, reports gross income of $3,700,000 on billings of $25,000,000 for 1981, as compared to gross income of $3,400,000 on billings of $23,000,000 for 1980. Media breakdown: Newspapers 22%; magazines 1%; radio 11%; tv 66%. Employes: 85. Accounts gained: Banco de Ponce (corporate, retail and wholesale), Visa and Mastercard, P&G (Ivory liquid), Picnic Vienna sausages. Account lost: New York department stores.

Leo Burnett, San Juan, reports gross income of $1,206,000 on billings of $8,044,000 for 1981, as compared to gross income of $1,097,000 on billings of $7,316,000 for 1980. Employes: 32. Accounts gained: Honda, Warner Lauren, Seven-Up - Caribbean.

Kenyon & Eckhardt of Puerto Rico, San Juan, reports gross income of $225,000 on billings of $1,500,000 for 1981. Agency opened in 1981. Employes: 17.

J.P.Marquina & Associates, Santurce, reports gross income of $2,580,000 on billings of $17,200,000 for 1981. Agency opened in 1981. Media breakdown: Newspapers 30%; magazines 10%; supplements 2%; radio 15%; tv 30%; outdoor 2%; business press 3%; transit advertising 1%; point of sale 2%; cinema 5%. Employes: 63. Account gained: American Chemical Corp.

McCann-Erickson Corp., San Juan, reports gross income of $1,098,000 on billings of $7,324,000 for 1981, as compared to gross income of $773,000 on billings of $5,156,000 for 1980. Employes: 42. Accounts gained: F&JM Carrera (liquor distributor), *Bell, Book & Candle* (magazine and book store), Bakers Marketing (Star-Creems), Cabrera Distributors (Cabsha), Crolls (electric appliances), Gillette blades, writing instruments), Eastern Airlines, Texas Instruments (pr). Lost: Air Jamaica, American Chemical (Purex), BWIA (airline).

Norman, Craig & Kummel, San Juan, reports gross income of $1,245,000 on billings of $8,300,000 for 1981, as compared to gross income of $1,004,497 on billings of $8,233,332 for 1980. Employes: 21.

Publicidad Siboney, Santurce, in association with NCK, Ltd., New York, only reports billings of $8,000,000 for 1981.

Young & Rubicam Puerto Rico, San Juan, reports gross income of $2,894,000 on billings of $19,303,000 for 1981, as compared to gross income of $3,870,000 on billings of $25,813,000 for 1980. Media breakdown: Newspapers 10%; magazines 4%; radio 12%; tv 73%; outdoor 1%. Y&R does not report billings. Figures are AA estimates. Employes: 60. Accounts gained: Administracion Servicios Generales, Atari, Rahola, Video Sonics. Accounts lost: Banco de Ponce, Eastern Airlines, New Progressive Party campaign, Puerto Rico Shipping.

SINGAPORE

The same 1981 average annual exchange rate of .4725 dollars to the Singapore dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 0.4% depreciation of the S$ against the dollar based on the S$'s 1980 exchange rate of .4745.

Adcom & Grey, Singapore, reports gross income of $431,000 on billings of $3,787,000 for 1981, as compared to gross income of $688,000 on billings of $2,454,000 for 1980. (In local currency, gross income was S$911,800 on billings of S$8,015,000 for 1981, as compared to gross income of S$1,456,000 on billings of S$5,193,000 for 1980.) Media breakdown: Newspapers 68%; radio 1.5%; tv 12%; outdoor 2%; point of sale 14%; cinema 0.5%; pr 2%. Employes: 29. Accounts gained: Airfix construction kits, Les Must de Cartier, House of Kitchenware, Remington. Account lost: Luxor Tv.

Adsell/D'Arcy-MacManus & Masius, Singapore, reports gross income of $116,700 on billings of $741,800 for 1981, as compared to gross income of $81,800 on billings of $508,400 for 1980. (In local currency, gross income was S$247,000 on billings of S$1,570,000 for 1981, as compared to gross income of S$173,100 on billings of S$1,076,000 for 1980.) Media breakdown: Press 14%; tv 56%; outdoor 6%; indoor production 24%. Employes: 9. Accounts gained: C.Y.C.

Ted Bates, Singapore, reports gross income of $600,000 on billings of $4,000,000 for 1981, as compared to gross income of $530,000 on billings of $3,540,000 for 1980. (In local currency, gross income was S$1,275,000 on billings of S$8,500,000 for 1981, as compared to gross income of S$1,125,000 on billings of S$7,500,000 for 1980.) Employes: 33.

Batey Ads, Singapore, reports gross income of $2,200,000 on billings of $12,285,000 for 1981, as compared to gross income of $1,980,000 on billings of $11,366,932 for 1980. (In local currency, gross income was S$4,600,000 on billings of S$26,000,000 for 1981, as compared to gross income of S$4,190,000 on billings of S$24,057,000 for 1980.) Gross income and billing figures for 1981 are estimates.Media breakdown: Newspapers 30%; magazines 30%; radio 1%; tv 38%; cinema 1%. Employes: 65. Accounts gained: Chase Manhattan Bank - corporate advertising Asia. Accounts lost: Liquid Paper product advertising for Singapore and Malaysia, Mondial Diamond Investment - investment diamonds/retail.

Leo Burnett, Singapore, reports gross income of $1,353,240 on billings of $9,026,168 for 1981, as compared to gross income of $1,063,598 on billings of $7,094,115 for 1980. (In local currency, gross income was S$2,864,000 on billings of S$19,103,000 for 1981, as compared to gross income of S$2,251,000 on billings of S$15,014,000 for 1980.) Employes: 51. Accounts gained: Black & Decker, Seven-Up, Neptune Orient Line, Crest toothpaste, Selangor pewter, Yellow Pages, Harveys Bristol Cream, Borneo Motors, China Silk House. Accounts lost: Revlon, Cerebos, PepsiCo.

Compton Advertising, Singapore, reports gross income of $529,108 on billings of $3,680,344 for 1981, as compared to gross income of $429,404 on billings of $2,720,289 for 1980. (In local currency, gross income was S$1,119,807 on billings of S$7,789,089 for 1981, as compared to gross income of S$908,793 on billings of S$5,757,227 for 1980.) Media breakdown: Newspapers 63%; magazines 10%; radio 3%; tv 17%; outdoor 2%; point of sale 2%; cinema 2%. Employes: 28. Accounts gained: Taisho pharmaceutical, Reckitt and Colman, Anchor Foods, Pavilion Inter-Continental. Accounts lost: Bourjois, HHA.

Grant Kenyon & Eckhardt, Singapore, reports gross income of $1,611,300 on billings of $11,055,000 for 1981, as compared to gross income of $1,082,000 on billings of $7,401,600 for 1980. (In local currency, gross income was S$3,410,200 on billings of S$23,395,000 for 1981, as compared to gross income of S$2,290,000 on billings of S$15,664,700 for 1980.) Media breakdown: Newspapers 50%; magazines 7%; radio 2%; tv 36%; outdoor 2%; cinema 3%. Employes: 75. Accounts gained: Seiko, Mercedes-Benz, Bristol-Myers (Clairol), Setron tv and refrigerators, Metro department store.

McCann-Erickson, Singapore, reports gross income of $673,313 on billings of $4,491,112 for 1981, as compared to gross income of $518,333 on billings of $3,457,282 for 1980. (In local currency, gross income was S$1,425,000 on billings ofS$9,505,000 for 1981, as compared to gross income of S$1,097,000 on billings of S$7,317,000 for 1980.) Employes: 29. Accounts gained: Goodyear tires, DHL courier service, Mark Tancock (Worth, Caron, Jean Desprez perfumes), Northwest Orient Airlines, Kentucky Fried Chicken.

Meridian Advertising, Singapore, reports gross income of $229,787 on billings of $1,604,731 for 1981, as compared to gross income of $219,592 on billings of $1,464,675 for 1980. (In local currency, gross income was S$486,321 on billings of S$3,396,257 for 1981, as compared to gross income of S$464,744 on billings of S$3,099,842 for 1980.) Media breakdown: Newspapers 67%; magazines 10%; tv 14%; outdoor 8%. Employes: 20. Accounts gained: Gucci, Gardenia, Orchard hotel, BBC Brown Boveri. Accounts lost: Yardley, Chopard watches.

Needham Standard Advertising, Singapore, reports gross income of $733,750 on billings of $4,749,707 for 1981, as compared to gross income of $612,608 on billings of $3,712,790 for 1980. (In local currency, gross income was S$1,552,914 on billings of S$10,052,285 for 1981, as compared to gross income of S$1,296,525 on billings of S$7,836,593 for 1980.) Media breakdown: Newspapers 35.1%; magazines 7.1%; radio 3.5%; tv 44.1%; outdoor 3.2%; cinema 3.5%; printing/marketing research 3.5%. Employes: 37. Accounts gained: Longines, Duracell, Hunter Douglas, Drug Houses of Australia, NTUC Income, Van Cleef & Arpels. Account lost: New Zealand Dairy Board.

Ogilvy & Mather Direct Response, Singapore, reports gross income of $488,407 on billings of $3,257,675 for 1981, as compared to gross income of $145,160 on billings of $968,217 for 1980. (In local currency, gross income was S$1,027,793 on billings of S$6,855,379 for 1981, as compared to gross income of S$309,906 on billings of S$2,067,073 for 1980.) Media breakdown: Newspapers 39.2%; tv 4.1%; direct mailing 56.7%. Employes: 42 in 1981 as compared to 11 in 1980. Accounts gained: American President Lines, Saab, Cold Storage, Chartered Industries, Diethelm.

Ogilvy & Mather, Singapore, reports gross income of $2,543,159 on billings of $16,962,873 for 1981, as compared to gross income of $2,07,187 on billings of $13,988,233 for 1980. (In local currency, gross income was S$5,382,348 on billings of S$35,900,261 for 1981, as compared to gross income of S$4,438,490 on billings of S$29,604,728 for 1980.) Media breakdown: Newspapers 58.4%; magazines 13.3%; radio 1.2%; tv 25.1%; outdoor 0.7%; cinema 1.3%. Employes: 93. Accounts gained: Beatrice Foods, Marco Polo Hotel, Dantas, Cold Storage, Harpers and Sintat. Accounts lost: Mark Tancock, Juliana, Hong Leong, Capri-Sonne.

SSC&B:Lintas S.E. Asia, Singapore, reports gross income of $1,020,000 on billings of $7,243,000 for 1981, as compared to gross income of $872,000 on billings of $6,193,000 for 1980. (In local currency, gross income was S$2,159,000 on billings of S$15,329,000 for 1981, as compared to gross income of S$1,846,000 on billings of S$13,107,000 for 1980.) Media breakdown: Newspapers 45%; magazines 1%; radio 1%; tv 51%; outdoor 1%; cinema 1%. Employes: 26. Accounts gained: East Asiatic Plumrose & Agfa Films, Philips Lighting & Telecommunications.

J. Walter Thompson, Singapore, reports gross income of $732,107 on billings of $4,883,154 for 1981, as compared to gross income of $402,111 on billings of $2,682,080 for 1980. (In local currency, gross income was S$1,549,432 on billings of S$10,334,711 for 1981, as compared to gross income of

SINGAPORE

S$851,029 on billings of S$5,676,363 for 1980.) Media breakdown: Newspapers 58%; magazines 10%; radio 1%; tv 28%; cinema 3%. Employes: 33. Accounts gained: Fraser & Neave, Johnson & Johnson, Post Office Savings Bank, Dunlop, Escoffier, Bausch & Lomb.

Young & Rubicam, Singapore, reports gross income of $610,000 on billings of $4,069,000 for 1981, as compared to gross income of $286,000 on billings of $1,908,000 for 1980. (In local currency, gross income was S$1,291,000 on billings of S$8,611,632 for 1981, as compared to gross income of S$605,000 on billings of S$4,038,091 for 1980.) Y&R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 50%; magazines 16%; radio 4%; tv 27%; outdoor 1%; cinema 2%. Employes: 28 in 1981; 17 in 1980. Accounts gained: DuPont, Escoffier, PepsiCo., Reckitt & Colman. Accounts lost: Jebsen & Jessen, Nipsea Holdings, Selangor pewter.

SOUTH AFRICA

The same 1981 average annual exchange rate of 1.1622 dollars to the South African rand was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 9.9% depreciation of the rand against the dollar based on the rand's 1980 exchange rate of 1.2905.

BBDO (South Africa), Johannesburg, reports gross income of $12,159,633 on billings of $73,694,753 for 1981, as compared to gross income of $8,904,800 on billings of $53,968,500 for 1980. (In local currency, gross income was R10,462,600 on billings of R63,409,700 for 1981, as compared to gross income of R7,662,000 on billings of R46,436,400 for 1980.) Media breakdown: Newspapers, magazines, supplements 59.4%; radio 12.6%; tv 18.4%; outdoor 7.8%; cinema 1.8%. Employes: 297.

Barker McCormac Advertising & Marketing, Johannesburg, reports gross income of $3,036,039 on billings of $17,841,915 for 1981, as compared to gross income of $2,019,294 on billings of $12,187,835 for 1980. (In local currency, gross income was R2,612,321 on billings of R15,351,846 for 1981, as compared to gross income of R1,737,476 on billings of R10,486,867 for 1980.) Media breakdown: Newspapers 17%; magazines 20%; radio 13%; tv 30%; outdoor 5%; cinema 1%; production 14%. Employes: 98 in 1981; 79 in 1980. Accounts gained: Barclays Industrial Bank, Concor Construction, Anglo American Corp., Barclays Bank, Adidas.

Bates Wells Kennedy, Johannesburg, reports gross income of $9,752,020 on billings of $63,098,162 for 1981, as compared to gross income of $6,823,276 on billings of $38,526,930 for 1980. (In local currency, gross income was R8,391,000 on billings of R54,292,000 for 1981, as compared to gross income of R5,871,000 on billings of R33,150,000 for 1980.) Media breakdown: Newspapers 22%; magazines 13%; supplements 1%; radio 15%; tv 30%; outdoor 3%; business press 2%; farm press 1%; cinema 2%. Employes: 281 in 1981 as compared to 198 in 1980.

Campbell-Ewald, Johannesburg, reports gross income of $1,635,000 on billings of $10,905,000 for 1981, as compared to gross income of $1,504,000 on billings of $10,031,000 for 1980. (In local currency, gross income was R1,407,000 on billings of R9,385,000 for 1981, as compared to gross income of R1,294,000 on billings of R8,631,000 for 1980.) Employes: 44. Accounts gained: Frank & Hirsch cameras. Lost: Bordens.

D'Arcy-MacManus & Masius, Johannesburg, reports gross income of $3,691,300 on billings of $25,389,300 for 1981, as compared to gross income of $3,440,200 on billings of $22,946,400 for 1980. (In local currency, gross income was R3,176,100 on billings of R21,845,900 for 1981, as compared to gross income of R2,960,000 on billings of R19,743,900 for 1980.) Media breakdown: Newspapers 30%; magazines 24%; supplements 1%; radio 14%; tv 26%; outdoor 1%; business press 1%; farm press 1%; cinema 2%. Employes: 127. Accounts gained: Intl. Computers, Scholl Plough, Metrotoy, Success correspondence college, Iron & Steel Corp., Airflex furniture industries, Standard Brands (Royal baking powder). Accounts lost: Kool aluminum, Shatterprufe, Tinkerbelle.

Grey-Phillips, Bunton, Mundel & Blake, Johannesburg, reports gross income of $10,754,000 on billings of $65,179,662 for 1981, as compared to gross income of $7,001,093 on billings of $42,429,597 for 1980. (In local currency, gross income was R9,253,000 on billings of R56,083,000 for 1981, as compared to gross income of R6,024,000 on billings of R36,508,000 for 1980.) Media breakdown: Newspapers 59%; magazines 2%; radio 16%; tv 20%; outdoor 1%; cinema 2%. Employes: 240 in 1981 as compared to 192 in 1980. Accounts gained: Barlow Rand, Elna sewing machines, Grammaphone, Moor Life cosmetics, Premier biscuit div., Remington electric shavers, S.A. Philips white goods, United Tobacco Co., Amsterdam furnishers, Bardahl oil additive, Blue Bell Wrangler, F.A. Poole truck body builders, Galla home video.

IMAA/R. Harwood Advertising, Johannesburg, reports gross income of $320,140 on billings of $1,760,000 for 1981, as compared to gross income of $307,826 on billings of $1,684,338 for 1980. (In local currency, gross income was R275,460 on billings of R1,513,600 for 1981, as compared to gross income of R264,865 on billings of R1,449,267 for 1980.) 1981 gross income figure is estimated by AA. Employes: 20.

IMA Ltd., Cape Town, reports gross income of $2,693,302 on billings of $16,303,817 for 1981, as compared to gross income of $2,385,443 on billings of $14,457,230 for 1980. (In local currency, gross income was R2,317,417 on billings of R14,028,409 for 1981, as compared to gross income of 2,052,524 on billings of R12,439,537 for 1980.) Media breakdown: Print 71%; radio 18%; tv 2%; outdoor 3%; point of sale 1%; cinema 5%. Employes: 93. Accounts gained: Breeze Range aperitif, Honey Gold, Housing league, Assets revaluation, selection estates. Account lost: I L back clothing.

Key Advertising, Johannesburg, reports gross income of $1,028,000 on billings of $4,945,000 for 1981. (In local currency, gross income was R884,000 on billings of R4,253,000 for 1981.) Media breakdown: Newspapers 35%; magazines 15%; supplements 4%; radio 10%; tv 10%; outdoor 5%; business press 5%; farm press 3%; cinema 3%. Employes: 32. Accounts gained: Brooke Bond Oxo, Consumer Council of S.A., Family Circle chemists, Gestetner, Steelbrite Westvaal. Account lost: Roussel Laboratories (Lutsine).

Lindsay Smithers-FCB Holdings, Sandton, Transvaal, reports gross income of $7,471,000 on billings of $49,832,000 for 1981, as compared to gross income of $4,975,378 on billings of $33,183,458 for 1980. (In local currency, gross income was R6,428,000 on billings of R42,875,000 for 1981, as compared to gross income of R4,281,000 on billings of R28,554,000 for 1980.) Media breakdown: Newspapers 36%; magazines 23%; supplements 1%; radio 7%; tv 24%; outdoor 3%; business press 2%; farm press 1%; point of sale 1%; cinema 2%. Employes: 286 in 1981 as compared to 203 in 1980. Accounts gained: Comair, Duracell batteries, Moirs, M.V. tours, Cartier. Accounts lost: Metropolitan Homes Trust, Simba rusks, Hepworths.

Lintas, Johannesburg, reports gross income of $5,389,000 on billings of $33,485,000 for 1981, as compared to gross income of $4,807,000 on billings of $29,302,000 for 1980. (In local currency, gross income was R4,637,000 on billings of R28,813,000 for 1981, as compared to gross income of R4,136,000 on billings of R25,213,000 for 1980.) Media breakdown: Newspapers 23%; magazines 24%; tv 39%; outdoor 12%; cinema 2%. Employes: 141. Accounts gained: Johnson (Evinrude), Carnation, Suzuki, Thorn tv. Accounts lost: United Tobacco, Wrangler, South African sugar.

McCann-Erickson (South Africa), reports gross income of $5,037,000 on billings of $33,597,000 for 1981, as compared to gross income of $3,927,000 on billings of $26,193,000 for 1980. (In local currency, gross income was R4,334,000 on billings of R28,908,000 for 1981, as compared to gross income of R3,379,000 on billings of R22,538,000 for 1980.) Employes: 140. Accounts gained: Cape of Good Hope Savings Bank, Colourmatch Agencies (Varta dry cell batteries), United Building Society (S&L), Raytron Industries (electrical appliances), Universal Techniques & Supplies (Cristal d'Arque), Auramark (office furniture), Kuoni Travel (travel agent). Lost: Casio calculators and catches, Thomas Cook.

J. Walter Thompson Co. South Africa, Johannesburg, reports gross income of $6,138,818 on billings of $36,643,308 for 1981, as compared to gross income of $4,833,448 on billings of $27,566,979 for 1980. (In local currency, gross income was R5,282,067 on billings of R31,529,262 for 1981, as compared to gross income of R4,158,878 on billings of R23,719,652 for 1980.) Media breakdown: Newspapers and magazines 44%; radio 17%; tv 30%; outdoor 5%; cinema 4%. Employes: 162. Accounts gained: Constantia carpets, Efekto, Gants, Jobes spikes, Jovan, Liptons coffee, Morkels, Nampak, Perfume Design, Rand Agricultural Society, Reckitts Toiletries. Accounts lost: Bullbrand, Chamber of Mines, United Building Society.

Mortimer Tiley, Johannesburg, reports gross income of $2,013,429 on billings of $11,452,352 for 1981, as compared to gross income of $1,258,494 on billings of $7,626,474 for 1980. (In local currency, gross income was R1,732,429 on billings of R9,854,029 for 1981, as compared to gross income of R1,082,855 on billings of R6,562,101 for 1980.) Media breakdown: Newspapers 41%; magazines 17%; radio 12%; tv 26%; outdoor 3%; cinema 1%. Employes: 40 in 1981; 63 in 1980. Accounts gained: Crown Mills, Defy air conditioners kitchens, Jurgens caravans, Lanco watches, Lennon, 3M, Dunlop flooring, multipurpose products, 3M Africolor, Sigma motors, Southern Leyland, Transvaal motors.

Van Zijl & Schultze, Lund & Tredoux, Johannesburg, part of Ogilvy & Mather Intl., reports gross income of $5,267,090 on billings of $34,415,066 for 1981, as compared to gross income of $4,559,379 on billings of $29,034,716 for 1980. (In local currency, gross income was R4,532,000 on billings of R29,612,000 for 1981, as compared to gross income of R3,923,059 on billings of R24,982,547 for 1980.) Media breakdown: Newspapers 33%; radio 19%; tv 35%; outdoor 9%; business press 2%; cinema 2%. Employes: 152 in 1981 as compared to 164 in 1980. Accounts gained: Wilmont Computer Systems, Da Gama textiles. Accounts lost: Lipton S.A., Pears Toiletries (Elida-Gibbs).

G. De Villiers and Co. (Transvaal), Johannesburg, affiliated with Univas, reports gross income of $3,553,900 on billings of $21,029,500 for 1981, as compared to gross income of $2,902,400 on billings of $17,697,400 for 1980. (In local currency, gross income was R3,057,900 on billings of R18,094,600 for 1981, as compared to gross income of R2,497,300 on billings of R15,227,600 for 1980.) Media breakdown: Newspapers 16%; magazines 10%; supplements 12%; radio 10%; tv 27%; outdoor 5%; business press 9%; farm press 1%; transit advertising 3%; point of sale 2%; cinema 5%. Employes: 105 in 1981 as compared to 123 in 1980. Accounts gained: Stimorol chewing gum, Stilleto lawn mowers, Unilever, Polaroid sunglasses, Meat Mate sauces. Accounts lost: Family Circle chemists, Gestetner.

SOUTH KOREA

The same 1981 average annual exchange rate of .00145 dollars to the South Korean won was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 19.4% depreciation of the won against the dollar based on the won's 1980 exchange rate of .0018.

Oricom, Seoul, reports gross income of $5,842,814 on billings of $30,525,252 for 1981, as compared to gross income of $2,979,937 on billings of $22,372,236 for 1980. (In local currency, gross income was Won 4.03 billion on billings of Won 21.051 billion for 1981, as compared to gross income of Won 2.06 billion on billings of Won 15.429 billion for 1980.) Media breakdown: Newspapers 24%; magazines 14%; radio 10%; tv 52%. Employes: 178 in 1981 as compared to 161 in 1980. Accounts gained: Nike, OB-Seagram, Heineken, Belova, Korea Plastic, Daewon Electronics.

Union Advertising, Seoul, reports gross income of $2,393,000 on billings of $23,925,000 for 1981, as compared to gross income of $2,349,000 on billings of $21,750,000 for 1980. (In local currency, gross income was Won 1.65 billion on billings of Won 16.5 billion for 1981, as compared to gross income of Won 1.62 billion on billings of Won 15 billion for 1980.) Media breakdown: Newspapers 15%; magazines 3%; radio 21%; tv 61%. Employes: 96 in 1981 as compared to 125 in 1980. Accounts gained: Wonmi Apparel & Textile (manufacturer of Manhattan shirts in Korea), Hanil Stainless Ind. Co. Account lost: KIA Motocycle Co.

SPAIN

ARCE/Foote, Cone & Belding, Madrid, reports gross income of $2,220,634 on billings of $14,811,632 for 1981, as com-

SPAIN

The same 1981 average annual exchange rate of .010918 dollars to the Spanish peseta was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 24.9% depreciation of the peseta against the dollar based on the peseta's 1980 exchange rate of .01453.

pared to gross income of $2,665,903 on billings of $17,781,568 for 1980. (In local currency, gross income was Ptas.203,392,000 on billings of Ptas.1.357 billion for 1981, as compared to gross income of Ptas.244,175,000 on billings of Ptas.1.629 billion for 1980.) Media breakdown: Newspapers 11%; magazines 9%; radio 5%; tv 44%; outdoor 3%; production 15%; research 13%. Employes: 67.

Bassat, Ogilvy & Mather, Barcelona, reports gross income of $1,885,666 on billings of $12,577,392 for 1981, as compared to gross income of $1,115,159 on billings of $7,438,110 for 1980. (In local currency, gross income was Ptas. 172,711,671 on billings of Ptas.1.152 billion for 1981, as compared to gross income of Ptas.102,139,482 on billings of Ptas.681,270,345 for 1980.) Media breakdown: Newspapers 7%; magazines 10%; radio 6%; tv 64%; outdoor 6%; point of sale 6%; cinema 1%. Employes: 37 in 1981 as compared to 25 in 1980. Accounts gained: Munecas BB, Ferrys, Philips - linea blanca, Floid, Binaca, Atunes Isabel, Akai, Maxel, Marlboro jeans. Accounts lost: Promoregalo, AEG - linea blanca.

Ted Bates Espana, Madrid, reports gross income of $1,437,900 on billings of $8,000,000 for 1981, as compared to gross income of $1,122,370 on billings of $6,800,000 for 1980. (In local currency, gross income was Ptas.131,700,000 on billings of Ptas.731,100,000 for 1981, as compared to gross income of Ptas.102,800,000 on billings of Ptas.620,000,000 for 1980.) Media breakdown: Newspapers 8%; magazines 5%; radio 2%; tv 71%; outdoor 4%; print production 6%; broadcast production 4%. Employes: 46. Accounts gained: Data General, Dieteticos Ulta. Account lost: Productos Ortiz.

Leo Burnett, Madrid, reports gross income of $1,932,486 on billings of $12,890,000 for 1981, as compared to gross income of $1,284,284 on billings of $8,566,175 for 1980. (In local currency, gross income was Ptas.177,000,000 on billings of Ptas.1.181 billion for 1981, as compared to gross income of Ptas.117,630,000 on billings of Ptas.784,592,000 for 1980.) Employes: 50 in 1981 as compared to 36 in 1980. Accounts gained: Enasa (Pegaso), Evatsa-Carnaud, Philip Morris, Tabacalera, Munreco, Danfoss, Westinghouse, Sears, Ciguentes y Cia. Account lost: Gillette.

Cid S.A. Publicidad, Barcelona, reports gross income of $4,046,000 on billings of $27,713,000 for 1981, as compared to gross income of $3,381,850 on billings of $23,102,488 for 1980. (In local currency, gross income was Ptas.370,592,000 on billings of Ptas.2.538 billion for 1981, as compared to gross income of Ptas.309,750,000 on billings of Ptas.2.116 billion for 1980.) Media breakdown: Press 19%; network radio 22.5%; local radio 8.9%; tv 37.2%; outdoor 4.1%; cinema 0.6%; creation and production billings 4.7%. Employes: 109.

Compton, Madrid, reports gross income of $1,105,279 on billings of $7,372,211 for 1981, as compared to gross income of $1,407,330 on billings of $3,526,514 for 1980. (In local currency, gross income was Ptas.101,234,567 on billings of Ptas.675,234,566 for 1981, as compared to gross income of Ptas.128,900,000 on billings of Ptas.323,000,000 for 1980.) Media breakdown: Newspapers 23%; magazines 28%; radio 4%; tv 32%; business press 4%; farm press 4%; cinema 5%. Employes: 34 in 1981 as compared to 20 for 1980. Accounts gained: IBM, Johnson & Johnson, additional assignment from Standard Brands, Revlon healthcare group. Accounts lost: John Deere, sold off medical division.

Danis Benton & Bowles, with offices in Barcelona/Madrid/Bilbao, reports gross income of $3,220,810 on billings of $23,954,092 for 1981, as compared to gross income of $2,729,500 on billings of $19,925,350 for 1980. (In local currency, gross income was Ptas.295,000,000 on billings of Ptas.2.194 billion for 1981, as compared to gross income of Ptas.250,000,000 on billings of Ptas.1.825 billion for 1980.) Media breakdown: Newspapers 8%; magazines 10%; radio 6%; tv 61%; outdoor 7%; printing, point of sale, pictures, etc. 8%. Employes: 94. Accounts gained: Richardson-Vicks, Tabanaria, Orbea, Cooper Zeltia, Hymsa. Accounts lost: Banco de Vizcaya, Berenguer Hnos., Pycasa.

Delvico/DFS, Madrid, reports gross income of $3,646,600 on billings of $24,292,600 for 1981, as compared to gross income of $2,489,300 on billings of $16,606,600 for 1980. (In local currency, gross income was Ptas.334,000,000 on billings of Ptas.2.225 billion for 1981, as compared to gross income of Ptas.228,000,000 on billings of Ptas.1,521 billion for 1980.) Media breakdown: Newspapers 14.5%; magazines 16.5%; radio 6%; tv 55%; outdoor 8%. Employes: 90 in 1981 as compared to 72 in 1980. Accounts gained: Wendy's, Douwe Egberts (cafes a la crema marcilla), Gallaher Intl. (silk cut cigarets), Bankinter, General Mills toy division, Wrangler Espana, Porcelanosa, CPC (Fockink gin), Bimbo Js.A.

Grupo di Diseno/Ayer, Barcelona, reports gross income of $1,659,536 on billings of $6,659,980 for 1981, as compared to gross income of $1,305,792 on billings of $5,136,919 for 1980. (In local currency, gross income was Ptas.152,000,000 on billings of Ptas.610,000,000 for 1981, as compared to gross income of Ptas.119,000,000 on billings of Ptas.470,500,000 for 1980.) Media breakdown: Press and magazines 43.7%; production and graphics 34%; radio 1.2%; tv 7.7%; outdoor 12%; cinema 0.8%; fees 0.6%. Employes: 27. Accounts gained: Codorniu, CEIS, DEI, Puig, Soilax, John Deere, Banco de la Construccion. Accounts lost: Akai, P.B.P.

Grey Espana, Madrid, reports gross income of $418,432 on billings of $2,463,407 for 1981, as compared to gross income of $352,116 on billings of $2,349,000 for 1980. (In local currency, gross income was Ptas.38,325,000 on billings of Ptas.225,628,000 for 1981, as compared to gross income of Ptas.32,251,000 on billings of Ptas.215,117,000 for 1980.) Media breakdown: Magazines 21%; radio 10%; tv 67%; outdoor 2%. Employes: 17. Accounts gained: Damel, Amaro Averna, International House.

Interalas/D'Arcy-MacManus & Masius, Madrid, reports gross income of $2,475,000 on billings of $14,656,000 for 1981, as compared to gross income of $2,836,000 on billings of $17,052,000 for 1980. (In local currency, gross income was Ptas.226,733,000 on billings of Ptas.1.342 billion for 1981, as compared to gross income of Ptas.259,777,000 on billings of Ptas.1.562 billion for 1980.) Media breakdown: Newspapers 22%; magazines 3%; radio 8%; tv 60%; outdoor 7%. Employes: 72. Accounts gained: Banco de Espana, Banco de Valladolid, Chase Manhattan Bank, Empresa Nacional de Alumino, Skala Television, CIA Trans Mediterranee. Accounts lost: Association Espanola Contra el Cancer, SA Damm, Henkel Iberica, Vitres, Cervecera el Turia.

Intermarco/MMLB Internacional, Madrid, part of the Publicis Intermarco-Farner network, reports gross income of $363,078 on billings of $2,216,000 for 1981, as compared to gross income of $227,000 on billings of $1,534,317 for 1980. (In local currency, gross income was Ptas.33,255,000 on billings of Ptas.202,958,000 for 1981, as compared to gross income of Ptas.20,779,000 on billings of Ptas.140,531,000 for 1980.) Media breakdown: Newspapers 42%; magazines 10%; tv 10%; outdoor 35%; cinema 3%. Employes: 12. Accounts gained: Banex bank, Calatrava plastic packaging, Famosa toys, Gillette shampoos, Isover insulating material - St. Gobain group, N.C.S. real estate, *Prensa Espanola* newspapers, Sancel kitchen paper, Uralita building material. Accounts lost: C. de Salamanco automobile dealers, Jotsa real estate.

Lintas SA (Spain), Madrid, reports gross income of $3,476,000 on billings of $24,304,000 for 1981, as compared to gross income of $2,505,000 on billings of $16,758,000 for 1980. (In local currency, gross income was Ptas.318,443,000 on billings of Ptas.2.226 billion for 1981, as compared to gross income of Ptas.229,443,000 on billings of Ptas.1.535 billion for 1980.) Media breakdown: Newspapers 7%; magazines 13%; radio 7%; tv 70%; outdoor 2%; cinema 1%. Employes: 72 in 1981 as compared to 55 in 1980. Accounts gained: Ertoil motor oil, Stylmode clothing, Philips corporate, Lever Domestos, Ciba-Geigy Gesal garden products, C.I.T.A. Rex, Record & Coronas. Account lost: Caterpillar.

Los Tiroleses, Madrid, reports gross income of $2,413,000 on billings of $20,450,000 for 1981, as compared to gross income of $1,473,930 on billings of $15,394,000 for 1980. (In local currency, gross income was Ptas.221,000,000 on billings of Ptas.1.873 billion for 1981, as compared to gross income of Ptas.135,000,000 on billings of Ptas.1.410 billion for 1980.) Media breakdown: Newspapers 37.4%; magazines 17.3%; radio 5.9%; tv 34.8%; outdoor 4.6%. Employes: 32.

McCann-Erickson SA (Spain), Madrid, reports gross income of $4,128,000 on billings of $27,534,000 for 1981, as compared to gross income of $2,829,000 on billings of $18,869,000 for 1980. (In local currency, gross income was Ptas.378,052,000 on billings of Ptas.2.522 billion for 1981, as compared to gross income of Ptas.259,159,000 on billings of Ptas.1.729 billion for 1980.) Employes: 83. Accounts gained: Pompadour Iberica (herbal infusions), Movil Auto (GM dealer), Texas Instruments, Centro de Aparatos Paramedicinales (gym equipment, water therapeutics), General Motors Dealers (Imbertraccion, Ramagosa, Tayser, Gonzalez Alcibiades).

Norman, Craig & Kummel Espanola de Publicida, Madrid, reports gross income of $4,245,000 on billings of $28,300,000 for 1981, as compared to gross income of $2,513,116 on billings of $16,759,130 for 1980. (In local currency, gross income was Ptas388,799,550 on billings of Ptas2.592 billion for 1981, as compared to gross income of Ptas230,181,000 on billings of Ptas1.535 billion for 1980.) Employes: 46. Accounts gained: Shulton, United Biscuit, Gonzalez Byass brandy.

Ogilvy & Mather Direct SA, Barcelona, reports gross income of $268,866 on billings of $1,793,335 for 1981. (In local currency, gross income was Ptas.24,625,925 on billings of Ptas.164,254,920 for 1981.) Agency opened in 1981. Employes: 8. Accounts gained: American Express Espana, Great American Ins. Co., Kenton, Peso Ideal, Circulo Lectores. Ing. Pamias, Pedro Rovira, Cajas Ahorros.

Prieto, Bassat, Ogilvy & Mather, Madrid, reports gross income of $363,554 on billings of $2,424,907 for 1981. (In local currency, gross income was Ptas.33,298,617 on billings of Ptas.222,101,775 for 1981.) Agency opened in 1981. Media breakdown: Newspapers 6%; magazines 19%; radio 10%; tv 52%; outdoor 11%; point of sale 2%. Employes: 10. Accounts gained: AEG linea blanca, Platano, White Label, Vino Vina Salceda, Florida y Tabacalera - campana internacional.

Publinsa/K&E, Madrid, reports gross income of $1,410,000 on billings of $9,400,000 for 1981, as compared to gross income of $1,346,000 on billings of $8,977,000 for 1980. (In local currency, gross income was Ptas.129,144,700 on billings of Ptas.860,964,800 for 1981, as compared to gross income of Ptas.123,282,800 on billings of Ptas.822,221,300 for 1980.) Media breakdown: Newspapers 22%; magazines 12%; radio 6%; tv 40%; outdoor 13%; business press 4%; cinema 3%. Employes: 33. Accounts gained: Sierra Nevada skis, Banco di Spagna.

Slogan S.A. Publicidad, Barcelona, only reports billings of $6,000,000 for 1981, as compared to billings of $6,114,080 for 1980. (In local currency, billings were Ptas. 549,552,000 for 1981, as compared to billings of Ptas.560,000,000 for 1980.) Media breakdown: Newspapers 25%; magazines 10%; tv 40%; radio 15%; print 5%; outdoor 5%. Employes: 26. Accounts gained: Commodore computers, Akzo-Sikkens paint products, Jean Lassale watches, Rowenta (domestic electric appliances).

TAPSA-Tecnicos Asociados de Publicidad, Madrid, reports gross income of $857,063 on billings of $6,114,080 for 1981, as compared to gross income of $653,093 on billings of $4,163,940 for 1980. (In local currency, gross income was Ptas.78,500,000 on billings of Ptas.560,000,000 for 1981, as compared to gross income of Ptas.59,818,000 on billings of Ptas.381,383,000 for 1980.) Media breakdown: Newspapers 25%; magazines 21%; radio 13%; tv 31%; outdoor 10%. Employes: 24. Accounts gained: Ariete, Cave, Christofle, Bunker Ramo, R.J. Reynolds Tobacco Intl.

TBWA Spain, Madrid, reports gross income of $859,800 on billings of $5,732,000 for 1981, as compared to gross income of $676,174 on billings of $4,507,846 for 1980. (In local currency, gross income was Ptas.78,750,000 on billings of Ptas.525,000,000 for 1981, as compared to gross income of Ptas.61,932,000 on billings of Ptas.412,882,000 for 1980.) Media breakdown: Newspapers 10%; magazines 30%; radio 10%; tv 45%; outdoor 5%. Employes: 20. Account gained: Olimpia Partworks.

Tandem/DDB Campmany-Guasch S.A., Madrid, reports gross income of $1,941,078 on billings of $13,487,180 for 1981. (In local currency, gross income was Ptas.177,787,000 on billings of Ptas.1.235 billion for 1981.) Agency opened in 1981.Media breakdown: Newspapers 14%; magazines 16%; radio 19%; tv 46%; outdoor 2%; cinema 3%. Employes: 51. Accounts gained: Audi, Volkswagen.

J. Walter Thompson, Madrid, reports gross income of $6,256,287 on billings of $41,729,425 for 1981, as compared to gross income of $4,461,216 on billings of $29,756,312 for 1980. (In local currency, gross income was Ptas573,025,000 on billings of Ptas3.822 billion for 1981, as compared to gross income of Ptas408,611,122 on billings of Ptas2.725 billion for 1980.) Media breakdown: Newspapers 12%; magazines 14%; radio 6%; tv 60%; outdoor 7%; cinema 1%. Employes: 120 in 1981 as compared to 108 in 1980. Accounts gained: Gureola Scott paper, Madrid Subway, Gestinco real estate, Induyco sportswear, Vetiver - Puig, Vallehermoso real estate, Panrico - bread company, SP - small electrical appliances, COSL baby diapers. Accounts lost: Varma - White Label whisky, Singer.

Tiempo/BBDO, Barcelona, reports gross income of $3,109,026 on billings of $41,389,732 for 1981, as compared to gross income of $2,156,827 on billings of $20,164,489 for 1980. (In local currency, gross income was Ptas.284,761,523 on billings of Ptas.3.791 billion for 1981, as compared to gross income of Ptas.197,547,849 on billings of Ptas.1.436 billion for 1980.) Media breakdown: Newspapers 8%; magazines 8%; radio 3%; tv 75%; outdoor 4%; cinema 2%. Employes: 66. Accounts gained: Arbora Internacional, Cruz Roja, PepsiCo., Editorial Orbis, Union Agraria Cooperative Guzzi, *Muy Interesante*, Seat. Account lost: Ciba-Geigy.

Unitros, Madrid, reports gross income of $3,930,480 on billings of $33,954,980 for 1981, as compared to gross income of $3,635,690 on billings of $27,622,540 for 1980. (In local currency, gross income was Ptas360,000,000 on billings of Ptas3.11 billion for 1981, as compared to gross income of Ptas333,000,000 on billings of Ptas2,530,000 for 1980.) Media breakdown: Newspapers 4%; magazines 15%; radio 5%; tv 54%; outdoor 8%; point of sale and promotion 13%; cinema 1%. Employes: 90. Accounts gained: Pikolin mattresses and spring mattresses, Scotch video cassettes, Niveo - two new products, Telefunken video, El Hostal, Campanal, Cafe La Estrella, Milupa - new products, Agfa Optima, Bru, Phildar. Accounts lost: Standard Electrica, Wrangler jeans, Fockinck gin.

Young & Rubicam Espana, Madrid, reports gross income of $2,870,000 on billings of $19,143,000 for 1981, as compared to gross income of $2,468,000 on billings of $16,462,000 for 1980. (In local currency, gross income was Ptas.262,850,000 on billings of Ptas.1.753 billion for 1981, as compared to gross income of Ptas.226,085,000 on billings of Ptas.1.508 billion for 1980.) Media breakdown: Newspapers 16%; magazines 13%; radio 6%; tv 55%; outdoor 10%. Income figures include Wunderman Intl. Y&R does not report billings. Figures given are AA estimates. Employes: 72. Accounts gained: Robert Bosch, Dow Chemical, El Corte Ingles, Kronenbourg, Lynx, Manufacturers Hanover Trust, Milupa, Ministerio de Cultura, Singer. Accounts lost: Berliz, Bidasoa, Burger Bravos, Florida.

SRI LANKA

The average annual exchange rate of .0556 dollars to the Sri Lanka rupee was the same for both 1981 and 1980.

Grant, Kenyon & Eckhardt (Sri Lanka), Colombo, reports gross income of $150,000 on billings of $1,000,000 for 1981, as compared to gross income of $224,785 on billings of $1,235,083 for 1980. (In local currency, gross income was SL Rs 2,697,842 on billings of SL Rs 17,985,611 for 1981, as compared to gross income of SL Rs 4,042,896 on billings of SL Rs 22,213,723 for 1980.) Media breakdown: Newspapers 60%, magazines 15%, supplements 10%, radio 15%. Employes: 91. Accounts gained: Union Bank of Middle East, Nestle (extended).

SWEDEN

The same 1981 average annual exchange rate of .2002 dollars to the Swedish kroner was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 16.9% depreciation of the kroner against the dollar based on the kroner's 1980 exchange rate of .2400.

Anderson & Lembke, Stockholm, reports gross income of $8,479,000 on billings of $61,179,000 for 1981, as compared to gross income of $8,399,000 on billings of $58,519,000 for 1980. (In local currency, gross income was Skr42,353,000 on billings of Skr305,589,000 for 1981, as compared to gross income of Skr41,952,000 on billings of Skr292,305,000 for 1980.) Media breakdown: Newspapers 10%; business press 30%; direct mail 50%; other 10%. Employes: 160.

Ted Bates, Stockholm, reports gross income of $7,583,000 on billings of $25,402,000 for 1981, as compared to gross income of $6,923,000 on billings of $25,122,000 for 1980. (In local currency, gross income was Skr37,878,000 on billings of Skr126,884,000 for 1981, as compared to gross income of Skr34,581,000 on billings of Skr125,485,000 for 1980.) Media breakdown: Press 85%; outdoor 10%; cinema 5%. Employes: 137. Accounts gained: Bra Boecker, Bristol-Myers, Scan (shared), Svensk Koetthandel, Sydvaestgruppen, Vin & Spritcentralen (shared). Accounts lost: Ving Alpin, Vaestkuststugan.

DFS Pihlstroem, Stockholm, reports gross income of $801,600 on billings of $5,347,300 for 1981, as compared to gross income of $735,000 on billings of $4,902,900 for 1980. (In local currency, gross income was Skr4,004,000 on billings of Skr26,710,000 for 1981, as compared to gross income of Skr3,672,000 on billings of Skr24,490,000 for 1980.) Media breakdown: Newspapers 30%; magazines 30%; outdoor 5%; business press 5%; point of sale 20%; direct mail 10%. Employes: 21. Accounts gained: Stortorgskaellaren—restaurants, Pix AB sweets, Wettergrens Bokhandel—books, LIC nursing equipment.

Dahlbaeck & Berglund, Stockholm, member of the EMAD group, reports gross income of $685,000 on billings of $1,771,000 for 1981, as compared to gross income of $586,986 on billings of $1,634,032 for 1980. (In local currency, gross income was Skr3,420,000 on billings of Skr8,845,000 for 1981, as compared to gross income of Skr2,932,000 on billings of Skr8,162,000 for 1980.) Media breakdown: Newspapers 10%; magazines 30%; outdoor 3%; business press 40%; point of sale 17%. Employes: 15. Accounts gained include: Avanti-Maskiner (drilling equipment), Trebec - petrochemical raw material. Account lost: Mai Information Systems.

D'Arcy-MacManus & Masius, Stockholm, reports gross income of $1,842,000 on billings of $18,412,000 for 1981, as compared to gross income of $1,932,000 on billings of $18,106,000 for 1980. (In local currency, gross income in 1981 was Skr9,201,000 on Skr91,967,000 in billings, as compared to gross income of Skr9,651,000 on billings of Skr90,438,000 for 1980.) Media breakdown: Newspapers 54%; magazines 26%; outdoor 9%; business press 7%; cinema 2%; foreign press 2%. Employes: 43. Accounts gained: Scania Finans, Ricoh cameras and photocopiers, Alfa Romeo cars, Dust Control, P.K. Banken. Account lost: A.B.V.

AB Ervaco, Stockholm, reports gross income of $7,865,000 on billings of $52,450,000 for 1981, as compared to gross income of $6,130,000 on billings of $40,900,000 for 1980. (In local currency, gross income was Skr39,280,000 on billings of Skr262,000,000 for 1981, as compared to gross income of Skr30,625,000 on billings of Skr204,300,000 for 1980.) Employes: 157.

FCB & Partners, Stockholm, reports gross income of $915,000 on billings of $6,100,000 for 1981, as compared to gross income of $996,195 on billings of $6,645,038 for 1980. (In local currency, gross income was Skr4,568,000 on billings of Skr30,469,000 for 1981, as compared to gross income of Skr4,976,000 on billings of Skr33,192,000 for 1980.) Media breakdown: Newspapers 25%; magazines 59%; outdoor 10%; business press 4%; point of sale 2%. Employes: 19. Accounts gained: Ahlgrens, Bonniers, John Norelid, Johnson Vax, Kronfagel, Modulfoeretagen, Reso, Spanish Tourist Board, Swedevelop.

Falk & Pihl/Doyle Dane Bernbach, Stockholm, reports gross income of $1,669,000 on billings of $11,127,000 for 1981. (In local currency, gross income was Skr8,337,000 on billings of Skr55,580,000 for 1981.) Agency opened in 1981.Employes: 24.

AB Gothus Annonsbyra, Goteborg, only reports gross income of $893,893 for 1981, as compared to gross income of $663,463 for 1980. (In local currency, gross income was Skr4,465,000 for 1981, as compared to gross income of Skr3,314,000 for 1980.) Employes: 18. Accounts gained: Ellos AB, Goeteborgs Naeringslivssekretariat, Ericsson Group M1 division, Gelopac AB.

Hanser, Larsson & Roestlund/BBDO AB, Stockholm, reports gross income of $2,642,640 on billings of $17,617,600 for 1981, as compared to gross income of $2,802,800 on billings of $18,700,000 for 1980. (In local currency, gross income was Skr13,200,000 on billings of Skr88,000,000 for 1981, as compared to gross income of Skr14,000,000 on billings of Skr93,300,000 for 1980.) Media breakdown: Newspapers 25%; magazines 40%; supplements 5%; outdoor 10%; business press 5%; point of sale 10%; cinema 5%. Employes: 46. Accounts gained: Avis Scandinavia car rentals, Posten—postal administration, NK/Nordiska Kompaniet—department stores, Riksbyggen building contractor, Svenska Filminstitutet.

IMAA/AB Olof Isacsons Advertising, Gothenburg, only reports billings of $3,203,200 for 1981, as compared to billings of $3,783,780 for 1980. (In local currency, billings were Skr 16,000,000 for 1981, as compared to billings of Skr 18,900,000 for 1980.) Media breakdown: Newspapers 60%; magazines 5%; outdoor 7%; business press 28%. Employes: 23.

Intermarco-Farner, Stockholm, part of the Publicis Intermarco-Farner agency network, reports gross income of $2,588,186 on billings of $17,263,045 for 1981, as compared to gross income of $2,053,000 on billings of $13,690,000 for 1980. (In local currency, gross income was Skr12,928,000 on billings of Skr86,229,000 for 1981, as compared to gross income of Skr10,252,000 on billings of Skr68,381,000 for 1980.) Media breakdown: Newspapers 60%; magazines 20%; outdoor 3%; business press 17%. Employes: 48. Accounts gained: Inax financial services, International Gold Corp., Volvo/Renault 5.

Annonsbyran Landia AB, Stockholm, reports gross income of $2,131,000 on billings of $17,979,000 for 1981, as compared to gross income of $2,109,000 on billings of $17,435,000 for 1980. (In local currency, gross income was Skr10,643,000 on billings of Skr89,805,000 for 1981, as compared to gross income of Skr10,535,000 on billings of Skr87,085,000 for 1980.) Media breakdown: Newspapers 56%; magazines 26%; outdoor 1%; business and farm press 17%. Employes: 48. Accounts gained: Froedinge Mejeri—curd cakes, layer cakes, IFL courses, Televerket telephone service.

AB Lintas Annonsbyra, Stockholm, reports gross income of $3,244,000 on billings of $24,762,000 for 1981, as compared to gross income of $3,070,000 on billings of $23,663,000 for 1980. (In local currency, gross income was Skr16,203,000 on billings of Skr123,688,000 for 1981, as compared to gross income of Skr15,337,000 on billings of Skr118,206,000 for 1980.) Media breakdown: Newspapers 45%; magazines 35%; outdoor 8%; business press 8%; cinema 4%. Employes: 55. Accounts gained: Chefaro Predictor, Pripps beer, Philips Video, Rowntree Mackintosh Big Cat.

Marsteller Scandinavia AB, Stockholm, reports gross income of $674,000 on billings of $4,495,580 for 1981, as compared to gross income of $360,000 on billings of $2,401,200 for 1980. (In local currency, gross income was Skr3,366,000 on billings of Skr22,451,220 for 1981, as compared to gross income of Skr1,800,000 on billings of Skr12,006,000 for 1980.)

McCann-Erickson AB, Stockholm, reports gross income of $2,026,000 on billings of $13,513,000 for 1981, as compared to gross income of $2,015,000 on billings of $13,440,000 for 1980. (In local currency, gross income was Skr10,118,000 on billings of Skr67,487,000 for 1981, as compared to gross income of Skr10,066,000 on billings of Skr67,140,000 for 1980.) Employes: 40. Accounts gained: Skandia (reinsurance), Optikertjaenst, Hoeyang-Polaris kitchenware, Texas Instruments, L'Oreal body milk, ISL sales training.

Nedeby Ayer AB, Stockholm, reports gross income of $716,256 on billings of $5,141,403 for 1981, as compared to gross income of $706,134 on billings of $4,575,840 for 1980. (In local currency, gross income was Skr3,577,700 on billings of Skr25,681,335 for 1981, as compared to gross income of Skr3,527,141 on billings of Skr22,856,344 for 1980.) Media breakdown: Newspapers 60%; magazines 10%; outdoor 10%; business press 10%; point of sale 10%. Employes: 13. Accounts gained: John Deere, ODO Interior, Mini Micro, Soilax - new product. Account lost: Pan Am.

Nordstrom-Grey, Stockholm, reports gross income of $6,063,658 on billings of $42,962,119 for 1981, as compared to gross income of $4,224,220 on billings of $29,669,640 for 1980. (In local currency, gross income was Skr30,288,000 on billings of Skr214,596,000 for 1981, as compared to gross income of Skr 21,100,000 on billings of Skr148,200,000 for 1980.) Media breakdown: Newspapers 72%; magazines 12%; outdoor 4%; business press 5%; cinema 7%. Employes: 101 in 1981 as compared to 86 in 1980. Accounts gained: Marabou, Electrolux, Volvo. Account lost: Philips.

Norman, Craig & Kummel, Stockholm, reports gross income of $1,620,000 on billings

SWEDEN

of $10,800,000 for 1981, as compared to gross income of $1,159,158 on billings of $7,728,721 for 1980. (In local currency, gross income was Skr8,091,900 on billings of Skr53,946,000 for 1981, as compared to gross income of Skr5,790,000 on billings of Skr38,605,000 for 1980.) Employes: 25. Accounts gained: Cadbury table waters, Philip Morris (Marlboro Light cigarets).

Ogilvy & Mather Group AB, Stockholm, reports gross income of $4,120,000 on billings of $31,527,000 for 1981, as compared to gross income of $5,614,000 on billings of $48,953,000 for 1980. (In local currency, gross income was Skr20,581,000 on billings of Skr157,480,000 for 1981, as compared to gross income of Skr28,043,000 on billings of Skr244,522,000 for 1980.) Media breakdown: Newspapers 70%; magazines 10%; outdoor 5%; business press 5%; point of sale 5%; cinema 5%. Employes: 75 in 1981 as compared to 151 in 1980. Accounts gained: Swedish Tobacco (partly), Perete/Electrolux, Hunter Douglas. Account lost: SF.

Perceptum Information AB, Stockholm, affiliated with Needham, Harper & Steers Intl.,reports gross income of $1,885,283 on billings of $9,106,438 for 1981, as compared to gross income of $1,673,872 on billings of $6,881,979 for 1980. (In local currency, gross income was Skr9,417,000 on billings of Skr45,486,700 for 1981, as compared to gross income of Skr8,361,000 on billings of Skr34,375,520 for 1980.) Media breakdown: Newspapers 48%; magazines 19%; outdoor 11%; business press 1%; farm press 1%; transit advertising 2%; point of sale 18%; cinema 3%. Employes: 20. Accounts gained: Hallbergs jewelry, Maxell tapes, Nygeverken, Digital Instrument, Leica cameras. Account lost: Reynolds tobacco.

Samrek/Springfeldt Group, Vasteras, reports gross income of $2,002,000 on billings of $27,247,220 for 1981, as compared to gross income of $1,801,800 on billings of $25,185,160 for 1980. (In local currency, gross income was Skr 10,000,000 on billings of Skr 136,100,000 for 1981, as compared to gross income of Skr 9,000,000 on billings of Skr 125,800,000 for 1980.) Media breakdown: Newspapers 80%; magazines 13%; supplements 1%; business press 3%; farm press 1%. Employes: 55. Accounts gained: Granada/Telerent, Wirsbo Bruk, Swedish Telephone Co.

Sedell Reklam AB, Orebro, reports gross income of $175,851 on billings of $342,402 for 1981, as compared to gross income of $211,292 on billings of $422,532 for 1980. (In local currency, gross income was Skr878,378 on billings of Skr1,710,298 for 1981, as compared to gross income of Skr1,055,407 on billings of Skr2,110,551 for 1980.) Media breakdown: Newspapers 25%; business press 75%. Employes: 5.

Annonsbyran Svea AB, Stockholm, reports gross income of $6,553,947 on billings of $59,659,000 for 1981, as compared to gross income of $6,031,425 on billings of $52,958,906 for 1980. (In local currency, gross income was Skr32,737,000 on billings of Skr297,997,000 for 1981, as compared to gross income of Skr30,127,000 on billings of Skr264,530,000 for 1980.) Media breakdown: Newspapers 66%; magazines 2%; supplements 1%; outdoor 2%; business press 1%; point of sale 27%; cinema 1%. Employes: 158.

J. Walter Thompson AB, Stockholm, reports gross income of $1,541,140 on billings of $10,279,469 for 1981, as compared to gross income of $1,488,887 on billings of $10,231,421 for 1980. (In local currency, gross income was Skr7,698,000 on billings of Skr51,346,000 for 1981, as compared to gross income of Skr7,437,000 on billings of Skr51,106,000 for 1980.) Media breakdown: Newspapers 67%; magazines 13%; outdoor 2%; business press 11%; transit advertising 2%; cinema 5%. Employes: 24. Accounts gained: Vapenringen (weapons dealer), Ideca (Selex copier), Snoresor travel agency. Accounts lost: Alcro paint, Kraft, IB-hus (prefab houses).

Reklambyran Thor, Stockholm, affiliated with Kenyon & Eckhardt Intl., reports gross income of $862,061 on billings of $1,560,000 for 1981, as compared to gross income of $600,600 on billings of $1,151,150 for 1980. (In local currency, gross income was Skr 4,306,000 on billings of Skr 7,792,000 for 1981, as compared to gross income of Skr 3,000,000 on billings of Skr 5,750,000 for 1980.) Employes: 11. Accounts gained: Astra Laekemedel, Pioneer, DAFA, SIPU, Det Baesta, Clock and Natur & Kultur. Accounts lost: Data-Bild, TR, Stroembergs, Prime, Abloy, SKAB, Iceland Air.

Welinder Information, Stockholm, reports gross income of $760,000 on billings of $1.500,000 for 1981, as compared to gross income of $480,000 on billings of $1,220,000 for 1980. (In local currency, gross income was Skr 3,800,000 on billings of Skr 7,600,000 for 1981, as compared to gross income of Skr 2,400,000 on billings of Skr 6,100,000 for 1980.) Employes: 12.

Young & Rubicam, Stockholm,reports gross income of $3,435,000 on billings of $22,911,000 for 1981, as compared to gross income of $4,248,000 on billings of $28,334,000 for 1980. (In local currency, gross income was Skr 17,158,000 on billings of Skr 114,440,000 for 1981, as compared to gross income of Skr 21,221,000 on billings of Skr 141,152.833 for 1980.) Y&R does not report billings. Figures are AA estimates.Media breakdown: Newspapers 65%; magazines 10%; outdoor 10%; business press 5%; cinema 10%. Employes: 57 in 1981 as compared to 92 in 1980, in three offices. Accounts gained: Fosselius Alpen, Seven Up. Accounts lost: Eastern Airlines, Farmitalia, Fenom, Fralico, Hassle.

SWITZERLAND

The same 1981 average annual exchange rate of .510 dollars to the Swiss franc was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 15.3% depreciation of the franc against the dollar based on the franc's 1980 exchange rate of .602.

Advico AG, Gockhausen/Zurich, reports gross income of $3,860,700 on billings of $25,750,870 for 1981, as compared to gross income of $3,438,605 on billings of $22,935,496 for 1980. (In local currency, gross income was SF7,570,000 on billings of SF50,491,900 for 1981, as compared to gross income of SF6,742,363 on billings of SF44,971,560 for 1980.) Media breakdown: Newspaper 31%; magazines 24%; television 11%; outdoor 6%; business press 6%; point of sale 3%; cinema 1%; other 18%. Accounts gained: Effems (Whiskas petfood, new development), Ciba-Geigy (Araldit glue), Fernet Branca Germany & Austria, Airwick (Selgin, toothpaste/KIK, insect repellent/Nadja Avalle, cosmetic line). Accounts lost: Cardinal "Special", Hoppe (door and window fittings), Tissot (watches).

Bureau d'Etudes Publicitaires, Lausanne, reports gross income of $1,345,400 on billings of $9,424,800 for 1981, as compared to gross income of $1,145,000 on billings of $8,124,300 for 1980. (In local currency, gross income was SF2,638,000 on billings of SF18,480,000 for 1981, as compared to gross income of SF2,245,000 on billings of SF15,930,000 for 1980.)

Media breakdown: Newspaper 22%; magazine 21%; television 26%; outdoor 5%; business press 1%; point of sale 10%; cinema 1%; other 14%. Accounts gained: Nestle Truffon, Nestec PID/CODEX, La Neuchateloise Insurance, Provimi, Lacta Corporate Identity, Federation Suisse des Agences de Voyages (institutional), Heineken beer.

CSWH Univas, Bienne, Geneva and Zurich, reports gross income of $2,607,600 on billings of $17,393,100 for 1981, as compared to gross income of $2,041,000 on billings of $13,613,400 for 1980. (In local currency, gross income was SF5,113,000 on billings of SF34,104,000 for 1981, as compared to gross income of SF4,002,000 on billings of SF26,693,000 for 1980.) Media breakdown: Newspapers 35%, magazines 25%, tv 26%, outdoor 5%, business press 2%, point of sale 7%. Accounts gained: Mido watches, Ericsson, Angst & Pfister (tv).

Creative Collaboration-Grey, Geneva, reports gross income of $2,295,000 on billings of $6,375,000 for 1981, as compared to gross income of $2,357,118 on billings of $5,765,996 for 1980. (In local currency, gross income was SF4,500,000 on billings of SF12,500,000 for 1981, as compared to gross income of SF4,621,800 on billings of SF11,305,875 for 1980.) Gross income and billing figures for 1981 are estimates. Media breakdown: Newspapers 43%; magazines 43%; radio 4%; business press 10%. Accounts gained: Exxon office systems, B.F. Goodrich, Sonar SA.

D'Arcy-MacManus & Masius, Zurich, reports gross income of $1,316,000 on billings of $8,772,000 for 1981, as compared to gross income of $1,291,000 on billings of $8,610,000 for 1980. (In local currency, gross income was SF2,580,000 on billings of SF17,200,000 for 1981, as compared to gross income of SF2,531,000 on billings of SF16,882,000 for 1980.) Media breakdown: Newspaper 7%; magazines 15%; television 56%; outdoor 1%; business press 1%; point of sale 6%; promotions 14%. Accounts gained: Airtour Suisse, Passap, Alfa Romeo, John Haig and Dimple. Accounts lost: Lego, Whiskas, Exotic Douch, Maitan.

Doyle Dane Bernbach, Zurich, reports gross income of $3,061,800 on billings of $20,422,200 for 1981, as compared to gross income of $3,279,759 on billings of $21,875,990 for 1980. (In local currency, gross income was SF6,003,500 on billings of SF40,043,600 for 1981, as compared to gross income of SF6,430,900 on billings of SF42,894,100 for 1980.) Media breakdown: Newspapers 34%; magazines 37%; radio/television 24%; business press 5%. Account lost: Blue Bell.

Edelta SA, Geneva, reports gross income of $1,127,100 on billings of $7,548,000 for 1981, as compared to gross income of $1,157,700 on billings of $7,599,000 for 1980. (In local currency, gross income was SF2,210,000 on billings of SF14,800,000 for 1981, as compared to gross income of SF2,270,000 on billings of SF14,900,000 for 1980.) Media breakdown: Newspapers 30%; magazines 24%; television 1%; outdoor 7%; business press 2%; point of sale 10%; cinema 2%; other 24%. Accounts gained: Muralto (furniture, design), Barclay (cigarets).

Dr. Rudolf Farner Werbeagentur, Zurich, reports gross income of $4,014,000 on billings of $26,775,000 for 1981, as compared to gross income of $3,876,000 on billings of $25,857,000 for 1980. (In local currency, gross income was SF7,870,000 on billings of SF52,500,000 for 1981, as compared to gross income of SF7,600,000 on billings of SF50,700,000 for 1980.) Media breakdown: Newspaper 32%; magazines 30%; television 20%; outdoor 10%; business press 1%; point of sale 6%; cinema 1%. Accounts gained: Association of Swiss Cantonal Banks, Credit Suisse International. Accounts lost: Cynar aperitif, Delikat cat food.

GGK Werbeagentur, Basel and Zurich, reports gross income of $4,358,500 on billings of $29,070,000 for 1981, as compared to gross income of $3,786,800 on billings of $25,245,000 for 1980. (In local currency, gross income was SF8,546,000 on billings of SF57,000,000 for 1981, as compared to gross income of SF7,425,000 on billings of SF49,500,000 for 1980.) Media breakdown: Newspaper 22%; magazines 42%; supplements 1%; television 13%; outdoor 6%; business press 3%; cinema 2%; sales promotion 4%. Accounts gained: Basel: Sport-Toto, Fussball-Toto, Genossenschaftl. Zentralbank, Habasit-Fordertechn. Zurich: Hilti-Befestigungstechnik, Schwed-Touristik Information-Imagewerburg, Grasshoppers-Sportverein, Photo Color, Bilderservice. Accounts lost: Basel: Grun 80, Fischer, Kaseunion, Hanro. Zurich: Smith, Kline & French.

Gisler & Gisler, Zurich, part of BBDO International, reports gross income of $4,200,870 on billings of $28,019,400 for 1981, as compared to gross income of $3,905,580 on billings of $26,049,780 for 1980. (In local currency, gross income was SF8,237,000 on billings of SF54,940,000 for 1981, as compared to gross income of SF7,658,000 on billings of SF51,078,000 for 1980.) Media breakdown: Newspapers 19%, magazines 38%, supplements 10%, tv 6%, outdoor 7%, business press 2%, direct mail 2%, point of sale 7%, cinema 1%, brochure, booklets 8%. Accounts gained: Avis, Douwe Egberts (Drum and Amphora), Philips (audio/video), Simons Georg (Pantovigar, Dismenol), J. Vontobel & Co. (private bank), Verband des Schweizerischen Versandhandels, Walliser Kantonalbank, Wander Export (Ovaltine). Lost: SSIH Management Services, Omega watches.

IMAA/Fedier's Werbeagentur, Zurich, reports gross income of $348,840 on billings of $1,392,300 for 1981, as compared to gross income of $268,260 on billings of $1,264,800 for 1980. (In local currency, gross income was SF684,000 on billings of SF2,730,000 for 1981, as compared to gross income of SF526,000 on billings of SF2,480,000 for 1980.) Employes: 6.

Kenyon & Eckhardt, Geneva, reports gross income of $510,000 on billings of $3,402,000 for 1981, as compared to gross income of $102,000 on billings of $1,020,000 for 1980. (In local currency, gross income was SF1,000,000 on billings of SF6,670,000 for 1981, as compared to gross income of SF200,000 on billings of SF2,000,000 for 1980.) Media breakdown: Newspapers 10%, magazines 65%, outdoor 10%, business press 5%, point of sale 5%, direct mail 5%. Accounts gained: Prime Computer, Ali-

sarda (Italian Airline), Adler jewelers, Ed. Publicana, Bon-Genie Grieder (fashion house).

Kloeti Werbeagentur, Zurich, reports gross income of $1,764,090 on billings of $11,760,090 for 1981, as compared to gross income of $1,684,530 on billings of $11,235,300 for 1980. (In local currency, gross income was SF3,459,000 on billings of SF23,059,000 for 1981, as compared to gross income of SF3,303,000 on billings of SF22,030,000 for 1980.) Media breakdown: Newspapers 39%, magazines 29%, supplements 4%, radio 1%, tv 4%, outdoor 6%, business press 2%, farm press 1%, transit 1%, point of sale 10%, cinema 3%. Accounts gained: C&A fashion house, Binaca toothpaste, Binaset hair care line, *Finanz & Wirtschaft*, American Motors/Jeep. Accounts lost: GBC, Radio Iseli.

Leuenberger & Aerni, Zurich, reports gross income of $277,950 on billings of $1,687,080 for 1981, as compared to gross income of $294,270 on billings of $1,671,780 for 1980. (In local currency, gross income was SF545,000 on billings of SF3,308,000 for 1981, as compared to gross income of SF577,000 on billings of SF3,278,000 for 1980.) Media breakdown: Newspapers 24%, magazines 17%, tv 8%, business press 20%, point of sale 11%, direct mail 14%, other 6%.

Lintas AG, Zurich, reports gross income of $2,525,000 on billings of $16,832,000 for 1981, as compared to gross income of $2,374,000 on billings of $15,838,000 for 1980. (In local currency, gross income was SF4,951,000 on billings of SF33,005,000 for 1981, as compared to gross income of SF4,655,000 on billings of SF31,055,000 for 1980.) Media breakdown: Newspapers 12%, magazines 27%, radio 1%, tv 50%, outdoor 6%, point of sale 3%, cinema 1%. Accounts gained: Lego Toys, Rowntree Mackintosh Nuts & Lion Bar, Swiss Bankers' Assn., Eurocard/Bancomat, Buttner/Pelikan Colani ball-point pen.

Marsden Hartmann/NCK, Zurich, reports gross income of $1,845,000 on billings of $12,300,000 for 1981, as compared to gross income of $1,131,690 on billings of $7,542,900 for 1980. (In local currency, gross income was SF3,616,200 on billings of SF24,108,000 for 1981, as compared to gross income of SF2,219,000 on billings of SF14,790,000 for 1980.) Employes: 18. Accounts gained: BankAmericard Visa, Club Mediterranee, Juvena cosmetics.

Marsteller International S.A., Geneva, reports gross income of $2,596,000 on billings of $17,315,100 for 1981, as compared to gross income of $1,874,000 on billings of $12,500,000 for 1980. (In local currency, gross income was SF5,090,027 on billings of SF33,950,480 for 1981, as compared to gross income of SF3,675,000 on billings of SF24,512,250 for 1980.)

McCann-Erickson Europe S.A., Geneva and Zurich, reports gross income of $2,887,000 on billings of $19,256,000 for 1981, as compared to gross income of $2,890,000 on billings of $19,276,000 for 1980. (In local currency, gross income was SF5,661,000 on billings of SF37,759,000 for 1981, as compared to gross income of SF5,666,000 on billings of SF37,792,000 for 1980.) Account gained: Texas Instruments.

Medicus Intercon AG, Zug, partner company of Medicus Intercon International in New York, reports gross income of $88,000 on billings of $675,000 for 1981, as compared to gross income of $148,000 on billings of $1,134,000 for 1980. (In local currency, gross income was SF172,000 on billings of SF1,319,000 for 1981, as compared to gross income of SF290,000 on billings of SF2,224,000 for 1980.) Media breakdown: Sales materials and research 100%.

Schellenberg Marketing & Werbung, Zurich, reports gross income of $2,312,000 on billings of $15,412,000 for 1981, as compared to gross income of $1,862,000 on billings of $12,408,000 for 1980. (In local currency, gross income was SF4,533,000 on billings of SF30,220,000 for 1981, as compared to gross income of SF3,650,000 on billings of SF24,330,000 for 1980.) Agency has offices in Stuttgart and Paris. Group billing figures, including the Zurich office, are $30,550,000 for 1981 and $26,316,000 for 1980. Media breakdown: Newspapers 13%, magazines 23%, radio 1%, tv 15%, outdoor 6%, business press 6%, point of sale 16%, cinema 2%, other 18%. Accounts gained: Mary-Long cigarettes, REVOX hi-fi equipment, Swiss Automobile batteries, Movenpick (institutional campaigns). Lost: Coltene dental care.

TBWA, Zurich, reports gross income of $2,295,000 on billings of $15,300,000 for 1981, as compared to gross income of $2,287,350 on billings of $14,790,000 for 1980. (In local currency, gross income was SF4,500,000 on billings of SF30,000,000 for 1981, as compared to gross income of SF4,485,000 on billings of SF29,000,000 for 1980.) Media breakdown: Newspapers 55%, magazines 20%, tv 10%, outdoor 5%, business press 5%, point of sale 5%. Accounts gained: Swiss Bank Corp., J&J Baby Care.

J. Walter Thompson, Zurich, reports gross income of $1,824,083 on billings of $11,978,931 for 1981, as compared to gross income of $1,444,004 on billings of $9,431,657 for 1980. (In local currency, gross income was SF3,576,634 on billings of SF23,488,100 for 1981, as compared to gross income of SF2,831,380 on billings of SF18,493,445 for 1980.) Media breakdown: Newspapers 30%, magazines 10%, tv 40%, outdoor 4%, business press 4%, point of sale 6%, cinema 6%. Accounts gained: Burger King, Jacobs, Jobe's, ARS Camelia.

Adolf Wirz Inc., Zurich, reports gross income of $4,651,200 on billings of $31,030,000 for 1981, as compared to gross income of $4,034,100 on billings of $26,907,600 for 1980. (In local currency, gross income was SF9,120,000 on billings of SF60,840,000 for 1981, as compared to gross income of SF7,910,000 on billings of SF52,760,000 for 1980.) Media breakdown: Newspapers 34%, magazines 28%, supplements 2%, radio 1%, tv 10%, outdoor 7%, business press 2%, point of sale 5%, cinema 1%, direct mail 7%, sales promotions 3%. Accounts gained: Laboratoires Sauter (Selsun Blue shampoo, Kneipp product range), Fender (Roadstar car hifi, Chalana pens), Champagne Krug, Zentralschweizerischer Milchverband (EMMI milk products), Hotel Solbad in Sigriswil, Ferag (technical products), Traderlag (publishing house), Coop Schweiz (recruitment advertising), UTC/Kanebo Europe (cosmetics).

Young & Rubicam, Berne, reports gross income of $1,910,000 on billings of $12,740,000 for 1981, as compared to gross income of $1,685,000 on billings of $11,239,000 for 1980. (In local currency, gross income was SF3,745,000 on billings of SF24,983,140 for 1981, as compared to gross income of SF3,304,000 on billings of SF22,039,679 for 1980.) Y&R does not report billings. Figures are AA estimates. Media breakdown: Newspapers 45%, magazines 18%, radio 1%, tv 31%, outdoor 3%, business press 1%, cinema 1%. Accounts gained: Alpamare, Diner's Club, Fleurop, Manpower, PTT, Suchard-Tobler.

Zutter Sommer Marketing, Basel, reports gross income of $1,909,950 on billings of $12,720,420 for 1981, as compared to gross income of $1,598,850 on billings of $10,643,700 for 1980. (In local currency, gross income was SF3,745,000 on billings of SF24,942,000 for 1981, as compared to gross income of SF3,135,000 on billings of SF20,870,000 for 1980.) Media breakdown: Newspapers 19%, magazines 15%, supplements 11%, tv 5%, outdoor 4%, business press 6%, farm press 1%, point of sale 8%, cinema 2%, audiovision 8%, direct mail 2%, pr 19%. Accounts gained: Australian Tourist Commission, Swissbau 83, SIPPA, Allnorm, Volailles de France. Lost: Hotel des Bergues.

TAIWAN

The same 1981 average annual exchange rate of .0275 dollars to the Taiwan dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 6.8% depreciation of the T$ against the dollar based on the T$'s 1980 exchange rate of .0295.

Eastern Advertising, Taipei, reports gross income of $914,082 on billings of $5,935,600 for 1981, as compared to gross income of $850,212 on billings of $5,593,590 for 1980. (In local currency, gross income was NT$33,239,360 on billings of NT$215,840,000 for 1981, as compared to gross income of NT$30,916,800 on billings of NT$203,400,000 for 1980.) Media breakdown: Newspapers 31%, magazines 5%, radio 1%, tv 54%, outdoor 1%, business press 3%, point of sale 1%, cinema 1%, other 3%. Employes: 78. Accounts gained: Country House (Sunkist), Great Wall Enterprise, My Darling Enterprise. Lost: None.

United Advertising (Taipei), Kuala Lumpur, reports gross income of $2,244,000 on billings of $14,025,302 for 1981, as compared to gross income of $1,716,000 on billings of $10,725,000 for 1980. (In local currency, gross income was NT$81,600,000 on billings of NT$510,000,000 for 1981, as compared to gross income of NT$62,400,000 on billings of NT$390,000,000 for 1980.) Media breakdown: Newspapers 21.4%, magazines 7.3%, radio 0.4%, tv 55.6%, cinema 0.3%, other 15%. Employes: 150. Accounts gained: Warner-Lambert, Bristol-Myers, SAAB, DuPont, Shiseido, Morgan Guaranty & Trust. Lost: None.

United Communications, Taipei, reports gross income of $313,500 on billings of $1,650,000 for 1981, its first year of operation. (In local currency, gross income was NT$11,400,000 on billings of NT$60,000,000. Media breakdown: Newspapers 30%, magazines 14%, tv 38%, transit 2%, point of sale 16%. Employes: 31. Accounts gained: Johnson & Johnson, Foremost, Kao Soap, SAAB, Nestle.

THAILAND

The same 1981 average annual exchange rate of .05 dollars to the Thailand baht was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 1% appreciation of the baht against the dollar based on the baht's 1980 exchange rate of .0495.

Ted Bates Ltd., Bangkok, reports gross income of $1,350,000 on billings of $9,000,000 for 1981, as compared to gross income of $900,000 on billings of $6,000,000 for 1980. (In local currency, gross income was Bht 27,000,000 on billings of Bht 180,000,000 for 1981, as compared to gross income of Bht 18,000,000 on billings of Bht 120,000,000 for 1980.) Employes: 91. Accounts gained: Evercrisp Thailand, Hoechst, Metro Department Store.

Leo Burnett Ltd., Bangkok, reports gross income of $1,087,000 on billings of $7,253,000 for 1981, as compared to gross income of $1,350,000 on billings of $9,000,000 for 1980. (In local currency, gross income was Bht 21,749,000 on billings of Bht 145,066,000 for 1981, as compared to gross income of Bht 27,000,000 on billings of Bht 180,000,000 for 1980.)

Chuo Senko (Thailand), Bangkok, reports gross income of $1,146,439 on billings of $7,642,924 for 1981, as compared to gross income of $917,012 on billings of $6,113,448 for 1980. (In local currency, gross income was Bht 22,928,772 on billings of Bht 152,858,483 for 1981, as compared to gross income of Bht 18,340,243 on billings of Bht 122,268,953 for 1980.) Media breakdown: Newspapers 20%, magazines 11%, radio 10%, tv 45%, outdoor 2%, business press 1%, point of sale 6%, cinema 5%. Employes: 35.

Kenyon & Eckhardt (Thailand), Bangkok, reports gross income of $579,848 on billings of $3,858,667 for 1981, as compared to gross income of $478,943 on billings of $3,216,638 for 1980. (In local currency, gross income was Bht 11,596,968 on billings of Bht 77,173,343 for 1981, as compared to gross income of Bht 9,578,860 on billings of Bht 64,332,773 for 1980.) Media breakdown: Newspapers 13%, magazines 8%, radio 6%, tv 65%, outdoor 1%, business press 1%, point of sale 1%, cinema 1%, print production 4%. Employes: 50. Accounts gained: Kawasaki, Fiat, Malaysian Airline System, Norton abrasives, General Acoustics, CPC (Best Foods), Calbee Prawn Crackers, Industrial Enterprises (new product), and Fedders, Norge, Climatrol.

McCann-Erickson (Thailand), Bangkok, reports gross income of $1,335,000 on billings of $8,905,450 for 1981, as compared to gross income of $1,318,300 on billings of $8,793,050 for 1980. (In local currency, gross income was Bht 26,703,000 on billings of Bht 178,109,000 for 1981, as compared to gross income of Bht 26,366,000 on billings of Bht 175,861,000 for 1980.) Employes: 77. Accounts gained: Thai Pure Drinks (Nap Thip water), Thai German Ceramic Ind. (floor and wall tiles), Thai Seri Cold Storage (cuttlefish), BASF (Nitrophoska fertilizer), Industrial Enterprises (Dalia soap), Sotas Co. (fashion), PTI Co. ("Speed" coolant, carwash, cleaner), Merlin Hotel. Lost: Thai Amarit Breweries (Kloster beer), Yamaha motorcycles.

Meridian Advertising, Bangkok, reports gross income of $321,411 on billings of $2,143,809 for 1981, as compared to gross income of $226,583 on billings of $1,511,305 for 1980. (In local currency, gross income was Bht 6,428,213 on billings of Bht 42,876,181 for 1981, as compared to gross income of Bht 4,531,650 on billings of Bht 30,226,106 for 1980.) Media breakdown: Newspapers 37.1%, magazines 24.8%, supplements 0.5%, radio 3.3%, tv 19.7%, point of sale 13.7%, cinema 0.9%. Employes: 12. Accounts gained: Abbott, Hom Nual soap, Fluor, Cherlon stockings, Olympiathai, NGK spark plugs, Collectors Pewter, Pfizer, Ronson, Maxwell House. Lost: TOA.

Ogilvy & Mather (Thailand), Bangkok, reports gross income of $1,996,008 on billings of $12,464,570 for 1981, as com-

THAILAND

pared to gross income of $1,430,022 on billings of $8,763,099 for 1980. (In local currency, gross income was Bht 39,920,167 on billings of Bht 249,291,410 for 1981, as compared to gross income of Bht 28,600,445 on billings of Bht 175,261,987 for 1980.) Media breakdown: Newspapers 13.8%, magazines 8%, supplements 0.1%, radio 6%, tv 62.5%, outdoor 0.2%, business press 0.2%, transit 0.1%, point of sale 5%, cinema 1.7%, pr and research 2.4%. Employes: 107.

Redford International, Bangkok, reports gross income of $67,326 on billings of $676,824 for 1981, as compared to gross income of $44,077 on billings of $249,726 for 1980. (In local currency, gross income was Bht 1,346,539 on billings of Bht 13,536,486 for 1981, as compared to gross income of Bht 881,531,000 on billings of Bht 4,994,510 for 1980.) Media breakdown: Newspapers 32%, magazines 12%, radio 5%, tv 42%, transit 2%, point of sale 5%, cinema 2%. Employes: 21.

SSC&B:Lintas Thailand, Bangkok, reports gross income for its two offices of $2,782,450 on billings of $19,628,600 for 1981, as compared to gross income of $2,628,950 on billings of $18,525,450 for 1980. (In local currency, gross income was Bht 55,649,000 on billings of Bht 392,572,000 for 1981, as compared to gross income of Bht 52,579,000 on billings of Bht 370,509,000 for 1980.) Media breakdown: Newspapers 17%, radio 17%, tv 65%, outdoor 1%. Employes: 119.

TRINIDAD

The same 1981 average annual exchange rate of .37 dollars to the Trinidad dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 11.9% depreciation of the T$ against the dollar based on the T$'s 1980 exchange rate of .42.

Beston/Benton & Bowles, Port of Spain, reports gross income of $219,005 on billings of $1,093,086 for 1981, as compared to gross income of $199,095 on billings of $993,714 for 1980. (In local currency, gross income was T$591,905 on billings of T$2,954,286 for 1981, as compared to gross income of T$538,095 on billings of T$2,685,714 for 1980.) Employes: 17.

Corbin Compton Ltd., Port of Spain, reports gross income of $741,668 on billings of $4,966,152 for 1981, as compared to gross income of $545,113 on billings of $3,782,704 for 1980. (In local currency, gross income was T$1,794,837 on billings of $13,422,032 for 1981, as compared to gross income of T$1,473,278 on billings of T$10,223,525 for 1980.) Media breakdown: Newspapers 27%, magazines 3%, radio 24%, tv 45%, outdoor 1%. Employes: 44.

Kenyon & Eckhardt Caribbean, Port of Spain, reports gross income of $345,000 on billings of $2,300,000 for 1981, as compared to gross income of $349,650 on billings of $2,332,166 for 1980. (In local currency, gross income was T$932,535 on billings of T$6,216,900 for 1981, as compared to gross income of T$945,000 on billings of T$6,303,150 for 1980.) Media breakdown: Newspapers 23%, radio 27%, tv 38%, point of sale 9%, cinema 3%. Employes: 24.

McCann-Erickson (Trinidad), Port of Spain, reports gross income of $1,126,000 on billings of $7,510,000 for 1981, as compared to gross income of $802,000 on billings of $5,348,000 for 1980. (In local currency, gross income was T$3,043,000 on billings of T$20,297,000 for 1981, as compared to gross income of T$2,167,000 on billings of T$14,454,000 for 1980.) Employes: 68. Accounts gained: Caricargo, British West Indian Airways, Bermudez Biscuit Co.

Norman, Craig & Kummel (Trinidad), Port of Spain, reports gross income of $750,000 on billings of $5,000,000 for 1981, as compared to gross income of $779,319 on billings of $4,459,899 for 1980. (In local currency, gross income was T$2,025,000 on billings of T$13,500,000 for 1981, as compared to gross income of T$2,106,267 on billings of T$12,053,780 for 1980.) Employes: 28. Accounts gained: American Airlines.

TURKEY

The same 1981 average annual exchange rate of .00902 dollars to the Turkish lira was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 29% depreciation of the lira against the dollar based on the lira's 1980 exchange rate of .0127.

Manajans, Istanbul, reports gross income of $4,961,000 on billings of $20,051,432 for 1981, as compared to gross income of $838,860 on billings of $6,246,350 for 1980. (In local currency, gross income was TL 550,000,000 on billings of TL 2,222,997,000 for 1981, as compared to gross income of TL 93,000,000 on billings of TL 692,500,000 for 1980.) Media breakdown: Press 52.9%, radio 2.1%, tv 39.7%, outdoor 2.2%, point of sale 1%, other 2.1%. Employes: 98. Accounts gained: Gumussuyu machine-woven carpets, Aykent confectionery,Sinankent construction, Nestle.

Reklam Moran, Istanbul, reports gross income of $860,000 on billings of $6,548,000 for 1981, as compared to gross income of $252,560 on billings of $2,011,460 for 1980. (In local currency, gross income was TL 96,000,000 on billings of TL 726,000,000 for 1981, as compared to gross income of TL 28,000,000 on billings of TL 223,000,000 for 1980.) Media breakdown: Newspapers 48%, magazines 3%, radio 1%, tv 46%, point of sale 1%, cinema 1%. Employes: 51.

URUGUAY

The same 1981 average annual exchange rate of .0039 dollars to the Uruguayan peso was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 19% depreciation of the peso against the dollar based on the peso's 1980 exchange rate of .1159.

Grey, Casares, Vernazza y Asociados, Montevideo, reports gross income of $761,877 on billings of $4,316,585 for 1981, as compared to gross income of $768,503 on billings of $4,354,125 for 1980. (In local currency, gross income was Ps 8,113,709 on billings of Ps 45,970,022 for 1981, as compared to gross income of Ps 8,184,273 on billings of Ps 46,369,818 for 1980.) Media breakdown: Newspapers 23%, radio 6%, tv 70%, outdoor 1%. Employes: 27.

McCann-Erickson (Uruguay), Montevideo, reports gross income of $509,000 on billings of $3,395,000 for 1981, as compared to gross income of $352,000 on billings of $2,348,000 for 1980. (In local currency, gross income was Ps 5,418,000 on billings of Ps 36,138,000 for 1981, as compared to gross income of Ps 3,748,000 on billings of Ps 24,999,000 for 1980.) Employes: 16.

J. Walter Thompson Uruguaya, Montevideo, reports gross income of $409,592 on billings of $2,730,612 for 1981, as compared to gross income of $248,084 on billings of $1,653,955 for 1980. (In local currency, gross income was Ps 4,362,000 on billings of Ps 29,080,000 for 1981, as compared to gross income of Ps 2,642,000 on billings of Ps 17,614,000 for 1980.) Media breakdown: Newspapers 44%, magazines 2%, radio 11%, tv 39%, cinema 4%. Employes: 12.

VENEZUELA

The same 1981 average annual exchange rate of .2330 dollars to the Venezuela bolivar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 0.4% depreciation of the bolivar against the dollar based on the bolivar's 1980 exchange rate of .2339.

Leo Burnett Venezuela, Caracas, reports gross income of $3,658,000 on billings of $24,399,527 for 1981, as compared to gross income of $2,587,232 on billings of $17,256,912 for 1980. (In local currency, gross income was Bs 15,700,000 on billings of Bs 104,719,000 for 1981, as compared to gross income of Bs 11,104,000 on billings of Bs 74,064,000 for 1980.) Accounts gained: Corinta, La Vivienda, Schering-Plough. Employes: 66.

Corporacion Publicitaria Nacional, Caracas, part of the Ogilvy & Mather network, reports for the five Corpa offices gross income of $6,933,086 on billings of $46,222,882 for 1981, as compared to gross income of $5,360,165 on billings of $35,717,735 for 1980. (In local currency, gross income was Bs 29,755,734 on billings of Bs 198,381,478 for 1981, as compared to gross income of Bs 23,005,000 on billings of Bs 153,295,000 for 1980.) Media breakdown: Newspapers 45%, radio 8%, tv 42%, production and other media 5%. Employes: 140 in 1981; 120 in 1980. Accounts gained: Mavesa, Jabon Las Llaves, Vatel, British Caledonian Airways. Lost: None.

Grey Advertising de Venezuela, Caracas, reports gross income of $2,540,584 on billings of $16,945,693 for 1981, as compared to gross income of $2,429,215 on billings of $16,202,864 for 1980. (In local currency, gross income was Bs 10,903,793 on billings of Bs 72,728,299 for 1981, as compared to gross income of Bs 10,425,815 on billings of Bs 69,540,186 for 1980.) Media breakdown: Newspapers 11%, magazines 3%, radio 14%, tv 63%, outdoor 1%, cinema 7%, other 1%. Employes: 60. Accounts gained: Procter & Gamble (Pampers), Mennen (development product), Mavesa (Nelly margarine and development product), Martell de Venezuela (Martell Sello de Oro brandy), Kroy (Kroy Lettering Systems), Ciba-Geigy (agricultural/livestock pharmaceuticals).

J.M.C. Creatividad Orientada, Caracas, reports gross income of $1,747,314 on billings of $11,650,000 for 1981, as compared to gross income of $1,387,632 on billings of $9,250,000 for 1980. (In local currency, gross income was Bs 7,499,200 on billings of Bs 50,000,400 for 1981, as compared to gross income of Bs 5,955,500 on billings of Bs 39,697,600 for 1980.) Media breakdown: Newspapers 15%; magazines 20%; radio 5%; tv 55%; other 5%. Employes: 34. Accounts gained: Sony, Pan Am, Ralston Purina, Capri pasta, Stolk Bros. - Faberge products.

Sertec/K&E, Caracas, reports gross income of $1,500,000 on billings of $10,000,000 for 1981, as compared to gross income of $1,200,000 on billings of $8,000,000 for 1980. (In local currency, gross income was Bs 6,438,000 on billings of Bs 42,920,000 for 1981, as compared to gross income of Bs 5,150,400 on billings of Bs 34,336,000 for 1980.) Media breakdown: Newspapers 45%, magazines 5%, tv 40%, outdoor 5%, other 5%. Employes: 21.

Publicidad Siboney, Caracas, in association with NCK Ltd., New York, only reports billings of $14,000,000 for 1981. (In local currency, billings were Bs.60,060,000 for 1981.)

J. Walter Thompson de Venezuela, Caracas, reports gross income of $7,963,189 on billings of $60,339,670 for 1981, as compared to gross income of $5,701,955 on billings of $37,138,253 for 1980. (In local currency, gross income was Bs 34,176,777 on billings of Bs 258,968,542 for 1981, as compared to gross income of Bs 24,471,910 on billings of Bs 159,391,646 for 1980.) Media breakdown: Newspapers 10%, magazines 2%, radio 4%, tv 78%, point of sale 5%, cinema 1%. Employes: 116. Accounts gained: Alimentos Campoamor, Industrias Pampero, Productora de Grasas, Goodyear, Mundo Blanco-Zanussi, Pinturas Montana, Remmore, Mon Ami.

Vapro Publicidad, Caracas, reports gross income of $1,740,000 on billings of $8,720,000 for 1981, as compared to gross income of $1,370,000 on billings of $6,830,000 for 1980. (In local currency, gross income was Bs 7,480,000 on billings of Bs 37,420,000 for 1981, as compared to gross income of Bs 5,860,000 on billings of Bs 29,300,000 for 1980.) Media breakdown: Newspapers 25%, magazines 8%, radio 10%, tv 45%, outdoor 5%, cinema 2%. Employes: 36. Accounts gained: Industrias Lee de Venezuela (blue jeans), Wet Inc.

ZAMBIA

The same 1981 average annual exchange rate of 1.3 dollars to the Zambian kwacha was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 7.1% depreciation of the kwacha against the dollar based on the kwacha's 1980 exchange rate of 1.4.

McCann-Erickson (Zambia), Lusaka, reports gross income of $447,000 on billings of $2,981,000 for 1981, as compared to gross income of $328,000 on billings of $2,188,000 for 1980. (In local currency, gross income was Zk 343,000 on billings of Zk 2,288,000 for 1981, as compared to gross income of Zk 2,288,000 on billings of Zk 1,681,000 for 1980.) Employes: 14.

ZIMBABWE

The same 1981 average annual exchange rate of 1.377 dollars to the Zimbabwe dollar was applied to local currency reported for both 1981 and 1980 income and billings in this issue. This procedure factors out a 13.9% depreciation of the Z$ against the dollar based on the Z$'s 1980 exchange rate of 1.600.

Michael Hogg/D'Arcy-MacManus & Masius, Salisbury, reports gross income of $1,028,070 on billings of $6,387,093 for 1981, as compared to gross income of $1,135,824 on billings of $7,059,211 for 1980. (In local currency, gross income was Z$746,601 on billings of Z$4,638,412 for 1981, as compared to gross income of Z$824,854 on billings of Z$5,126,515 for 1980.) Employes: 61. Media breakdown: Radio 30%, tv 40%, outdoor 3%, cinema 10%, press 17%. Accounts gained: Zisco Steel, Coca-Cola, Blue Ribbon (flour and maize meal), Dunlop. Lost: U.A.N.C. (political campaign).

Lintas (Pvt.) Ltd., Salisbury, reports gross income of $864,756 billings of $5,487,345 for 1981, as compared to gross income of $677,484 on billings of $4,326,534 for 1980. (In local currency, gross income was Z$628,000 on billings of Z$3,985,000 for 1981, as compared to gross income of Z$492,000 on billings of Z$3,142,000 for 1980.) Media breakdown: Newspapers 44%, radio 34%, tv 14%, outdoor 6%, cinema 2%. Employes: 46 in 1981; 34 in 1980.

followUp

Soap segment freshened up

By JENNIFER ALTER

While the song and dance surrounding the arrival of liquid soap has grabbed much of the limelight in the $850,000,000 soap category, the trend toward the deodorant "refresher" bars has quietly gained momentum.

Both Andrew Jergens Co. and Armour-Dial are testing deodorant bars positioned as "refreshers." Jergens' Fiesta, testing in Peoria, Ill., and Birmingham, Ala. (AA, Jan. 25), focuses on showering as a "refreshing experience." Ad copy advises, "Don't Just Shower, Celebrate! with new Fiesta refreshing deodorant soap."

Similarly, Armour-Dial's Spirit is positioned as a "high fragrance, high lather, refresher bar," according to a spokesman.

Now testing in A-D's southeast zone, which covers most of Georgia, Nashville and Charleston-Huntington, W. Va., Spirit was first tested in 1980 in several Midwest markets. It was pulled from those areas in early 1981, but reappeared later that year, with a new package featuring the soap itself rather than a more abstract design.

Should Spirit and/or Fiesta go national, they will enter a segment which is nearly one-half the size of the total category and has been the scene of most new product activity in recent years. Furthermore, though dollar sales of the deodorant segment hover at the 49% mark, advertising support of those brands is closer to 60% of category spending.

■ Undoubtedly fueling A-D's and Jergens' interest has been the performance of Lever Bros.' Shield, launched nationally in early 1981. Although Shield is not positioned as a "refresher" soap, but rather as a strong odor-fighter, the 4% dollar share it has achieved in just more than a year on the market has proven the deodorant segment to be fertile ground.

A-D's Spirit has chalked up 3% and 4% shares in test market, according to foodstore warehouse withdrawal figures for the four-week period ended March 5; Fiesta has not been on the shelves long enough to register a realistic performance.

Although soap enthusiasts have been carefully watching Shield's impact on A-D's Dial soap, that brand, which has been on the decline for a number of years, appears to be holding up under the challenge of its newest competitor. Once holding as much as a 21% share (1975), Dial has been at 13% since mid-1980. Part of its slippage was attributed to the incursion of Procter & Gamble's Coast, a highly fragranced deodorant soap positioned as a "refresher." Dial has, however, held steady throughout the $5,000,000-plus Shield introduction.

Some of Shield's sales appear to be coming from other brands in the segment, including P&G's Safeguard, which currently has 6%, Zest (8%) and Coast (6.7%), plus Colgate-Palmolive's Irish Spring (4%).#

You're looking at all you'll ever need to treat 95% of your first aid needs.
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Johnson & Johnson
The first name in first aid.

Branching out

"The first name in first aid" with Band-Aids, Johnson & Johnson is using print ads like this to introduce its new three-item treatment line of Clinicydin, Clinicaine and Clinicort (AA, Feb. 22). The line is "all you'll ever need to treat 95% of your first aid needs." Grey Advertising is the agency.

Postal exec's ads try to beat cheats

By JOHN J. O'CONNOR

The mail crossing Kacy R. McClelland's desk is running heavily in favor of people who want to earn $750 a month in their spare time. Getting less interest is his classified ad that offers a new weight-reducing formula from Europe.

No, he's not a confidence man looking to bilk unsuspecting shutins, retired people and housewives. Mr. McClelland is a postal inspector in Pittsburgh who is combatting mail fraud by beating the con artists to their pigeons, the uninformed, gullible consumers.

His "scheme" involved the placement of small-space ads in about 40 daily newspapers in West Virginia, Pennsylvania and New York. One ad was headlined "Earn $750 a month in your spare time from your own home. Be your own boss." The other read, "European reducing formula now available. Lose weight like never before." Readers were asked to write to a post office box for further information."

On April 12, the first batch of mail to reach Mr. McClelland yielded 25 letters, 22 of them from people interested in the make-money-at-home proposition. One of the letters that provides a clue to the type of individuals most vulnerable to the get-rich-quick scam began, "Dear Sers."

Those who responded to his ads —placed at a cost of roughly $3 each—receive a gently worded letter warning of such fraudulent activities; a refund of their postage, and a booklet on mail fraud.

Mr. McClelland said that he has found that fraudulent ads that appeal to individual greed or vanity (medical fraud) generally are the most successful ones. Under the heading of medical fraud he lumped such appeals as "fad diets" and "grow hair and look 10 years younger."

The inspector was unable to say what percentage of the estimated $500,000,000 in consumer and business frauds committed in the U.S. last year is attributable to mail fraud. In that total are securities, bank, mail and insurance fraud.

The phony invoice scam is another area where businessmen get burned, he pointed out. As he explained it, businesses receive such invoices for things such as listings in directories, office supplies and electrical hookups. The amounts of the invoices, ranging from $75 to $200, usually go through accounting departments and are paid without verification. Between 1976 and 1980 more than a dozen bogus West Coast companies netted a total of $12,500,000 before postal authorities caught up with them. But in many cases, a company hit with a false representation order can go right back to the scam by using a different name. For that reason, the federal government is seeking to have stiff fines accompany such orders.

Mr. McClelland said that some cases have happy endings. He spoke of a case three years ago that resulted in a prison term for the head of a bogus Chicago company that offered a digital watch for around $19. "The ad ran in *TV Guide* and promised delivery before Christmas," he recalled. "The guy even rented out warehouse space, but he didn't have any watches." The con artist then arranged to have the money that poured in wired to him in South America. Thanks to some "hurry up" work by postal authorities, the suspect was arrested before he left the country and most of the money (some $300,000) was recovered and returned to consumers, the inspector said.

Mr. McClelland was unable to say whether his classified ad idea will be adopted by the 16 other postal divisions in the country. But based on the extensive news coverage given to his venture, he observed, "You'd have to say it's very cost-effective," alluding to the low cost of running such ads in the newspapers that agreed to cooperate with the weeklong program.#

Pepsi, Coke gain— depending on source

NEW YORK—As the two major cola marketers assess the impact of no-caffeine colas, both can claim greater success in 1981—depending on what source is used.

Figures developed by John C. Maxwell, soft drink analyst, Lehman Bros. Kuhn Loeb, and *Beverage Industry* show Coke's market share down one-tenth of a percentage point for 1981 and Pepsi up three-tenths.

Figures for November/December from A.C. Nielsen Co. show that Coke has pulled ahead of Pepsi in food outlets for the first time in many months.

■ The *Beverage Industry* figures represent total U.S. sales of soft drinks, including fountain and vending sales. Mr. Maxwell develops figures from a variety of sources and converts fountain and vending drink sales into case sales. Nielsen measures retail sales via survey of food and drugstores.

Coke is the unquestioned leader in total U.S. sales because of its strength in the fountain segment. The battleground in recent years for leadership has been the supermarket, where Pepsi moved up to overtake Coke for a number of months.

For November/December, Nielsen shows Coca-Cola at 22.5% of the soft drink category nationally and Pepsi at 22.3%. Tab at 4.1% has taken a strong lead over Diet Pepsi at 3.6%. Coca-Cola brands as a whole moved up to 30.9% of the category in 1981 from 30.0% in 1980. Pepsi-Cola brands held 29.4%, up from 29.1% a year earlier, the Nielsen figures indicate.

According to *Beverage Industry*, Coke's share declined to 24.2% from 24.3%, while Pepsi's rose to 18.3% from 18.0%. The report, which appeared in the April 9 issue of the publication, pointed out that Pepsi's Mountain Dew has passed Coca-Cola's Sprite to capture the No. 6 spot in the top 10.

■ The article stated that PepsiCo wound up the year with the highest volume gain of all soft drink companies (5.6%), with Coca-Cola gaining 3%.

The biggest sales gainers last year, according to *Beverage Industry*, were the diet drinks, which accounted for nearly 14% of the entire category, an 11% increase in diet sales over the previous year. Total soft drink volume was up 2.7% over the previous year to just more than six billion cases (24 8-oz. containers per case), the magazine estimates.#

Top ten soft drinks

Brand	Million Cases 1981	Million Cases 1980	Market Share 1981	Market Share 1980
Coca-Cola	1,463	1,425	24.2%	24.3%
Pepsi-Cola	1,104	1,056	18.3	18.0
Dr Pepper	326	323	5.4	5.5
7UP	301	317	5.0	5.4
Tab	216	188	3.6	3.2
Mountain Dew	179	169	2.9	2.9
Sprite	178	171	2.9	2.9
Diet Pepsi	173	154	2.9	2.6
RC Cola	154	163	2.7	2.8
Sunkist	82	65	1.4	1.1

Source: Beverage Industry

ROBERT L. SEIDNER

CHICAGO—Robert L. Seidner, 56, retired newspaper and retail advertising exec, died here April 8. For 20 years, he was with the Chicago American in various positions, including ad manager and assistant to the publisher. In 1968, Mr. Seidner joined Sears, Roebuck & Co. where he served in several posts before leaving in 1978 to form R.L.S. Enterprises.

Mr. Seidner was a past director and vp of American Marketing Assn. and Chicago Adclub.#

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Advertising pages in April consumer publications

Current and April '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	April 1982	April 1981	Jan.-April 1982	Jan.-April 1981
Women's				
†§Bride's Magazine	—	—	636.2	617.0
▲Co-ed	25.7	36.3	119.1	125.6
§Cosmopolitan	233.7	250.3	742.6	748.6
Essence	81.0	82.3	298.7	295.9
§Family Circle	203.6	192.9	530.6	522.5
§Good Housekeeping	183.2	171.9	605.1	614.9
▲Health	28.4	25.5	117.1	111.9
Ladies' Home Journal	74.6	89.8	274.9	320.2
Lady's Circle	11.0	9.4	36.7	48.2
McCall's	82.8	115.0	294.0	384.4
McCall's Working Mother	68.1	—	231.5	83.1
†Modern Bride	—	—	629.7	534.2
Ms.	46.3	41.5	151.3	150.3
○New Woman	37.3	47.0	133.8	83.6
§Parents Magazine	75.5	71.6	265.1	236.6
Playgirl	41.3	40.2	161.9	178.7
Redbook	99.6	105.6	337.9	358.8
Self	84.6	82.9	258.2	242.3
Seventeen	123.2	124.0	393.9	382.4
Soap Opera Digest	25.5	7.0	82.8	28.8
'Teen Magazine	50.1	47.2	166.3	160.6
§True Story	51.9	58.3	218.0	225.8
§Woman's Day	221.6	222.6	466.4	477.2
▲The Workbasket	28.9	31.2	158.5	142.3
Working Woman	85.8	66.3	299.3	218.8
Total Group	1,963.7	1,918.8	7,609.6	7,302.7
*** % change 1982 vs. 1981	−1.2%		+4.2%	
General				
▲A.D. Magazine	10.6	12.7	53.7	61.6
Air Progress	18.5	15.3	66.5	66.8
▲American Film	25.0	25.2	80.2	80.7
American Forests	7.7	10.3	45.8	54.2
American Legion	31.6	20.9	146.7	120.5
American Photographer	42.3	43.9	174.1	164.4
○Americana	39.0	36.8	67.4	66.4
§The Atlantic	32.0	40.1	95.6	106.2
○Audubon Magazine	—	—	63.8	57.4
BBI Jewish Monthly	27.1	31.8	100.2	89.6
§Bon Appetit	81.3	100.1	295.4	301.3
Book Digest	27.0	51.3	98.6	120.6
Changing Times	38.2	35.1	143.1	127.4
Christian Herald	42.3	35.3	156.4	164.3
Christian Life	29.0	20.5	117.1	106.8
☆Christianity Today	58.8	75.1	290.0	298.7
Circus	24.8	8.8	110.7	55.5
Complete Men's Group	20.0	22.0	89.8	84.5
Country Journal	37.1	45.1	177.3	180.6
Creative Computing	127.0	108.6	456.7	334.1
D. Cuisine Magazine	49.4	41.8	168.1	124.7
Dance Magazine	70.7	74.3	254.5	256.0
Ebony	90.5	96.2	303.2	305.9
▲Elks Magazine	18.1	26.4	98.8	105.1
§Esquire	54.7	34.7	82.3	115.7
Fifty Plus	25.1	30.0	120.1	141.4
Flying	52.4	41.7	172.1	165.0
○Games	—	—	51.8	40.1
§Gentlemen's Quarterly	108.0	107.3	361.1	369.9
Geo	18.1	22.0	72.1	86.0
Golf Digest	86.0	95.9	302.5	332.4
§Golf Magazine	64.3	70.0	401.0	395.5
Gourmet	78.9	79.5	249.1	230.8
§Harper's Magazine	27.2	33.2	68.6	87.9
High Fidelity	37.9	39.5	154.0	167.6
E. High Technology	—	—	62.8	—
▲Income Opportunities	47.8	44.2	166.6	163.0
#Inside	—	—	69.1	67.2
Kiwanis Magazine	12.8	12.5	61.3	58.8
Let's Live	75.3	86.3	298.9	343.4
Life	43.3	57.1	196.9	207.1
Lion	4.3	3.3	22.0	18.6
Modern Photography	108.7	122.1	452.8	457.5
§Money	113.1	101.6	394.7	362.8
Moneysworth	12.9	12.5	62.1	63.2
Moody Monthly	38.4	56.8	220.6	250.1
Moose Magazine	25.0	19.0	87.0	81.0
○Mother Earth News	56.2	54.9	110.1	124.2
○Museum	—	—	88.7	74.0
Musician, Player & Listener	55.2	48.7	206.3	236.5
National Geographic	29.3	30.5	88.1	111.7
Natural History	27.8	31.0	120.7	153.2
§Omni	63.5	54.3	206.0	198.2
§Penthouse	63.0	66.2	255.6	259.5
Petersen's Photographic	45.5	52.1	172.3	172.9
Playbill	56.7	58.0	207.2	203.4
§Playboy	105.3	114.2	413.3	424.2
Popular Photography	126.6	140.0	511.7	520.2
Prevention	64.4	81.7	278.8	353.4
Psychology Today	45.1	66.2	151.1	192.7
§Reader's Digest	88.7	101.4	314.5	332.1
Rotarian	9.4	14.8	53.7	56.8
††Saturday Evening Post	45.5	49.5	141.8	137.1
Science Digest	28.7	25.6	116.6	110.9
◊Science 82	33.3	36.4	114.0	125.6
Scientific American	66.8	88.0	294.3	341.2
Signature	63.1	60.3	226.1	202.5
Smithsonian	80.1	79.2	303.3	305.5
Stereo Review	47.3	52.0	209.3	216.3
Success	30.0	24.9	310.0	233.9
F. Technology Illustrated	41.0	—	114.7	—
Tennis	86.5	84.5	235.0	234.0
Town & Country	158.0	148.0	474.5	429.0
Travel/Holiday	75.2	65.0	228.9	221.6
Travel & Leisure	109.7	106.4	387.5	356.0
▲V.F.W.	26.3	28.0	117.5	124.8
Video	54.6	42.0	204.1	187.3
Video Review	70.0	46.7	260.6	188.5
Weight Watchers	30.5	20.4	109.5	94.4
World Tennis	59.5	51.2	155.6	160.7
Writers Digest	21.3	19.2	96.9	85.1
Yankee	67.9	69.8	313.8	314.8
Total Group	4,115.9	4,057.9	15,355.3	15,119.9
*** % change 1982 vs. 1981	+0.4%		+0.4%	
Fashion & service				
Glamour	190.4	202.0	605.0	633.9
Harper's Bazaar	136.7	123.4	444.8	376.6
Mademoiselle	141.5	155.3	446.9	467.1
Vogue	245.7	213.3	851.6	726.6
Total Group	714.3	694.0	2,348.3	2,204.2
*** % change 1932 vs. 1981	+2.9%		+6.5%	
Art & antiques				
American Artist	53.5	56.4	213.9	217.3
Antiques	145.5	146.6	627.2	631.0
○Art & Antiques	52.9	64.5	115.5	114.4
▲Art in America	112.0	116.6	452.1	423.0
▲Artnews	130.0	111.6	433.1	467.7
○Portfolio	—	—	127.8	83.5
Southwest Art	111.0	110.0	438.8	367.0
Total Group	604.9	605.7	2,408.4	2,303.9
*** % change 1982 vs. 1981	−0.1%		+4.5%	
Home				
§Architectural Digest	143.8	121.1	458.4	453.4
§Better Homes & Gardens	118.6	136.3	390.5	432.9
Colonial Homes	—	—	123.5	100.2
C. ▲Country Living	42.8	30.2	120.1	53.1
Dallas-Fort Worth Home/Garden	61.2	37.9	195.0	129.1
Early American Life	32.8	36.5	72.3	81.6
§▲Family Handyman	73.3	56.8	275.6	219.6
○Flower & Garden	57.1	51.8	119.2	110.1
Home Magazine Limited	29.0	27.7	110.1	115.8
†Homeowner's How-To	27.5	31.1	55.3	60.3
Horticulture	26.1	22.4	131.7	106.2
House Beautiful	87.1	104.6	294.7	334.8
House & Garden	94.2	119.7	344.1	402.6
Houston Home/Garden	123.0	103.3	400.6	347.7
Living:				
○Dallas	—	—	141.9	252.9
○Houston	—	—	168.8	182.0
○Denver	—	—	153.4	185.2
○Austin	42.8	54.3	80.8	97.9
○San Antonio	47.6	62.6	90.8	114.4
○Phoenix	37.3	35.5	73.8	71.4
○Florida Gulf Coast	25.0	23.0	52.8	46.9
○South Florida	—	—	77.8	9.8
Metropolitan Home	65.3	97.7	229.1	197.8
††New Shelter	30.5	32.6	155.3	158.6
1001 Home/-Decorating ideas	38.2	18.6	110.2	96.3
Organic Gardening	66.0	70.9	327.4	333.7
Phoenix Home/Garden	54.2	36.1	197.9	119.4
San Diego Home/Garden	54.1	43.0	201.4	156.3
#Southern Accents	—	—	82.7	79.5
Southern Living	162.3	137.3	474.6	443.3
§Sunset Magazine	166.7	156.2	528.3	495.9
▲Texas Homes	91.5	83.6	299.7	267.5
○Workbench	—	—	131.5	134.4
Total Group	1,800.0	1,730.8	6,669.3	6,390.6
*** % change 1982 vs. 1981	+4.4%		+4.4%	
In-flight & other passenger				
#Aboard Group (7)	308.0	240.0	616.0	480.0
Air California	56.0	61.5	215.2	228.5
○Alas Group (9)	—	—	350.0	280.0
Alaskafest	40.4	34.7	153.3	137.6
American Way	72.6	65.9	244.0	220.3
East/West Network:				
Amtrak Express	42.0	19.7	145.2	103.0
Continental Extra	61.8	55.2	203.8	191.8
Eastern Review	82.3	75.0	308.5	304.4
Ozark Flightime	45.5	44.2	157.0	171.3
PSA Magazine	91.2	81.7	325.8	331.3
Republic Scene East	49.3	42.5	186.3	172.9
Republic Scene West	52.5	55.2	199.7	212.2
Texas International/-The Texas Flyer	74.8	49.0	227.1	195.8
United Mainliner	74.0	83.3	266.0	294.4
Halsey Publications:				
Braniff's Flying Colors	38.7	36.7	108.7	122.0
Delta Sky	54.5	44.0	186.0	186.0
○Skylite	—	—	27.0	10.8
Hawaii	23.2	23.2	97.1	117.0
○Pace	—	—	57.9	89.1
Pan Am Clipper	34.5	46.4	147.5	213.1
Southwest Airlines	91.5	76.9	340.0	282.3
Spirit of Aloha	22.4	24.3	97.2	121.7
USAir	44.3	47.3	157.7	163.1
Webb Publications:				
Frontier	42.0	33.3	154.3	130.8
Passages	34.3	35.4	119.3	104.0
TWA Ambassador	55.7	45.9	171.2	170.0
Total Group	1,491.5	1,321.3	5,262.1	5,033.4
*** % change 1982 vs. 1981	+12.9%		+4.5%	
Metropolitan				
○Aloha	28.0	19.5	56.5	43.0
Atlanta	73.1	80.7	252.0	303.5
Baltimore	62.3	62.5	221.6	229.7
Boston	124.3	118.6	446.5	439.4
California	74.1	65.2	252.0	213.5
Charlotte	24.0	30.0	105.0	65.0
Chicago	167.7	153.8	504.5	474.2
Chicago's North Shore	59.3	55.3	228.5	226.7
Cincinnati	53.0	45.4	211.5	193.8
Cleveland	74.8	80.7	206.8	284.4
Coast	323.2	287.2	708.1	662.2
Columbus Monthly	85.9	107.7	274.2	324.0
Commonwealth	67.3	15.3	279.9	47.0
Connecticut	84.5	61.5	294.5	256.5
Country Magazine	26.5	16.7	87.2	55.4
D/Magazine, Dallas/Fort Worth	111.8	115.6	391.7	414.6
Monthly Detroit	50.5	42.8	188.4	155.7
Exclusively Yours Wisconsin	111.5	138.8	281.7	335.3
Grand Rapids	40.6	38.0	164.4	153.1
††Gulfshore Life	73.0	64.5	330.0	300.0
Honolulu	66.1	78.7	215.9	262.2
Houston City	73.0	63.9	251.7	212.7
Indianapolis	36.2	52.0	216.9	179.1
Kansas City	25.6	18.3	87.5	70.2
Lansing	17.0	16.5	70.3	69.5
Los Angeles	201.0	192.0	708.5	680.5
○Louisiana Life	—	—	104.9	17.0
Madison	45.5	40.0	184.7	170.0
Miami	89.3	83.4	366.8	331.4
Milwaukee	27.2	30.0	110.4	106.7
Mpls./St. Paul	75.1	84.6	286.0	301.9
Nashville!	47.3	69.0	159.6	283.8
New Jersey Monthly	53.2	63.7	200.0	247.8
Ohio	36.7	21.9	96.7	99.5
Omaha	15.3	15.3	75.7	55.9
Oregon	16.1	21.9	72.1	89.9
Orlando	60.5	65.3	278.3	271.8
▲Pacific Northwest	33.7	22.3	93.0	22.3
Palm Beach Life	102.7	89.8	459.0	438.1
Palm Springs Life	113.0	115.3	601.2	589.9
Philadelphia	130.4	141.7	464.2	506.7
Phoenix	68.9	83.6	339.5	354.6
Pittsburgh	58.8	45.0	169.2	145.0
St. Louis	70.7	69.5	245.3	271.2
San Diego	144.2	160.0	497.7	554.9
San Francisco	46.1	55.3	187.5	205.3
○San Francisco Bay Views	—	—	107.7	80.0
San Francisco Focus	39.7	39.0	135.6	134.8
††Sarasota Town & County	31.3	23.9	90.8	89.5
†Shenandoah Valley	—	—	59.0	43.0
Tampa	32.8	18.1	132.9	100.2
Tampa Bay	41.0	50.3	164.3	199.8
Texas Monthly	145.5	156.7	444.9	471.2
Twin Cities	46.4	54.1	176.1	169.9
Washington Dossier	39.7	41.0	155.6	191.5
Westchester	34.0	38.0	108.6	135.3
Westchester Illustrated	39.5	33.5	145.9	134.8
Total Group	3,839.7	3,753.4	13,748.1	13,483.9
*** % change 1982 vs. 1981	+2.3%		+2.0%	
Movie-romance-radio-tv				
Ideal Women's Group:				
Daytime Stars	12.9	28.0	46.5	113.6
G. Intimate Story	13.4	31.5	100.7	118.5
Soap Opera	12.9	28.0	46.5	113.6
Macfadden's Women's Group:				
Modern Romances	25.2	30.6	116.2	119.6
Secrets	25.2	30.6	116.2	119.6
True Confessions	27.6	32.8	122.9	126.5
True Experience	25.2	30.6	116.2	119.6
True Love	25.2	30.6	116.2	119.6
True Romance	25.2	30.6	116.2	119.6
Sterling Women's Groups:				
Daytime TV	31.3	32.0	120.5	127.7
Modern Screen	34.3	34.3	67.6	99.7
○Movie Mirror	—	—	34.3	64.8
Photo Screen	—	33.3	32.3	66.5
Soap Opera Stars	25.3	32.5	75.9	129.2
TV Movie Screen	34.3	—	67.6	64.8
TV Picture Life	—	33.3	66.6	66.5
○Teen Beg	—	—	11.5	17.0
Total Group	454.5	438.7	1,373.9	1,577.2
*** % change 1982 vs. 1981	+12.9%		+12.9%	
Youth				
Boys' Life	20.9	22.9	76.5	84.0
Campus Life	35.7	29.6	205.6	181.3
Total Group	56.6	52.5	282.1	265.3
*** % change 1982 vs. 1981	+7.8%		+6.3%	
Mechanics & science				
§Mechanix Illustrated	74.2	79.9	279.7	299.5
Popular Electronics	58.4	55.6	238.4	241.6
Popular Mechanics	120.9	129.0	400.4	421.4
§Popular Science	104.6	92.6	336.7	329.5
Total Group	358.1	347.1	1,255.2	1,292.0
*** % change 1982 vs. 1981	+3.2%		−2.8%	
Boating & yachting				
Boating	137.3	137.4	516.6	502.7
Chesapeake Bay	28.0	25.6	100.3	101.0
Cruising World	139.5	129.0	508.0	479.1
Lakeland Boating	62.1	51.3	212.5	195.5
Motor Boating & Sailing	148.6	144.0	623.5	665.5
Rudder	29.8	30.5	99.9	91.3
Sail	150.6	160.9	649.4	609.7
Sea & Pacific Skipper	82.6	78.1	312.5	326.3
Trailer Boats	42.3	26.7	116.8	105.6
Yachting	178.7	183.2	790.1	809.1
Total Group	999.5	966.7	3,929.6	3,885.8
*** % change 1982 vs. 1981	+3.4%		+1.1%	
Automotive & recreational vehicles				
Car & Driver	83.0	87.4	296.5	317.9
Car Collector & Car Classics	20.7	20.6	87.0	84.2
Car Craft	93.7	81.0	275.4	228.4
Cycle	129.6	141.5	376.4	380.7

*** % change figured ONLY from magazines with comparable issues 1982 AND 1981. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but not prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◊Published 11 times a year. ♥Published 8 times a year. **Published weekly. ▶Published every two weeks. A. Combined unduplicated regional ads. B. Preprinted inserts included. +Affiliated with Sunday Mag./Net. C. 3 issues in 1982 vs. 2 issues in 1981. D. Monthly as of Jan. 1982. E. First issue Sept. '81. F. First issue Oct. '81. G. Bi-monthly in 1981.

(Continued on Page 68)

Advertising pages in April consumer publications

(Continued from Page 67)

	Pages			
	April 1982	April 1981	Jan.-April 1982	Jan.-April 1981
Cycle Guide	91.1	95.9	252.0	262.0
Cycle World	108.7	116.5	304.9	351.1
Dune Buggies & Hot VWs	50.2	38.6	195.3	154.5
Family Motor Coaching	102.5	54.2	380.9	236.8
4 Wheel & Offroad	53.2	42.4	160.8	133.4
Four Wheeler	31.3	22.9	106.9	91.1
Hot Rod	78.4	69.2	218.0	213.3
Motorcyclist	86.0	85.1	247.0	239.2
Motor Trend	66.2	67.6	206.4	194.7
Pickup, Van & 4 WD	24.4	32.6	95.1	113.9
Road & Track	97.2	106.1	334.4	344.4
◇3 Wheeling	23.4	30.2	72.0	51.8
Total Group	1,141.6	1,091.8	3,610.9	3,377.4
*** % change 1982 vs. 1981	+4.6%		+6.9%	

Outdoor & sport

Alaska	51.2	41.5	182.6	149.3
○The American Handgunner	—	—	72.1	72.4
American Hunter	14.5	9.9	47.6	40.9
American Rifleman	26.9	26.6	97.1	105.1
○Backpacker	50.0	49.1	92.1	81.1
▼§Bass Master	64.4	—	262.6	161.7
††Bicycling	86.3	77.0	243.7	209.9
Field & Stream	87.0	84.4	232.2	330.0
Fins and Feathers	57.6	43.1	178.8	131.8
○Fishing World	—	—	84.8	77.0
Florida Sportsman	84.0	74.3	310.8	301.4
Fur-Fish-Game	22.8	20.1	97.2	99.0
Guns	29.4	28.5	124.5	123.8
Guns & Ammo	54.9	38.0	170.2	149.9
Outdoor Life	72.6	89.4	270.2	309.9
Petersen's Hunting	28.3	24.8	106.7	90.6
The Runner	42.0	30.3	131.8	85.7
Runner's World	63.6	45.0	141.4	141.9
Salt Water Sportsman	74.5	82.3	265.8	272.0
Shooting Times	24.9	30.8	110.6	158.4
‡‡§Ski	—	—	222.4	196.1
‡‡Skiing	—	—	197.6	160.0
Skin Diver	66.9	56.4	256.6	224.1
‡‡Southern Outdoors	60.4	45.4	154.7	139.6
§Sport	52.7	37.3	148.4	129.5
Sports Afield	111.5	116.6	393.3	349.9
▲Spray	46.5	53.8	135.0	138.6
▲Western Outdoors	40.1	32.6	140.3	130.7
Total Group	1,313.0	1,137.4	4,871.3	4,560.3
*** % change 1982 vs. 1981	+9.8%		+6.8%	

Comics

○Archie Comic Group	10.0	10.0	20.0	20.0
DC Comics	7.0	7.5	28.0	34.5
Harvey Comic Group	8.0	8.0	32.0	32.0
Marvel Comic Group	10.0	11.0	40.0	39.5
Total Group	35.0	36.0	120.0	126.0
*** % change 1982 vs. 1981	−2.8%		−4.8%	

Newspaper Sunday magazines/national

§Family Weekly	59.9	78.6	320.9	370.8
Parade	54.0	70.1	266.5	308.9
Total Group	113.9	148.7	587.4	679.7
*** % change 1982 vs. 1981	−23.4%		−13.6%	

Canadian national weekend magazines

B. Perspectives	37.9	48.5	135.7	154.5
§Today	45.6	67.7	163.1	215.9
Total Group	83.5	116.2	298.8	370.4
*** % change 1982 vs. 1981	−28.1%		−19.3%	

Canadian

L'Actualite	76.9	71.3	237.0	188.0
Chatelaine:				
§English Edition	98.2	91.0	322.9	296.1
French Edition	85.8	84.7	266.1	260.6
§Financial Post Magazine	40.7	72.0	142.9	159.9
§Flare	60.4	66.1	159.4	189.5
▲§Homemaker's Magazine:				
English Edition	82.7	83.2	258.1	251.3
French Edition	70.5	61.7	196.0	187.3
§Macleans	133.8	127.9	445.2	390.0
▼§Quest Magazine	69.5	64.1	128.6	113.9
§Reader's Digest:				
Canada-English	104.6	107.0	317.0	358.1
Canada-French	90.9	92.3	318.2	429.5
Saturday Night	27.7	48.0	95.3	101.2
▲Toronto Live	130.0	110.0	373.0	331.0
Total Group	1,071.7	1,081.3	3,259.7	3,256.4
*** % change 1982 vs. 1981	−0.9%		+0.1%	

March

	Pages			
	March 1982	March 1981	Jan.-March 1982	Jan.-March 1981

Business

Atlanta Business Chronicle	30.1	34.6	80.4	88.2
Barron's	197.6	205.0	506.5	536.4
Black Enterprise	45.8	37.4	128.0	125.9
§Business Week	445.1	488.4	1,025.8	1,039.6
California Business	66.7	52.7	174.0	140.5
Corporate Report/-Kansas City	49.7	47.2	136.6	130.6
Corporate Report/Minnesota	81.5	83.7	211.3	214.3
Crain's Chicago Business	113.5	94.5	275.2	221.2
Dallas/Fort Worth Business	50.4	49.1	129.9	101.6
Dun's Business Month	72.3	78.2	207.7	196.9
☆Financial World	91.7	86.2	232.7	229.9
Florida Trend	60.0	47.3	209.6	154.5
▶Forbes	262.6	271.3	624.5	594.7
▶§Fortune	183.6	179.8	480.5	418.4
Hawaii Business	43.8	50.6	110.5	146.8
Houston Business Journal	219.5	156.5	514.0	370.7
§Inc. Magazine	92.9	86.4	237.3	222.8
▶§Industry Week	135.0	150.0	346.1	369.9
Indianapolis Business Journal	65.3	52.9	192.2	141.5
§Nation's Business	54.9	54.8	113.4	119.9
*New England Business	57.0	35.5	177.7	101.7
St. Louis Business Journal	88.1	80.9	253.4	186.5
Texas Business	52.4	33.1	137.7	103.6
Venture	50.3	48.5	116.2	108.4
Total Group	2,610.0	2,514.8	6,601.4	6,042.5
*** % change 1982 vs. 1981	+3.8%		+9.2%	

Newspaper Sunday magazines/local

+Arizona Republic	108.7	167.3	278.8	360.7
+Boston Globe	162.8	184.4	437.0	415.3
+Chicago Tribune	114.4	152.8	259.8	299.9
+Cincinnati Enquirer	91.3	141.8	212.9	267.2
+Cleveland Plain Dealer	76.1	126.7	187.7	269.1
+Columbus Dispatch	68.5	123.0	171.3	257.8
+Dallas Times Herald	82.2	121.5	217.5	255.4
+Denver Post	133.0	205.2	287.8	461.3
+Detroit News	100.4	119.8	272.7	353.2
Los Angeles Times Home Magazine	98.6	127.0	249.0	305.5
+Louisville Courier-Journal	122.1	116.6	280.7	289.8
+Miami Herald	76.2	110.6	201.0	245.6
+New York News	59.8	125.1	163.6	268.5
New York Times Magazine	519.0	549.3	1,018.9	979.6
+Philadelphia Inquirer	53.1	66.1	105.0	105.1
+Toledo Blade Magazine	51.7	71.4	143.3	167.1
+Washington Post	126.5	156.7	300.5	326.4
Total Group	2,044.4	2,667.5	4,767.1	5,627.5
*** % change 1982 vs. 1981	−23.4%		−15.3%	

Weeklies, bi-weeklies, semi-monthlies

The Advocate	73.3	77.9	173.9	165.5
§Army Times Military Group:				
Air Force Times	160.5	151.7	419.2	411.2
Army Times	157.5	151.1	409.9	407.5
Navy Times	185.2	172.1	496.5	474.3
The Times Magazine	24.0	24.8	40.0	45.3
AutoWeek	159.3	137.5	369.9	310.5
The Blood Horse	436.5	362.2	1,666.2	1,397.3
Capper's Weekly	39.7	40.7	88.4	96.9
Commonweal	8.9	6.3	67.9	22.1
Golf World	66.7	61.8	192.5	194.8
§Grit	23.4	36.2	78.0	95.2
National Review	28.2	35.0	73.8	75.2
New Republic	37.7	24.0	83.5	50.2
New York Magazine	230.0	204.7	494.4	441.4
New Yorker	403.0	396.1	888.2	836.7
§Newsweek	236.4	328.7	594.3	665.7
People	313.6	321.7	732.2	727.3
Rolling Stone	89.7	78.3	220.8	196.7
Sporting News	56.2	46.0	142.2	135.9
§Sports Illustrated	215.7	214.8	579.8	607.4
§Time	231.9	264.8	594.4	639.4
A. Travelhost	2,056.2	2,573.0	6,766.5	5,937.0
§TV Guide	283.7	267.6	972.7	986.4
▶Us Magazine	59.5	40.8	130.3	91.5
§U.S. News & World Report	166.5	168.4	383.4	380.2
Total Group	5,743.3	6,176.2	16,672.9	15,391.6
*** % change 1982 vs. 1981	−7.0%		+8.3%	

Foreign

Buenhogar:				
Ecuador	8.0	10.0	21.0	19.8
Chile	2.0	2.0	2.0	4.0
Mexico	64.5	47.7	142.2	131.3
Puerto Rico	14.5	19.5	44.0	39.0
Venezuela	33.5	31.5	86.7	77.8
Colombia	38.8	31.0	79.7	74.0
Peru	28.5	23.3	76.0	76.3
Central America	2.0	6.8	8.5	13.0
U.S.	4.0	7.3	15.3	21.2
Dominican Republic	13.3	9.3	42.0	25.7
Coqueta:				
Mexico	11.3	10.0	22.2	15.5
Puerto Rico	—	2.5	6.0	4.5
Venezuela	2.0	7.5	16.0	16.5
Colombia	4.0	4.5	16.0	9.5
Peru	—	—	5.0	—
Central America	—	1.0	5.0	1.0
Fascinacion:				
Mexico	9.7	5.5	19.0	15.0
Puerto Rico	—	1.0	5.5	2.0
Venezuela	11.0	10.0	31.7	29.0
Colombia	4.0	5.0	21.0	14.7
Central America	—	—	—	—
Geomundo:				
Chile	6.0	5.0	12.0	11.0
Mexico	11.0	9.0	25.0	24.0
Ecuador	4.0	4.0	11.0	6.0
Venezuela	12.0	10.5	36.0	27.0
Colombia	8.0	7.5	24.5	19.0
Peru	8.0	8.0	20.0	17.0
Puerto Rico	4.0	4.0	16.0	9.0
Central America	5.0	5.0	9.0	9.0
Hombre De Mundo:				
Mexico	9.5	16.0	34.5	29.0
Chile	4.0	6.0	11.0	14.0
Puerto Rico	3.0	9.0	18.0	27.0
Ecuador	3.0	7.0	13.0	13.0
Venezuela	12.5	14.5	44.2	36.0
Colombia	7.7	7.7	24.0	29.5
Peru	3.0	9.0	11.0	20.0
Central America	4.0	7.5	7.0	13.5
Ideas Para Su Hogar:				
Dominican Republic	—	3.0	3.0	7.0
Mexico	26.3	17.7	64.3	35.8
Chile	1.0	1.0	2.0	2.0
Puerto Rico	—	2.2	4.0	3.3
Ecuador	3.5	—	16.5	1.0
Venezuela	21.0	16.2	55.0	37.7
Colombia	15.5	16.2	44.0	36.8
Peru	9.5	9.0	25.5	20.0
Central America	—	1.5	4.0	1.5
Intimidades:				
Mexico	7.5	6.5	13.5	12.5
Puerto Rico	2.0	5.5	9.0	10.5
Venezuela	5.0	11.5	17.0	24.0
Colombia	1.0	3.5	6.0	7.5
Central America	1.0	2.0	6.0	4.0
Mecanica Popular:				
Mexico	17.2	23.7	56.7	66.0
Puerto Rico	14.5	20.2	40.7	53.5
Venezuela	23.3	25.3	67.0	67.8
Colombia	19.0	22.7	52.0	61.5
Peru	19.3	25.2	58.2	67.5
Central America	14.7	20.2	41.2	52.5
Chile	5.7	5.0	15.0	10.7
Argentina	7.5	12.2	21.8	33.3
The Ring en Espanol:				
Mexico	2.0	1.0	6.0	4.0
Puerto Rico	4.5	2.0	9.5	7.0
Venezuela	3.0	2.0	9.0	5.0
Colombia	—	—	—	—
Central America	—	—	—	—
U.S.	6.0	2.0	13.0	7.0
Vanidades Continental:				
Dominican Republic	29.8	25.3	84.5	57.7
Mexico	140.3	127.3	290.3	277.0
Chile	19.0	16.7	34.0	26.2
Puerto Rico	44.7	56.7	113.0	119.7
Venezuela	90.0	75.2	196.5	150.0
Colombia	61.2	78.3	121.2	132.7
Peru	41.0	40.3	92.3	86.2
Central America	11.7	26.2	36.3	51.7
Ecuador	15.3	21.0	39.5	39.2
U.S.	58.7	36.0	140.7	95.5
Cosmopolitan Foreign Editions:				
Australia	58.7	51.8	133.3	122.6
Brazil	31.0	25.0	82.6	60.9
France	68.8	66.8	186.6	164.6
Germany	28.0	13.0	51.0	31.0
Great Britain	104.0	29.0	212.0	205.0
Greece	36.0	31.0	118.0	85.0
Italy	64.2	61.3	123.6	120.3
Holland	33.0	—	33.0	—
Japan	41.0	—	87.6	36.0
Cosmopolitan en Espanol:				
Central America	4.0	4.7	10.7	13.2
Colombia	10.0	13.2	34.5	36.0
Ecuador	4.0	2.2	9.7	7.0
Mexico	66.0	62.6	155.2	130.7
Peru	10.2	9.8	31.0	27.7
Puerto Rico	23.7	19.0	66.3	68.0
U.S. (Spanish language)	16.5	14.3	48.0	39.5
Venezuela	32.0	18.7	76.3	49.8
International Communications:				
African Business	31.0	28.8	94.7	69.9
The Middle East	22.0	22.1	52.8	53.6
New African	15.0	15.5	75.8	86.4
Ak-Iktisad Al Arabi	7.0	10.2	15.0	26.3
International Herald Tribune	100.1	92.8	233.1	220.7
International Management:				
Africa	15.1	16.5	41.2	31.7
Europe	48.2	41.0	93.5	98.2
Latin America	12.8	17.8	31.8	48.3
Middle East	21.0	15.3	52.8	41.3
Pacific	16.7	16.5	43.2	31.7
Johnston International:				
Alam Attijarat	69.7	62.8	171.3	165.4
Modern Africa	31.8	25.2	64.2	70.3
Modern Asia	25.5	39.3	73.5	89.5
Ejecutivo	25.2	—	38.8	—
§Newsweek International:				
Atlantic	95.9	94.2	200.0	200.1
Latin America	33.4	33.2	62.5	67.1
Pacific	85.5	84.6	187.5	186.1
††Progreso	14.2	16.8	31.4	34.0
Reader's Digest:				
Arabic	9.0	22.0	35.0	48.5
*Asian	185.5	174.5	585.0	311.9
Australian	81.0	86.3	188.0	274.3
Belgian-Flemish	87.0	96.0	179.0	161.5
Belgian-French	70.0	84.0	153.5	155.0
British	69.6	56.2	160.2	159.8
*Chinese	78.0	69.0	256.0	215.3
Danish	78.0	45.0	136.8	104.0
Dutch	47.8	48.0	95.8	110.8
Finnish	52.8	51.5	141.8	152.8
French	71.4	79.4	181.7	178.5
German	84.4	87.0	201.4	193.5
Iberian	26.0	45.0	76.0	102.5
Indian	76.0	65.0	295.5	312.0
Italian	62.0	74.5	116.5	191.0
Japanese	46.3	38.3	137.2	118.0
Korean	19.8	14.0	53.4	43.0
Latin America:				
Argentina	14.0	19.5	36.5	70.5
Brazil	9.5	10.5	26.0	29.6
Central America	11.0	19.0	33.0	39.5
Chile	14.0	27.5	46.5	82.0
Colombia	35.5	39.5	86.5	114.0
Ecuador	9.0	8.0	32.0	30.0
Mexico	57.8	54.4	129.6	148.3
Peru	8.5	8.0	26.5	30.0
Puerto Rico	5.5	10.5	21.5	20.5
U.P.B.	10.0	23.0	35.5	70.5
U.S. Spanish	17.0	18.5	51.5	47.5
Venezuela	20.0	22.0	53.0	57.0
Portugal	52.0	36.0	100.5	98.5
New Zealand	57.5	42.0	165.5	102.7
Norwegian	73.5	46.5	123.0	86.0
South African	72.5	69.0	220.0	186.0
Swedish	50.5	11.3	94.5	57.8
Swiss-French	36.0	41.0	77.0	77.0
Swiss-German	47.0	56.0	102.0	106.0
Total	1,749.4	1,698.9	4,448.4	4,304.6
Time International:				
Time-Asia	92.5	95.9	216.6	229.0
Time-Atlantic	116.4	131.1	259.5	259.4
Time-Canada	205.0	172.3	414.7	367.2
Time-Latin America	78.9	67.7	160.5	155.2
Time-South Pacific	156.2	165.5	330.9	338.3
**Visao	118.0	111.2	273.4	253.5
▶§Vision/Latin America	28.5	32.1	86.4	85.7
Total Group	4,955.2	4,661.3	12,006.1	11,266.7
*** % change 1982 vs. 1981	+5.9%		+6.6%	

C2710-1 4/28/82

Cable tv today
See Magazine

Advertising Age

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Clients, staff are targeted

JWT striving to overcome Luisi scandal

By NANCY MILLMAN and CHRISTY MARSHALL

NEW YORK—Last week, employes in the seven offices of J. Walter Thompson USA were surprised to receive memos, signed by chairman-chief executive officer Burt Manning and president-chief operating officer Wally O'Brien, announcing an awards program in which creators of the agency's best advertising will receive substantial cash prizes. Such in-house competition is not unusual at major agencies, but it is new to JWT.

Thompson USA staffers also have been receiving nationally distributed memos congratulating individuals on promotions, calling attention to awards won by individual offices or praising a particular branch for landing some new business. These too are not uncommon at other agencies, but JWT management in recent years has not kept in touch with its people in this way.

Thompson executives play down the connection between these innovations and the Marie Luisi scandal, which has caused parent JWT Group to write off $30,005,000 in pretax earnings for the past four years, including a $12,400,000 charge against 1981 earnings. They say the contest and stepped-up communications efforts were planned well before the company began disclosing the discovery of fictitious entries in the "time bank" of the tv syndication unit headed by Ms. Luisi.

D. Johnston

B. Manning

W. O'Brien

Trying to put the problems behind them.

Nevertheless, the moves could not have come at a better time, for the venerable JWT (founded in 1864), the nation's largest publicly owned agency, has been shaken to its roots by the scandal. The improprieties at one of its minor subsidiaries have blossomed into one of the largest financial scandals in the history of advertising, and the company that has boasted of selling more products in more countries than any other ad agency now is faced with its toughest selling job of all: It must sell itself. It must restore the morale and confidence of employes; it must retain the prized loyalty of existing clients, and it must assure potential clients and, indeed, the entire marketing community, that its over-all integrity and effectiveness remain intact. That is no mean task, for in few businesses do image and trust, both brought into question at JWT by the Luisi affair, matter as much as they do in advertising.

JWT must do all this, moreover, amid continuing internal, Justice Department and Securities & Exchange Commission investigations that could produce even more embarrassing disclosures, and amid Madison Avenue rumors that more bombshells are coming. JWT

(Continued on Page 72)

McDonald's cooks up broad-scale attack

By RICHARD KREISMAN

In its first full-fledged campaign from Leo Burnett USA, McDonald's Corp.'s creative strategy will remain true to form: Commercials breaking in late May retain the "You deserve a break today" theme and showcase what the company likes to call "heartsell" advertising, featuring slice-of-life vignettes.

The commercials form the national umbrella over massive local ad and promotion efforts for two new products, the McRib sandwich and Chicken McNuggets, both of which continue to roll out in selected markets throughout the country. McDonald's, which spent over $250,000,000 domestically on advertising last year, will exceed that figure this year.

The new campaign, shown to McDonald's owner/operators last week at a San Francisco convention, does not reflect a major strategic change from advertising created by former agency Needham, Harper & Steers.

To attract adults to try the two new products and increase family visits, the Oak Brook, Ill.-based chain has slated back-to-back nationwide "Happy Meal" children's promotions this summer.

And, if all goes according to plan, McDonald's will unveil a rub-and-win game promotion in mid-August that is tied to a videogame theme. The specific nature of the game has not been finalized, but it is centered around the Pac-Man game and characters. Pac-Man licensing rights are held by the Midway division of Bally Corp., but Atari, which markets the home video version, reportedly first approached McDonald's.

■ All three parties currently are negotiating with McDonald's, according to a Midway source, who said other fast-food chains, including Taco Bell, have expressed interest in game tie-ins.

The McDonald's game is slated to run through mid-October. A McDonald's spokesman would not com-

(Continued on Page 71)

ALLBRITTON, UNION TALKS BREAK DOWN

'N.Y. News' at the brink

By STUART EMMRICH

NEW YORK—Barring a last-minute miracle, the *New York Daily News* seems headed for the grave.

Negotiations between the paper's unions and potential owner Joe L. Allbritton broke down in the crucial final days before the Sunday deadline, as both sides hardened their bargaining positions. At press time Friday, union officials were still holding out the slight hope that an agreement could be reached, but others close to the paper all but completely discounted the chance that Mr. Allbritton, the Texas financier, would be able to work out a deal to buy the paper.

The key sticking point is Mr. Allbritton's demand that the unions agree to a two-year wage freeze in a five-year contract as part of an over-all package to save the paper an estimated $70,000,000 in annual payroll costs. Mr. Allbritton offered the unions 20% of the paper's future profits.

■ The unions have not rejected these terms outright, but said they must be negotiated as part of the over-all package of wage and contract concessions Mr. Allbritton is seeking. But Mr. Allbritton's representatives said Thursday that the wage freeze and the five-year contract are "nonnegotiable."

The talks deteriorated from there. The heaviest blow came late Thursday when Bertram Powers, printers' union leader and a name well known to the city's newspaper readers by virtue of past strikes and newspaper closings, suggested anew that *New York Post* owner Rupert Murdoch be brought back into the bargaining picture as a potential buyer for the *Daily News*. This suggestion infuriated the Allbritton representatives and reportedly led to their storming out of the meeting room.

"We have notified the unions representing the *Daily News* that under present circumstances there is no realistic possibility of reaching an agreement with them," Ed-

(Continued on Page 70)

Republicans eye sponsors of CBS show

WASHINGTON—The White House said Friday that its flap with CBS over Bill Moyers' "People Like Us" documentary is finished. But there is still muttering among some Republican Senate staffers, who want to put the heat on the sponsors.

White House communications chief David Gergen's wrath over the program's depiction of the impact of Reagan budget cuts on the poor never extended to the half-dozen advertisers that appeared in the Wednesday night program, an aide said Friday. But tempers were less firmly in check among the dozens of Republican Senate staffers who saw the program at screenings Thursday, organized by the Senate Republican Policy Committee.

Ironically, committee aides

(Continued on Page 8)

last minute news

Wendy's shifts focus, drops 'Ain't No Reason'

DUBLIN, O.—Wendy's International is dropping the controversial "Ain't No Reason" drive and replacing it with a new campaign themed: "W.K.O.P.: Wendy's Kind Of People." Network tv spots breaking in early July highlight food preparation, variety and quality, but also focus on the people who go to Wendy's. Radio and print will support, via DFS.

Kellogg ready to roll Marshmallow Krispies

BATTLE CREEK—Kellogg is extending its Rice Krispies family with Marshmallow Krispies, set to roll national in the next few months, the company said at its annual meeting. Tv and print, using Snap, Crackle and Pop characters, break in mid-August. Burnett handles. Kellogg also said it may roll out reformulated Special K (AA, March 29) before '83.

O&M, Reeves target pilot for cable and free tv

NEW YORK—O&M, in conjunction with Reeves Cable Productions, is producing a cable and commercial tv series pilot for American Express. Plan is to run "Bold Women" (working title) on USA Cable, then turn around and barter show to commercial tv. O&M also preparing another pilot for cable; this one on sports medicine for Menley & James.

Chambourcy yogurt hits N.Y.; dessert to bow

WHITE PLAINS, N.Y.—Nestle is rolling Chambourcy yogurt into New York from New England and upstate N.Y. tests. It also is introducing a

(Continued on Page 8)

NEWSPAPER
AA
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WASHINGTON DC 20014

Avis will try twice as hard via 2 drives

By ROBERT RAISSMAN and TOM BAYER

NEW YORK—Despite the decision by Avis Rent A Car System's national franchisees to move their $6,000,000 account to Bozell & Jacobs from McCaffrey & McCall, Avis will retain M&M to develop its corporate campaign and will not cut back on funding for the effort.

Harry Savage, a vp at Norton Simon, the Avis parent company, said the franchisees' decision does not affect Avis-M&M plans. "We are developing a campaign, and as we stated originally the campaign will be funded at the $10,000,000 level" (AA, March 22).

This would mean that between the franchisees and corporate, Avis would be spending about $16,000,000 with the two agencies.

Orville Storey, an El Paso, Tex., businessman who owns an Avis franchise that operates in 13 cities, said that differences in promotion ideas emerged as one of the key reasons for the defection. Mr. Storey is chairman of Avis' advertising and policy committee, a group that includes both corporate and licensee members.

Avis has approximately 150 franchises that represent about 52% of the cities in the Avis system, according to Mr. Storey. Because the corporation owns operations in larger cities, the franchisee group does not contribute the majority of the company's revenues.

The franchisee group, according to Mr. Storey, has full re-

(Continued on Page 71)

House skeptical of curbs on FTC

By RICHARD L. GORDON

WASHINGTON—First congressional reaction to the ad industry's new proposals to curb Federal Trade Commission jurisdiction over deceptive advertising shows the industry associations have a tough selling job ahead.

Lawyers for the Assn. of National Advertisers, American Assn. of Advertising Agencies and American Advertising Federation ran into a barrage of questions from the ranking Democrat and Republican on the House commerce, consumer and tourism subcommittee last week, which is drafting new FTC legislation.

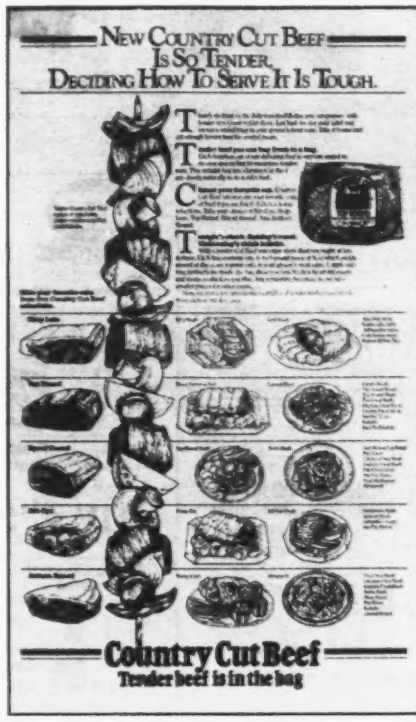
The new industry line struck subcommittee chairman James Florio (D., N.J.) as "a 130-degree change" from previous ad industry support for the present FTC law, which simply bars deceptive ads and leaves it to the commission to decide what is and isn't deceptive. "I understand what you're saying, but it's very difficult for me to understand the suddenness of your concern," he said.

And Rep. Florio said he is "particularly concerned" that changing the Federal Trade Commission Act to include the industry's proposed amendments will upset existing legal standards that advertisers have come to live with. "It will be extremely difficult for your industry to determine what will pass ultimate court scrutiny," he warned.

Rep. Norman Lent (R., N.Y.), the senior Republican on the House panel, expressed concern that the ad industry's proposed test for determining deception was "tough," and might force the commission to show monetary harm to consumers before proceeding against a deceptive ad.

The day after the House hear-

(Continued on Page 71)



Cutting in with new pack

Cargill, Minneapolis, is testing Country Cut Beef, a new approach to mass retailing of beef—4 to 9-lb. boneless beef sections in vacuum-sealed bags. Newspapers and tv are being used in Memphis and Oklahoma City, via Bloom Agency, Dallas.

Europe competitors await 'WSJ'

By DENNIS CHASE

The vision of businessmen all over the world reading regional editions of the *Wall Street Journal* is about to come a giant step closer to reality, along with a budding war for the global reader among some heavyweight competitors.

When the *Journal*, the largest business newspaper in the world with 1,900,000 readers in the U.S. alone, announces this week that it will publish a separate edition in Europe (AA, April 19), it will put the newspaper smack on the turf of its leading competitors in the global newspaper race: The *Financial Times* in London and the *International Herald Tribune*, headquartered in Paris.

The move into Europe is the latest step taken by the *Journal* on the road to becoming the world's first truly global newspaper service, with editions eventually in Latin America and elsewhere joining the existing *Asian Wall Street Journal*, the new European edition, and the U.S. edition. Both the *FT* and the *IHT* have pan-European editions already, and the *Tribune* has a Far East edition to compete with the *Asian WSJ*.

But, according to sources at Dow Jones & Co. and outside the company, the feeling is that a global newspaper will have to spring from the U.S., an English-speaking country where there is more advertising support than in Europe. There is also the feeling that such a global newspaper is more likely to spring from a business newspaper than from a mass-oriented paper.

The *Journal* is moving boldly into Europe. The edition will be printed in Heerlen, a tiny southern Holland mining town on the German border, by Limburgs Dagblad. Although the contract hasn't been signed yet, it is expected to be next month. When the newspaper will actually appear is unclear, but the best guess is not until early or mid-1983. Initial circulation will be between 7,000 and 10,000, mostly existing readers of the late-arriving U.S. edition. A staff of up to 20 people, probably located in Brussels, will edit and market the publication, which will not make use of any of Dow Jones' sophisticated satellite transmission capabilities for printing.

The newspaper will probably resemble the *Asian Wall Street Journal*. The editor and publisher of the European edition is Norman Pearlstine, ex-editor of the *Asian Journal* and now the *Wall Street Journal* national news editor. In place in Brussels is Jane Tolson, formerly in Singapore with the *Asian Journal* and now circulation director for the *Wall Street Journal* international air edition. She will become circulation director for the European edition. The company

(Continued on Page 70)

highlights

Monday, April 26, 1982

"Picking agency brains" through speculative campaigns is "unconscionable," the American Assn. of Advertising Agencies tells its members. *See Page 10.*

Compton Communications is getting an unusual deal in its takeover by Saatchi & Saatchi Co. Ltd. *See Page 12.*

A Boston tv station will be taken over this summer as the Supreme Court refuses to hear RKO General's appeal of a Federal Communications Commission decision. *See Page 14.*

Frozen breakfast foods will be waking up soon, marketers predict. *See Page 20.*

General Motors dealers in Canada are blowing up imports to set off their ad message. *See Page 20.*

Avon's Great American magazine sales venture may be the start of an extensive direct mail push. *See Page 24.*

Republic Airlines is offering a two-for-the-price-of-one fare promotion. *See Page 24.*

William S. Hamill of A.C. Nielsen Co. and Gale D. Metzger of Statistical Research were elected to the Advertising Research Foundation board. *See Page 34.*

Pfizer is introducing a new antiarthritic drug that analysts predict will be anything but arthritic on the market. *See Page 40.*

The government's new educational campaigns will put little emphasis on advertising, opting instead for media events and activity by grass roots organizations. *See Page 41.*

De Montal armagnac is being given a strong introduction to raise its awareness level in the U.S. *See Page 65.*

While some newspapers are fighting for survival, Dallas' two dailies are battling to outdo each other. *See Page 59.*

New census data show an increase in the number of households, especially in comparison with the population growth rate. *See Page 64.*

Holland's Swinkels brewing family is rolling out a beer in the U.S. that was made especially for American tastes. *See Page 64.*

William Bernbach tells communicators to be concerned with "unchanging man" because human nature can't be expected to change in the next billion years. *See Page 66.*

CORPORATE CLOSEUP

Nurti/System Inc. finds weight loss is not only recession-proof, but provides nice ground for expansion as well. *See Page 4.*

FOLLOWUP

Superman peanut butter has moved into 50 markets following its debut last summer. *See Page 56.*

VIDEOTECH

Daniel Ritchie, chairman of Westinghouse Broadcasting, called for more boldness and innovation in marketing commercial tv. *See Page 50.*

"The Road to Los Angeles" is paved with gold, as MCA TV sells all five of its national minutes eight months before the series is set to begin. *See Page 50.*

MAGAZINE

A new series titled "Admakers" debuts this week with a profile of Hal Riney, a San Francisco adman who for 25 years has waged war against boring and intrusive advertising, in the process creating brilliant, understated and often unconventional work. *See Page M-2.*

Fred W. Friendly, for more than 40 years a major force in broadcast journalism, takes an unequivocal stand in favor of expanding the half-hour evening network news to a full hour. *See Page M-9.*

SPECIAL REPORT

The "wiring of America" steadily continues. This week's Section 2/Special Report covers the current state of cable television in the U.S. *See Page M-11.*

Note: This week's Magazine and Special Report highlights inadvertantly appeared in last week's issue.

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St. Paul dailies to merge?

By ROBERT REED

The management of the *Pioneer Press* and *Dispatch* newspapers seriously is considering merging the morning and evening dailies into an all-day paper designed to combat the recently merged *Minneapolis Star and Tribune*.

Newspaper industry sources contend execs for the papers are exploring the idea but have not established a firm timetable for the decision. If the merger goes through, it would be a further indication that the long-standing "gentleman's agreement" between the St. Paul and Minneapolis papers is officially over, sources say.

Thomas Carlin, publisher of the *Pioneer Press* and *Dispatch*, would not comment on a merger, although he says his company is "looking into alternatives" and that the emergence of the 24-hour *Minneapolis Star and Tribune* is "another element to the situation." The morning *Pioneer Press* and evening *Dispatch* are owned by the Miami-based Knight-Ridder newspaper chain.

Both papers are holding steady in circulation with the *Dispatch* to-

(Continued on Page 70)

Miles to wire, promises to keep

By Susan Spillman

New technology gurus, multiplying almost as fast as cable channels, say that by 1990 half of all tv households will hook up to basic cable, generating $5 billion in revenue for cable operators. Pay tv subscriptions will amass another $3 billion and cable advertising yet another $3 billion by that time, according to their crystal balls. But before the so-called wonders of a wired nation can be realized, the nation must be wired.

Cable franchising and its politics and technological promises grabbed headlines from coast-to-coast over the past three years. For most major multiple system operators (msos), battling for the right to wire prime markets is top priority—but usually at the expense of improvement in other areas. With only a handful of desirable markets left and only a handful of msos economically able to stay in the game, the gold rush is slowing.

During the past 15 months, 10 major cities—including Boston, Denver and Miami—awarded cable franchises totaling more than 1,400,000 homes. The winners will spend an estimated $450,000,000 wiring these cities. The losers spent about $20,000,000 hoping to.

Ten other major cities and suburban franchises (including four New York boroughs, Milwaukee and large portions of Los Angeles) are currently evaluating proposals or negotiating contracts with cable companies.

The remaining uncabled top 50 markets—except Minneapolis, which is planning a municipal-owned system—are in the process of gathering information and expect to issue requests for proposals by next year.

However, the last cities—Baltimore, Chicago, Clevelend, Detroit, Philadelphia, St. Louis and Washington—will not receive the competition experienced by their predecessors, agree top mso franchisers. "Most of these simply are not desirable cable markets," says one top franchiser who did not want to be identified. "What's left are largely older, declining cities with decreasing growth rates and, in many cases, severe unemployment," the franchiser said. The ideal cable market has high density (at least 30 homes a mile), requires little underground wiring, has middle to upper income demographics, is one that the bidder already has contiguous franchises in and is one the bidder thinks he has an unusually good chance of winning. Apart from what many consider are drawbacks to the remaining markets, cable companies are more selective about what they bid.

With several big city wins required to be built, many msos have their circuits full.

"Many msos have shareholders to answer to and building cable is a capital intensive business," said Howard Gann, general council for the Cable Television Information Center, a consulting company that assists cities in evaluating cable proposals. "Cable companies have to dump a tremendous amount of money into building a system that it can't expect to see a return on for two years or a profit on for seven years.

"Many are concerned that promises being made today may not be able to be kept and they don't want to make such promises and be bound to them by a municipal contract," adds Mr. Gann.

Cities that see cable profits as a healthy new stream of revenue comprehend the franchising process better and are more demanding, or as disgruntled mso franchisers claim, ridiculously unrealistic in their requests.

"Everyone reads about the kinds of systems being built in

(Continued on Page M-20)

Susan Spillman is a reporter with Advertising Age in New York who covers the cable and broadcast industries.

Major franchises awarded

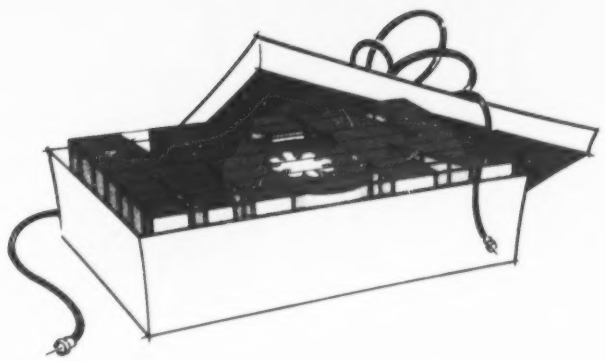
(in the past 15 months cover 75,000 homes)

City	MSO	Number of homes
1. Boston	Cablevision Systems	242,000
2. Chicago suburbs	Cablenet	205,000
3. Denver	Joint Venture: ATC & Daniels	220,000
4. Fairfield County, CT	Joint Venture: Cablevision & Scripps Howard	120,000
5. Fort Worth, TX	Sammons	160,000
6. Indianapolis	ATC	90,000
7. Miami	Joint Venture: Americable & TCI	147,000
8. Prince George's County, MD (north)	Storer	120,000
9. Prince George's County, MD (south)	Metrovision	100,000

Major cities pending franchise awards

City	Status	Number of homes
1. Bronx, NY	City selected to negotiate w/ Cablevision Systems	481,000
2. Brooklyn, NY	To be divided into 2 franchises; city selected to negotiate w/Cablevision Systems & Warner Amex	850,000
3. Queens, NY	To be divided into 2 franchises; city negotiating w/Warner Amex & Joint Venture: Cox/Innercity Broadcasting	725,000
4. Staten Island, NY	To be divided into 2 franchises; city negotiating w/Cox, Warner Amex & Visions	115,000
5. East San Fernando Valley, CA (suburb)	Consultant recommended CableAmerica; city council	164,888
6. Milwaukee	City evaluating proposals	270,000
7. Montgomery County, MD	City evaluating proposals	221,000
8. Fairfax County, VA	City evaluating proposals	190,000
9. Sacramento, CA	City evaluating proposals	210,000
10. South central Los Angeles	City transportation dept. recommended Community Telecommunications; city council not yet voted	210,000

"GOOD THINGS COME IN SMALL PACKAGES..."



Modern Satellite Network offers your clients a better media mix through cable. Our unique package gives you more ways to advertise. With conventional :30 and :60 spots in a key daypart – at surprisingly reasonable rates. With unique and innovative *infomercial* programming like our nationally acclaimed "The Home Shopping Show," and "Viewpoint" – long-form advertising which can be created and produced at a fraction of the cost of traditional messages. And with program sponsorships within our magazine-format series – timely features dealing with consumerism, health, travel and finance.

Modern Satellite Network is *the* daytime source for consumer information on cable. Unique programming that viewers want, and watch and respond to. A subscriber base of more than 4 million households nationwide, reaching a targeted audience of adult women 18-54.

Whatever your need, MSN is the viable choice for cable advertising. To get the full story, contact Les Tolchin at (212) 582-5500 or 582-5962.

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Person to Person Marketing by Phone

Promises

(Continued from Page M-18)

Dallas or Cincinnati and expects the same, but it just may not be economical," says one franchiser.

"The cities have become impossible," echoes another. As a result, MSOs are throwing in the towel in markets they've spent several months and thousands of dollars selecting. Other cities simply aren't getting the initial responses expected.

ATC (American Television & Communications) withdrew from the Sacramento, Cal., competition because of an innovative concept—channel banking—imposed by the city.

To guarantee that the franchise delivers on its promises, the city will place 20% of the system's total channnel capacity into a video escrow account. So if the winning bidder has proposed 100 channels, 20 of these would be held by the city.

The operator has 51 months to complete the construction of the system at which time the city will return 10 channels to the operator.

After one year of operation, the cable company's performance will be evaluated. If the report is satisfactory, the remaining channels will be returned to the cable operator. If not, one channel will be returned each year until the sixth year when all will be returned.

In Dearborn, Mich., seven companies submitted bids for the affluent 35,000-home franchise. After reviewing the bids the city decided to toss out the bids and start over. This time it distributed a 160-question survey.

After reviewing the responses the city narrowed the running down to three companies.

After negotiating with those three, only Teleprompter agreed to meet all of the city's demands.

These demands include: A $1,000,000 cash security deposit to be held for the duration of the franchise; $150,000 to be paid by Teleprompter for community programing, and another $10,000 to cover the cost of the franchise process.

The city is also seeking a waiver from the FCC to enable it to collect 7% instead of the legal limit of 5% of the systems revenues.

The stiffest cable contract negotiations are currently taking place in New York City. Seven companies targeted to build sections of Queens, Staten Island, the Bronx and Brooklyn were slapped with unprecedented demands.

Among the demands were provisions for 11 city-owned channels; eight leased access channels available to all persons on a first come, first serve basis; a buyout clause requiring the operator to sell all or any part of his system to the city at book value upon request, and 8% of all revenues are to be paid to the city.

The city is attempting to write one standard ordinance to all parts of the city to guarantee that comparable service is offered at comparable rates to all citizens.

As a result, the company awarded the Bronx and a depressed portion of Brooklyn to Cablevision Systems, which opted to discontinue its negotiations with the city. If the ordinance appears to make the proposition economical, Cablevision will sign. If not, the city may find it difficult to come up with an alternative plan since Cablevision Systems was the only bidder in the Bronx.

In short, summed Bruce Burnham, vp of franchising for Cox Cable, "You now spend more and get less. Winning ain't as good as it use to be."

Meanwhile a number of MSOs are anxiously awaiting decisions in numerous cities—some that were bid on as much as two years ago.

Others are carefully scrutinizing the potential of those markets due to come up for grabs during the year. By the end of 1983 most franchising activity will come to a halt. Then MSOs will be faced with delivering on their promises. AA

Cable franchising

Cities yet to accept franchise proposals

City	Number of Homes
1. Baltimore	279,000
2. Chicago	1,555,000
3. Cleveland	220,000
4. Detroit	440,000
5. Philadelphia	650,000
6. St. Louis	175,000
7. Washington	250,000

15 MILLION SUBSCRIBERS PROVE WE'RE WORTH WATCHING.

BEFORE YOUR VERY EYES, CBN SATELLITE NETWORK HAS BECOME THE FAMILY ENTERTAINER.

And no wonder. Subscribers in 3,000 communities watch us for refreshing family entertainment 24 hours a day. System operators look to us for the balance we give their cable package. Major advertisers eye us for the sizeable family audiences we deliver. Municipal leaders nationwide see us as a vital element in the video selection they want their citizens to have.

24

With so many people looking at us in so many different ways, maybe you should take a closer look. And find out why CBN Satellite Network **is** The Family Entertainer. And why, more than ever before, we're the one worth watching!

WHAT DO FAMILIES SEE IN US?

They see The Family Entertainer as the one network they can turn to for wholesome, timely, family-style programs. Not just for an hour or two, but for 24 hours a day. They see great movies. TV comedy classics. Inspirational programs. Nature series. Children's shows. Sports specials. Daily up-beat women's programming. Families see CBN Satellite Network as the one place where they can reunite in front of the TV.

LOOK AT THE SPLASH OUR SOAP MAKES!

CBN Satellite Network offers a lineup of original productions, including **Another Life,** a continuing drama. It emotionally involves viewers in its frank, sensitive story, forming ties that keep them on as subscribers.

THESE ARE EXCLUSIVELY OURS AND EXCLUSIVELY GOOD!

Other original programming includes **USam,** a fresh-as-dew early morning show; **The 700 Club,** the live TV magazine-format show with a timely perspective on today's world; and **CBN Update News,** a round-the-clock series of 90-second news capsules. All our shows are produced using the highest-caliber talent on both sides of the camera in CBN's 160,000 square foot communications center that's a showcase for today's finest broadcast technology.

SEE HOW WE'VE GROWN.

Industry research revealed that during 1981, CBN Satellite Network achieved significant growth. We surged ahead 22% in number of systems and 63% in number of homes. Today, 15 million subscribers welcome The Family Entertainer into their homes!

22% 63%

THE VIEW FOR AFFILIATES IS BRIGHTER THAN EVER.

We see to it that our 24-hour full-time affiliates get the support they need.

Best campaigns

(Continued from Page M-41)

The couple's return with the Sun Camera once again placed the campaign in the top five in the final quarter.

"They're a wonderful team. I always look forward to their commercials," said a young man from New Haven about Garner/Hartley. The never ending saga of this couple, their real life interplay, their portrayal of a typical marriage, their humor with funny twists and refreshing style make these commercials pleasant to watch and at the same time believable and informative. This unique combination of humor ("it holds your attention because it is entertaining") and informativeness ("it gives you useful information and a reason to buy the product") is frequently listed by the viewers as their sole reason for buying a Polaroid camera. "Very good commerical, I went out and bought the Sun Camera," commented a new owner from Denver.

Viewers particularly enjoy the variety of commercials Polaroid offers. "They have a different commercial every day. There are a lot of them so you don't see the same commercial over and over again." After all, a commercial is seldom funny the second time.

FRENCH'S MUSTARD (J. Walter Thompson USA). The "Mustard Sandwich," with its media budget of $3,200,000, is the lowest budget campaign ever to appear on this list. Within three months of its launch, it landed in the fifth position on our quarterly list and this makes it the fastest moving campaign we have seen in the past four years of our tracking.

Confronted with a declining brand share, French's introduced the "Mustard Sandwich" campaign in April, 1981 to convince its target audience that it has such a superior taste you can eat it alone from the jar. This commercial featured a youngster in the act of making a mustard on mustard sandwich while singing "You are my sunshine." At the end of the commercial, after his first bite, he declares "Delicious." The commercial is credited with producing the first share gain for French's in three years.

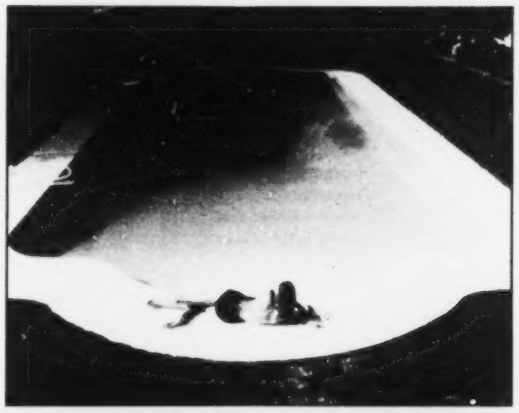
"It's so precious, I run to see it," said a woman from Orlando. Most campaign recall was for its star singer. Viewers found him adorable, charming, believable and "very goofy." His singing was considered "melodious," his expressions funny and his performance terrific. "That little boy gets to me," said another woman from Milwaukee. Some mothers were not sure about the mustard alone sandwich ("don't see how anyone can eat such a sandwich") but most could identify with the situation seeing their own kids doing that. "Typical but ingenious," said one such believer. The commercial managed to get the mustard taste across as a number of viewers chimed "delicious" meaning both the mustard and the commercial.

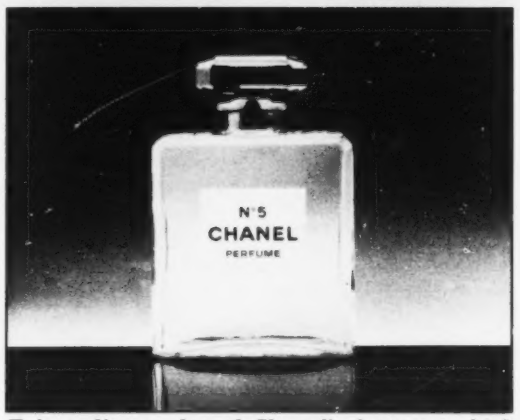
SEVEN-UP (N W Ayer). Early in 1981, the Seven-Up campaign switched from "America's Turning 7 UP" to a more upbeat, contemporary tune of "Feeling 7 UP." There was an enormous response to this change as the campaign jumped from No. 10 to No. 3 position on our quarterly list. During the year, the campaign continued to emphasize the refreshing values of this mainstream soft drink by portraying the family side of sports personalities such as Sugar Ray Leonard, George Brett, Tug McGraw, Mike Schmidt and Magic Johnson. Strategy, music, execution and celebrities are credited by the advertiser for the success of this campaign. Diet 7 Up with its cast of stars who "will not give up on taste" aired three spots in 1981 featuring Don Rickles/Linda Carter, Rich Little/Marilyn Michaels and Lonnie Anderson/Arnold Schwarzenegger.

Sports figures and their relationship with their children were most frequently cited as outstanding elements of the 7 UP campaign. George Brett was recalled as the best presented ("a wholesome, true to life commercial") followed by Sugar Ray Leonard ("a real natural, not a fizzed fight"). "Everyone can relate to the father and son relationship," said a new father from Long Island. A special vote was cast for the celebrity children, for their warmth ("Sugar Ray's little boy touches my heart") and cute lines ("just my dad" or "choke up on the bat").

Original tune and catchy jingle closely followed the personalities in recall. All 7 UP commercials are commended for depicting situations that involve the viewer and make him happy. "They sort of pep you up and give you an uplift" reported a dedicated fan of the 7 UP commercials. The enthusiasm and natural ease of presenters were often mentioned because they show "what people's real feelings are about 7 UP," said a believer from North Carolina. Don Rickles and Linda Carter were the best recalled of the Diet 7 UP commercials.

OSCAR MAYER (JWT). In 1981, Oscar Mayer had three campaigns on the air—cold cuts, hot dogs and ham. The three cold cut commercials "My bologna has a first name" have been on the air since 1974. The hot dog





Tv's audience shared Chanel's fantasy, which made the list for the first time this year.

commercials were launched in 1980, and emphasize the products special flavor due to the roasting process. Toward the end of 1981, Oscar Mayer added a ham commercial to its pool.

All Oscar Mayer commercials are rated "good, wholesome commercials," like the product. The kids and the jingle are integral parts of these commercials. To the viewers, Oscar Mayer kids are adorable, innocent, natural and eyecatching. Singing about the product, they appear honest and convincing.

"The nuances of these children are so appealing. They are delightful to watch," said a viewer from Kansas City. Once again, "Fisherman" and its singing star top the list of Oscar Mayer commercials. "He reminds me of my own son. His personality is one of enthusiasm," remarked a mother from Florida. The oldest question in our business was once again asked by a viewer from St. Louis, "How did he memorize those lines?"

LIFE CEREAL (BBDO). "They brought back 'Mikey'," exclaimed a grateful viewer from Denver. The "Mikey" commercial for Life cereal did not air in 1980 and the campaign was placed at 20th position in our list in that year. Brought back by popular demand in 1981, he has now propelled the campaign to 11th position this year. Besides "Mikey," the campaign aired two more spots in 1981, "Campers" and "Patient." The campaign positions Life cereal as a nutritional cereal that tastes so good even children love it.

"Mikey" was the best recalled of the 1981 Life cereal commercials with the other two running far behind. Most Life cereal commercials are considered family-type that find their way to mothers' pockets through their hearts. "It was such a cute commercial that I went out and bought some for my daughter," said one from Worcester, Mass.

Both adults and children can often relate to situations which use dialog between children. The campaign is applauded for using real life situations with children being themselves. The cute little boy who likes nothing is often described as natural, funny, entertaining and convincing. "He is so real. He makes you feel that he really enjoys the cereal." However, as in the past, not all fans of "Mikey" could recall the brand he advertises as his name was freely associated with a number of leading cereal brands.

KIBBLES 'N BITS (JWT). Kibbles 'n Bits is the most successful new product campaign in a number of years. After two years in test market, Kibbles 'n Bits completed its national roll out in 1981. The television campaign with three 30-second spots started in July, 1981 and immediately appeared on our quarterly list—the first time a new product campaign has done so. The campaign positions the brand as a totally new dog food that offers great taste through its unique two part form —kibbles and bits. The spots generate a strong brand name registration and convey a real sense of dog excitement, urgency and satisfaction with the brand.

Kibbles 'n Bits commercials were generally considered outstanding for the presence of the darling dog and the commercial's ability to make the viewers laugh. A dog panting down the street in combination with special sound effects was considered catchy and clever.

Most dog owners could identify with the dog in the commercial—from the man in Minneapolis ("he looks just like my dog") to the woman in Miami who insisted that her dog "talks just like the one in the commercial." The jingle was considered memorable. "I won't say it's the best, but you don't forget it. It sticks in your mind," said a dog owner from Detroit.

A number of viewers claimed to have bought the product because of these commercials. "My husband went out and bought some for our dog right away," said a woman from Nebraska. This combination of an amusing commercial which also sells the product was best described by a young man from Baltimore who ventured; "it makes you laugh and a commercial that makes you laugh sells the product." Some of us may want to add "not always."

MEOW MIX (Drossman Yustein Clowes). Meow Mix is back on our list this year. Continuing the strategy developed in 1974 ("the only cat food cats ask for by name), the campaign presented three spots in 1981—"Crosswords," "Answer Cat" and "Satisfied Customer."

Meow Mix commercials go to great lengths to present perception of their cats. In "Crosswords," for example, a clever cat helps his owner solve a tricky problem and get in a word for its favorite brand. A smart "Answer Cat" (like the "Answer Man Radio Show") provides answers to some very difficult questions even before they are asked. "Satisfied Customers," as the name suggests, presents a series of interviews with Meow Mix-loving cats from various walks of life.

Cute and humorous are the two words most often used by viewers to describe Meow Mix commercials. The cat's behavior and mannerisms in these commercials are considered not only funny, but also "realistic" and true to life. Crosswords was the best recalled and liked of the 1981 spots. "You can watch it over and over," said a viewer from Cleveland. "The humor of the situation sticks in your mind for months," remarked another from Memphis.

TAB (McCann). Tab, "The Beautiful Drink for Beautiful People," campaign has been on the air since 1977. It added five new spots in 1981 that focus on the goals of a Tab drinker—achieving a perfect figure that produces a feeling of self-confidence that shows in everything she does.

With her stunning figure, the "Girl on Beach" scored far ahead of all other Tab commercials in the 1981 pool. "It is a mind grabber because of the girl" exclaimed one viewer from San Francisco. This perfect "10" figure on the air since April, 1981 attracts a wide range of comments: To a man from New Orleans it was "inviting" and showed that "she was really striking and very sexy," and to a woman from Tampa it was an "inspiration" showing that Tab "really works." Some viewers, though very much a minority, found this blatant display of beautiful people an exploitation of the female body and rated the commercial "very offensive."

Over-all, the humor of the situation (a man staring at this figure as his wife pours a bucket of water over him) was considered cute, true to life and funny. It kept the viewers glued to the screen ("made me want to see where it would lead to") and then delivers its message which according to a teenager from Boston was "it pays not to look."

JELL-O (Y&R). "Children love it and mothers feel good about serving it because it is wholesome" was clearly the message of the two Jell-O pudding commercials that aired in 1981. Bill Cosby's presentation of this strategy since 1973 is credited with continuously increasing the Jell-O pudding market share and reinforcing the brand's warm and friendly personality. The Jell-O gelatin "Fun" campaign added two new executions in 1981 celebrating the unique and delicious eating experience based on rediscovering Jell-O gelatin. The "fun" of Jell-O gelatin was presented through a combination of wiggling product, happy faces and matching music.

To most viewers, Bill Cosby is the Jell-O campaign. He is considered natural, cute, hysterical, warm, entertaining, friendly, humorous, believable, enjoyable and "the greatest." The way he acts and reacts to children is often cited as an example of his talent to get his message across without even trying. The "Fun" campaign was frequently recalled for its children and music. The family get-together commercials created an all-American image for the brand. "It was wholesome. The representation of what we think American families are," observed a woman from Allentown, Pa.

FEDERAL EXPRESS (Ally & Gargano). The

(Continued on Page M-43)

Addenda to AA's Agency Income issue

(Continued from Page 42)

house) and Rand Public Relations in New York. Accounts gained: Christmas Concepts, Coldwell Banker, Intelexpo 81, Kilkenney Service Corp., Bank of Lockport, Meade Electric, Mount Greenwood Bank, SKK Inc., Washington Bank & Trust. Lost: Gary St. Charles Co., Itasca Bank & Trust, Liberty Savings. Billings breakdown: Newspapers 26%, magazines 12%, radio 56%, spot tv 2%, outdoor 1%, direct mail 3%. Employes: 11. Top execs: Russell K. Creel, president; David R. Creel, exec vp; Gregory L. Coy, vp-creative director.

Phone: (312) 986-9402.

Inform Inc., Hickory, N.C., reported net income of $28,960 and gross income of $207,590 in 1981 on billings of $3,928,993. In 1980, it reported net income of $4,603 and gross income of $176,046 on billings of $3,602,978. Volume in 1981 consisted of $239,889 in media, $43,976 in materials and services and $3,645,128 in capitalized fees. In 1980, volume consisted of $229,301 in media, $34,395 in materials and services and $3,339,282 in capitalized fees.

Accounts gained: Thurs-ton Motor Lines, Carpenter Chevrolet, Scottish S&L, Cellu Products, Moretz Mills, Technetic Industries, Plastic Packaging, NC Dance Theater. Billings breakdown: Newspapers 37%, magazines 15%, radio 25%, network tv 19%, outdoor 4%. Employes: 20 in two offices. Top execs: Paul Fogleman, Barbara Short, Larry Shepler.

Phone: (704) 322-7766.

Klein-Sieb Advertising & Public Relations, Atlanta, reported net income of $42,092 and gross income of $363,838 in 1981 on billings of $2,802,045. In 1980, it reported net income of $19,719 and gross income of $446,561 on billings of $3,119,897. Volume in 1981 consisted of $2,094,830 in media, $661,525 in materials and services and $45,690 in capitalized fees. In 1980, volume consisted of $2,544,098 in media, $544,717 in materials and services and $31,082 in capitalized fees. Billings breakdown: Newspapers 35%, magazines 10%, radio 15%, network tv 5%, spot tv 10%, cable tv 5%, outdoor 5%, business papers 5%, direct mail 10%. Employes: 14 in one office. Top execs: Edward H. Sieb, Phil B. Klein, principals. Phone: (404) 256-9605.

Paolin & Sweeney, Collingswood, N.J., reported estimated gross income of $665,000 in 1981 on billings of $4,401,495. In 1980, it reported estimated gross income of $490,000 on billings of $3,281,691. Volume in 1981 consisted of $1,221,631 in media, $186,239 in materials and services and $2,992,625 in capitalized fees. In 1980, volume consisted of $1,027,727 in media, $119,004 in materials and services and $2,134,959 in capitalized fees. Accounts gained: Boehm Porcelain, Carrier Foundation, U.S. Home (Delaware Valley division), Jerome Medical. Lost: New Jersey Dental Society. Overseas, the agency gained Flowen Oil in the U.K. Billings breakdown: Newspapers 40%, magazines 10%, radio 10%, spot tv 10%, cable tv 5%, outdoor 3%, business papers 11%, direct mail 10%, other 1%. Employes: 12 in one office. Top execs: John R. Paolin, president-chairman; Thomas B. Sweeney, exec vp.

Phone: (609) 858-8500.

Jules Rabin Associates, Valley Stream, N.Y., reported estimated gross income of $495,000 in 1981 on billings of $3,300,000. In 1980, it reported estimated gross income of $520,000 on billings of $3,100,000. Volume in 1981 consisted of $2,200,000 in media, $550,000 in materials and services and $550,000 in capitalized fees. No volume breakout was provided for 1980. Accounts gained: Horn & Hardart (classified), Towa Corp. of America, Dan Lurie, Semitronics. Lost: None. Billings breakdown: Newspapers 30%, magazines 50%, direct mail 20%. Employes: 18 in one office. Top execs: Jules W. Rabin, president; Melvin D. Weber, exec vp. Phone: (516) 561-9160.

Robbins & Ries Inc., New York, reported gross income of $891,496 in 1981 on billings of $5,943,308. In 1980, it reported gross income of $298,851 on billings of $1,992,343. Volume in 1981 consisted of $4,152,214 in media, $648,510 in materials and services and $1,142,584 in capitalized fees. In 1980, volume consisted of $758,285 in media, $342,759 in materials and services and $891,299 in capitalized fees. Accounts gained: Metropolitan Savings Bank, Citibank (The Market at Citicorp Center), Universal-Pioneer Freight System, Gould Entertainment Corp., I.M.G. Services, Williamson, Picket Gross. Lost: Woolsey Marine division and parent, Metropolitan Consolidated Industries (both resigned). Billings breakdown: Newspapers 30%, magazines 15%, radio 15%, spot tv 10%, outdoor 5%, business papers 5%, transit 5%, direct mail 15%. Employes: 11 in one office. Top execs: Sherman M. Robbins, president; Thomas W. Ries, exec vp. Phone: (212) 689-7610.

Advertising Inc., Tulsa, and Advertising Inc., Greenville, S.C., were lised correctly in the profiles on Pages 50 and 78 respectively, however, their positions on the charts ranking agencies by gross income were inadvertently switched. The Tulsa shop should have been on P. 14 and Greenville on P. 18 of the chart.

Lawrence Lesser is president-ceo of Medicus Intercon Int'l, a unit of Benton & Bowles, and Frederick Sulcer is a B&B senior vp. Their titles were incorrectly listed in B&B's agency income profile.

Maher, Pastor & Stevens' (Hartford, Conn.) income and billings figures were incorrectly stated for 1981 and 1980. Gross income in 1981 was $1,500,000 on billings of $13,500,000. Gross income for 1980 was $1,150,000 on billings of $9,100,000.

SAAS Advertising, New York, gained the Sparkomatic of Europe and Jesse Jeans accounts in 1981. An agency profile erroneously listed those accounts as having been lost.

Zylke & Affiliates, Glenview, Ill.: An error on the questionnaire caused the agency's billings to be misstated; 1981 billings were $10,165,293.#

New vehicle for Pac-Man

FRANKLIN PARK, ILL.—Applied Marketing Services, Detroit, and Creative Technology, Akron, have been signed by Midway Mfg. to syndicate a radio station promo package, using the Pac-Man character. KAZY, Denver, is the first to sign.

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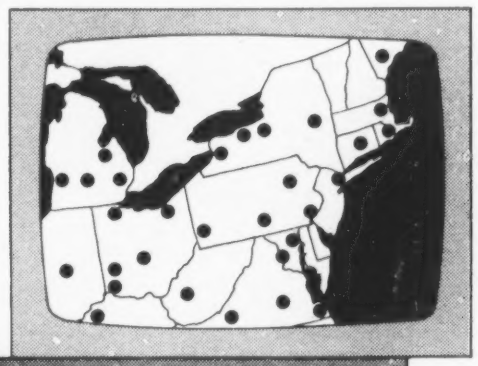
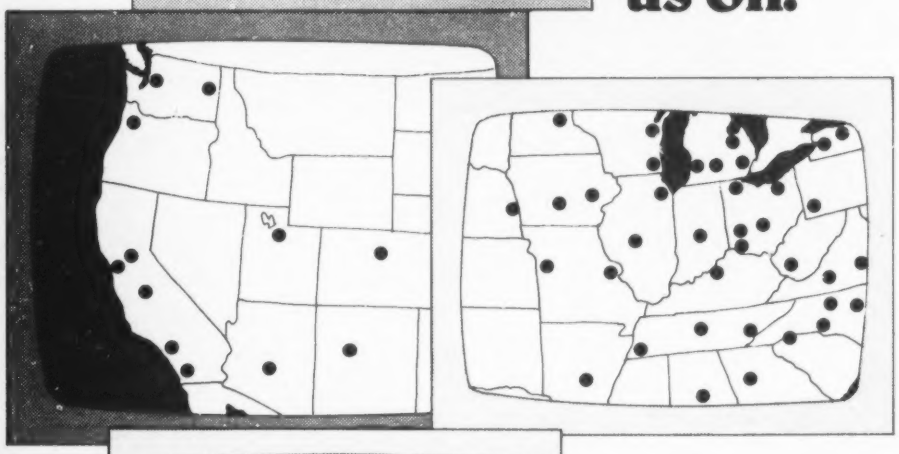


Your TV market turns us on.



Whether you're an advertiser or agency, BAR's Spot TV Local Market Reports will turn *you* on too.

Spot by spot, you analyze how the stations aired your campaigns. You learn how your competitors are using TV. With this information, you can plan ahead to make the most of your TV expenditures.

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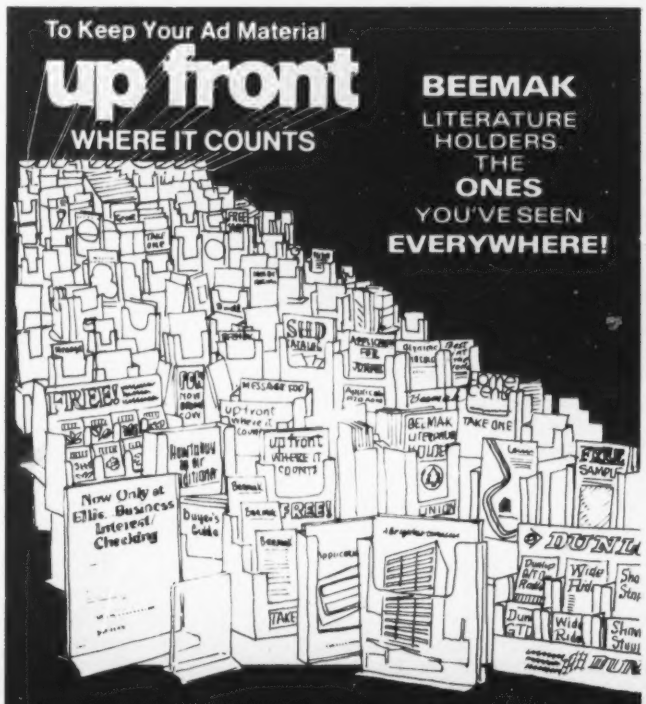

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Sweepstakes, games hit the jackpot—Magazine special report

Advertising Age

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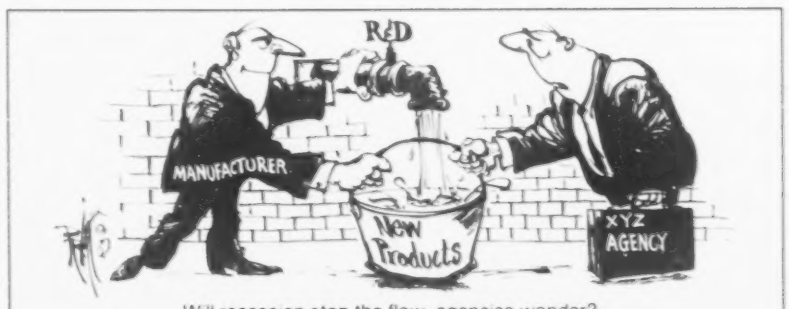
$1 a copy; $40 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | May 3, 1982

No new product r&d cutbacks yet



Will recession stop the flow, agencies wonder?

An Advertising Age roundup

Agency executives who are coping with cost-cutting plans and proposals are wondering whether today's recession will generate a new product drought in the future.

Noting that clients tend to protect the bottom line in periods of recession, often by reducing new product research and development and eliminating any venture that smacks of high risk, an agency head said: "Sure, there is increased support for the cash cows [at such times]. And they'll think of line extensions before they think of new products.

"In the long run, fewer new products on the drawing boards will hurt agencies more than anything I can think of. . .because decisions to shelve a new product venture this year actually impact on agencies in 1985. It's the long-range impact of the 'no-go' decisions that are now being made that is our problem," he said.

■ The fear does not appear to be well-founded, however, judging from the findings of an Advertising Age survey of new product activity among major advertisers. (And assuming that their comments avoid blind optimism as they endeavor to strengthen the corporate posture concerning

(Continued on Page 77)

Carnation to launch health center chain

By JENNIFER PENDLETON

Los Angeles—Carnation Co. is taking a major step into the health and nutrition field with a new retail chain offering personalized weight-loss programs and a new line of health-oriented Carnation products.

The company will open six Carnation Health & Nutrition Centers in Los Angeles this fall as a prototype for what will eventually become a national chain, if all goes according to plan. The centers will offer personalized service extending to nutritional and weight-loss counseling, plus a separate retail outlet that will sell health foods, vitamins and low-calorie foods under the Carnation and other brand names.

Carnation is developing the new products exclusively for the centers; the centers will not be outlets for existing Carnation products.

Carnation has set up a separate health and nutrition division to manage the project. Last December it hired former Sun Drug president Kenneth Chane; he will be the division's general manager. Carnation has assembled a sizable staff to handle all phases of the new operation.

Mr. Chane told Advertising Age the concept of the center is unlike any other in the health and nutrition field today. "This is not an exercise center spa," he said. "What we are offering is a professional approach to personalized weight loss using Carnation's expertise in diet and food technology."

Although Carnation's retailing experience is limited, Mr. Chane has spent his entire career in retailing, most recently as president of Pennsylvania-based Sun Drug and, before that, as exec vp of Mack Drugs in the northeastern U.S.

It was known that Chiat/Day had been named to handle an undisclosed line of Carnation nutritional products (AA, March 15), but the extent of the project was not known until Carnation chairman H.E. Olson mentioned that the company would start testing a new

(Continued on Page 82)

Wanna pop?

Shasta Beverages uses the theme "I wanna pop" in new campaign breaking today (AA, March 22). "Don't gimme that so-so soda, the same old cola. I wanna pop. I wanna Shasta," spots say. Needham, Harper & Steers handles.

Almost: A $2.3 billion agency merger

FCB strikes out at DDB

By CHRISTY MARSHALL

New York—Foote, Cone & Belding, which Friday found its merger discussions with Doyle Dane Bernbach "amicably" terminated, is expected to go back to a list of other marriage candidates it has drawn up.

That list is said to include Backer & Spielvogel, Dancer Fitzgerald Sample, N W Ayer, Grey Advertising, Wells, Rich, Greene and Warwick, Welsh & Miller. Prior to its discussions with DDB, which if fruitful would have created a $2.3 billion U.S. agency second only to Young & Rubicam in worldwide billings, the agency had met with Needham, Harper & Steers, but nothing came of those talks either.

Robert Pfundstein, exec vp-chief financial officer at Doyle Dane Bernbach, would say only that they "found some snags" in the FCB/DDB matchup—snags significant enough to warrant breaking off the talks. An examination of the two client rosters reveals a number of major conflicts.

One source claimed the agencies actually had made a deal late Thursday night, with FCB the acquiring agency, but it came apart when they tackled the problem of what to call the merged agency. Doyle Dane Bernbach/Foote Cone & Belding? Foote, Cone & Belding/Doyle Dane Bernbach? Bernbach/FCB?

■ If FCB had linked with DDB, the record for the largest merger in agency history ($2 billion) that was established only last February by Ted Bates & Co. and William Esty Co. would have been topped. Combined billings of DDB ($1.150 billion) and Foote, Cone ($1.153 billion) would have hit $2.3 billion, changing the agencies' status from the ninth and tenth-largest, respectively, to No. 2, bumping J. Walter Thompson Co. ($2.2 billion) to No. 3. (Those figures are for U.S.-based agencies; Japan-based Dentsu Advertising bills $3 billion

(Continued on Page 82)

NEWSPAPER

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CONGRESSIONAL INFO SERVICE
SPI ACQUISITIONS
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WASHINGTON DC 20014

last minute news

Hearst buys 'Redbook,' data unit for $23 million

New York—Hearst has agreed to purchase *Redbook* and Charter Data Services from Charter for $23 million in cash and promissory notes, plus an undisclosed contingent sum based on *Redbook's* future performance.

Movie Channel offers systems up to $10 a head

New York—Movie Channel will pay $5 per subscriber to any cable system that signs a three-year contract and $10 per subscriber to any system signing a five-year pact. The offer, effective July 1, is designed to "help multipay flourish and assist subscribers in getting the best pay tv programing," said Robert McGroarty, vp-marketing for Warner Amex.

O&M's Riney aboard hijacked Honduras plane

San Francisco—Hal Riney, exec vp-West, Ogilvy & Mather, was one of eight Americans aboard a hijacked plane in Honduras, the State Depart-

(Continued on Page 8)

Daughter Christie takes over

Can new Hefner rebuild empire?

By JENNIFER ALTER and PAUL MERRION

CHICAGO—By elevating his 29-year-old daughter to the presidency of Playboy Enterprises, Hugh Hefner is hoping that he has solved the management problems that have plagued his company in the last decade.

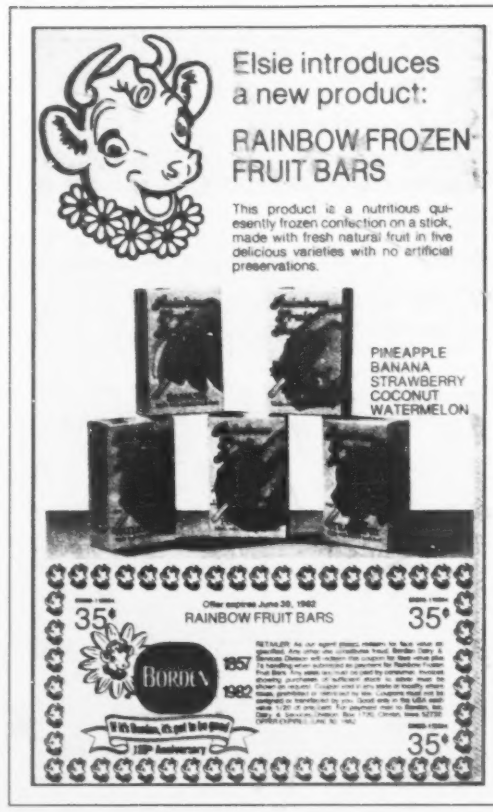
Not the least of those problems, Playboy followers note, has been the paradoxical Mr. Hefner himself. Since buying an idyllic Los Angeles retreat in 1970 he has been at once an aloof and intimidating figure at the company—indifferent to all company pursuits except those associated with his beloved *Playboy* yet insistent upon calling all the shots when it comes down to decision time.

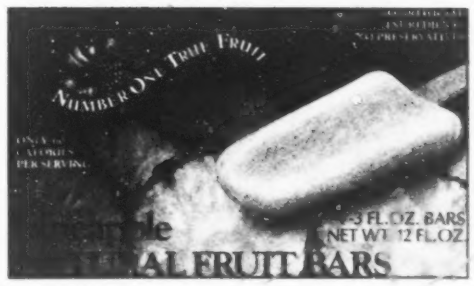
"They need entrepreneurial direction," says Kenneth Noble, a publishing analyst at Paine Webber Mitchell Hutchins and a longtime Playboy follower. "They need a person in charge who's there."

Now in charge is Christie Hefner, just eight years out of Brandeis University. She has inherited, along with her father's entrepreneurial genes, a shattered empire. Suddenly shorn of the gambling interests in England and New Jersey that promised to make the company a major casino-resort operator with an almost incidental interest in publishing, Playboy once more is largely a magazine publisher. It is, moreover, a magazine publisher that has demonstrated little competence in expanding beyond its flagship title, although *Playboy* retains a solid hold on an important audience and is profitable enough to finance new ventures.

The company has made a tentative, and so far unproven, foray into cable tv programing. Beyond that, it has little but its 16 remaining Playboy clubs, which no longer appeal to the people they were built for and

(Continued on Page 84)





Elsie moves into market to take on Shamitoff

While Borden has just begun an Oklahoma City test of Rainbow frozen fruit bars, in five varieties with no artificial preservatives, Shamitoff Foods of Redwood City, Cal., has been gradually expanding distribution of Shamitoff's Number One True Fruit bars. Its line is now in more than 35 states.

Shamitoff's five flavors of bars contain one-fourth cup of fruit, average 60 calories and contain no artificial ingredients. Borden is using newspaper ads handled in-house; Shamitoff runs newspaper ads only upon distributor request (also done in-house).

Planned ABC net plugs into home taping

By MORRIE GELMAN

ABC Video Enterprises has dropped a bombshell on the home video business.

Not content with its Hearst, Group W and ESPN ventures, the ABC Inc. unit has been quietly developing subscription tv for videocassette recorders. Sony is its hardware manufacturer/supplier.

ABC is asking the Federal Communications Commission for expedited approval to initiate a national subscription tv distribution service using a combination of over-the-air broadcast and videotape recording technology.

This proposed Home Video Network (HVN) would transmit movies (eight new ones per month), cultural, theatrical, educational and how-to programing in scrambled form for subsequent automatic recording on vcrs in HVN subscriber homes. It will transmit five times a week, from 2 a.m. to 6 a.m. (ET), over the five network-owned stations as well as any affiliates that want to participate.

The fee would be $19.95 a month plus installation charge. Homes sans videocassette recorders could lease a unit from HVN for $29.95 monthly, or buy one through the service at a cost comparable to the lowest retail level. The HVN system is compatible with virtually all vcrs, not just Sony's Betamax.

ABC affiliates would participate by receiving a monthly payment per subscriber in their market area. Asked if HVN viewing is going to dilute hut (homes using television) levels of ABC nationally and affiliates locally, ABC Video Enterprises president Herb Granath, under whose aegis the new delivery system falls, acknowledged it will be competitive to some extent, but could more appreciably impact on the home video business.

Another impact is going to be on direct broadcast satellites. Mr. Granath believes. He thinks HVN is going to have its most immediate impact in markets that are not served, and not likely to be served, by cable.

A selling point, according to Mr. Granath, for the program suppliers, particularly the movie studios: More security and accountability in the distribution of product to the home video market than in current tape rentals. For the ABC affiliate, HVN presumably offers a chance to join the video parade without making a major financial commitment.

Specifically, ABC, which wants to get HVN into full-fledged operation by early next year, is asking the FCC for the same sort of stv waiver for its five owned vhf stations as stations in the uhf band have received. Sony also is seeking approval to use its encoding/decoding devices.#

highlights

Monday, May 3, 1982

A.H. Robins Co. introduces a new lipstick line called Exelle. *See Page 10.*

Vincent T. Wasilewski resigns as president of the National Assn. of Broadcasters after 17 years. *See Page 10.*

Stroh Brewery is debuting its new Stroh Signature superpremium beer this month, targeting the "independent thinker." *See Page 12.*

Turner Broadcasting executives eagerly pounce on available Nielsen figures. *See Page 20.*

Despite its "deadwood" image, D'Arcy-MacManus & Masius, New York, appears to be coming to life. *See Page 26.*

Vanity Fair, from Conde Nast, sends its prototype issue to agency offices. *See Page 30.*

Comp-U-Card sells minority interest to Jack Eckerd Corp. *See Page 30.*

Mattel's new security products going into test markets emphasize personal safety rather than guarding property. *See Page 34.*

A recent antitrust settlement between Eastman Kodak and GAF Corp. has established Kodak's product rights. *See Page 39.*

Marketers should target personalities rather than selling to numbers, the National Retail Merchants Assn. was told. *See Page 39.*

Protests continue on whether Doyle Dane Bernbach should be creating advertising for South African Krugerrand gold coins. *See Page 42.*

A better-than-average crop of summer movies is raising competition problems for marketing execs. *See Page 47.*

Jose Cuervo is trying to spice up the American market with its sangrita, a nonalcohol blend of orange juice and chili peppers. *See Page 50.*

A myriad of rules dictate the cable market in Canada. *See Page 60.*

The Dallas Advertising League's ad show has drawn criticism on its judging and its emphasis on art and design rather than advertising. *See Page 63.*

Computerized star presenter lists are in the works at International Talent Negotiators. *See Page 64.*

G.D. Searle & Co. has scrapped its potential business relationship with Lee King & Partners over a King tv spot for client Alberto-Culver Co. *See Page 68.*

Kellogg Co. is planning a new tv spot for a Wheat & Raisin addition to its Nutri-Grain cereal line. *See Page 70.*

Washington Post chairman Katharine Graham tells Ted Turner and the American Newspaper Publishers Assn. that, despite Mr. Turner's prediction last year, daily papers are "not ready for the obit page yet." *See Page 80.*

Newspapers are rushing to get into electronic publishing, anxious not to be left behind. *See Page 80.*

Motors Insurance Corp. is paying off quite handsomely for General Motors, being one of its few profitable operations. *See Page 85.*

CORPORATE CLOSEUP

Household Finance Corp. has been building its base in related businesses such as banking and thrift institutions, and has its eye on blossoming into a multifaceted financial services operation. *See Page 4.*

VIDEOTECH

Cable services are turning to original series as the "natural way to go." *See Page 62.*

MAGAZINE

Business magazines are hammering away at each other with tough, new ads that hit hard—and directly—at the competition. *See Page M-2.*

Thailand offers a fertile ground for advertising, despite its somewhat chaotic nature. *See Page M-31.*

SPECIAL REPORT

Sweepstakes, games and contests are enjoying a new popularity today, as our section on Promotions and Premiums reports. *See Page M-7.*

REGULAR FEATURES

ACCOUNT CHANGES	42	OBITUARIES	68, 70
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CORRECTIONS & CLARIFICATIONS	6	VIDEOTECH UPDATE	58
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Tribune to keep 'News'

By STUART EMMRICH

NEW YORK—Reversing its months-long position that the only way the *New York Daily News* was going to survive was under another owner, the Tribune Co. announced late last week that it had decided to keep the paper itself.

In a low-key statement that amazingly seemed to ignore any mention of four months of turmoil, uncertainty and confusion that has surrounded the *Daily News* since it was put up for sale last December, Tribune Co. president Stanton Cook said the company now believes it is possible to reverse the paper's financial slide.

"This is a great newspaper, a newspaper whose circulation and advertising strength demonstrate that it will be needed and effective in the marketplace for years to come," Mr. Cook said. "We believe it can again be a profitable newspaper."

In meeting with the paper's unions to inform them of the reversal, Mr. Cook said he hoped the company would be able to get the same sort of contract and staffing concessions that had been offered

(Continued on Page 82)

Giving each other the business

Tough new ads hammer away at the competition

By Stuart Emmrich

There it was in unmistakable black and white, disturbing an otherwise uneventful Monday morning.

An ad placed by *Business Week* showed a rolled up, discarded copy of the *Wall Street Journal* nesting in a wastepaper basket. Its headline: "It's 10 a.m. Do you know where your ad is?"

The *Wall Street Journal*? Tossed aside like any old fish-wrapper? It was a sight that had some media buyers surprised and *Wall Street Journal* executives apoplectic. Sure, competing publications aren't above taking occasional swipes at each other, but those previous efforts had the impact of pebbles skimming over the water compared with this ad, which appeared in the New York Times and Advertisng Age.

"That was a new low in advertising. When you start to take shots like that, it's more than a little beneath the call of competition," charged Bernard Flanagan, vp-advertising at the *Journal*.

The ad was part of a series in a new campaign *Business Week* and its agency, Fearon/O'Leary Associates, New York, broke earlier this year. A previous ad, using news clips from both *Business Week* and the *Journal*, sought to demonstrate how *Business Week* had beaten the *Journal* on news stories months or weeks earlier. Another ad described the journalistic competition between the weekly *Business Week* and the daily *Journal* as the difference between "perked and instant" reporting.

Those ads were okay with *Journal* vp-associate publisher Peter Kann, who said it was normal and expected for competitors to make unflattering comments about their rivals, but he said he, too, was taken aback by the now infamous "It's 10 a.m." ad.

"I'm surprised to see that a magazine would show a picture of its competitor in a wastepaper basket," Mr. Kann said. "It really lacks class and good taste, and I'm not sure why they would want to do something like that. We certainly don't think *Business Week* is trash."

But *Business Week* publisher R.B. (Bernie) Alexander, while acknowledging that the "wastepaper basket" ad might have been a "little rough," said that his magazine wasn't trying to portray the *Journal* as trash.

"We certainly didn't have that in mind; we have the greatest respect for the *Journal*," Mr. Alexander said. "But it is our most formidable competitor. We have to position ourselves against it. There are some things we can say about ourselves and the differences between us and the *Journal*, such as that we can take four-color ads and they just have black and white, or that a weekly magazine has a longer shelf life than a daily newspaper, which is what I think that ad tried to get across."

But Mr. Alexander said he would be "surprised" to see *Business Week* carry its comparison advertising campaign much further. "I think we made our point," he explained, adding that he never intended a "campaign against the *Wall Street Journal*."

Making the point that there are substantial differences among the rival business magazines has cropped up with a vengeance in recent months, as almost every publication in the category seems to be taking on its competitors in bare knuckle ads that they never attempted before. If it isn't *Business Week* pitted against the *Wall Street Journal*, it's *Fortune* vs. *Forbes*, or *Dun's Business Month* vs. both *Fortune* and *Forbes*, or *Barron's* vs. *Business Week*, *Fortune* and *Forbes*.

"It certainly seems as though the field has become more competitive in its advertising, but I don't think that is unhealthy," said Marianne Caponnetto, associate media director at Needham, Harper & Steers. "It reminds us of the different strengths of the magazines."

"Of course, it isn't always positive," Ms. Caponnetto added. "To go and knock your competitor is not always a positive way to do things, but it is often a way to get noticed."

But Joseph W. Ostrow, executive vp at Young & Rubicam, the agency for *Fortune*, who has broad experience in handling Time Inc.'s magazine promotion efforts, believes that just getting noticed isn't enough reason for one magazine to run an ad that knocks a competitor.

Of all the competitive new ads among business publications, this "wastebasket" presentation by* Business Week *has stirred the most controversy.

"I'm surprised that a magazine would show a picture of its competitor in a wastepaper basket. It really lacks class and good taste and I'm not sure why they would want to do something like that."

"That sort of thing is not a way of doing battle that I think makes sense," Mr. Ostrow said of *Business Week's* wastepaper basket ad. "It doesn't cause you to read the ad. It just catches your attention momentarily and then you move on. The kind of comparative ads that are useful are those dealing with issues of substance: Editorial quality, price, performance."

Others in the industry, while not expressing approval of the wastepaper basket execution, said they were not surprised that *Business Week* decided to take on the *Wall Street Journal* in its latest campaign.

"*Business Week* carries more ads than anyone else, and when you are No. 1, you have to find somewhere to grow," said W. Donald Larson, director of communications at *Forbes*. "They first went after the newsweeklies a few years ago when they wanted consumer advertising; now they are going after the *Wall Street Journal* because that opens up a new area for them. There is no point in *Business Week* going after us."

Ms. Caponnetto said tighter ad budgets may be one reason why the head-to-head competition has become fiercer in recent months.

"While advertisers are increasing their investments in business magazines," she said, "they recognize that times are tough and that they just can't run a campaign in a whole list of publications. They have to be more selective."

Although ad budgets tend to become tighter in recessionary times, one of the factors seemingly fueling the increased competition among business magazines is the realization that business publications are hot books that can represent ad revenue gold mines. As these stakes grow higher, the competition gets tougher.

Last year, *Fortune* increased ad pages by 19%, to 2,738, while its revenues rose by 27% to $70,442,000. *Forbes* was up by 4% in pages, to 2,765, and by 20% in revenues, to $53,923,000. The *Wall Street Journal*, while not disclosing actual ad revenues, was up in linage by about 10%, as national ad rates were increased approximately by 15%, according to Mr. Kann. And even *Business Week*, which dropped by 2.3% in pages last year, to 4,845, still pulled in an impressive $133,296,000 in 1981, a 3% increase over the previous year.

What's ironic about the ad revenues collected by these publications is the relatively low circulation levels of the business magazines. With *Business Week* at 770,000 paid circulation, *Forbes* at 700,000 and *Fortune* at 646,000, each ranks near the bottom of the country's 100 largest magazines.

But as these financial success stories grow, so do the number and influence of their competitors.

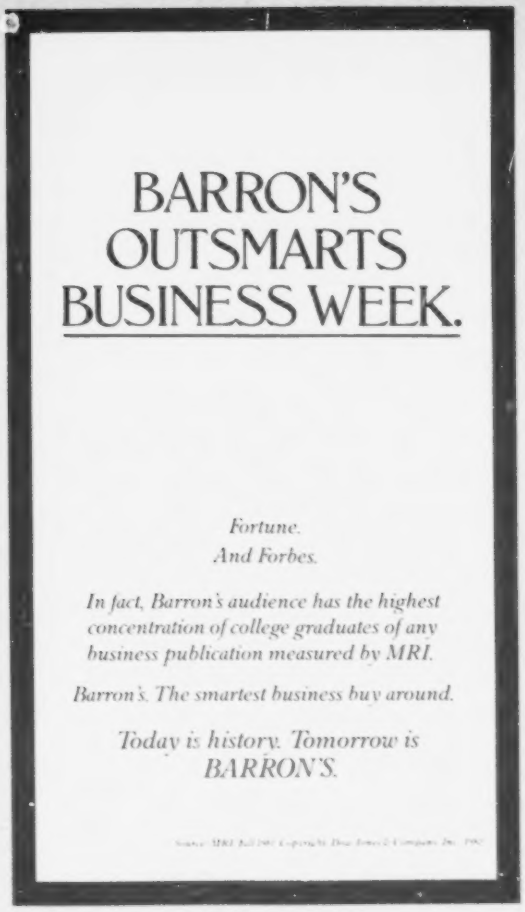
Inc., one of the fastest-growing of the business magazines, carried 994 ad pages last year, up by nearly 29% from 772 the year before. *Industry Week* increased by 4.3%, to 1,663 pages from 1,593, while *Venture* gained 36%, to 468 from 344 pages. *Barron's*, despite a 4% decrease in pages in 1981, carried 2,216 pages of advertising. And *Dun's*, having dropped to 914 pages in 1981 from 1,021 the previous year, now is enjoying a strong rebound since changing its name and format late last year. The Dun & Bradstreet publication last fall changed its name from *Dun's Review* and altered the format to include a section that is designed to give executives a quick roundup of the month's business events. Ad pages were up by 12.5%, to 135 from 118, for the first two months of 1982.

So as the competition and the stakes grow, the business magazines are continuing to evaluate their own marketing strategies in seeking new ways to gain a competitive edge.

And among the major publications, both *Fortune* and *Business Week* expect to be spending more heavily on advertising than they have in recent years. *Business Week* executives, while declining to discuss actual figures, said they intend to increase their 1982 advertising budget by at least 25% and perhaps as much as 50% over the previous year. *Fortune* executives said they too would probably be increasing 1982 ad expenditures by about 25%.

One change among business magazines, particularly reflected in *Business Week's* and *Fortune's* advertising, is that the individual publications, when they go to comparative advertising, are less likely to talk about demographic differences, focusing instead on editorial content

Stuart Emmrich, a reporter in Advertising Age's New York bureau, covers the magazine publishing industry.


BARRON'S OUTSMARTS BUSINESS WEEK.
Fortune.
And Forbes.
In fact, Barron's audience has the highest concentration of college graduates of any business publication measured by MRI.
Barron's. The smartest business buy around.
Today is history. Tomorrow is BARRON'S.

That fabulous Forbes environment. How much will it affect your advertising? (You be the judge.)
Publications that best fits each statement
Forbes
Fortune
Business Week
Has the best information on companies
Is the liveliest magazine
Has the most up-to-date information for readers on business events
Is the most authoritative
Is the one I would miss most
Is the most enjoyable
Offers the best judgments and insights
Is the most interesting to read
Has the most provocative writing
Is written with wit and humor
Think writers "tell it like it is"
Of the three it is my favorite
No wonder Forbes has been shown year after year to be the business magazine read regularly by the most influential executives in the country. After all, it's their favorite. No wonder that in 1981, only seven magazines—all weeklies—carried more advertising pages than Forbes.
No wonder Forbes now tops Business Week in net paid U.S. circulation—after their average arrears of 57,000 unpaid copies are deducted from their latest published figures—making Forbes the leading mass business magazine in paid U.S. circulation, with a total of 667,000—15,000 more than Business Week (and 120,000 over Fortune).
Next time you want your advertising message to reach the most powerful management market in America, consider how effective it will be in that witty, provocative, lively, conversable magazine whose writers 'tell it like it is.'
Forbes
Capitalist Tool

Dun's Business Month *(from left)*, Barron's and Forbes *all take direct aim at their competitors, with* Barron's *even elevating* Business Week *to the headline of its display, while* Forbes *and* Dun's *use figures to show their presumed superiority.*

or perceptions by readers and advertisers. "What really separates the magazines today is the quality of their editorial," argued Don Austermann, *Business Week's* director of marketing communications. "We used to talk about audience profile, but that is now a given. Most of our competitors can show the same thing. Instead we are now talking about what makes a magazine important, what makes it must reading."

Although admitting that it is difficult to articulate to advertisers the exact quality of editorial product, he said that the new *Business Week* campaign comes as close to any he has seen. "This advertising has caused more positive reaction than any ads we have used in the past 10 years," Mr. Austermann said. But he denied that it should be seen as a head-to-head battle against the *Wall Street Journal* or against any other business magazine.

"We are not really marketing against anyone; we are

(Continued on Page M-6)

Business in print: The vital statistics

	Frequency	Circulation	Ad pages 1981	Ad pages 1980	B&W rate
THE WALL STREET JOURNAL.	M-F	2,000,000	NA	NA	$56,121
BusinessWeek	Weekly	777,500*	4,846	4,960	20,680*
Forbes	Biweekly	700,100	2,765	2,671	16,520
FORTUNE	Biweekly	674,100	2,738	2,304	19,760
Industry Week	Biweekly	300,000**	1,663	1,593	8,190
Dun's BUSINESS MONTH	Monthly	284,600**	914	1,021	8,450
Inc.	Monthly	266,500	994	772	12,500
BARRON'S	Weekly	258,900	2,216	2,308	8,599
Venture	Monthly	161,545	468	344	5,909

*U.S. and Canada edition
**Controlled circulation

Publications battle

(Continued from Page M-3)

marketing for *Business Week*," Mr. Austermann said. He conceded that the ads do target the *Journal* to a degree not used before, but added that the mention of other business publications in those same ads doesn't mean he sees *Business Week* as setting the tone for comparative advertising.

"We're the leader. We don't have to answer to anyone," he said. "What is important for us to do is to sell value and virtues of the magazine. We don't have to answer to a magazine that is barking at our heels."

That same position, ironically, is being taken by *Wall Street Journal* executives, who say they have no plans to respond directly to the *Business Week* ads that compared the two publications.

"We are not going to get that dirty," said Bernard Flanagan, vp-marketing at the *Journal*. "I have five ads that I could run right now that would cream them—and they are all factual—but I don't think that is the way to do business."

Instead, the *Journal* just broke a campaign focusing on the idea that the *Journal* is read by most corporate executives. The ads show pictures of 15 famous buildings and ask which landmark is "viewed by 6,000,000 Americans for more than four hours a week." The answer is found in the 16th snapshot: A rolled-up copy of the *Wall Street Journal* photographed to look like a skyscraper. The newspaper will also continue to use its "All cream" ads that discuss the readership demographics. The paper's agency is Jim Johnston Inc., New York.

"We used to talk about audience profile, but that is now a given. Now we are talking about what makes a magazine important, what makes it must reading."

That same aloofness is not being maintained by other publications, however. The degree to which the magazines pit themselves against their competitors differs from one marketing department to another.

"This comparative advertising is not really new for us, but it is a change for some of the smaller publications," said Mr. Garson of *Forbes*, "To get a part of the action, they have to become part of the field. It's how the women's books grew into a category. If these magazines such as *Inc.*, *Barron's*, *Dun's* and *Industry Week* want to grow, they have to marry themselves to us."

Meanwhile, *Forbes* has decided to use some of the "buzzword" advertising that Mr. Garson said has been effective for *Fortune*.

This **Wall Street Journal** *ad singles out its Friday edition—the same day* **Business Week** *comes out.*

"For some years, *Fortune* had been basing its advertising on research we had pretty much ignored. I call it buzzword advertising—the image of authority, long stories, etc.," Mr. Garson said. "I think the truth of those statements changed a bit when they went biweekly, but images die hard, and they are always going to win on what I would call the 'ponderous' adjectives. And *Business Week*, because of its frequency and the kind of stories it carries, is always going to win on being more timely and newsy. But I believed that *Forbes* would win on such things as liveliness and being enjoyable. So I put my money where my mouth was, commissioned our own research, and it worked." He added that the results are now appearing in *Forbes* ads.

Fortune, while continuing to point out what it sees as differences between itself and other publications, is making a greater effort—in its 1982 campaign—to define what it sees as the character of the magazine and how it can be used as a career advancement tool.

The new Y&R ads were spurred by a survey *Fortune* recently commissioned that showed nonsubscribers seemed to have a distorted idea of what the magazine was about, said promotion director Walter Joyce.

"Nonsubscribers tended to think it was a magazine written for chief executives of the top 1,000 companies. When we asked if they thought the magazine was edited for them, they said no," Mr. Joyce said. "We wanted to show these individuals that this is an exciting publication that can help young managers succeed and move up in business."

The magazine is especially interested in catching more younger readers than it has in the past, Mr. Joyce said.

The new ads—humorous and thought-provoking—use such grabbers as a sheep sitting behind a desk, with a headline: "If you stick with the herd, you could end up as a lamb chop." Another, captioned "By diligence, a quick-witted fellow can rise from rags to riches," shows an old photograph of a city kid selling newspapers.

Both ads, as well as others in the campaign, sell the idea that ambition is okay, that you don't have to hide ego and the urge to get ahead. And it argues that *Fortune* is the one place where up-and-coming executives can get the information that will help them jump ahead of their peers.

Previous ad campaigns basically publicized contents of each issue and assumed people understood the thrust of the magazine, Mr. Joyce said.

James Hoefer, associate publisher-advertising director, conceded that he was not naive enough to assume that *Fortune* is not competing with its rival magazines for advertisers and readers. He asserted, however, that the magazine does not believe in using comparative advertising, except in a minimal way.

It is an attitude found at most Time Inc. publications.

"To say you are better than someone is to really assume that you are worried about your competitors," Mr. Hoefer said. "Our position is that we are the prestige publication, the premier showcase." AA

How business magazines take shots at each other

Here is a sampling of what the business magazines are saying about each other in their latest ad campaigns:

• **Barron's**: "*Barron's* outsmarts *Business Week*" is the headline on one current ad in the *Barron's* campaign, adding in smaller type "and *Fortune* and *Forbes*," arguing that the latest readership studies from Mediamark Research shows that *Barron's* has the highest concentration of college graduates of any of its rivals. Other ads from the Dow Jones & Co. publication proclaim, "*Barron's* outclasses . . . " and "*Barron's* outearns . . . ," with different competitors' names used to fill in the blanks.

• **Business Week**: The now famous "It's 10 a.m. . ." ad tried to make the point that a "fast run-through of the capusule business news, a scan of the stock tables, a quick look at some earnings and sales figures and a glance at an ad or two. Then it's all over for the daily journal." Meanwhile, according to the ad, *Business Week* readers keep reading their issues all week long. Other ads in the series tried to make a point that *Business Week* readers often learn about a story before it breaks in the *Journal* or that *Business Week*, when it can't always beat the *Journal* on a story, is able to offer more insight and background than the daily newspaper.

Other recent *Business Week* ads make an observation about the McGraw-Hill magazine and then include a line such as, "It's the kind of in-depth business reporting 6,000,000 business leaders know they can get consistently in *Business Week*. Not in *Forbes*. Not in *Fortune*. Not in the Wall Street Journal."

• **Dun's Business Month**: "With ad budgets getting tighter every day, can you afford to waste $270,000?" asks *Dun's* publisher Robert Potts in that publication's latest ad. The new campaign from the Dun & Bradstreet magazine assumes that businesses are going to advertise in *Business Week* and the *Wall Street Journal* no matter what, and that any inroads *Dun's* is going to make will depend on knocking off *Fortune* and Forbes.

The ad compares a 12-times-a-year media buy in combination with the *Journal* and *Business Week*, claiming an advertiser will spend $1,104,747 with a combination that includes *Dun's*—$270,792 less than that combination with *Fortune* and $207,864 less than with *Forbes*.

• **Forbes**: In its latest campaign, *Forbes* tries to turn the tables on *Fortune*, which for many years has been using businessmen's attitudes about the various business publications as a way to sell its own magazines. Its own study of top executives conceded that *Fortune* won on being the most authoritative and that *Business Week* was the big winner on being most up-to-date, but that *Forbes* pulled out ahead on such impressions as being the liveliest, the most enjoyable, the most interesting to read, the one written with the most wit and humor, and came out on top when the executives were asked to pick which of the three was their favorite.

• **Fortune**: The Time Inc. magazine carefully avoids outright comparative advertising, instead using ads that maintain that *Fortune* is in a unique position. A typical line from an ad reads, "For over 50 years, it's been the authority, the horse's mouth, the one you rely on when you can't afford a wrong decision," subtly implying that its rivals lag behind in the competitive foot race.

• **Wall Street Journal**: The *Journal* pretty much avoids mentioning any competitor's name in its ads, but a couple of weeks after *Business Week* showed a copy of the *Journal* in the wastepaper basket, the Dow Jones publication retaliated in a low-key way. It ran a spread ad in the March 22 issue of Advertising Age showing a backseat rider in a Rolls-Royce asking: "Did you see that story in Friday's *Journal*?" Although it made the point that the Journal was "top-of-the-day reading every business day," it especially touted the Friday *Journal* as a wrapup of the week's events. Coincidentally, Friday is the day most *Business Week* subscribers receive their issue of that magazine. —S.E.

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Advertising Age

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CONGRESSIONAL INFO SERVICE
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WASHINGTON DC 20014

Senate FTC bill would eliminate unfairness rules

WASHINGTON—A key Senate Republican, endorsing the ad industry's major legislative goal this session of Congress, is forcing a Senate commerce committee showdown to end Federal Trade Commission regulation of "unfair" advertising. But proposals to restrict FTC control over deceptive ads appear dead for the year.

Support on the unfairness issue came from Senate consumer subcommittee chairman Robert Kasten (R., Wis.). After introducing his long-awaited FTC bill last week, he is scheduled to take it before the full commerce committee for action May 11. It will be a busy week on Capitol Hill for FTC. While the Senate commerce committee tackles the Kasten bill, FTC's controversial used-car sales disclosure rule faces a Senate floor vote on a killing veto resolution. A floor vote in the House, where the energy and commerce committee recommended a veto of the rule 25-16 last week, is also imminent.

The Kasten bill drops "unfairness" as grounds for prosecuting an advertiser, the first major change in congressional policy since the law makers directed the commission to root out "unfair or deceptive" ads and business practices in 1938. The commission retains the power to attack nonadvertising business practices as unfair, but the Kasten bill adds to the law, for the first time, a set of standards the commission must use in selecting cases.

But Sen. Kasten said it is premature for Congress to replace FTC's current, broadly written authority to select deceptive ad cases with a new legislative standard. "A systematic study" of complaints about FTC's de-

(Continued on Page 80)

Wendy's healthy kind of people

The "all-you-can-eat" salad bar will get a good deal of attention in Wendy s International's new campaign, breaking in July. The "Wendy's kind of people"-themed drive goes after fast-food consumers who want "something better" (*see story, Page 14*). Dancer Fitzgerald Sample is the agency.

Invading Cossack vows to stay on air

By JOHN J. O'CONNOR

Cossack vodka has invaded a segment of the Boston media turf that heretofore has been open only to wine and beer advertisers.

Since the beginning of the baseball season, WITS listeners who tune to Red Sox games have been exposed to a 60-second radio spot for the hard liquor produced by Massachusetts-based M.S. Walker.

Harvey Allen, president of Walker, characterized the radio campaign as a "pioneering step" that is "60% self-serving" and 40% devoted to what he sees as the problem of distilled spirits having a second-class citizenship status while beer and wine advertisers enjoy easy access to radio and tv.

"My position," Mr. Allen said, is that advertisers of products containing alcohol "should be all on or all off the air."

In his opinion, beer and wine today are greater contributors to alcohol abuse—especially among young drinkers—than hard liquor. "Some people may consider me the black sheep of the industry," Mr. Allen said, "but I'm not pleased with the holier-than-thou attitudes of large distillers." He was referring to the fact that the Distilled Spirits Council of the U.S., a self-regulatory body, prohibits broadcasting ads for hard liquor. Walker is not a member.

The distiller also advanced another reason for taking Cossack, the largest-selling vodka in Massachusetts, into broadcast advertising. Mr. Allen said he was concerned that, with the suspension of the National Assn. of Broadcasters code in February, some other spirits marketer might have gone on the air with commercials lacking "the taste and dignified manner" of the Cossack spot.

WITS vp-general manager Frank Tenore said he underwent no personal agonizing over the spot. He said he had been troubled for some time by the double standard inherent in the broadcast code with respect to hard liquor.

NAB has suspended the code while it appeals a federal court ruling that found a portion of it to violate antitrust laws. In turn, an Indianapolis tv station, WTHR, is waiting for its lawyers to decide if there are legal snags should it decide to permit hard liquor commercials (AA, April 19).

Since the Cossack spots began airing, the WITS exec said, he has received only one complaint. Having accepted Cossack's "fair-sized" account does not mean WITS intends to become "liquor central" for Boston radio, Mr. Tenore stressed. He has instructed his sales force not to solicit other liquors.

Mr. Tenore said that even if the code is reinstated, he will not bounce Cossack off WITS, which is an NAB member.#

highlights

Monday, May 10, 1982

Trade books are keeping up their resistance to the recession, said publishers at the American Business Press spring meeting. *See Page 10.*

Top business execs often have little understanding of their companies' ad strategies, according to a study from the American Business Press. *See Page 10.*

McGraw-Hill says it still plans to grow internationally, although analysts are questioning its track record. *See Page 20.*

Atlantic and *Newsweek* each won two National Magazine Awards. *See Page 22.*

After last year's acquisition of Purex Industries' toiletries, Jeffrey Martin Inc. is boosting its ad budget by more than $24 million. *See Page 24.*

Advertisers and their agencies got a large part of the blame for the demise of hard-pressed media from a Drexel Burnham Lambert analyst. *See Page 26.*

Health & beauty aid sales are sagging. *See Page 28.*

Brazilian adman Geraldo Alonso is getting ready for this year's International Advertising Assn. Congress after a long effort to capture it. *See Page 43.*

Cable tv could be in trouble over the next few years because it's relying too much on entertainment and its suppliers don't know how to develop new businesses. *See Page 62.*

Black Entertainment Network has turned its ad sales and affiliate representation over to Group W Satellite Communications. *See Page 62.*

European agencies have taken over the leadership in creative print ads, according to Bruce Crawford, chairman of BBDO International. *See Page 72.*

Mediamark Research Inc. has released its latest findings, and the results are full of bad news for publishers. *See Page 77.*

Branded food marketers have their work cut out for them in holding share against generics and private labels, a new study suggests. *See Page 82.*

Redbook and Charter Data Services purchase by Hearst Corp. is examined. *See Page 82.*

CORPORATE CLOSEUP

J.G. Hook takes a more fashionable turn, but sticks with its classic formula. *See Page 4.*

FOLLOWUP

Long John Silver's Seafood Shoppes' baked fish platter is expanding into new test markets. *See Page 32.*

Block Drug is making several moves with new products. *See Page 32.*

VIDEOTECH

Catalogia positions itself midway between interactive shopping and traditional shopping. *See Page 51.*

"Paper Chase" is running after another try at tv, this time on cable. *See Page 53.*

A hotel video service is catching on in German cities. *See Page 54.*

Phil Donahue and Donald Dahlman have come a long way together. *See Page 54.*

MAGAZINE

Account switching in the advertising business has grown to what some observers feel are alarming proportions. Our "Sounding Board" poll delves into reasons for these switches and the impact they have had. *See Page M-2.*

Should newspaper auditing procedures be revised? The publisher of a major North American paper argues for some changes in the way the Audit Bureau of Circulations does business. *See Page M-35.*

SPECIAL REPORT

The business press is continuing a decade-long period of growth. This week's special report takes a look at this highly successful trade publications field, which accounts for about one-third of the most successful magazines circulating in the country. *See Page M-7.*

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O&M to add ties in Japan

By CHRISTY MARSHALL

If all goes well, Ogilvy & Mather's network of 34 countries will be expanded to 35. The agency has teamed up with Tokyu Agency International to form an agency and, at long last, establish its presence in Japan.

Ogilvy has signed a contract with Tokyu that agrees to "study the potential of a future joint-venture agency in Japan." William Phillips, chairman-chief executive officer of Ogilvy, said he hopes to close the deal by the end of the year. It has not been decided what the agency will be called.

Bruce Odza, most recently senior vp-managing director of Ogilvy's Houston office, has moved to Japan to represent the agency in the negotiations. Before taking over the job in the Houston office, Ogilvy's largest, he was managing director of the agency's Melbourne office.

Mr. Phillips said Ogilvy is actively looking for acquisitions in both Korea and Switzerland, and predicted one of its subsidiaries, Scali, McCabe, Sloves, would be acquiring agencies before the

(Continued on Page 76)

Pet food $ sales up 10% in 1981

By JOHN C. MAXWELL JR.

Pet food industry volume moved up close to 10% in dollars in 1981. However, A.C. Nielsen Co. says the gain in units was a modest 1%. Our over-all numbers differ somewhat from Nielsen's since we include sales through other sources in addition to food stores.

Dry dog food continued to be the largest-selling product, and was up rather well in dollars although not in units. Most of the generic and private label business is in this area, and it now accounts for about 20% of dry dollar volume and 31% of unit volume.

This had adverse ramifications for product growth at Ralston Purina, whose market share for 1981 was down, along with those of the other major companies. Ralston had a 28.5% share in 1981, down from 29.2% in 1980. Carnation remained in second place, though its share dipped from 12.5% to 11%.

General Foods moved past Quaker Oats Co. in market share last year. GF took third place despite a share drop from 8.9% to 8.8%. Quaker's share dropped from 8.8% to 7.8%. The other major pet food marketer, Liggett Group, also saw its share slip slightly.

Alpo continued to lead the brands in the canned dog food category; Dog Chow holds the lead in the dry segment, Gainesburgers in the moist category and Tender Chunks in the soft-dry segment.

Canned dog food continued to show unit losses, although it was up some 4% over-all in dollars.

The main growth within the industry is still in cat food, with all product lines expanding in the double-digit area, and with dry cat food faring best in dollars (up 23%), although in pounds specialty canned and moist (both up 6%) did best.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb, New York.

Pet food market share breakdown

Annual retail sales ($ millions)

Brand	Company	1980	1981
CANNED DOG FOOD			
Alpo	Liggett Group	$168.0	$178.0
Kal Kan	Kal Kan	98.0	102.0
Ken-L Ration	Quaker Oats	78.0	76.0
Mighty Dog	Carnation	70.0	73.0
Friskies	Carnation	58.0	60.0
Cycle	General Foods	54.0	52.0
Ken-L Ration Tender Chunks	Quaker Oats	24.0	32.0
Recipe	Campbell	15.0	19.5
Skippy Premium	C.H.B. Foods	13.0	19.0
Vets	C.H.B. Foods	19.0	19.0
Cadillac	Cadillac	16.0	17.5
Skippy, Dr. Ross	C.H.B. Foods	15.0	15.0
M.P.S.	Kal Kan	—	11.0
Strongheart	Swift	11.5	10.0
Thoro Fed	Kal Kan	—	3.0
Twin Pet	Allied Foods	3.0	2.5
Laddie Boy	Laddie Pet Foods	2.5	2.0
Rival	Swift	1.0	0.5
Hills	Riviana Foods	0.7	0.5
Blue Mountain	Associated Products	5.2	9.3
Red Heart	Allied Foods	0.3	—
Henny Pen	Allied Foods	0.3	—
All others		104.5	88.2
Total		$759.0	$790.0
DRY DOG FOOD			
Dog Chow	Ralston Purina	$330.0	$300.0
Puppy Chow	Ralston Purina	120.0	140.0
Gravy Train	General Foods	66.0	92.0
Dog Meal	Ralston Purina	73.0	85.0
High Protein Cycle	General Foods	60.0	76.0
Chuck Wagon	Ralston Purina	65.0	60.0
MealTime	Kal Kan	52.0	60.0
Alpo Beef Flavored Dinner	Liggett Group	50.0	53.0
Come 'N Get It	Carnation	23.0	50.0
Hero	Ralston Purina	22.0	36.0
Friskies Dinner & Cubes	Carnation	45.0	34.0
Mainstay	Ralston Purina	50.0	30.0
Fit & Trim	Ralston Purina	18.5	19.0
Alamo Brand	Liggett Group	22.0	13.0
Kasco	ConAgra	12.0	12.0
Jim Dandy Chunk & Ration	Jim Dandy	11.5	12.0
Ken-L Ration Biskit & Meal	Quaker Oats	8.0	9.0
Blue Mountain	Associated Products	5.5	5.6
Field 'n Farm	Ralston Purina	9.0	8.0
Bow Wow	ConAgra	8.0	6.5
Gaines Meal	General Foods	5.0	4.0
Strongheart	Swift	4.0	3.5
Vets Nuggets	C.H.B. Foods	2.6	2.0
Purina Dinner Mix	Ralston Purina	2.0	1.5
All others		319.9	408.9
Total		$1,388.0	$1,521.0
MOIST DOG FOOD			
Gainesburgers	General Foods	$ 75.0	$ 73.0
Ken-L Ration Burgers	Quaker Oats	67.0	61.0
Top Choice	General Foods	50.0	50.0
Ken-L Ration Special Cuts	Quaker Oats	32.0	30.0
Gaines Variety/-Complete	General Foods	25.0	27.0
Prime/Puppy Choice	General Foods	14.0	12.0
Moist & Meaty	Benco	5.3	6.0
All others		42.7	22.0
Total		$311.0	$281.0
SOFT-DRY DOG FOOD			
Tender Chunks	Quaker Oats	$ 95.0	$ 85.0
Moist 'n Chunky	Ralston Purina	40.0	35.0
Jim Dandy Tender Moist Chunx	Jim Dandy	5.0	6.0
Dinner Rounds	Campbell	—	3.6
Total		$140.0	$129.6
WHOLE-BISCUIT SNACK DOG FOOD			
Milk-Bone Snacks	Nabisco Brands	$ 95.0	$106.0
Bonz	Ralston Purina	41.0	45.0
Jerky Treats	Heinz	21.3	23.0
Liv-A-Snaps, Beef-Char-O-Snaps, Chi-N-Snaps	Liggett Group	7.7	10.0
Ken-L Ration Treats	Quaker Oats	5.9	6.0
Say Cheese, People Crackers and Doggie Donuts	R.T. French	4.0	3.5
Recipe	Campbell	—	1.3
Gaines Biscuits & Bits	General Foods	1.2	1.0
All others		15.9	18.2
Total		$192.0	$214.0
CANNED CAT FOOD			
9-Lives	Heinz	$185.0	$205.0
Friskies Buffet	Carnation	128.0	135.0
Kal Kan	Kal Kan	88.0	116.0
Purina 100	Ralston Purina	37.5	57.0
Puss 'n Boots	Quaker Oats	24.0	23.0
Friskies	Carnation	25.0	22.0
Bright Eyes	Carnation	17.0	17.0
Tabby	Lipton	8.0	8.0
All others		89.5	147.0
Total		$602.0	$730.0
DRY CAT FOOD			
Cat Chow	Ralston Purina	$112.0	$150.0
Meow Mix	Ralston Purina	73.0	84.0
Friskies	Carnation	82.5	52.0
Special Dinners	Ralston Purina	36.0	45.0
9-Lives	Heinz	37.5	42.0
Chef's Blend	Carnation	27.0	24.0
Fish Ahoy	Carnation	20.0	15.0
Crave	Kal Kan	—	15.0
Kitten Chow	Ralston Purina	12.0	12.0
All others		25.0	85.0
Total		$425.0	$524.0
MOIST CAT FOOD			
Tender Vittles	Ralston Purina	$100.0	$125.0
9-Lives Square Meal	Heinz	25.0	30.0
Moist Meals	Quaker Oats	17.0	18.0
Whisker Lickins	Ralston Purina	16.5	14.0
Moist & Tender	Benco	0.2	0.3
All others		6.3	0.7
Total		$165.0	$188.0

Source: John C. Maxwell, Lehman Bros. Kuhn Loeb Research

Pet food sales by type of product ($ millions)

TYPE	1980	1981	Change
Dry dog food	$1,388.0	$1,521.0	9.5%
Canned dog food	759.0	790.0	4.1
Moist dog food	311.0	281.0	(9.6)
Whole-biscuit snacks	192.0	214.0	11.5
Soft-dry dog food	140.0	129.6	(7.4)
Total dog food	2,790.0	2,935.6	5.2
Canned cat food	602.0	730.0	21.3
Dry cat food	425.0	524.0	23.3
Moist cat food	165.0	188.0	13.9
Total cat food	1,192.0	1,442.0	21.0
Total dog & cat food	$3,982.0	$4,377.6	9.9%

Source: John C. Maxwell, Lehman Bros. Kuhn Loeb Research

Pet food market shares by company ($ millions)

	1980	Share	1981	Share
Ralston Purina	$1,163.5	29.2%	$1,246.5	28.5%
Carnation	495.5	12.5	482.0	11.0
General Foods	354.2	8.9	387.0	8.8
Quaker Oats	350.9	8.8	340.0	7.8
Liggett Group	223.7	5.6	241.0	5.5
All others	1,394.2	35.0	1,681.1	38.4
Total	$3,982.0	100.0%	$4,377.6	100.0%

Source: John C. Maxwell, Lehman Bros. Kuhn Loeb Research

Is your advertising a looking glass...or a window?

When you look at your advertising, do you see a flattering vision of yourself, or a realistic view of your markets?

That question deserves some serious thought. Because it's easy to get so wrapped up in your own products and interests that you lose sight of the customer. And that can result in some pretty ineffective advertising.

Which you don't want.

When you get right down to it, flattery is expensive at any price—but good advertising pays for itself.

We at Davis Harrison believe that the best way to keep clients happy is by turning out advertising that gets through to the market.

Give us a call. We'll show you how Davis Harrison Advertising can take you beyond the looking glass.

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Davis Harrison Advertising

333 N. Michigan Ave. Chicago, Illinois 60601 (312) 332-0808

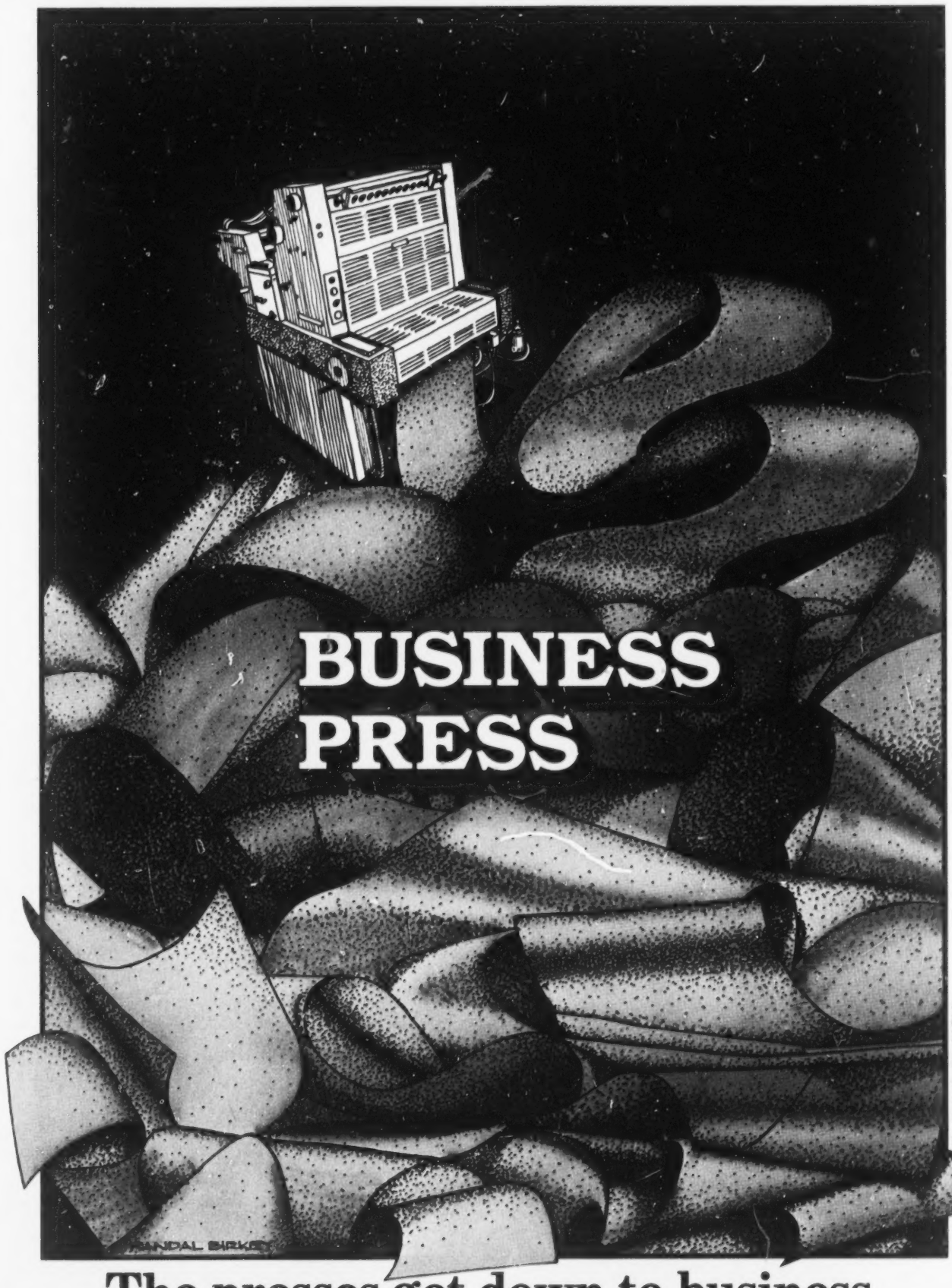

Illustration by Randal Birkey

The presses get down to business

Delivering information to industry's decision makers

By Jack Hafferkamp

Optimism is alive and well in the American business press. The consumer on the street may have only the dimmest awareness that there is another publishing industry parallel to the consumer and academic presses. Yet run it does, to the annual tune of an estimated $2.6 billion. And Thomas King, president of the American Business Press, New York, estimates that by 1992, dollar volume will reach $6 billion.

Folio concludes that 127 of the country's top 400 revenue-producing magazines—32%—are trade publications. And that number may very well climb. While the consumer press faces hard times, (rising costs and fewer readers), the business-to-business press continues a decade-long period of growth. Right now there isn't a major pub-

(Continued on Page M-8)

Jack Hafferkamp is a business writer and marketing consultant for Ted Hearne Associates in Chicago.

Business press delivers

(Continued from Page M-7)

lisher in the industry who isn't at least thinking about acquisitions, startups or related informational-business projects. This is an exciting time in business publishing.

Robert L. Edgell, chairman of Harcourt Brace Jovanovich Publications, New York, speaks for much of the industry when he says, "We're very bullish for the next decade. We've just come off our best year, and this year is better than last."

Of course, this kind of unbridled enthusiasm does not mean that there are no trouble spots in the business press. It is not immune to economic reality. Hard times have come to those publications serving the hardest hit segments of the whole American economy: Automotive, construction and heavy equipment. Yet the trade press as a whole is making progress in spite of current national economic woes. The strong publications more than make up for the weak ones.

In brief, the single most important reason for the success of the American business press is that it gives advertisers their best return on investment.

The single most important reason for the success of the business press is that it gives advertisers their best return on investment.

"The number of advertising pages continues to go up," explains Mr. King, "because they are doing good things for the people who are spending the money. We're putting out good products that are directed to the right audiences." Mr. King says he likes to use the cable tv term "narrowcasting" to describe how the business press gets to those right audiences.

The technological revolution, combined with the information gathering techniques of social scientists, has given trade press publishers access to very precise information on the people who read their publications. Publishers now routinely aim their magazines at very specialized "reader universes." Readership studies can thus show advertisers two very important things about a magazine's ability to generate sales:

- Trade publications are a cost-effective way to reach an industry's decision makers, the people who spend its money. Advertising in the business press eliminates expensive, useless shotgun advertising in print, radio or tv that wastes resources on people who have no use for the products or services offered.
- As Mr. Edgell puts it, "Companies that continue to advertise in a recession come out faster and often their market position is stronger than those who have let their advertising program slip."

In other words, the business press is thriving today because it can demonstrate to advertisers that it gets their message to the right people, and because those who don't advertise in hard times risk losing market position to those who do when times get better. In some circles this enviable position is known as "getting 'em coming and going."

However, to grasp this alone is to understand only one of many major factors contributing to the dynamism of contemporary trade publishing. A decade of growing prosperity has brought graphics-aware art directors, slick paper and more editorial color. Purses have been loosened to hire top-flight editors and writers—and electronics technicians. The result of this multileveled growth, according to William A. Barbour, president of Chilton Company in Radnor, Pa., is that the editorial product is "100 times better than it was 10 years ago.

"In the old days," says Mr. Barbour, "there was damned little editorial selling. The salesman went out with a copy of the rate card and—if the guy asked to see it—the circulation statement. The had a couple of martinis and played golf.

"Then in the middle '60s and into the '70s, business publishers came to realize that their only real reason for existence is to deliver business information. To me, the improvement in our editorial product is the best thing that has happened to this industry over the last ten years."

Editorial improvement is a dynamic kind of enterprise. The better a magazine becomes, the more information flows through it, and the more important it becomes to an industry's decision makers (and those who would be decision makers). They read it, talk about it, talk to its reporters and editors, and thus help to enhance it. The ideal publication is so on top of the industry it serves that it becomes must reading for anyone who wants to spot industry trends *before* they happen.

Another significant factor in the growth and sophistication of the business press is the emerging electronics revolution. "Database" is an industry buzzword. And like most buzzwords it is perceived differently by different people. Essentially, though, it refers to a continually updated source of information on a specific subject area. A database doesn't necessarily have to be computerized, but when it is, and when subscribers can tap into it via an on-line terminal, electronic databases offer publishers great opportunities and challenges—the shape of which are still being worked out.

When the idea of database publishing came along in the 1970s, predictions were heard that its arrival marked the beginning of the end for the printed word. Today, however, a more temperate view prevails.

Mr. Barbour, the president of Chilton, says, "We have been looking at it for some time. Each generation of computers gets smaller, faster and cheaper while the reader's needs become more sophisticated. But I don't think it's ever going to replace the printed word."

Mr. King concurs: "The use of electronic means for transmitting information will continue to grow. But it won't happen overnight. I think that five or 10 year from now we will be printing *more* pages than we are now, and we will also be delivering electronic information to people who want to get their information very fast."

In the middle '60s business publishers began to realize that their main reason for existence is to deliver business information.

As Mr. Barbour sees it, the key to the rate and extent to which electronic publishing takes over the trade press depends on its cost efficiency. "The mechanical costs of doing business—the percentage of total costs that go to printing, paper and postage—are much higher now than they were," he says. "If they get higher still, and we can't raise our rates to compensate, then we have to look at new ways to distribute. The minute electronic information transmittal becomes more cost-effective than the old ways of sending hard copy, then the publishers will do it that way."

Electronic publishing isn't the only way in which the new technology is changing the trade press. In fact, for most publications its greatest usefulness may not have anything to do with generating revenue. Its value lies in its ability to increase internal efficiencies. Harcourt Brace has recently taken final bids on an editorially interactive electronic data transmission system that will link New York to its Duluth offices. The company thinking is illustrative.

"The main advantage to us is

Top 50 business magazines by advertising pages

Rank	Magazine Name	Ad Pages	1979-80 % Change
1.	Travel Agent	6,707	−9.2
2.	Electronic News	6,538	23.3
3.	The Blood Horse	6,097	6.1
4.	Oil & Gas Journal	6,093	10.7
5.	Women's Wear Daily	5,921	0.4
6.	Electronic Design	5,262	47.5
7.	Electronics	4,530	4.7
8.	Computerworld	4,487	5.9
9.	Machine Design	4,147	11.3
10.	Advertising Age	3,761	−.7
11.	Engineering New Record	3,690	1.7
12.	EDN	3,643	13.6
13.	Telephony	3,566	−3.8
14.	Design News	3,475	3.8
15.	New England Journal of Medicine	3,411	8.2
16.	American Metal Market	3,229	12.4
17.	Chemical Engineering	3,198	−5.1
18.	Daily News Record	2,979	−0.9
19.	Plant Engineering	2,957	−13.5
20.	Medical Economics	2,955	−11.1
21.	Purchasing	2,906	−3.5
22.	HFD	2,867	0
23.	Iron Age	2,862	−7.1
24.	Publishers Weekly	2,739	−5.7
25.	Hydrocarbon Processing	2,737	−7.2
26.	Chemical Marketing Reporter	2,568	−2.3
27.	Aviation Week & Space Technology	2,502	3.1
28.	Industrial Equipment News	2,398	−2.2
29.	Journal of the AMA	2,326	−21.0
30.	Electronic Buyers News	2,308	0
31.	Restaurants & Institutions	2,280	−2.6
32.	Modern Machine Shop	2,231	0
33.	Billboard	2,216	−28.7
34.	Gifts & Decorative Accessories	2,162	3.0
35.	Patient Care	2,093	−7.7
36.	American Machinist	2,085	22.6
37.	Tooling Production	2,084	15.3
38.	Coal Age	2,063	−5.2
39.	Electronic Engineering Times	2,035	4.6
40.	Chemical Week	2,008	−10.6
41.	Restaurant Business	2,004	−2.0
42.	Datamation	1,976	−5.3
43.	Graphic Arts Monthly	1,943	1.0
44.	World Oil	1,931	0
45.	Automotive News	1,921	−11.1
46.	Bakery Production & Marketing	1,898	1.4
47.	Industry Week	1,889	−13.6
48.	Pulp & Paper	1,887	0
49.	Computer Design	1,884	10.9
50.	Emergency Medicine	1,846	12.3

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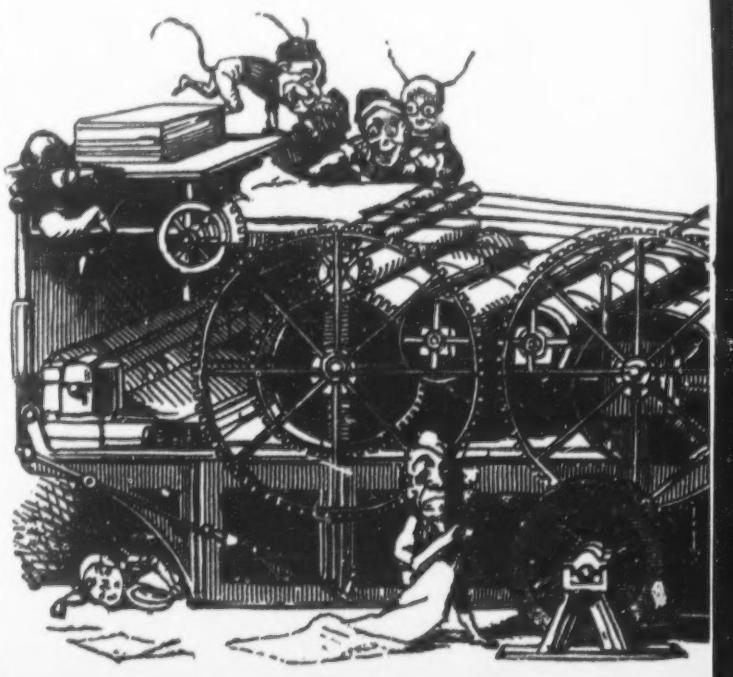


the simple factor of time," says Lars Fladmark, executive vp of the publications division. "We have so many different deadlines per day with all our magazines that the ability to cut closer to deadlines by eliminating the shipping of copy is a great advantage.

"In terms of database applications to print, our interests have been more internal than external. We have a big computer downstairs that we're using to form total definitions of our readerships.

"Some very nice spinoffs come from it, such as reader surveys on a variety of topics. We can target an industry's leaders very precisely, and we use them as a sort of informal editorial opinion board.

"Our primary use for this information so far has been as the basis for editorial material in the magazines. The other main thing we're doing is building a fully integrated production/billing information management system."

Editorial improvement is a dynamic kind of enterprise. The better a magazine becomes, the more information flows through it.

At this time Harcourt Brace has no plans to market its readership surveys, but other houses do. Chilton, for instance, markets an on-line service to business-to-business advertisers that helps them determine exactly what kinds of ads are most effective for particular audiences.

The necessity for magazine publishers to think in terms of database marketing in addition to the electronic delivery of editorial material gives clear insight into the fundamental nature of the ferment in today's trade

The key to the rate and extent to which electronic publishing takes over the trade press depends on its cost efficiency.

press industry. Long gone are the days when publishers could rest on the laurels of their good magazines. To stand still is to lose ground in today's market.

"The magazine business always has been vulnerable to the economy as a whole, just like the newspaper business," explains Mr. Barbour. "But in the past 10 years we have learned to cope better. Part of it is better management. Part of it is that we—like a lot of places led by McGraw-Hill—have diversified into other areas to develop revenues that are countercyclical to the business trends of our industry.

"Twenty years ago 90 to 95% of Chilton's income was from the magazines. Now it's 40%. We're in the research business, the direct marketing business, the newsletter business and book publishing. We are always looking for new sources of income."

Mr. Barbour's candor clearly indicates that the optimism of his industry is tempered by a common understanding that continued expansion depends on a national economy that doesn't worsen significantly.

"You can have the best magazine in the world," he says, "but if you get some big hitters at the very top of the corporation—as has happened in the last couple of months—who say, 'No more advertising until further notice,' there's nothing you can do about it. You'd better have something else in the back."

Mr. Fladmark believes that the health of the industry depends on generalized cost containment. "The business press has always enjoyed a nice competitive edge because relative to other methods it has been a good advertising buy. We don't want to give up that advantage, but rising costs could make this a long-term problem."

One rising cost that has everyone wary is postal rates. They have gone up, says Mr. King, "at an alarming rate, and the projections don't make you want to relax." At the same time the quality of service has deteriorated. And there seems to be no easy solution to this two-edged problem.

People are another rising cost. "Our biggest problem is people; keeping the high quality individuals," says John B. O'Neil, president of Vance Publishing Co., Chicago. "You've got to treat them right—that is, pay them enough so they stay with you and grow with you. Otherwise they're going to move on to someone who will."

Mr. Edgell, the chairman of Harcourt Brace, sees another potential problem in the over-fragmentation of markets. "There are certain fields," he says, "where too many people have tried to bring too many publications in. Some are falling by the wayside as budgets have gotten tighter. The major publications have continued to do well, but in many cases the second-tier magazines have suffered."

On the other hand, not every possibility on the horizon is bleak. Even in segments of the industry where the recession has hit hard the new technologies are opening up new markets. An example the ABP's Mr. King cites is the machine tool industry press. The coming of computers in that field has brought in new sources of revenue that didn't even exist just a few years ago.

And in the depressed housing industry, publications are now exploiting energy-saving product markets (insulation, thermal windows, etc.) that were barely tapped five years ago.

Mr. O'Neil can even find a few good words about the recession itself: "When things go well for too long a time, you get fat and you don't know it. Every so often it's good to measure your operation and make sure you run as leanly as possible. Sometimes you come out of it better than you did going in because you've learned to tighten down your ship."

It is clear to everyone in the trade publication industry that there are bright possibilities in the future for the companies with the foresight to grab them. At one level this means doing what the trade press has always done: Identifying industry needs.

"What we've got to look for are new products and emerging markets," explains Chilton's Mr. Barbour. "The secret of this industry is finding a niche. You've got to find a niche and serve the need."

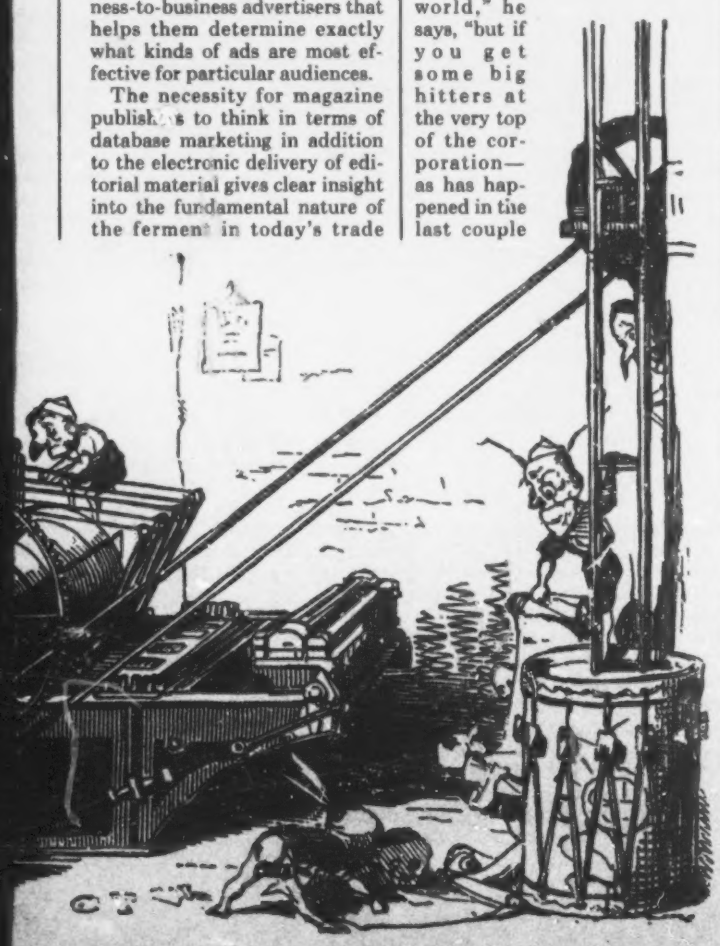
One important psychological leap vital to being able to find those niches is the mental difference between magazine publishing and information delivering. The leaders in today's business press don't just put out magazines—they deliver information.

"Basically, we're going to have to give the guy what he wants in the form he wants it," says Mr. Barbour.

"We have to be able to put it in a magazine, at a terminal at his desk, on a video cassette or over the Telex. You can't fight it," he says.

Mr. King succinctly sums up the situation facing today's trade press: "If we business publishers stay on top of developments and seize the opportunities, we will stay in the forefront. If we don't, other people will take that business." ■

"We've got to look for emerging markets. The secret of this industry is finding a niche. You've got to find a niche and serve the need."



Top 50 business magazines by total revenue

Rank	Magazine Name	1979-80 ($000)	% Change
1.	Women's Wear Daily	22,652	4.9
2.	Computerworld	21,184	13.9
3.	Advertising Age	17,547	14.8
4.	Electronic News	17,218	30.9
5.	Oil & Gas Journal	16,398	22.6
6.	Aviation Week & Space Technology	16,338	13.8
7.	Electronics	15,534	31.2
8.	Engineering News Record	15,534	14.6
9.	Machine Design	14,435	14.5
10.	Electronic Design	14,407	39.3
11.	Chemical Engineering	14,366	4.5
12.	Plant Engineering	12,269	−0.1
13.	Restaurants & Institutions	12,172	11.7
14.	Nursing 80	11,784	5.9
15.	Medical Economics	11,690	4.0
16.	Industry Week	11,536	−15.9
17.	New England Journal of Medicine	10,723	10.6
18.	Design News	10,604	12.2
19.	Daily News Record	10,442	8.2
20.	Billboard	10,371	−13.1
21.	American Metal Market	10,187	26.7
22.	Datamation	9,683	12.0
23.	EDN	9,626	33.3
24.	Institutional Investor	9,591	36.5
25.	Chemical Week	9,510	6.3
26.	New Equipment Digest	9,047	9.0
27.	Purchasing	8,505	4.7
28.	HFD	8,388	0
29.	Travel Agent	8,259	13.0
30.	Journal of the AMA	8,214	−3.7
31.	Automotive News	8,056	19.6
32.	Industrial Equipment News	8,045	5.0
33.	American Journal of Nursing	7,772	3.1
34.	Chemical & Engineering News	7,745	12.9
35.	Iron Age	7,589	5.5
36.	Restaurant Business	7,503	10.4
37.	Architectural Record	7,484	1.9
38.	Nation's Restaurant News	7,341	4.8
39.	RN	7,314	34.5
40.	Professional Builder	7,069	−14.4
41.	Meetings & Conventions	6,735	20.3
42.	Modern Plastics	6,718	−1.6
43.	Adweek	6,691	0
44.	Supermarket News	6,568	0
45.	Electronic Engineering Times	6,481	17.8
46.	Hydrocarbon Processing	6,050	6.8
47.	Progressive Grocer	6,028	7.2
48.	Electrical Construction & Maintenance	5,977	−1.5
49.	American Machinist	5,829	31.3
50.	Patient Care	5,754	−2.6

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First time

Jerry Della Femina (r.), whose agency just joined the Four A's, enjoys the country & western opening night festivities at the Greenbrier with (l. to r.) Gloria and Herb Maneloveg (Della Femina, Travisano & Partners) and Kay and Nat Lehrman (*Playboy*). At right, Four A's president Len Matthews stands between incoming chairman John Bowen (l.) and outgoing Don Johnston, with the majestic resort in the background.

Four A's gets the message: Hard times

By CHRISTY MARSHALL

WHITE SULPHUR SPRINGS, W. VA.—The recession, rising costs and reduced industry productivity are causing the lowest profit margins in years for the nation's advertising agencies, industry execs said at the annual meeting of the American Assn. of Advertising Agencies here.

Though there were some notable exceptions, many agency execs gathered at the Greenbrier resort concurred with association president Leonard Matthews' terse summation: "These are tough times." The "tough times," moreover, have spread to such cities as Houston and Atlanta, where many industries—and the agencies that serve them—had been booming.

"Nothing is booming" at present, said Mike Turner, exec vp-director, Ogilvy & Mather Southern Operations. He said high-technology companies in Atlanta have started cutting back on advertising.

In Houston, where "until the first quarter, you wouldn't have known there was a recession," businesses tied to the oil industry, which has been hurt by lower prices, are putting lids on ad budgets, Mr. Turner told the

(Continued on Page 80)

Other Four A's news appears on Pages 2, 20, 80 and 84.

Triangle, Getty deny report of talks

Is 'Tv Guide' on the block?

By STUART EMMRICH

A report that *TV Guide* is up for sale was strongly denied by Triangle Publications president Walter H. Annenberg.

The publishing magnate and former U.S. ambassador said reports from a source that he has begun talks with potential buyers and is seeking between $750 million and $1 billion for the magazine are "totally untrue and perfectly ridiculous. There are no discussions going on right now with anyone, no one has approached me and I am not interested in selling it," he said. "I am not open to any offers—certainly not at this time."

The name of Getty Oil, which owns 85% of the cable network ESPN, has been mentioned in investment banking circles as a possible bidder for *TV Guide*, but high-level Getty execs denied that any talks are taking place or are contemplated.

Mr. Annenberg did say that four years ago Getty made an informal approach about the possibility of buying the magazine, but nothing ever went beyond those initial feelers. "I wasn't interested in selling then and I am not interested in selling now," he added.

He said that he has been approached more often about the possibility of selling Triangle's *Seventeen*, but said that publication also was not for sale.

Despite Mr. Annenberg's denial, others at *TV Guide* have suggested that the recent trimming and streamlining of staffs at the magazine may have been designed to make the publication a more attractive investment (AA, March

(Continued on Page 86)

last minute news

National drive set for reformulated Schlitz Light

MILWAUKEE—Jos. Schlitz Brewing will break a new national ad campaign this June for its reformulated Schlitz Light. The push consists of tv spots featuring a life style theme: "New Schlitz Light stays light all night long." Broadcast and print support will follow. J. Walter Thompson USA, Chicago, handles.

American Tourister moves to Campbell-Ewald

PROVIDENCE—American Tourister has moved its $3.5 million luggage account to Campbell-Ewald after a review. DDB previously handled.

RCA unveils new large-screen tv line to dealers

LAS VEGAS—At its sales meeting here over the weekend, RCA Consumer Electronics division unveiled a line of compact, large-screen tv sets. The new tv sets, due for heavy ad support via Burnett, offer a 26-in.

(Continued on Page 8)

Coke is it in first Ad Age poll

By JOSEPH M. WINSKI

By a substantial margin, Coca-Cola advertising registers the highest awareness among consumers of any advertising, outpolling second-ranked Pepsi-Cola by a two-to-one margin.

In terms of public awareness, McDonald's Corp. advertising dominates its industry far more than any other advertisers do theirs. Over-all, McDonald's advertising ranks third in public awareness, behind Coke and Pepsi.

Fully 44% of all consumers questioned respond that they "don't know" when asked to identify which brand advertising first comes to mind of all that they have seen, read or heard in the previous 30 days.

Of all the advertisements or commercials identified as first coming to mind, 69% are tv commercials.

Those are some of the findings of the first monthly adTrack survey, a joint effort of ADVERTISING AGE and SRI Research Center Inc., Lincoln, Neb., to measure consumer awareness of advertising. As far as AA and SRI can determine, adTrack represents the most ambitious statistically valid research into ad awareness yet undertaken. It is our belief that this regular service will provide valuable, if sometimes surprising, insights into a fundamental function of advertising: Creating awareness of the product or service being advertised.

adTrack

Awareness is determined by tallying the unaided responses of consumers to these questions: (1) "Of all the advertising you have seen, read or heard in the last 30 days, which comes first to mind?" and, (2) "Of all the advertising for [each of 20 product categories] you have seen, heard or read in the last 30 days, which comes first to mind?" Consumers also are asked where they saw, read or heard any advertising they identify.

The survey, conducted by telephone from April 1 through April 21 by trained SRI interviewers, covered a sample of 1,262 Americans.

The sample is designed to represent accurately the population being studied; that is, the sample data can be used to make valid generalizations about a much larger group, in this case all U.S. consumers 18 years of age or over.

AdTrack will survey consumers monthly, and thus will be able to measure the "movement" of advertising awareness over time, or detect which advertising is increasing,

(Continued on Page 76)

Top 10 in awareness

Advertising named most often (in April)

	Mentions	% of all mentions
1. Coca-Cola	76	6%
2. Pepsi-Cola	37	3
3. McDonald's	24	2
4. Miller	21	2
5. Ford	17	1
6. Chrysler	13	1
7. Peter Pan	12	1
8. 7UP	10	1
9. (tie) Budweiser	9	1
9. Chevrolet	9	1

Question: Of all the advertising you've read, seen or heard in the last month, which ad first comes to mind? Source: SRI Research Center Inc., Lincoln, Neb.

Warner sets home shop test

By SUSAN SPILLMAN

NEW YORK—Warner Amex Satellite Entertainment Co. will begin testing a home shopping cable tv network in several markets during the third quarter of this year, with hopes of expanding nationally in 1983.

Warner Amex officials would not reveal the program format of the test service, which has been in development for over a year. It is expected, however, that the shopping channel will follow the 24-hour scheduling philosophy Warner has emphasized as major strengths of its MTV: Music Television and Movie Channel services.

Several cable networks plan to carry individual shop-at-home programs and one, Satellite Programming Network, already does. But if Warner proceeds with an '83 launch, it would become the first satellite-delivered channel devoted exclusively to home shopping.

■ The company showed its interest in a shop-at-home service as early as December, 1979, when American Express tested shopping from its Christmas gift catalog on sister-company Warner Amex Cable's Qube system in Columbus, O. Warner Amex Cable also held talks with Sears about a similar venture (AA, Feb. 18, '80).

While the Qube system enabled viewers to press buttons on interactive key pads to purchase items, this technology is extremely limited today. A national shopping service offered in 1983 would likely have to utilize 800 phone numbers.#

Falkland fire hits marketers

By SEAN MILMO

LONDON—Major American and British advertisers, who at all costs want to avoid taking any position on the Falkland Islands (or Malvinas) crisis, fell into it last week and are now trying to dig out.

It started when such companies as Ford Motor Co., Eastman Kodak, Chesebrough-Pond's, Johnson & Johnson, American Home Products, a Coca-Cola bottler, Colgate-Palmolive, Anglo-Dutch Unilever Ltd., Volkswagen and N.V. Philips appeared to be sponsoring a U.S.-style, 24-hour tv telethon in Argentina to raise money for the war effort.

Commercials for the company's products were shown, or their names flashed on the screen, at a cost of $15 a second.

■ The hue and cry in London grew after word got around that British companies also were associated with the telethon. One British store owner, whose seaman son survived the Argentinian missile attack on the HMS Sheffield off the Falklands, has banned all products made by companies taking part in the telethon. Other retailers are up in arms and are demanding an explanation, partly because they are barraged with questions from angry customers.

Embarrassed executives have appeared on British tv and radio offering explanations. "I went on radio after three large retailers asked to know why it happened," said John Barker, company secretary of Colgate-Palmolive Ltd.

Some of the companies, like Colgate, are considering donations to victims of the HMS Sheffield attack, and one has made a sizable contribution to a special fund set

(Continued on Page 86)

Destination known

Cunard's Queen Elizabeth 2 is now sailing to an official "destination unknown," known to be the Falkland Islands, filled with Scot and Welsh Guards and a Gurkha regiment. Cunard says it will continue advertising, via Compton, while the ship is out of service because it is still booking customers.

EUROPE AND THE QE2:
ONE WAY IS FABULOUS.
THE OTHER WAY IS FREE.
Traveling between New York and Europe on the once-and-only QE2 is unforgettable, but not unaffordable. You get 5 glorious days and nights on the last of the great superliners — and a free plane ticket home.
London night free, hotel discounts.
Next business trip, your spouse sails free.
Grand QE2 tours. European cruises.
Sail one way — fly the other, free.
QUEEN ELIZABETH 2
FOR ONCE IN YOUR LIFE, LIVE
CUNARD

AMA victory may doom FTC bill

By RICHARD L. GORDON and NANCY MILLMAN

Ad industry associations easily won Senate commerce committee approval last week for their proposal to stop Federal Trade Commission regulation of "unfair" advertising. But the FTC's top lobbyist later warned the American Assn. of Advertising Agencies convention that the Senate's bill has become so controversial it may be doomed.

The fly in the ointment, according to FTC chief lobbyist Bryce L. Harlow, is the section added to the Senate bill, under pressure from the American Medical Assn., that puts doctors and other state-regulated professionals beyond the commission's reach. The professionals' bid has been denounced by FTC chairman James C. Miller III, and Mr. Harlow said House leaders are unlikely to approve any bill carving out such a huge "special interest" exemption.

The result, Mr. Harlow told the Four A's meeting in White Sulphur Springs, W. Va., could be a legislative stalemate that would keep FTC unchanged for the present. "When the doctors won, you lost," he argued.

The FTC lobbyist's grim estimate of the legislative outlook was confirmed by Rep. James Florio (D., N.J.), manager of FTC legislation in the House. He said last week the Senate FTC approach is "a radical departure from traditional thinking about FTC."

The congressman's objections go beyond the doctors to all the special exemptions the Senate has loaded on the bill. Among them, he included the ad industry's plea for removal of "unfairness" from the advertising law. He told ADVERTISING AGE this is "out of the question"

(Continued on Page 84)

highlights

Monday, May 17, 1982

The Saturday morning battle lines are being drawn anew for fall by the tv networks. *See Page 12.*

AMC's Jeep takes on "the world of ordinary cars." *See Page 14.*

Hertz adds a "Yes Desk" to expedite car rental services. *See Page 14.*

Jack Bowen, Benton & Bowles' chief and new American Assn. of Advertising Agencies chairman, sees significant gains being made by that organization. *See Page 20.*

Don Johnston, outgoing Four A's chairman, warns that irritating ads can cost client as well as entire ad business. *See Page 20.*

Hearings open on the stock dealings of Canada's only publicly held agency, Cockfield Brown. *See Page 20.*

An American Express travel package ad was grounded by the National Advertising Division. *See Page 22.*

The great cola war moves to the soda fountain. *See Page 24.*

Dr Pepper is trying to turn Europeans into Peppers, too. *See Page 25.*

Single-serving low-calorie meals add weight to the frozen entree business. *See Page 30.*

Ted Bates & Co. has fired the head of its spot buying unit, but denies that it's comparable to J. Walter Thompson's dismissal of Marie Luisi. *See Page 32.*

Fragrances are set for at least one market duel. *See Page 35.*

Warren Hirsh is once more without a name to market. *See Page 35.*

The growing erosion of the middleman was one topic at the Assn. of Canadian Advertisers' annual seminar. *See Page 38.*

General Motors has approved its new two-seater P-car. *See Page 38.*

Children's aspirin shares suffer the same fate as those pain killers for adults. *See Page 45.*

Teen agers are being ignored by advertisers despite their growing role in family grocery purchasing, the Food Marketing Institute annual meeting was told. *See Page 68.*

RKO's Federal Communications Commission license problems figure into its recent syndication program dealings. *See Page 74.*

Two Dancer Fitzgerald Sample execs offer the agency's eight-point guide to new food product introduction at the National Juice Products Assn. convention. *See Page 75.*

CORPORATE CLOSEUP

Huffy Corp.'s recently signed licensing agreement with Raleigh Industries will take the nation's largest bicycle manufacturer into a new segment of the market. *See Page 4.*

VIDEOTECH

A lot of the action at the recent National Cable TV Assn. meeting took place offstage. *See Page 50.*

Telephone Poll will try to bring some of the participatory appeal of interactive tv to commercial stations. *See Page 54.*

A commercial production exec offers tips for keeping a lid on the cost of producing a tv spot. *See Page 54.*

Reuters and Syndicast Services are aiming for 50 tv stations for the "Reuters Focus on Investment" tv series. *See Page 56.*

General Foods was the top spender in BAR's first-quarter cable tv spending report. *See Page 59.*

MAGAZINE

Quality paperback books more than ever are being mass marketed—in many cases with great success. *See Page M-2.*

Truman Capote talks to columnist James Brady about his own work, other writers and his experiences as a screenwriter. *See Page M-4.*

SPECIAL REPORT

Marketing internationally focuses in particular on the question of regional vs. centralized planning. *See Page M-7.*

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Braniff: Can new line rise?

By TOM BAYER

DALLAS—A fresh airline will emerge from the Braniff debacle if Howard Putnam and his remaining cadre of executives have their way.

But getting their way may be as bumpy a ride as Braniff has seen, since, under Chapter 11 proceedings of the Federal Bankruptcy Act, Braniff is now supervised by a federal bankruptcy judge assigned the mammoth task of working out arrangements with its creditors.

And assuming that satisfactory deals are eventually struck with creditors, the new airline that emerges would face a marketing challenge unlike any other airline in history; no other airline has been born out of such proceedings. The marketing strategy would have to counteract public opinion of the old Braniff, and any remaining stigmata of proceedings associated with bankruptcy.

Mr. Putnam, though, says his commitment to turn Braniff around is just as strong today as it was when he joined the carrier from Southwest Airlines.

"The formula is right," he said.

(Continued on Page 86)

Coke it in first AA poll

(Continued from Page 1)

declining or remaining steady in consumer awareness.

"We believe this 'tracking' of awareness will be one of the most valuable features of adTrack," said Gary Gabelhouse, SRI Research Center project director. "AdTrack will be a moving picture that allows dynamic measurement of advertising's basic element—awareness."

AdTrack does not attempt to measure advertising effectiveness, or how the advertising in question affected sales. Nor does it attempt to determine whether consumers remembered an ad or commercial because they liked it or disliked it; it merely reflects what consumers said they remembered at the time they were questioned.

■ In April, consumers clearly remembered Coca-Cola advertising more than any other. Of the 1,262 people questioned, 76—or 6% of the total—said Coke's ads first came to mind. Pepsi advertising, which ranked second in over-all awareness, was mentioned by 37 people, or 3% of the total.

When asked to limit their responses to soft drinks, however, consumers were much more evenly divided: 31% said Coke advertising first came to mind, while 27% said Pepsi advertising did. 7UP finished a distant third, receiving 8% of all industry mentions. Dr Pepper advertising was named by 4%.

McDonald's advertising, third in over-all awareness by virtue of its being mentioned by 2% of the respondents, swamped its competition in the industry rankings. It was named as the fast-food advertising that first came to mind by 47% of the respondents, more than six times the number who named runner-ups Burger King (7%) and Wendy's (6%). McDonald's 47% of mentions was easily the most in any industry; Coke's 31% and Pepsi's 27% were the next closest.

McDonald's better than 6-to-1 margin over the No. 2 advertiser in its industry was approached only in one other industry, laundry products, where Tide received 23% of all mentions to only 5% for Cheer. Both products are from Procter & Gamble.

Rounding out the top 10 in over-all awareness were Miller beer, Ford, Chrysler, Peter Pan peanut butter (clearly the biggest surprise), 7UP and Budweiser and Chevrolet, which tied for ninth place.

As might be expected, tv was the medium carrying most of the high-awareness advertising, but the extent of its domination is perhaps unexpected. Nearly seven of every 10 advertisements mentioned in the survey were seen on tv. That compares with only 11% in newspapers, 8% in magazines and 4% on radio.

Other findings of note in April's adTrack:

• Ford's 19% of industry mentions comfortably topped Chevrolet's 11%. Toyota ranked third in cars and trucks, with 8% of all mentions. Although Chrysler ranked sixth in public awareness of all advertising, auto maker ranked only fourth in awareness in industry advertising.

• In medicine and drugs, Tylenol received 20% of all mentions, a commanding margin over the 8% each received by Bayer and Anacin pain relievers.

• In the closest industry fight for consumer awareness, Head & Shoulders shampoo (75 mentions for 6% of total) and Prell (73 mentions, 6%) finished in a virtual dead heat in personal soaps and shampoos. But 72% of those naming Head & Shoulders were men, while only 40% of those naming Prell were.

• Coors finished a surprisingly strong third in beer advertising, with 8% of all mentions, behind Miller's 17% and Budweiser's 13%. Schlitz was fourth, with slightly more than 7.5% of all mentions. The beer tallies included both regular and light brands when mentioned with the brewer's name. A number of respondents mentioned a "light" beer without designating a brand; these weren't recorded as part of the vote for Miller, Budweiser or other brands.

About 29% of those who recalled Coors' ads were over 65, compared with only 13% for Miller and 11% for Budweiser. About 41% of those naming Coors' ads were male, while 55% of those mentioning Bud and 51% of those mentioning Miller were male.

• Marlboro cigarets, with 10% of industry mentions, had a 2-to-1 margin over both Salem and Winston in tobacco products. Surprisingly, perhaps, of those who recalled Marlboro, 56% were women; only 42% of those naming Winston were women.

Although cigaret commercials have not appeared on tv for years, 19 people said they saw Marlboro on tv; eight people said they saw Winston commercials and six said they saw Salem commercials.

• Only one product finished in the top three in two industries. That was Charmin, which ranked No. 1 in personal toiletries/hygiene (6% of all mentions) and No. 2 in paper products (10% of all mentions).

• The top two advertisers recalled in the home electronics category represent the industry's new wave: Atari (15% of mentions) and Radio Shack (4%). General Electric and RCA, more traditional members of the group, tied for third with 3% recalls each.

Atari's awareness recall was more than seven times that of Mattel Intellivision, whose advertising was mentioned by only 2% of the respondents.

• Advertising for the account-jumping airline industry produced one of the closest awareness races, with United's 14% of industry mentions edging out Eastern's 13%. TWA received 9% of mentions, while American finished a close fourth with 8%.

Airline advertising showed the most pronounced regional differences in awareness, with United being recalled most heavily in the North Central U.S., Eastern in the South Central and TWA in the Northeast.

The 44% of respondents who said they were unable to recall any advertising for a specific brand including 9% who recalled specific advertising but not the product that was being advertised.

The confusion appeared most evident in cameras and photographic equipment; 15 people said they were most aware of the "James Garner" commercials, but did not name the product Mr. Garner touts, Polaroid. Kodak edged out Polaroid in industry advertising specifically recalled by brand, with 18% of all mentions to Polaroid's 16%.#

For additional information or data contact: Gary Gabelhouse, SRI Research Center Inc., 301 South 68th Street, Lincoln, Neb. 68506. Phone: (402) 489-0351.

adTrack

Top ads in awareness by industry

	Mentions	% of mentions
CARS/TRUCKS		
1. Ford	234	19%
2. Chevrolet	142	11
3. Toyota	102	8
LAUNDRY PRODUCTS		
1. Tide	294	23
2. Cheer	60	5
3. Bold	43	3BV
MEDICINE & DRUGS		
1. Tylenol	254	20
2. Bayer	100	8
3. Anacin	95	8
PET FOOD		
1. Purina	199	16
2. Alpo	103	8
3. Meow Mix	66	5
PERSONAL SOAP & SHAMPOO		
1. Head & Shoulders	75	6
2. Prell	73	6
3. Ivory	57	5
SOFT DRINKS		
1. Coca-Cola	391	31
2. Pepsi-Cola	344	27
3. 7UP	98	8
BEER		
1. Miller	216	17
2. Budweiser	161	13
3. Coors	107	8

	Mentions	% of mentions
PACKAGED, CANNED, FROZEN FOODS		
1. Birds Eye	129	10%
2. Green Giant	88	7
3. Stouffer's	68	5
COSMETICS & FRAGRANCES		
1. Avon	70	6
2. Charlie	59	5
3. Estee Lauder	56	4
BREAKFAST FOODS		
1. Kellogg's	144	11
2. Cheerios	66	5
3. Wheaties	41	3
FAST-FOOD RESTAURANTS		
1. McDonald's	592	47
2. Burger King	92	7
3. Wendy's	75	6
TOBACCO PRODUCTS		
1. Marlboro	122	10
2. Salem	63	5
3. Winston	60	5
AIRLINE COMPANIES		
1. United	182	14
2. Eastern	159	13
3. TWA	115	9
WINE & LIQUOR		
1. Gallo	80	6
2. Riunite	72	6
3. Paul Masson	66	5

	Mentions	% of mentions
COFFEE & TEA		
1. Maxwell House	227	18%
2. Folger's	174	14
3. Sanka	155	12
PERSONAL TOILETRIES/HYGIENE		
1. Charmin	75	6
2. Crest	35	3
3. Stayfree	28	2
HOME ELECTRONICS		
1. Atari	187	15
2. Radio Shack	49	4
3. (tie) General Electric	36	3
3. RCA	36	3
PAPER PRODUCTS		
1. Scott's	126	10
2. Charmin	121	10
3. Bounty	79	6
GUM/CANDY		
1. Wrigley	113	9
2. Trident	72	6
3. Doublemint	66	5
CAMERAS AND EQUIPMENT		
1. Kodak	224	18
2. Polaroid	202	16
3. Canon	132	10

Question: Of all the ads for (product category) you've read, seen or heard in the last month, which ad first comes to mind?

Source: SRI Research Center Inc., Lincoln, Neb.

Source of ad

	Per cent of all ads mentioned
Television	69%
Newspaper	11
Magazine	8
Radio	4
Outdoor	2
Other	5
Don't know	1

Question: Where did you read, see or hear (ad named as first coming to mind)?

Source: SRI Research Center Inc., Lincoln, Neb.

Study's methodology explained

LINCOLN, NEB.—SRI Research Center interviewers called a random sample of 1,262 respondents 18 or older from April 1 through April 21, making 60 contacts nightly.

Respondents were selected using randomly generated telephone numbers in the 48 contiguous states of the U.S. Respondents were proportionally stratified by sex, age, race and state in each of four regions.

Nightly quotas for males, females and region were established to reduce bias that could have resulted from the time and day of the call, and to facilitate meeting all stratification quotas upon completion of the study.

Calls were made between 5 p.m. and 10 p.m. in the respondents' time zone. A mimimum of three attempts were made to reach a qualifying respondent at each telephone number, including a final attempt made during daytime hours.

All callers were professional interviewers trained and exclusively employed by SRI Research Center. Interviewers were specifically trained for adTrack by SRI and ADVERTISING AGE. All interviewers were supervised and monitored during the study, and 10% of all respondent contacts were validated by callbacks by SRI supervisors.

The following table shows the range of error at various response levels on a sample of 1,250 respondents. All ranges of error assume a 95% confidence level, meaning that if similar-size samples were drawn from the same population 100 times, 95 times out of the 100 the responses given would be within the error ranges designated.

Range of Error

Response level—Percentage of error
50%: Plus or minus 2.8%
40% or 60%: + or - 2.7%
30% or 70%: + or - 2.5%
20% or 80%: + or - 2.2%
10% or 90%: + or - 1.7%

SRI Research Center is a 10-year-old, employe-owned full-service research company engaged primarily in telephone research. Included in SRI's clients are numerous *Fortune* 500 corporations and broadcasting companies. It has about 220 employes, including a roster of permanent interviewers.#

Meyer on

Promotions

By Ed Meyer

It's on the package

Sales promotion was used to literally "hold the fort" during 1981. According to Dancer Fitzgerald Sample's monthly "Consumer Promotion Report," the biggest change in promotion strategy from the previous year came from a dramatic increase in the use of on-package promotion by manufacturers.

The increased use of the package as a sales promotion vehicle was just one of several key developments that we discovered when comparing our 1981 DFS monthly "Consumer Promotion Report" findings with our 1980 findings. In our review of 1981, we looked at 6,147 different promotions in 23 prime product categories, including cereal, coffee, soap and detergents, to produce our findings. It's the first time we have been able to draw a comparison because the "Promotion Report" is just in its second year. All information is obtained from media and instore promotion activity in six major markets and includes every major promotion technique.

Manufacturers are designing their promotions to reach objectives more realistically.

The "Promotion Report" should not be taken as the final word, but just an indication of what's happening in the marketplace. However, I just returned from listening to Dick Aycrigg of A.C. Nielsen Co., who presented his company's annual report on coupons and refunds, and I found a distinct correlation between his findings and those from the "Promotion Report."

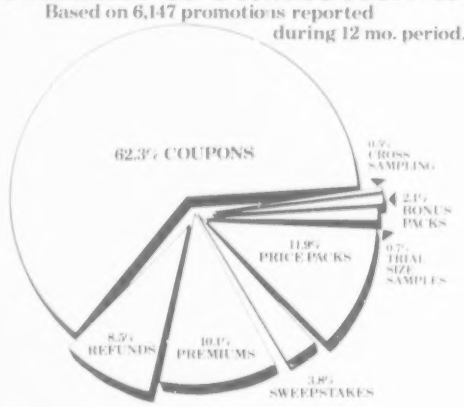
Sales promotion thrives in difficult economic times. I would think there have been significant increases in promotion budgets in order to create "quick thrusts" at consumers in hopes of capturing their interest and encouraging their steady purchases. Thus, the use of the package to create brand switching and continuity incentives to remain in one's franchise is very appropriate. I also feel that manufacturers are looking to strategically plan their promotions to achieve the most impact for their dollars. Let's see how this thinking was substantiated in 1981.

First of all, the increased use of the package for promotion was substantial over 1980. The use of package coupons increased by 10.3%; package refunds by 17.1%; bonus packs by 16.7%; instant coupons by 55.1%, and on-package sweepstakes by 89.1%. The last two areas—instant coupons and on-package sweepstakes—not only show outstanding growth, but add new dimensions to the versatility of sales promotion techniques.

The instant coupon has really emerged as a popular technique in the past two years. But questions are still raised as to its impact and what kind of effect it will have on the use of price packs (or off label) promotions? According to the latest information from Nielsen, the instant coupon averaged about 25% redemption over the past year and is being viewed as a possible alternative to price packs, which continue to receive static from retailers, who have to add new costly listings to their order sheets with this type of promotion.

SUMMARY OF PROMOTION–1981

Based on 6,147 promotions reported during 12 mo. period.



SOURCE: DFS MONTHLY CONSUMER PROMOTION REPORTS–1981

The instant coupon affixed by the manufacturer or in the store by the sales force is thought to create instant takeaway, yet it costs less than the off label when the cost of every package must be reduced in price. Until now it was believed that the instant coupon, like the off label, created an immediate sale, yet a high percentage of the instant coupons were redeemed on the next purchase, not the first, making it a very affordable promotion. We'll have to wait and see if this philosophy is realistic or whether the instant coupon just becomes too expensive if the redemptions skyrocket on the first purchase.

Our second leading on-package growth area is sweepstakes or games. This consists primarily of the insertion of rub-off game cards in a specific amount of packages offering consumers many chances to win prizes, which, in many instances, consist of cash. This technique, which has been so popular with fast-food outlets and state lotteries, has shown tremendous growth in use by packaged goods manufacturers over the past year.

Besides the increased use of the manufacturer's package as a promotion vehicle, there seems to be an over-all rise in the use of better strategic planning. In other words, manufacturers are designing their promotions to more realistically accomplish their objectives, using less "sleight of hand" and more logical thinking. We found this occurring in three other specific areas: Self-liquidating premiums, coupon refunds and the selection of the specific type of media with which to deliver coupons.

Self-liquidating premiums are the least effective of any promotion technique, except when they're used as dealer loaders. We found that almost three-quarters of all premiums being offered were self-liquidators, very similar to last year. However, we do feel that manufacturers are using self-liquidators in a very specific way—as incentives to the trade to get up displays. Which is what dealer loaders are all about. So this low-level promotion technique may be serving an excellent purpose as a phantom promotion vehicle for consumers and as a display acquiring vehicle to the trade, which represents some very smart thinking.

Another example of good planning is the continuing growth in the use of coupons as full refunds or combined with cash as partial refunds. Manufacturers are taking advantage of the coupon boom by offering higher refund values through multiple coupons while at the same time generating more product sales when the coupons are redeemed. No longer is the cash refund going straight in the pocketbook. Its coupon replacement is creating additional purchases and helping to maintain brand loyalty.

Finally, we continue to see a more effective use of coupons through the selection of very efficient delivery vehicles. Specifically, we see a greater use of cooperative couponing efforts whereby a manufacturer pays only a portion of the distribution costs and achieves in many instances as effective redemption as though it were to run its coupon alone. We found the use of the very popular free-standing insert increasing by 11.4% over 1980. This vehicle, which creates a very substantial redemption at a low delivery cost, continues to be the most efficient couponing device available outside the use of one's package, which only rewards current users.

So, in 1981, sales promotion once again proved to be a very practical marketing tool—a tool that can certainly help keep one's franchise afloat during difficult economic times. AA

Ed Meyer is director of promotion services at Dancer Fitzgerald Sample, New York.

Consumer's Viewpoint

By Barbara Mahany

Refund offer does it

Well, the planets all lined up behind the sun on March 9, and the world did not come to an end, but the Great Atlantic & Pacific Tea Co. did, here in Chicago, and that is sad. Why does one store or product make it and others fail? Oh, to get the pulse of a market and not lose it. That's what your business is all about, isn't it?

You all finally got me. I bought a different brand of instant lemonade just because of the refund offer. That is the first time I bought a product for the refund; now to take the time to get the refund. It was a warm afternoon and I went to the store to get a new container of the brand we all enjoyed so much last year, and there I was, faced with all those different brands.

The amount of competition in this one area amazed me, so I started looking at them all and comparing price and quantity and confusing myself, when I saw this one brand with a flag proclaiming a $1.25 refund. "Why not?" I asked myself. Another loyal customer fell for money.

I have been checking food ads more carefully lately and there are so many offers and the dollar value keeps going. I wonder where it will all end. It is interesting to note that General Motors feels that refunds on cars have served their time, and it is now time to find new ways of attracting buyers, without lowering the price of cars. Interesting and wonderful for all of us out here consuming like mad. I am waiting, patiently, for trading stamps to come back, perhaps included in the package. I loved stamps and really felt like I was a wise shopper when I traded in my books for merchandise.

There are promotions for absolutely every occasion. Sometimes I think you have created holidays so you will have a theme to build around. It seems to me you have missed a marvelous opportunity with April 15. I am serious, something offbeat, like "Day of Reckoning" deal—or a very big push on painkillers. We must never lose our sense of humor must we, as these are humorless times.

It is pack-up-memory time for my family. Mother is selling the family home and I went back to Cincinnati to help. Driving through Indiana I remembered how the Burma Shave signs would break up the monotony of a road trip. Wonderful nonsense rhymes; and I missed these and the barn roofs that stated so simply "Chew Mail Pouch Tobacco." Such simple messages, so straightforward and honest.

I have been concerned for years about the impact of advertising on the subconscious, and the way some companies take advantage of these needs and wants. The pictures, the copy all lead one to believe that happiness and success come with driving this car, wearing this perfume or this label, eating this product, etc. . . . The models are gorgeous, both male and female, generally young and very exciting, and all this in romantic settings. Now, most of us are not gorgeous, exciting or young. Some of us are pleasingly plump, showing signs of wear and tear and seldom, if ever, high fashion. This is much closer to the real world than the world you proclaim.

The American Tobacco Institute is running an ad now claiming that cigaret advertising does not influence kids. Their words. They have got to be kidding or are they really that naive.

Adolescence is a very difficult time at best. Wanting to look and act grown up is so terribly important in these years, and the tobacco industry bears an extra burden because its product affects not only the one using it but those of us who have to breathe the smoke-filled air. Has there ever been a cigaret ad that told about the smell of stale smoke, stained fingers, the mess of ashes? I know, I smoked. Has there ever been an ad that showed a man or woman as other than young, well-off, exciting and having a marvelous time? Some cigaret companies have changed their format and I thank them for leaving people out of the ads and appealing to reason rather than emotions, but some have not. I hope the Tobacco Institute will rethink its ad and be more responsible for the impact its industry's ads have on our youth and all future consumers.

My thanks to those in the food industry who on their own are including information regarding the salt content in their products. You make many brownie points when you do it before the consumer groups force you to. AA

Barbara Mahany writes on advertising and promotion matters from a consumer's standpoint.

C2710-1 5/24/82

Saatchi & Saatchi Compton: The brothers have a goal—See Magazine

Advertising Age®

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$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *May 24, 1982*

Bic spots pulled off by 2 nets

By GAY JERVEY

After a pretty feisty skirmish, the latest battle in the Bic/Gillette comparative war has reached an impasse.

Both ABC and NBC reportedly have yanked—temporarily at least—a highly touted Bic tv commercial that pits Bic and Gillette shavers against each other. The commercial makes use of an electron microscope for super-tight closeups of male chins, brandishes "independent clinical" tests and is graphic about shorn whiskers—all in an attempt by Bic to show once and for all that what Gillette razors do, Bic can do, too—and for less money.

■ To date, Bic is only offering the following official statement: "We're continuing discussions with both networks, and legal counsel has advised us not to comment on this at this time."

An NBC spokesperson explained that Gillette has initiated a challenge procedure with the network, and NBC in turn is reviewing the ads internally.

Meanwhile, it will keep them

(Continued on Page 80)

New role

Pernell Roberts ("Trapper John, M.D.") serves up Folonari Soave for his friends who "like chablis" in a new tv commercial breaking today for the import of "21" Brands, New York. It will air in East and West Coast markets. Henderson Advertising, Greenville, S.C., handles.

REORGANIZATION TO HELP

S.C. Johnson mulls entry into otc drugs

By JENNIFER ALTER

RACINE, WIS.—S.C. Johnson & Son, which made its name and fortune on wax, is exploring a major diversification into the over-the-counter drug business.

The 96-year-old company is considering both acquisition and product development as ways to crack the $9 billion field, which Johnson expects to grow rapidly because of increased consumer interest in self-care and relaxed government regulations.

In addition, "It's kind of a natural thing for us in terms of distribution," said Richard Carpenter, exec vp, U.S. consumer products, in an interview. Emphasizing that activity to date has been "strictly exploratory investigation," Mr. Carpenter said test marketing of an otc product is more than a year away.

Johnson is known to be looking at several otc companies and has enlisted the services of former JCK Organization chairman Dan Rodgers as a consultant.

Also, last July it bolstered its internal development capabilities by hiring Donald A. Buyske as senior vp-research and development and chief scientific officer. Dr. Buyske brought along high-level pharmaceutical experience from Johnson & Johnson and Warner-Lambert.

While he declined to discuss specifics, Mr. Carpenter said skincare is a logical possibility for pursuit. "Skincare would be a good bridge," he said, referring to expertise the company has gained with its recent

(Continued on Page 80)

last minute news

Massive 'House & Garden' revamp readied

NEW YORK—*House & Garden* is about to change everything but its name as it goes against *Architectural Digest* in a head-to-head marketing battle. In one of the magazine industry's most dramatic makeovers, the Conde Nast publication will up its cover price to $4 from $1.50, drop its service features in place of "life style" stories on architecture and design, change to a 100-lb. stock cover and to 60-lb. stock inside pages and cut its 1 million rate base, perhaps almost by half. The changes are planned for January, with a prototype due in September. Sources said that between 18 and 20 staffers have been fired to make way for the new direction.

Norwich slates Head & Chest cold remedy line

NORWICH, N.Y.—Norwich-Eaton Pharmaceuticals next fall will launch Head & Chest, a line of cold remedy products, with about $9 million in support via Henderson Advertising, Greenville, S.C.

Media General mulling purchase of Tanner

RICHMOND, VA.—Media General is considering the acquisition of William B. Tanner Co., Memphis, the nation's largest barter/media placement company. Media General, a diversified communications company that owns newspapers, radio and tv stations, would only say that it was holding "discussions" with Tanner. Tanner has 450 employes and field offices located in Boston, Chicago, Cleveland, Los Angeles, New York and San Francisco.

(Continued on Page 8)

USFL ready to sign network

By COLBY COATES

NEW YORK—Pro football is a betting man's game, so if you'd care to lay down a few markers, here are some hot tips on the new U.S. Football League.

Within the next week or so, USFL will land a network contract with either NBC or ABC. Shortly thereafter, a cable deal, most likely with ESPN, will develop.

The cable deal will be followed by Chet Simmons' exit from ESPN to become commissioner of the new league.

And there is another sure thing about the USFL: It's one of those rare times when a sports franchise is being created to meet a specific marketing objective.

In this case, advertisers have long moaned about their inability to reach the male 18-to-49 demographic during the second quarter. Sure, there are golf tournaments, NCAA basketball, some baseball and assorted anthologies; but on the network level there really is no continuing live-action, male-appeal sports franchise. Enter the 12-team USFL to fill that gap.

At this point, both NBC and ABC are negotiating with USFL. CBS apparently is on the sidelines, particularly since next year it will retain both NBA and NCAA basketball. With weekend daytime taken over by basketball, CBS would find it difficult to schedule USFL. The word among network sources is that NBC may have a slight edge over ABC in the negotiations, though both remain

(Continued on Page 80)

Travel agents put pieces together

Braniff: Computer plot?

By KIMBERLY PALMER

DALLAS—American Airlines, when it moved here two years ago, wasted little time sharpening the sword that was aimed straight for Braniff International's heart, former Braniff executives say.

Irregularities in information about Braniff's flight schedules and availability displayed in American's SABRE reservations system began to surface within months after American moved its reservations center and corporate headquarters from New York to nearby Grand Prairie in 1980.

SABRE, considered the largest automated reservation system in the country, is used by some 6,000 travel agencies, plus a number of corporate travel departments, to book flights on various airlines.

Former Braniff officials say the problems intensified in recent months as the ailing Dallas-based carrier fought for its life with innovative marketing strategies and promotions.

■ Still reeling from Braniff's sudden shutdown (AA, May 17), travel agents now are beginning to piece together how, while they looked on, American may have used its sophisticated reservations system against Braniff. American officials deny such allegations.

"The more competitive Braniff got, the nastier American got," relates the manager of one Oklahoma travel agency. American competed with Braniff in all

(Continued on Page 78)

NEWSPAPER

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WASHINGTON DC 20014

Gannett sets 'innovative' ad rates for 'USA Today'

By RICHARD L. GORDON

WASHINGTON—Gannett execs put the finishing touches last week on an ad rate strategy designed to fill the ad pages of its new national daily, *USA Today*, beginning with the first issues this fall.

Key execs, who are set to go public with their rate plan this week, disclosed details to ADVERTISING AGE, including eye-catching cpms, a "Partnership Plan" offering free space to charter advertisers and pricing innovations taken from the magazine field.

Advertisers will be offered a "unique" rate card with more advantageous rates for larger units, higher than usual discounts, lower than usual color premiums and no premiums for franchise positions (premium positions sold on a renewable basis).

It's also understood that *USA Today*, which claims it will be the only newspaper using satellite links to transmit color ad pages, is separately considering publishing a new prototype, sent via satellite, to demonstrate to advertisers the quality of its color reproduction. Existing prototype editions have been printed in Washington, but 1982-83 plans call for linking Washington via satellite to printing plants in Atlanta, Minneapolis-St. Paul and Pittsburgh, with ten more markets to be added in the first quarter of next year.

The pricing tactics encourage color ads and large-space ads, an approach that fits the magazine-like concept of the publication embraced by former *McCall's* advertising director Joseph P.R. Welty, now *USA Today's* vp-advertising. "We're going to be talking about it as newspaper in format and magazine in concept," he said in an interview. Gannett is "guaranteeing no more than 30% ad content per issue to control clutter," he noted, and the emphasis on color and larger ads is part of the publication's commitment to "exception-

(Continued on Page 76)

Another light night

Newspaper ad from Jos. Schlitz Brewing presents the new theme for revamped Schlitz Light: "New Schlitz Light! Stays light all night long" (AA, May 17). Tv spots are being produced. J. Walter Thompson USA, Chicago, handles.

'Marco' journeys up Nielsen chart

By JAMES P. FORKAN

(NBC affiliate meeting coverage on Page 70.)

NEW YORK—Procter & Gamble and NBC-TV went up in the Nielsen ratings on explorer Marco Polo's latest journey last week.

The start of the 10-hour, $25 million-plus "Marco Polo" miniseries coincided with the NBC affiliates convention in Los Angeles, and Robert Mulholland, NBC president, and Raymond Timothy, network president, delivered overnight rating updates on the first two instalments in the five Nielsen-metered markets to the affiliates' cheers.

When the finale's numbers arrived on Friday, NBC said it notched a 20.8/36. That, plus the 22.1/37 for Part I, 20.3/35 for Part II and 22/36 for Part III, gave "Marco Polo" a four-night average of 21.2 in homes ratings and 36 in audience share.

Although "Marco" did win all 20 half-hours, its final average score was not quite enough to best the season's top miniseries in rating, NBC's "World War III." But it did move ahead in share, 36 to 33.

The cheering must have been just as loud in Cincinnati, since the opening episode's rating and share were topped only by another P&G vehicle, the "Miss USA" pageant on CBS, which tied for first place in the Nielsen week ended May 16.#

Conditions call for change

CBS wants makegoods cut

By COLBY COATES

NEW YORK—CBS-TV Sales will push for the elimination of some audience guarantees in the upfront tv sales season, but just how hard is now being weighed by top-level CBS Broadcast Group management.

CBS is arguing that changing network tv conditions—a reference to such things as diminishing audiences and rising production costs—necessitates a move away from the practice of giving advertisers bonus points (makegoods) when its tv programs underdeliver the promised audience numbers.

The bottom line on it is rather elementary: At a time of rising costs, combined with top-heavy pressure to boost corporate profits (and underwrite costly and often losing ventures in the new technologies), the networks can rake in countless millions of additional dollars by selling inventory rather than giving it away as makegoods.

The fact that tightly-managed CBS has "flown the balloon" does not mean it will be the only network asking buyers to give up guarantees. In fact, all the networks cut their share of specific deals each year without the promise of making up for any audience deficiencies.

But what gives added significance to the current atmosphere is the networks' message that they'll offer various upfront deals at reduced prices if the buyer agrees not to demand audience assurances. And, further, bonus points could be available for certain benchmarks—numbers of households, for example—but not others, such as demographics. Said one network exec, "Obviously buyers will demand a pretty good discount."

At this point, before serious negotiations begin for next fall's tv season premieres, some agency buyers are curious about the non-guarantee idea; others, however, seem vehemently opposed. Generally, the rule of thumb in network tv sales is: When you buy guarantees you buy the network's share estimates; when you buy without them you buy the agency estimates.

Among the risks and rewards that CBS management must be considering is how tough a time it will have in selling the weak-sister shows on next fall's schedules. Explained one exec, "If the risk is in the agency's pocket the buyer is going to pick the stable programs, the ones that have a track record, or at least own an attractive time period. So, obviously, the packages

(Continued on Page 76)

highlights

Monday, May 24, 1982

Coca-Cola, soon to complete its buy of Columbia Pictures, is planning its most extensive promotion ever with Columbia's "Annie." *See Page 10.*

Young & Rubicam's Alex Kroll tells the American Assn. of Advertising Agencies to try for the "improving of advertising productivity." *See Page 12.*

Sony Corp. of America and Digital Equipment Co. are making belated entries into the microcomputer market. *See Page 28.*

The European edition of the *Wall Street Journal* probably will look like the U.S. version. *See Page 35.*

The 6-year-old *Asian Wall Street Journal* is about to turn its first profit. *See Page 50.*

A General Foods test with Wisconsin's Dick's Supermarkets shows that retailers can improve category profitability by using scanning data properly. *See Page 52.*

Mrs. America Pageant, now syndicated, is eyeing network and cable tv. *See Page 53.*

Ford is planning 33 new cars and trucks worldwide through 1985. *See Page 55.*

The widely accepted "bell jar curve concept" of product life cycles can be altered by advertising and marketing, the American Marketing Assn. was told. *See Page 56.*

Long-haul truckers are the target audience as a California-based truckstop ad network visits Madison Avenue. *See Page 57.*

NBC and its affiliates are convinced that the new fall lineup has a chance at making the network No. 2. *See Page 70.*

There's more stability in the ad business than most people think, says a Doyle Dane Bernbach executive. *See Page 72.*

Foote, Cone & Belding, apparently still interested in merger, did not mention that word to its stockhholders last week. *See Page 74.*

CORPORATE CLOSEUP

Eastman Kodak, with introduction of its disc camera system, is entering a new era of marketing aggressiveness, observers say. *See Page 4.*

INTERNATIONAL

Sweden's Bonnier publishing empire is being restructured into smaller units to stop the company's downward momentum. *See Page 36.*

Blood and gore mysteries are putting serious news programs in the back seat in Japan. *See Page 37.*

RETAILING

Britain's Marks & Spencer department store chain is expanding, bringing its unconventional ways of doing business to Canada. *See Page 58.*

"America the Beautiful," Bloomingdale's fall promotion theme, will offer appropriate specially made lines. *See Page 58.*

VIDEOTECH

ABC Video Enterprises is getting involved in each new electronic medium that emerges. *See Page 43.*

Tele-Communications Inc. is planning a national program package. *See Page 45.*

MAGAZINE

The Brothers Saatchi are taking the advertising community by storm with acquisitions, a growing list of new clients and management acumen. *See M-2.*

Price concessions do not a quality product make. In Parting Shot, Rance Crain says airlines and U.S. auto makers made errant decisions when weighing the price/value relationship. *See M-36.*

SPECIAL REPORT

In this week's Special Report —research business review— growth of the top 28 U.S. advertising/marketing/public opinion companies is tracked, with A.C. Nielsen accounting for 42% of total 1981 revenues. *See M-5.*

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GM holds to record ad pace

By RALPH GRAY

DETROIT—General Motors is continuing to invest in advertising at a record pace despite the long slump in car sales, stockholders were told at the company's annual meeting here Friday.

GM said it boosted U.S. ad expenditures 28.5% in 1981 to a total of $401 million, compared to $312 million in 1980. Chairman Roger Smith told stockholder advocate Lewis Gilbert, "I would probably look forward to some sort of increase" this year as well. Mr. Smith said rising ad rates and a highly competitive marketplace are responsible for the increases.

Worldwide ad spending in 1981 rose 7% to $633 million, the company said.

Mr. Smith also told shareholders that GM's 12.8% interest rate ceiling for auto loans has boosted the company's market share since it replaced rebates as the company's main promotional thrust. "We're very satisfied" with the rate program, he said.

No decision has been made on an extension past the May 31 deadline for the program. GM "may try

(Continued on Page 76)

Kroll to Four A's: Regain creative edge

By NANCY MILLMAN

WHITE SULPHUR SPRINGS, W. VA.—"Our goal is not some self-indulgent creative revival, but the improving of advertising productivity," Alex Kroll, president of Young & Rubicam/USA, told the final session of the American Assn. of Advertising Agencies here.

For the past year holding the additional title of chairman of the Four A's committee for the improvement of advertising, Mr. Kroll in his report harkened back to an address he made last summer about the exciting work being done by agencies outside the U.S.—notably tv by the British and Japanese, and print by the French. "Now that they are stealing our thunder, they may start stealing our business too," Mr. Kroll declared.

The committee for improving advertising is made up of creative people and concentrates on the creative product, Mr. Kroll said, because it is "the backbone" of the business. The serious reasons for bemoaning the loss of the creative edge by U.S. agencies: The "desperateness" that clients are voicing regarding their profit picture; new communications altering agencies' way of doing business; clients' productivity problems, and a "consumer that is dazed" from inflation, Reaganomics and communications choices.

One of the choices consumers are beginning to have is "the power of bipping"—the fast-forward and erase buttons on videocassette recorders that enable the viewer of tv programing and commercials to "go bip—and gone," Mr. Kroll said. "The consumer will enjoy the power of bipping—it's sort of fun," he stated in pointing up the urgency for the need to create advertising the viewer will want to watch.

Mr. Kroll showed the Four A's audience a 30-minute videotape

(Continued on Page 72)

Creative staffs hard hit: Matthews

WHITE SULPHUR SPRINGS, W. VA.—Most agency payrolls are showing a "substantial" reduction on the creative side of the business, always deemed the heart of an agency's work.

Leonard Matthews, president of the American Assn. of Advertising Agencies, told the membership at their annual conference here that comparisons of agency payrolls of 1960 and 1970 with 1980 show significant increases for new business, client contact and media in 1980 *(see chart below)*. "Significantly down were creative services [art and copy] and general office overhead. If you add print, tv and radio production to creative, total creative services are down a substantial 2%, and that's quite a bit when applied to most agency payrolls," Mr. Matthews noted.

"The key question," he added, "is why? Most of us preach or at least acknowledge that creative work is the single most important thing we do. If this is true, why is creative payroll down, especially in the decade of the 1970s, when most of the decline took place?"

Attempting to find an answer to his question, Mr. Matthews said that during the two earlier recession periods (1970 and 1974-75), "many agencies cut back significantly on sales promotion, merchandising services and package design. These services were labor-intensive for creative departments. Many agencies provided these design services free as part of their full-service concept. But even those agencies which charged creative fees for these services were thought not to be able to recover all their costs."

■ Mr. Matthews also noted that "during the tougher times" in '74-'75 and '79-'80 "many smaller agencies shifted to free lance creative help and reduced in-house creative staff."

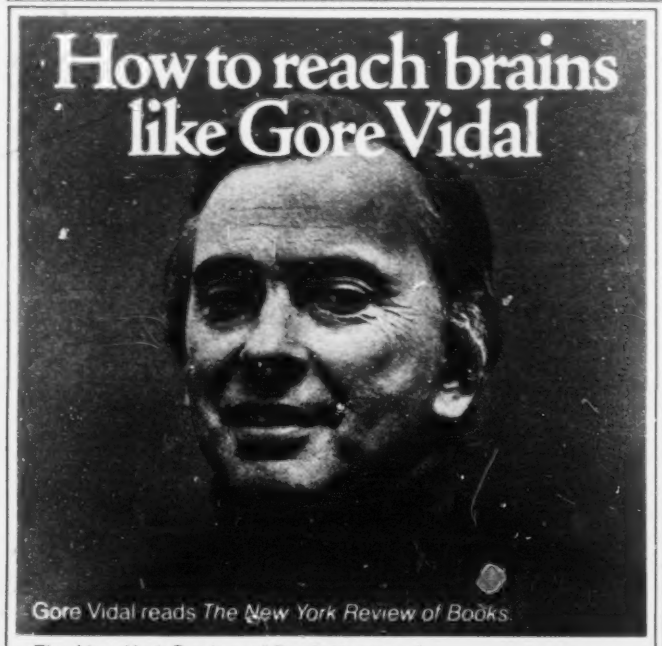
He also pointed to another theory—that the removal of cigaret advertising from broadcast swung a "very large segment" of advertising budgets from tv primarily to print, and print, it is believed, "is less expensive than creating tv commercials."#

Payroll costs as a percentage of total payroll

	1960 %	1970 %	1980 %	% change
New business	5.13	4.38	6.00	+0.87%
Contact	26.62	28.07	27.51	+0.89
Research	2.93	3.10	2.68	−0.25
Media	6.57	7.22	7.71	+1.14
Creative	24.90	24.77	23.73	−1.17
Print production/traffic	6.10	4.81	5.80	−0.30
Tv & radio production/traffic	3.21	3.53	2.70	−0.51
Publicity & pr	1.99	2.77	2.30	+0.31
Accounting	6.22	5.92	6.37	+0.15
Data processing	—	0.31	0.18	+0.18
General office overhead	7.71	6.74	6.04	−1.67
Executive overhead	8.62	8.88	8.98	+0.36
Total	100%	100%	100%	-0-

Source: Four A's annual analysis of agency costs.

How to reach brains like Gore Vidal



Gore Vidal reads *The New York Review of Books.*

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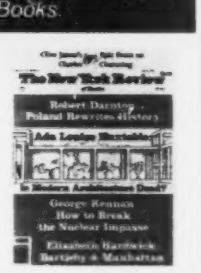

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Ad Council sets illiteracy fight

WHITE SULPHUR SPRINGS, W. VA.—An effort by the American Assn. of Advertising Agencies to combat functional illiteracy has gained Advertising Council support.

The Ad Council's program will be on behalf of a number of leading literacy organizations that formed the Literacy Alliance with the aid of the Four A's.

Don Johnston, J. Walter Thompson Co. chairman and outgoing chairman of the Four A's, said at the annual conference here that after the Four A's board agreed with him three years ago to embark on a program to combat illiteracy, the group produced a directory of organizations that deal with the problem of functional illiteracy in the U.S. At the time, "the thousands of organizations were largely ignorant of each other," he said. The Four A's also developed a newsletter through which these organizations could exchange ideas and programs.

The third step of the program, Mr. Johnston said, will be the Literacy Alliance public service campaign.#

Hot on the trail of market research trends

By Jack J. Honomichl

The U.S. marketing/advertising research industry, which had been steaming along with an annualized growth rate of about 19% from 1975 to 1978—and a "real growth rate" of about 12% after adjustment for inflation—started to run out of steam in 1979-80, and in 1981 fell off to a real growth rate of 3.4%.

Jack J. Honomichl writes a regular column on marketing research in the news pages of ADVERTISING AGE.

This trend is based on the annual revenue performance of leading U.S.-owned research companies, which has been developed exclusively for ADVERTISING AGE since 1975.

Previously there were no substantive measures of the industry's performance.

These leading companies account for the lion's share of the total industry revenues. (Profiles of the top 28 in 1981 start on Page M-7.)

Some of the major companies have revenues from nonresearch activities, but those were not included in this analysis. However, revenues these companies have from operations outside the U.S.

(Continued on Page M-6)

Research trends

(Continued from Page M-5)
were included, and they have been influenced significantly in recent years by foreign currency valuations vis-a-vis the dollar.

Impact of inflation

The need to adjust total growth down to reflect the impact of extraordinary inflation was evident back in 1975. The inflation rate used is the Consumer Price Index-U, as developed by the U.S. Department of Labor.

It is an annual average index based on all urban consumers, U.S. city average, all items (and not to be confused with the December-to-December calculation, also developed by the Department of Labor, which differs and is often higher than the annual average).

Here's how the CPI-U has run over recent years: 1981, 10.4%; 1980, 13.5%; 1979, 11.3%; 1978, 7.7%; 1977, 6.5%; 1976, 5.8%.

The Big Four

The Advertising Age group of top research companies divides naturally into two groups: The Big Four data bank companies —A.C. Nielsen Co., IMS International, Selling-Areas Marketing Inc. and Arbitron Ratings Co.—and the "all other" companies, which are basically in the ad hoc, custom research business. The Big Four, *in toto*, accounted for 68% of the total revenues shown for the top 28 companies in 1981, and so the industry growth rate is heavily weighted by how this group in particular does; in fact, they had a real growth rate, 1981 over 1980, of 3.9%, compared with 2.5% for the "all other" group.

Taking this comparison back to 1977, the real growth rate, adjusted for inflation, of the Big Four combined was 11.4%, compared with 15.1% for the "all other" group.

The "all-other" group, which is heavily weighted by survey research companies, was growing as fast in real terms as the data bank group until a reversal in 1979; from there on, the data bank group has been growing much faster—but still at a declining rate each year.

The data bank group's performance can be explained, in part, by the nature of its businesses—syndicated services—and the leverage that implies; contracts with clients, some of which have automatic inflation kicker clauses, and services that are relatively free from competition. "Sheltered" is the polite terminology.

The "all other" group, by contrast, depends heavily on ad hoc projects, fluctuations in client budgets and fierce "I-can-do-it-for-less" competition, which has inhibited their willingness to raise prices as fast as the cost of doing business (mainly field) went up. Further, some of the larger survey companies depend heavily on work sponsored by agencies of the federal government, and that has dropped off sharply under the Reagan administration's budget cutbacks.

Worldwide business

Of the total revenues shown by the Big Four data bank companies in 1981, 48.3% came from their operations outside the U.S.; for the "all-other" group, this figure was 3.0%. So the Big Four performance was influenced by the worldwide demand for marketing/advertising research, fluctuations in currency values and runaway inflation in many foreign countries.

This makes it difficult to evaluate the international growth rate. A.C. Nielsen, for instance, operates through subsidiaries in 23 foreign countries; IMS International operates in 57.

Some of these foreign operations are known to be long-time losers, and others are still in a startup, developmental mode. But if you look at the domestic revenues of the Big Four, 1981 over 1980, you see a real growth rate of 5.9% versus their overseas growth rate of 1.8%. So the huge overseas business of Nielsen and IMS is one of the weak areas in the 1981 industry growth record.

In perspective

Information like this on the marketing/advertising research industry invites comparison with a kindred group, the 28 largest U.S.-owned advertising agencies. Drawing from the U.S. Agency Income Profile compilation by Advertising Age (March 24, 1982), I make the following comparison for the gross world income in 1981 over 1980:

Total revenue growth for the 28 largest U.S.-owned advertising agencies was 9.0%, with a decline of 1.4% adjusted for inflation, compared with 13.8% total revenue growth for the 28 leading U.S.-owned research companies, with 3.4% adjusted for inflation.

So, for what consolation it offers, the marketing/advertising research industry—relatively—did better than the big agencies.

Conclusions

The 3.4% real growth experienced by the U.S. research industry is not just a function of the current recession or cutback in government spending for research.

The real growth decline started in 1979, and that was largely concentrated in the highly competitive survey research segment of the business, one so competitive that there was hesitation to raise prices parallel to the double-digit inflation that started that year.

The situation undoubtedly was exacerbated by cutbacks in federal government spending for research and the weak overseas performance of the large multinationals in recent years.

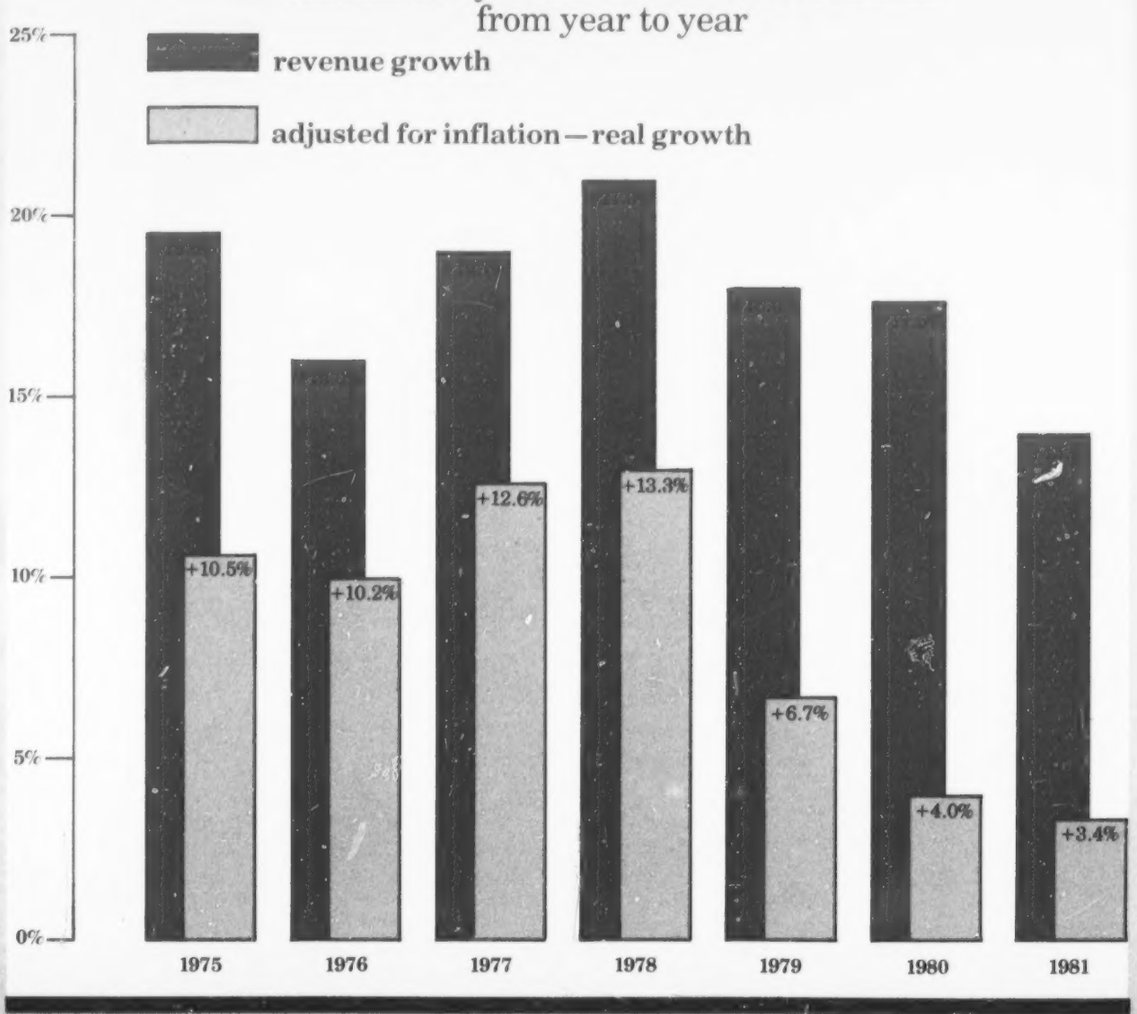
In retrospect, it could have been worse—judging from the performance of U.S. advertising agencies.

Real growth, adjusted for inflation

	Big four data bank companies combined	All others, combined
1981	+ 3.9%	+ 2.5%
1980	+ 5.5	+ .7
1979	+ 9.1	+ 8.2
1978	+12.9	+12.8
1977	+11.4	+15.1

U.S. Marketing/Advertising Research Industry

Measured by rate of increase in revenues from year to year



NOTE ON CHART: Industry growth estimated from aggregate research year-to-year revenue gains of largest companies in the industry as developed by Advertising Age. To wit: 1981, top 28; 1980, top 25; 1979, top 23; 1978, top 20; 1977, top 20; 1976, top 20; 1975, top 10. These revenues reflect all types of data collection—ad hoc and syndicated surveys; custom and syndicated store audits; warehouse withdrawal data; mail panels; UPC scanner derived data; observation measures at retail; continuous diary purchase panels, syndicated and custom; mail intercepts; etc. Revenues also include those from operations outside the U.S.

The annual inflation rate is based on the Consumer Price Index-U, as developed by the U.S. Bureau of Labor Statistics. This is the annual average index, all urban consumers, U.S. city average, all items. (In some of the individual year reports, the CPI December-to-December growth rate was used, and that is slightly different from the annual average index.)

Nation's 28 top market research companies see revenues jump 13.8% in 1981

Industry is hit with its lowest 'real growth' rate in seven years

By Jack J. Honomichl

Revenues of the U.S. marketing/advertising/public opinion research industry were up by 13.8% in 1981 over 1980, according to the seventh annual compilation prepared exclusively for Advertising Age.

Because inflation, as measured by the U.S. Department of Labor's Consumer Price Index, was 10.4% in 1981, the industry's "real growth" was 3.4%, the lowest yet since Advertising Age started this annual analysis in 1975.

Industry performance for 1981 is based on the collective record of 28 of the largest U.S.-owned, for-profit organizations whose main business activity is the development of marketing/advertising/public opinion research. Some of these companies have revenues from nonresearch activities, as is detailed in the individual company profiles that follow, but these revenues were not included in the industry growth revenues. Total revenues of these 28 organizations, including their nonresearch activities, were $1.25 billion in 1981.

The A.C. Nielsen Co., which alone had revenues of $411.3 million in calendar 1981, accounted for 42% of the 28-company total.

The top 28 for calendar 1981 had research revenues of $974.2 million, 34% ($330.4 million) of which came from operations outside the U.S. The same 28 had revenues of $856 million in 1980, making the increase 13.8%.

These companies have about 18,500 fulltime salaried employes and provide work for thousands more hourly part-timers. Eleven of the 28, which as a group account for 80% of the total revenues, are either public companies or subsidiaries of larger public corporations.

The A.C. Nielsen Co., which alone had revenues of $411.3 million in calendar 1981, accounted for 42% of the 28-company total and has considerable leverage on the total industry performance. And, for Nielsen, 1981 was a relatively bad year; its real growth rate was down to 2.8%. This was mostly because of the performance of its Marketing Research Group, which specializes in custom and syndicated store audit work.

In the fourth quarter of 1981, this Nielsen group had, for all practical purposes, no growth, compared with the same period a year ago—and after adjustment for inflation, a loss. That one unit had revenues estimated at $347 million in calendar 1981, up 11% over 1980—a real growth of 0.6%—which is particularly interesting because Nielsen's Index Service contracts have had automatic inflation kicker clauses.

The other debilitating factor was the collective performance of large survey research companies—National Analysts, Chilton, Louis Harris and Westat—which do a large share of their business with agencies of the federal government and were hard hit in 1981 by budget cutbacks in Washington.

Any analysis of the industry logically breaks out to the Big Four data bank companies—A.C. Nielsen, SAMI, IMS International and Arbitron Ratings Co. These four have most of their business under contract, and hence are relatively sheltered from the whims of short-term budget cuts. Their real growth rate, 1981 over 1980, was 3.9% versus 2.5% for the "all other" group, whose business is characterized by ad hoc, custom projects. Of the 24 organizations in this "all other" group, 13 had a revenue growth rate less than the 10.4% inflation rate in 1981.

Here are some highlights of the year's activity related to these top companies:

• **New presidents.** Six of the companies on the 1981 list appointed new presidents since last year's industry roundup: Lars H. Ericson at IMS International; Florence Skelly at Yankelovich, Skelly & White; Humphrey Taylor at Louis Harris & Associates; Carlyle C. Daniel at Selling-Areas Marketing Inc.; Marshall G. Greenberg at National Analysts, and Gian Fulgoni at Information Resources.

• **New listings.** Five companies are new to the listings this year—Winona Inc., Response Analysis, Information Resources, Custom Research and Market Opinion Research. Two were dropped from last year's list. One was Research Information Center, a wholly owned subsidiary of Greyhound Corp. that ranked 25th in 1980. RICI was acquired recently by Winona Inc. The other was National Family Opinion for lack of input.

Following are company profiles of the Top 28, including news of operational changes in 1981 and plans for change in 1982.

How they rank in size

1981 Revenues*: 28 leading U.S.-owned research companies

Rank	Organization	Research Revenues (millions)	% Change vs. 1980	Research Revenues from Outside U.S. (millions)
1.	A. C. Nielsen	$411.3	+ 13.2%	$243.9
2.	IMS International	115.2	+ 12.9	77.2
3.	SAMI	72.6	+ 16.0	—
4.	Arbitron Ratings Co.	66.4	+ 21.5	—
5.	Burke Marketing Services	42.3	+ 26.9	1.3
6.	Market Facts	25.5	+ 9.8	.5
7.	Audits & Surveys	22.5	+ 25.0	—
8.	Marketing & Research Counselors	18.0	+ 22.4	—
9.	NPD/HTI	17.9	+ 21.8	—
10.	WESTAT, Inc.	15.9	− 18.0	—
11.	Chilton Research Services	15.2	− 13.1	—
12.	Maritz Market Research	15.0	+ 29.0	—
13.	ASI Market Research	14.9	+ 10.3	1.5
14.	Yankelovich, Skelly & White	12.6	+ 4.0	.6
15.	Walker Research	12.7	+ 29.2	—
16.	Ehrhart-Babic Group	11.7	+ 7.3	—
17.	Data Development Corp.	11.2	+ 8.7	—
18.	Louis Harris & Associates	10.1	− 2.9	3.4
19.	Elrick & Lavidge	9.3	+ 7.9	—
20.	Opinion Research Corp.	8.2	+ 6.5	—
21.	Decisions Center	3.9	+ 23.0	—
22.	National Analysts	3.7	− 14.1	—
23.	Starch INRA Hooper	3.4	+ 11.1	1.4
24.	Information Resources	3.3	+ 133.0	—
25.	Winona, Inc.	2.6	+ 8.8	—
26.	Response Analysis	0.1	0.0	—
27.	Custom Research	1.7	+ 19.3	—
28.	Market Opinion Research	1.6	+ 14.0	.6
	Total	$974.2		$330.4

*Total revenues which include nonresearch activities, for some companies, are significantly higher. This information is given in the individual company profiles in the main article.

1 **A. C. Nielsen Co.**, Northbrook, Ill. Public corporation traded over the counter; founded in 1923. Research revenues were $411.7 million, up 13.2% over 1980.

Gross revenues for the 12 months ending Nov. 30, 1981, totaled $595 million, of which $411.7 million, or 69.2%, was attributable to the two research divisions—Marketing Research Group and Media Research Group. (To put that into perspective, the largest U.S. advertising agency, Young & Rubicam, in 1981 had worldwide gross income of $353 million on billings of $2.4 billion.)

The Marketing Research Group, for the year ending Nov. 30, had revenues estimated at $347 million, up about 11% over 1980. (Included in the Marketing Research Group revenues are three small organizations that are not strictly market research: Dataquest Inc., Coordinated Management Systems and Product Recovery Services.

The Media Research Group, for the year ending Nov. 30, 1981, had revenues estimated at $64.3 million, up 26.6% over the same period, 1980. (Included in these revenues are those of a small company, Compucon Inc., which is not strictly in the research field.)

Because almost all Nielsen's revenues outside the U.S. are from research activities, it follows that about $167.8 million of total Nielsen research revenues are from the U.S., up about 15.5% over last year. The balance, $244 million was from operations in 23 foreign countries, up about 11.9% over last year.

By geography, Nielsen research

(Continued on Page M-10)

Research top 28

(Continued from Page M-7)
revenues are distributed approximately as follows: U.S., 41.1%; Europe, 39.2%; Canada/Mexico/South America, 12.5%, and rest of world, 7.2%.

During 1981 in the U.S., Nielsen's Marketing Research Group launched a service called Scantrack, which reports weekly brand sales and prices from a sample of more than 100 retail grocery outlets equipped with Universal Product Code scanner equipment. Overseas this group acquired Norges Markedsdata A.S., the largest research company in Norway, and started a new subsidiary, A.C. Nielsen de Colombia S.A. in Colombia.

Traditional Retail Index services are now available in both companies. The Media Research Group is expanding its electronic meter measures of continuous tv viewing into Detroit and Philadelphia, in addition to established markets such as New York City, Los Angeles, Chicago and San Francisco.

Traditional store audit and tv audience measurement services are served through 15 branch offices in the U.S., and worldwide there are approximately 11,000 employes engaged in research activities.

President is N. Eugene Harden, 47, a graduate of Lawrence University. Chairman and chief executive officer is Arthur C. Nielsen Jr., 62, son of the founder, the late Arthur C. Nielsen Sr. Henry Burk, 55, is president of the Marketing Research Group, and James D. Lyon, 46, is president of the Media Research Group.

Harden
A.C. Nielsen

Dubow
IMS International

Daniel
SAMI

2 IMS International, New York. Public corporation traded otc; founded in 1954. Research revenues were $115.2 million, up 12.9% over 1981.

Gross worldwide revenues were $200.9 million in 1981, of which $115.2 million—or 57.3%—came from market research activities through subsidiaries in 57 countries. IMS America, the U.S. subsidiary based in Ambler, Pa., had research revenues of $38 million, up 11.4% over 1980.

IMS is to the world's pharmaceutical/medical industry what the A.C. Nielsen Co. is to the package goods industry. Research activities include retail outlet measures of ethical pharmaceutical sales; panels of doctors reporting on diagnosis and treatment of patients; customized audits of purchases by, for instance, hospitals, laboratories and nursing homes, and custom studies. Emphasis in re-

(Continued on Page M-12)

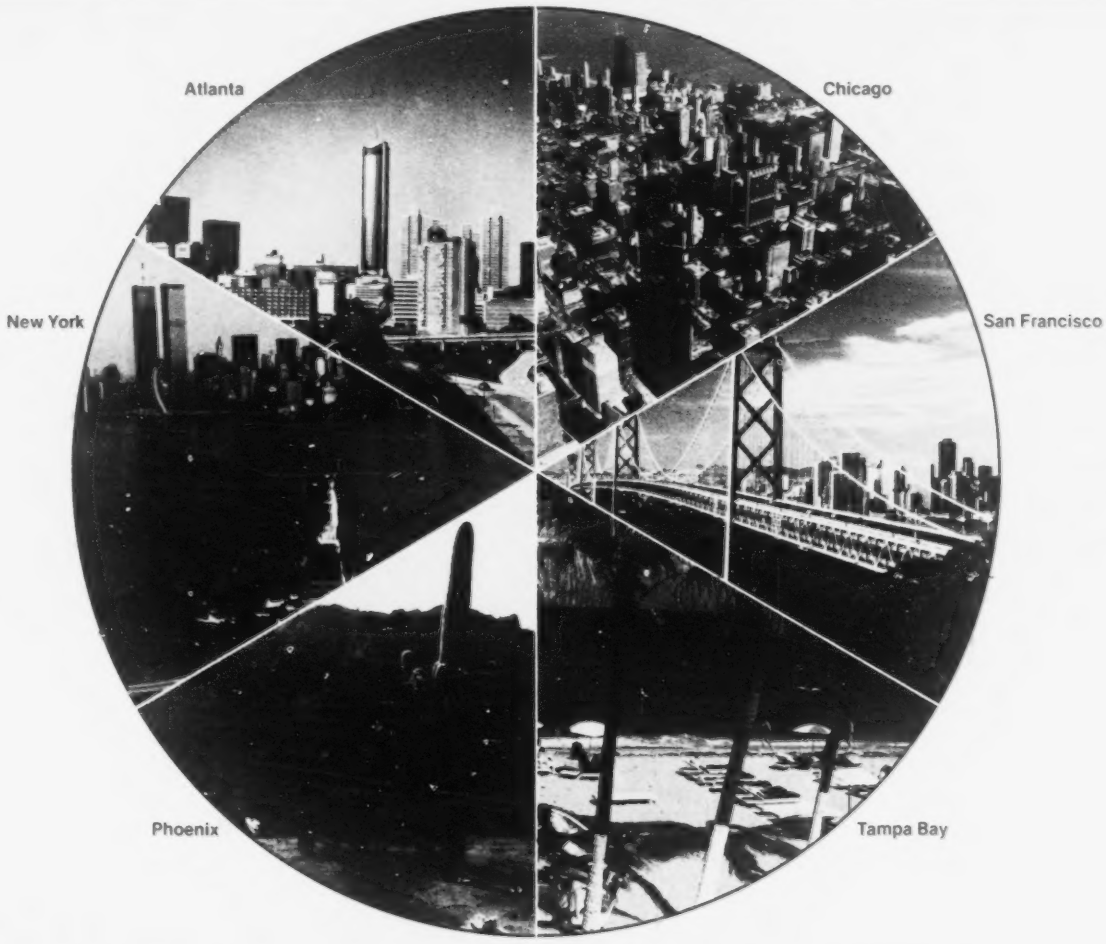
Phone laws

(Continued from Page M-8)
stricts conventional telephone use by survey research and polling organizations. By contrast, several states have laws that restrict the use of ADRMPs—including Alaska, Arkansas, California, Florida, Illinois, Hawaii, Maryland, Missouri, Nebraska, North Carolina, Oregon, Texas, Washington and Wisconsin.

The survey research industry has not been alone in opposing the undifferentiated regulation of unsolicited commercial telephone calls. The opposition camp has included some governmental organizations, telephone companies, the American Bankers Assn., National Retail Merchants Assn., American Newspaper Publishers Assn., U.S. Chamber of Commerce and the Automobile Assn. of America. These groups claim that further regulation of unsolicited commercial telephone calls is unnecessary and that such regulation has constitutional implications. They also have pointed out that bills to regulate or prohibit such calls involve fundamental, and perhaps unresolvable, problems of definition and enforcement.

A Memorandum Opinion and Order released by the Federal Communications Commission in May, 1980, supports many of these objections. The FCC found, for example, relatively few instances of telephone abuse and only a small number of actual complaints by telephone subscribers. The FCC also stated that "[an] outright ban on unsolicited telephone calls would appear to violate constitutional requirements." The FCC then went on to consider, and ultimately to reject, other "less comprehensive regulatory approaches."

Despite the FCC's opinion, and the continuing efforts of CASRO and other organizations, broad and vaguely worded unsolicited telephone bills continue to be introduced at the state level and to be promoted by their sponsors with undiminished enthusiasm. While reasoned dialog has proved an effective antidote once such bills have been introduced, constant vigilance also is required to preserve legitimate telephone use by survey researchers and others. AA



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Research top 28

(Continued from Page M-10)
cent years has been on on-line delivery of data to clients via a system called MIDAS. There are 2,002 fulltime salaried employes in research.

During 1981, IMS purchased sole rights to a service called Pharmacon, which had started as a joint venture with the A.C. Nielsen Co. and provides an automated measure of prescription traffic in drugstores and information on how the prescription was filled.

A consumer research division of IMS owns Trendex, a company in Westport, Conn., that specializes in large scale telephone survey work. Another acquisition, RAM Data Corp., was discontinued recently and written off.

Chairman and chief executive officer of IMS is Lars H. Ericson, 47, who replaced David Dubow, who died in the fall of 1981.

The president of IMS America is Serge Okun, 36, a graduate of the *Ecole Nationale de Statisique et de L'Administration Economique* in Paris.

3 SAMI (Selling-Areas Marketing Inc.), New York. Wholly owned subsidiary of Time Inc.; founded in 1963. Research revenues were $72.6 million, up 16% over 1980.

Shaker
Arbitron

Brown
Burke Int'l

Abrams
Market Facts

The basic activity of SAMI is to amalgamate warehouse withdrawal information to produce continuous movement data for thousands of individual brand items in each of 45 market areas (three of which were added to the system in 1981—Hartford/New Haven, Conn./Springfield, Mass.; Louisville/Lexington, Ky., and Spokane/Yakima, Wash.)

These 45 market areas represent about 83% of the national foodstore ACV (all commodity volume).

In addition, SAMI operates (in a cooperative venture with Burke Marketing Services) three small test markets where foodstore product movement data are captured via UPC scanner equipped stores, and individual household purchase records are captured by electronic monitoring of purchase transactions. This system, called SAMSCAN, includes split-cable tv facilities for copy testing and logging of in-store promotions and newspaper advertising.

During 1981, SAMI offered a new capability, SAMI Segmentation Services, which permits—in selected major markets—the development of product movement data based just on stores located in neighborhoods where there is specific ethnic concentration, such as Hispanics.

Also, in 1981 SAMI discontinued a long time attempt to establish a national warehouse withdrawal service in Canada. SAMI has about 400 salaried fulltime employes.

In June, 1981, Carlyle C. Daniel, 51, a graduate of Lynchburg College, became president of SAMI, succeeding John A. Watters, 56, who became chairman.

4 Arbitron Ratings Co., New York. Wholly owned subsidiary of Control Data Corp.; founded in 1949. Research revenues were $66.4 million, up 21.5% over 1980.

The company, formerly known as Arbitron Co., changed its name on April 20, 1982.

The basic Arbitron business is local market measures of tv viewing and radio listening audiences.

About $29 million in revenues came from radio work in 1982 and about $37.4 million from tv. There are 761 fulltime salaried employes.

Most data collection is via diaries placed in the home (supplemented by telephone interviewing), and more than 2 million households are contacted each year. In New York, Chicago and Los Angeles, Arbitron provides overnight and weekly tv audience reports based on samples of households where the tv sets are equipped with meters. Plans are to add a fourth market, San Francisco, in 1982.

In 1981, Arbitron published its first "Network Cable Report," and a new edition of this syndicated service will be published next June. Also, Arbitron instigated a service called PRIZM/AID, in conjunction with Claritas Corp., to relate listening/viewing measures with geodemographic data at the Zip code level.

In 1981, Arbitron published the results of a $500,000 study designed to document the reliability of radio audience measures, as produced by Arbitron.

President of Arbitron is Theodore F. Shaker, 60, who is also a vp of the parent company. He attended Colgate, Northwestern and New York Universities.

5 Burke Marketing Services, Cincinnati. Privately held corporation; founded in 1947. Research revenues were

(Continued on Page M-14)

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Research top 28

(Continued from Page M-12)

$42.3 million, up 26.9% over 1980.

This research conglomerate, which is owned by a group of employes, consists of six units: (1) AdTel, which specializes in advertising testing and, in a joint venture with Time Inc.'s SAMI, uses three controlled market facilities with dual cable testing facilities, UPC scanner equipped store panels and consumer purchase panels for the purposes of promotion testing; (2) BASES, which specializes in market modeling; (3) Burke Marketing Research, which specializes in custom survey research and pretesting and post-testing of tv commercials; (4) Market Audits, a store audit company; (5) Professional Services, which conducts research training seminars, and (6) Burke Canada, a wholly owned subsidiary. BMSI and Infratest, a German research organization, jointly own Burke International to promote international capabilities.

There are 12 BMSI office locations in the U.S. and 325 fulltime salaried employes. About $1.3 million of the company's revenues come from outside the U.S.

Chairman of BMSI is Jack E. Brown, 37; he attended the University of Cincinnati.

Lysaker
Audits & Surveys

Phillips
Marketing & Rsch

Johnson
NPD/HTI

6 Market Facts, Chicago. Public company traded otc; founded in 1946. Research revenues were $25.5 million, up 9.8% over 1980.

This company's total revenues in 1981 were $26.3 million, of which 97% came from marketing/advertising research activities, $500,000 of which came from outside the U.S.

These revenues include a wholly owned subsidiary, Market Facts-New York, but do not include Market Facts of Canada, in which the parent owns half interest.

If Canada were included, total MF research revenues would be about $28.5 million.

MF's activities in the U.S. include: (1) consumer mail panel (110,000 households); (2) Marketest store audit services (seven permanent markets); (3) four shopping mall facilities; (4) WATS telephone interviewing centers with over 70 stations; and (5) focus group facilities. There are 745 fulltime employes in six cities.

In April, 1982, MF relocated its main operational facilities from Chicago to Oak Park, Ill., and the headquarters office to 676 N. St. Clair St., Chicago.

President and chief executive officer is Jack Abrams, 51, who has an MBA from Northwestern University.

Chairman is David K. Hardin, 54, who has an MBA from the University of Chicago.

7 Audits & Surveys, New York. Privately held corporation; founded in 1953. Research revenues estimated at $22.5 million, up about 25% over 1980.

This estimate for the parent company includes five units: Survey division; test audit division; national total-market audit division; CTIS division, a telephone facility with 125 stations in three locations, Chicago, Washington and Toronto, and a newly established government research division in Princeton, N.J. These units have 267 fulltime salaried employes.

Not included are revenues from other organizations in which A&S or its principals have a financial position: A&S Latinoamerica; Total-Market Index in Canada; Market Probe International; Integrated Computer Systems, an electronic data processing (edp) service bureau.

In addition to custom sample surveys, field and tabulations (data processing), and both syndicated and custom store audit programs, A&S also conducts six times a year observation measures of distribution in 7,600 grocery, drug, discounter and variety store outlets through a system called SADI.

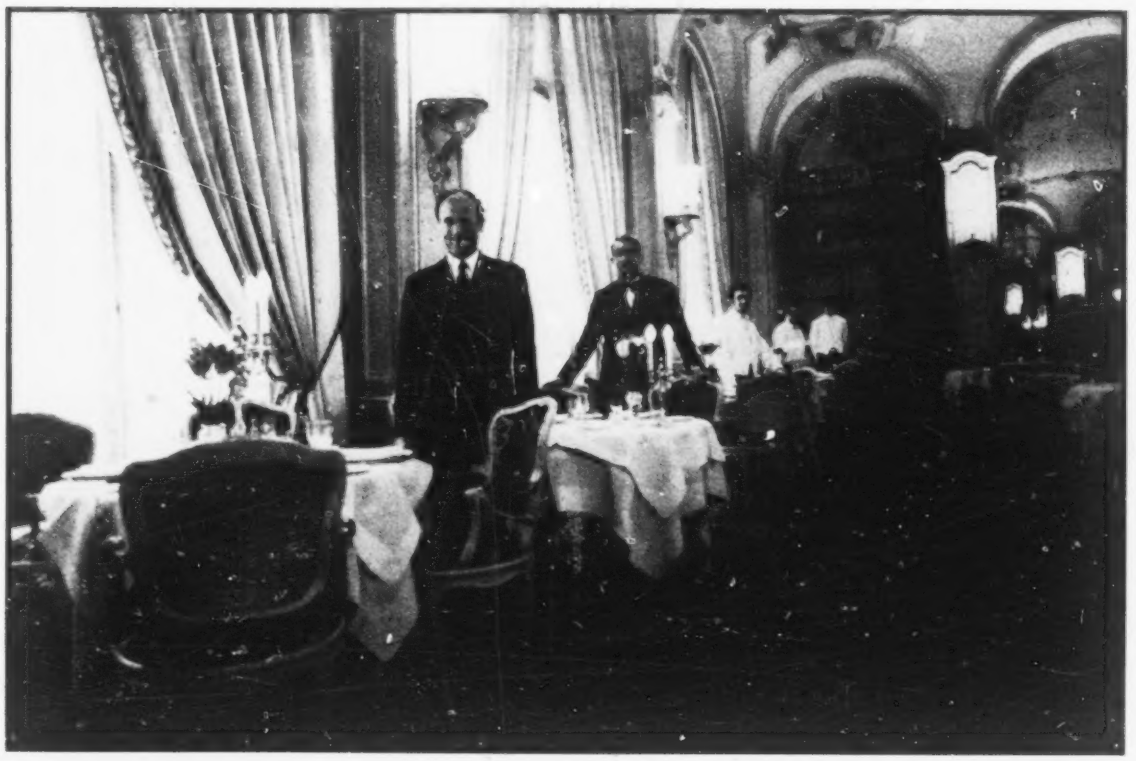
President of A&S is Richard L. Lysaker, 49, who is a graduate of the University of Minnesota. Solomon Dutka, 58, founder of A&S is chairman. He has an M.A. from Columbia University.

8 Marketing & Research Counselors, Dallas. Partly owned subsidiary of Allcom Inc. Research revenues were $18 million, up 22.4% over 1980.

This survey research company in 1981 opened a new interviewing center in St. Louis, bringing the total WATS interviewing positions to 237, 188 of which are on ACRS (Automated Custom Research System). Also in 1981, M/A/R/C introduced an improved TABS program on ACRS, which provides on-line tabulations of study data on a 15-point banner.

A Marketing Science Services group at M/A/R/C specializes in the design and execution of full

(Continued on Page M-16)



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Research top 28

(Continued from Page M-14)
service research projects that employ sophisticated multivariate techniques.

This group has merged state-of-the-art design and high technology production to conduct segmentation and conjoint analysis using M/A/R/C's true random probability telephone sample.

There are nine full-service offices in M/A/R/C. During 1981, the one in Boston was closed. There are 153 fulltime salaried employes, 206 hourly staff professionals, and 1,200 hourly employes on the M/A/R/C payroll.

The president of M/A/R/C is Cecil B. (Bud) Phillips, 57, who is a graduate of Southern Methodist University in Texas.

9 NPD/HTI, Floral Park, N.Y. Privately held corporation; founded in 1967. Research revenues were $17.9 million, up 21.8% over 1980.

NPD/HTI, the largest purchase diary panel company in the U.S. and a member of the Europanel group of companies, had total revenues of $20 million in 1981, 89% of which came from research activities and the balance from OPOC Computing, an edp service bureau.

Research activities are organized into four divisions: (1) NPD packaged goods, which operates a national and local market purchase diary panels; (2) Home Testing Institute, which operates a standing mail panel of 60,000 families plus 6,000 individuals; (3) GRD/Crest Enterprises, which specializes in measures of out-of-home eating habits, and (4) NPD special industry services, which operates a variety of purchase panels for nonpackage goods categories. There are 190 fulltime salaried employes.

Hunt
Westat Inc.

Kilpatrick
Chilton Research

Bernard
Maritz Research

New services launched in 1981 include Video Probe Index to track new, emerging electronic media; NGA Ski Audit, a joint venture with Acker Retail Audits and GfK of Nurnberg, Germany, and Record and Tape Tracking Service, a diary panel service servicing the Recording Industry of America Assn. (RIAA).

Coming up in 1982 are a Toy Audit and the Sports Market Index to track purchasing of all sporting goods items.

Later this year NPD plans to relocate and consolidate five different offices into one new 85,000-sq.-ft. facility being constructed in Port Washington, N.Y.

Tod Johnson, 37, is chief executive officer of NPD Research (and OPOC). He holds B.S. and M.S.I.A. degrees from Carnegie-Mellon University. Chairman and founder of the NPD companies is Henry Brenner.

10 Westat Inc., Rockville, Md. An employe-owned corporation; founded in 1961. Research revenues were $15.9 million in 1981, down 18% from 1980.

This survey research company, with 183 fulltime salaried employes, gets about 90% of its revenues from studies done for agencies of the federal government, and the completion of one very large such study is mainly responsible for the 1981 drop in revenues.

Data collection is via personal, face-to-face interviewing, mail and telephone, and during 1981 Westat expanded its Telephone Research Center and instigated cati (computer assisted telepone interviewing). Westat operates out of a new, 75,000-sq.-ft. office facility in Rockville, a suburb of Washington.

President and chief executive officer of Westat is Joseph A. Hunt, 46, who has an M.S. from Massachusetts Institute of Technology. Edward C. Bryant, 67, the founder of Westat, is board chairman.

11 Chilton Research Services, Radnor, Pa. Wholly owned subsidiary of American Broadcasting Co.; founded in 1957. Research revenues were $15.2 million, down 13.1% from 1980.

A custom survey company that does studies for both industry and agencies of the federal government, Chilton maintains one of the largest cati installations in the U.S.—125 stations, excluding two banks that are used only for the continuous AT&T Telsam studies.

In 1981, Chilton closed two branch operations, one in Chicago and one in Washington. There are 170 fulltime salaried employes.

Director of Chilton Research Services is Dean J. Kilpatrick, 37, who has an MBA from the University of Delaware. He is also a vp of Chilton Co.

12 Maritz Market Research, Fenton, Mo. Wholly owned subsidiary of Maritz Inc.; founded in 1973. Research revenues estimated at $15 million, up 29% over 1980.

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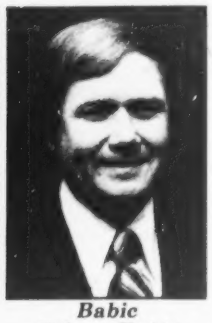
Walker
Walker Research


Babic
Erhart-Babic

syndicated research through several units: (1) full-service consumer research operations in St. Louis, Minneapolis, Detroit, and Toledo, O. (the Minneapolis operation is the result of the acquisition of Quatra Marketing Research on Jan. 1, 1981, and the Detroit/Toledo operations are from the 1980 acquisition of Rogers National Research, a company that specializes in automotive and financial market research.); (2) a coast-to-coast field service division of 15 offices, which have 23 mall locations, 15 telephone and 23 focus group facilities and a St. Louis-based WATS survey center; (3) three research centers operating exclusively for WATS/crt (cathode ray tube) and interviewing facilities for corporate sponsors, and (4) an agricultural research division (added in 1981) serving agribusiness clients. There are 140 fulltime employes at MMRI.

President of MMRI is Paul E. Bernard, 52, who is a graduate of the University of Missouri.

13 ASI Market Research, Los Angeles. Privately held corporation. Research revenues were $14.9 million, up 10.3% over 1980.

Total ASI revenues in 1981 were $19.4 million, of which 77% were from research activities, and $1.5 million of that was from a wholly owned subsidiary in Hong Kong.

ASI specializes in controlled audience pretesting and on-air testing of tv commercials, custom research projects, testing of print ads, and focus groups. The company operates a 70-station WATS line telephone center in Los Angeles.

Total ASI staff is about 1,100, 350 of whom are fulltime salaried.

President of ASI is Gerald Lukeman, 50, a graduate of Dartmouth College. Pierre Marquis, 55, a graduate of Boston University School of Law, is chairman.

14 Yankelovich, Skelly & White, New York. Wholly owned subsidiary of Reliance Group; founded in 1958. Research revenues were $12.9 million in 1981, up 4% over 1980.

This survey research company does marketing and social research for industry, governmental agencies, and media—most notably *Time* and *Fortune*. Standardized services include (1) Laboratory Test Market, a market simulation facility; (2) Monitor, tracking surveys of special social segments; (3) Corporate Priorities, tracking studies on public policy issues, and (4) the New Worker, tracking values and attitudes within the work force. About 2% of revenues come from outside the U.S.

There are about 160 fulltime salaried employes at YS&W, located in three offices in the U.S.

Founder and chairman of YS&W, Daniel Yankelovich, 57, is a graduate of Harvard University. President is Florence Skelly, a graduate of Hunter College.

15 Walker Research, Indianapolis. Privately held corporation; founded in 1964. Research revenues were $11.7 million, up 29.2% over 1980.

This survey research organization is separated into various divisions as follows: (1) custom research division, which conducts customized, ad hoc projects from offices in Indianapolis and Morristown, N.J.; (2) service research division, which specializes in survey work for service-related industries, such as utilities, healthcare, home/business service, and travel/transportation services, and (3) data collection/processing division, which manages Walker's eight branch data collection offices and its interactive computer and data processing system that is in Indianapolis.

This office network offers a variety of services, including mall intercept, prerecruited focus groups, local telephone interviewing and national WATS interviewing through a 200-station setup in Phoenix and Indianapolis.

During 1981 Walker added crt interviewing capabilities to its arsenal of research techniques.

President and chief executive officer of Walker is Frank D.

(Continued on Page M-18)

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Research top 28

(Continued from Page M-17)

Walker, 47, son of the company founder, Mrs. Tommie Walker Anderson, who started a predecessor, Walker Research Services, in 1939. Mr. Walker is a graduate of DePauw University.

16 Ehrhart-Babic Group, Englewood Cliffs, N.J. Privately held corporation; founded in 1958. Research revenues were $11.7 million, up 7.3% over 1980.

The E-B Group includes Ehrhart-Babic Associates, which specializes in custom store audits, projected sales studies, controlled store tests and minimarkets and National Retail Tracking Index, a unit that does national syndicated distribution studies of retail outlets (such as grocery stores) on a fixed schedule. In 1982, NRTI expanded its store panel to include building materials, hardware, garden supply and tire/battery and accessory dealers. NRTI also has a national wine, liquor and beer index. (Revenues from another E-B Group unit, Ehrhart-Babic Data Services, an edp service bureau, are not included in this analysis.)

Scan Plus, a service that provides in-store promotional information from UPC scanner-equipped supermarkets, will be expanded in 1982 to offer controlled store tests in selected outlets.

There are 126 fulltime salaried employes at E-B Group, and about 2% of revenues come from outside the U.S.

Founders of E-B Group are its current president, Louis J. Babic Jr., 49, a graduate of Boston University, and its chairman, Thomas A. Ehrhart, 57, who is a graduate of Pace University.

17 Data Development Corp., New York. Privately held corporation; founded in 1960. Revenues were $11.2 million, up 8.7% over 1980.

Revenues reflect all units: Data Development Corp., Central Location Testing, New York Conference Center and the Telephone Center, which plans to install crts in its WATS line system in 1982.

DDC, which has 150 fulltime employes, specializes in custom research and in 1982 launched ADOPTER, a new product sales forecasting system. Another new service, COMBO, a product test technique for priorizing modifications of a new product to maximize purchase interest, was recently announced. Also, DDC has recently introduced COPY II, a program designed to develop copy strategy in the area of image advertising.

DDC is jointly managed by Jerry Rosenkranz and president Joseph Goldstein. Both are 46 and graduates of the City College of New York.

18 Louis Harris & Associates, New York. Wholly owned subsidiary of Gannett Co., founded in 1956. Research revenues were $10.1 million, down 2.9% from 1980.

About 34% of Harris's volume comes from subsidiaries outside the U.S.—Louis Harris International in London and Louis Harris France in Paris. Domestically, there are two subsidiaries: The National Center for Telephone Research in New York and Louis Harris & Associates in Washington. In total, there are 118 fulltime salaried employes.

LHA specializes in custom survey work of commercial clients and agencies of the federal government and has several shared-cost survey programs that track public opinion.

President and chief executive officer of LHA is Humphrey Taylor, 47, who is a graduate of Cambridge University.

Chairman and chief executive officer is the company's founder, Louis Harris, 61, who is a graduate of the University of North Carolina at Chapel Hill.

19 Elrick & Lavidge, Chicago. Wholly owned subsidiary of Equifax; founded in 1951. Research revenues were approximately $9.3 million, up 7.9% over 1980.

This survey organization,

You can park a convertible or a compact at our house.

If you want more mileage from your advertising, drive over to House & Garden.

Our new editorial format and broader-based content will supply the fuel for thought.

Our 11 million readers – and riders – will be among the first to make Detroit's new convertible sales go through the roof. And there's room in their garages for an economy compact, too. Or a wagon. Or a sports car.

When it comes to style and

which has 128 fulltime salaried employes, does product concept studies, tracking and trade studies, sales forecasting and focus group interviewing.

The company also operates three mall interviewing centers, the newest of which is located in Tampa Bay, Fla.

In addition to a 50-position crt phone capability in Nashville, Tenn., which is devoted to the AT&T Telsam studies, E&L has its own 35-position cati phone center in Atlanta.

President of E&L is Robert J. Lavidge, 60, who has an MBA from the University of Chicago.

20 Opinion Research Corp., Princeton, N.J. Wholly owned subsidiary of Arthur D. Little; founded in 1938. Research revenues were $8.2 million, up 6.5% over 1980.

ORC, which has 141 fulltime employes, maintains branch offices in Chicago, New York, San Francisco and Washington. In addition to custom, ad hoc studies for industry and agencies of the federal government, ORC does numerous shared-cost surveys periodically, such as the Public Opinion Index (opinions of target groups such as business executives, Washington thought leaders, the investment community, etc.); a Corporate Reputation Survey; the Marketing Index, which tracks trends and issues; Travel Plus, a study of the travel market, and the Caravan studies.

President of ORC is Harry W. O'Neill, 51, who holds an M.S. from Pennsylvania State University. Chairman and chief executive officer is Irwin Miller, 53, who is a vp of Arthur D. Little. He holds a Ph.D. from Virginia Polytechnic Institute.

21 Decisions Center, New York. Privately held corporation; founded in 1965. Research revenues were more than $6.9 million, up 23% over 1980.

DCI, a custom survey company, has 102 fulltime employes and has three divisions: Qualitative Decisions Center, DCI International and Facts Center, a WATS telephone interviewing operation with 60 lines.

DCI is jointly managed by chairman Bernie Ruderman and president Bernie Levine. Mr. Ruderman, 50, has an M.S. from Pennsylvania State University, and Mr. Levine, 56, has an MBA from New York University.

22 National Analysts, Philadelphia. A division of Booz-Allen & Hamilton; founded 1943. Research revenues were $6.7 million, down 14.1% from 1980.

This survey research company does custom work for industry and agencies of the federal government and provides support services to the parent, Booz-Allen & Hamilton, a prominent consulting company. A dropoff in government work is one of the main reasons for its decline from 1980 levels. There are 86 fulltime employes based in two offices, Philadelphia and New York City.

Specialties include the financial services industry; telecommunications; all major elements of the information industry, including office equipment; medical equipment and pharmaceuticals; automotive industry, and the beverage industry.

Marshall G. Greenberg, 46, is the president of NA. He holds a Ph.D. in mathematical psychology from the University of Michigan.

23 Starch INRA Hooper, Mamaroneck, N.Y. Public corporation traded otc; founded in 1923. Research revenues were $6.4 million, up 11.1% over 1980.

This survey research company is composed of seven divisions: Starch Ad Readership Service; Daniel Starch (Canada) Ltd., which has an annual volume of $1.4 million; INRA (International Research Associates), a 31-country network of affiliated research organizations; Associates in Diagnostic Research; C.E. Hooper; Media Audience

(Continued on Page M-20)

adventure, our readers are in the driver's seat.

They enjoy fizz from club soda and champagne.

They listen to the top ten and Beethoven's Ninth.

They're the most willing and responsive consumers.

So shift your gears to House & Garden *and drive your advertising home.*

House & Garden, *350 Madison Avenue, New York, New York 10017 (212) 880-8303*

We're not like any other house on the block.

Tell-Back Provides

. . . the definitive means for learning from and about people in groups.

Learn more, see page M-25

Research top 28

(Continued from Page M-19)
Research, and the Roper Organization, which was acquired in March, 1981. The Roper acquisition added a central telephone interviewing facility in New York City to the Starch organization. There are 170 fulltime salaried employes.

President and chief executive officer of SIH is William J. (Jay) Wilson, 45, a graduate of Yale University.

24 Information Resources, Chicago. Privately held corporation; founded in 1979. Revenues were $6.4 million, up 133% over 1980.

This new company is primarily engaged in the operation of BenaviorScan, four controlled markets where purchase data are captured by UPC scanning equipment at the retail level. Consumer purchases at the household level are captured via a sample of households that have their purchases recorded at time of purchase, and split-cable tv capability that makes it possible to relate all three—store movement, demographics of purchasers, and controlled tv exposure. BehaviorScan plans to add two additional markets to the system before the end of 1982.

BehaviorScan is used primarily for advertising campaign testing, in-store promotion tests and test marketing of new products.

Chairman and chief executive officer of IRI is John Malec, 37, a graduate of the University of Wisconsin. President is Gian Fulgoni, 34, who has a master's degree from Manchester University in England.

25 Winona Inc., Minneapolis. Privately held corporation; founded in 1953. Research revenues were $5.6 million, up 8.8% over 1980.

This custom survey research company was founded as Winona Interviewing Service, primarily a field agency; it added professionals in 1968 to become a full-service supplier. There are two mall operations (Minneapolis and Phoenix), and recently a sales office was opened in San Francisco. There are 73 fulltime salaried employes.

Winona made news recently (AA, March 15, 1982) with the acquisition of Research Information Center, a subsidiary of Greyhound Corp., located in Phoenix, and No. 25 in the 1980 top 25 listings, with revenues of $5.1 million. (This acquisition is not reflected in the Winona revenues shown above.)

President of Winona is Richard McCullough, 38, a son of the founder, Marian S. McCullough. He has a B.A. from the University of Minnesota.

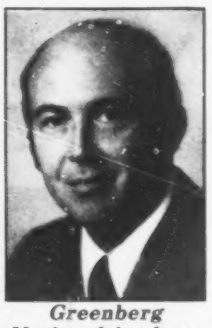
Goldstein
Data Development

Taylor
Louis Harris

Lavidge
Elrick & Lavidge

Miller
Opinion Research

Ruderman
Decisions Center



Greenberg
National Analysts

26 Response Analysis, Princeton, N.J. Privately held corporation; founded in 1969. Revenues were $5.1 million, no change from 1980.

RA and a division, Advanced Research Resources Organization (ARRO), which is based in Washington, have a fulltime staff of 95.

Specializing in custom survey research for industry, associations and agencies of the federal government, RA also operates a telephone interviewing facility in Princeton.

Co-founder and president of RA is Herbert I. Abelson, 56, who received his Ph.D. from the University of Maryland.

The other co-founder of the company is Reuben Cohen, 60, who has an M.A. from the American University.

27 Custom Research, Minneapolis. Privately held corporation; founded in 1974. Research revenues were $4.7 million, up 20.5% over 1980.

This company does custom survey research for consumer and industrial product clients, specializing in telephone interviewing through two facilities

One th
on th

Not included in the 1981 Top 28 group, but sure to be included in the 1982 listing, is the Marketing Services Group of Harte-Hanks Communications, a communications conglomerate based in San Antonio, Tex.

HHC started its expansion into the research field in 1975 by funding an entrepreneurial venture, RMH Research, a survey company based in Fair Lawn, N.J. Today RMH includes RMH Media Research and National WATS Services. In 1978, HHC acquired Urban Data Processing

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Our two established omnibus services, one personal, one telephone, are now being used by hundreds of Bruskin clients. Together, these services provide a total of over 76,000 interviews per year.

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Marvin Baiman Bob Golden
Joel Brown Judi Lescher
Joel Henkin

OmniTel

FREQUENCY
WEEKLY (every Friday)

METHOD
Telephone interviewing

SAMPLE
1000 national interviews. A random digit dialing (RDD) sample of U.S. households. 500 females, 500 males, all 18 plus.

SUPPLEMENTS
Teens, children, ethnic groups.

BENEFITS
Results delivered 3 working days from start. Low cost. Demographic breakdowns included.

IN SUMMARY
52,000 telephone interviews each year.

aim

FREQUENCY
MONTHLY

METHOD
Personal Interviewing

SAMPLE
2000 national interviews. A probability sample of U.S. households. 1000 females, 1000 males, all 18 plus.

SUPPLEMENTS
Teens, children, in-home audits, leave behinds with personal or mail retrieval.

BENEFITS
Use of exhibits, cards, scales. Personal interviewing at a fraction of custom costs. Demographic breakdowns included. Fast delivery.

IN SUMMARY
24,000 in-home, personal interviews each year.

*** And one other way is to conduct your *custom* research . . . WATS/central location telephone, mall intercepts, at home personal interviews, focus groups (either nationally or in select markets) . . . from design through analytic report, utilizing the extensive experience and background of R. H. Bruskin Associates.**

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ORANGE COUNTY 136 Westminster Mall, Westminster, CA 92683 (714) 898-0906
MOORESTOWN Moorestown Mall, Moorestown, NJ 08057 (609) 234-5440
BAY SHORE South Shore Mall, Bay Shore, NY 11706 (516) 666-4411 (212) 895-6109
PHILADELPHIA 109 Neshaminy Mall, Cornwells Heights, PA 19020 (215) 322-0400 (212) 986-7601
MASSAPEQUA 370 Sunrise Mall, Massapequa, NY 11758 (516) 541-5100 (212) 895-2886
SAN FRANCISCO Sun Valley Mall, Concord, CA 94520 (415) 798-2700
OKLAHOMA CITY 1153 Cross Roads Mall, Oklahoma City, OK 73149 (405) 631-9738
SAN JOSE 1268 Town Center, Sunnyvale, CA 94086 (408) 730-9777

that total 40 stations, many of which are crt-equipped. The Medical Research Bureau division specializes in product testing in healthcare. There are 65 fulltime staffers at CRI and a branch office in New Jersey.

CRI is managed by Judith S. Corson, 39, a graduate of the University of Minnesota, and Jeffrey L. Pope, 41, who has an MBA from Northwestern University.

28 Market Opinion Research, Detroit. Privately held corporation; founded in 1941. Research revenues were approximately $4.7 million in 1981, up 14% over 1980.

This survey research company has 80 fulltime salaried employes in three Michigan offices (Detroit, Dearborn and Southfield) and a subsidiary, Canadian Opinion Research, Ltd., in Toronto, Canada. MOR specializes in media research, corporate and government affairs and political studies—mostly for Republican Party candidates at the state level. MOR was the organization used most by George Bush in his campaign for the presidency in 1979-80.

Chairman and ceo of MOR is Frederick P. Currier, 58, who received his M.A. from the University of Illinois. The president is Robert M. Teeter, 43, who received his M.A. from the University of Michigan and is well known as a political consultant and analyst. AA

Wilson
Starch INRA

Malec
Info Resources

McCullough
Winona

Abelson
Response Analysis

Corson
Custom Research

Currier
Market Opinion

Tell-Back Provides

. . . a unique insight into the authentic real time ongoing response of as many as fifty persons gathered at any one time and place.

Learn more, see page M-25

at's not e list

in Burlington, Mass., a company specializing in custom processing of U.S. Census data for purposes such as site location.

Early in 1982 (AA, April 12), HHC acquired Tele-Research, a Los Angeles-based company specializing in tv copy testing, and TRIM, a research company that pioneered use of Universal Product Code scanner data for controlled store tests. TRIM also is located in Los Angeles.

Harte-Hanks started expanding into the research field in 1975 by funding RMH Research.

Hochhauser
Harte-Hanks

All of these units are part of the HHC Marketing Services Group. The president is Richard Hochhauser, 37, the founder of RMH Research. He received his M.B.A. at Columbia University. AA

Burke experience & capability can make decisions easier.

Considering the high cost of making a marketing mistake in the 1980's, it's good to have some indication of what's around the corner.

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Burke means innovative, dependable research services. Our highly trained and experienced professionals assure you of fast, accurate responses to your research needs. Supported by state-of-the-art technology, the various Burke Marketing Services offer a wide range of research capabilities, providing answers to nearly every marketing question:

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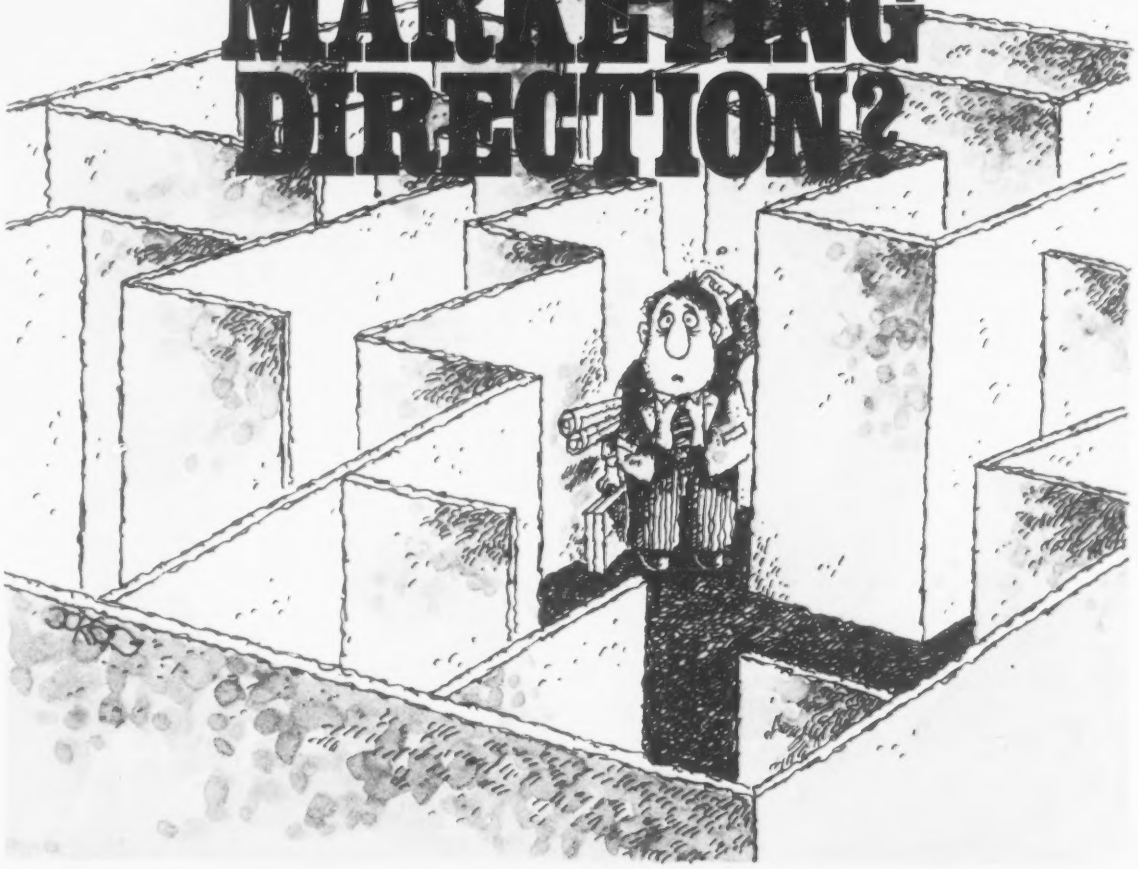
UNCERTAIN MARKETING DIRECTION?



Scanner tests show supermarkets can improve category profits: GF

CHICAGO—Early results of an experimental scanning project being conducted by General Foods Corp. and Dick's Supermarkets in Wisconsin indicate that retailers can significantly improve category profitability by using scanning data properly, a GF exec said at a workshop during the recent Food Marketing Institute here.

And, once the use of scanners becomes more sophisticated, retailers will look for more substantiated sales data from marketers and may be unwilling to accept items whose sales are "out of sync with casepacks," Kenneth Robb, sales analysis manager for GF, said after the seminar.

In their overview of ScanLab, the 18-month-old project on the use of scanning data for merchandising decisions, principals of the experiment said that, in three initial test categories—detergent, dog food and shampoos/conditioners—ScanLab data resulted in merchandising decisions that ultimately increased gross profits 8% in ScanLab stores over the control stores in a few months of tests.

■ In detergents, the scanning data, including unit movement and retail price, suggested the need for reallocation of space for subcategories—specifically, more space for heavy-duty liquid detergents—resulting in a different product mix in ScanLab stores vs. control stores.

The analysis of the dog food section "revealed potential for overall category space reduction, with the freed-up space going to a nearby category [cat food] that was undershelved."

And in the shampoos and conditioners segment, ScanLab data allowed the retailer to "respond more quickly to new product introductions" that included 17 new items in only a few months.

Confirming the findings of FMI's 1982 trend study, J. Mark Harran, director of customer strategy and development at GF, said most grocery stores with scanning capabilities now use it only in "operational areas." The FMI study said 94% of the grocery stores now using scanners use them for checker performance.

Only 40% of all grocery retailers with scanners now use their equipment to evaluate new product performance, according to the FMI study, though about two-thirds use the scanners for coupon accounting and tracking specials.

Of the supermarkets surveyed by FMI, only about 14.5% said they were completely on scanners, but, according to Timothy Hammonds, senior vp at FMI, about 20% will be by this summer.#

Sidebars

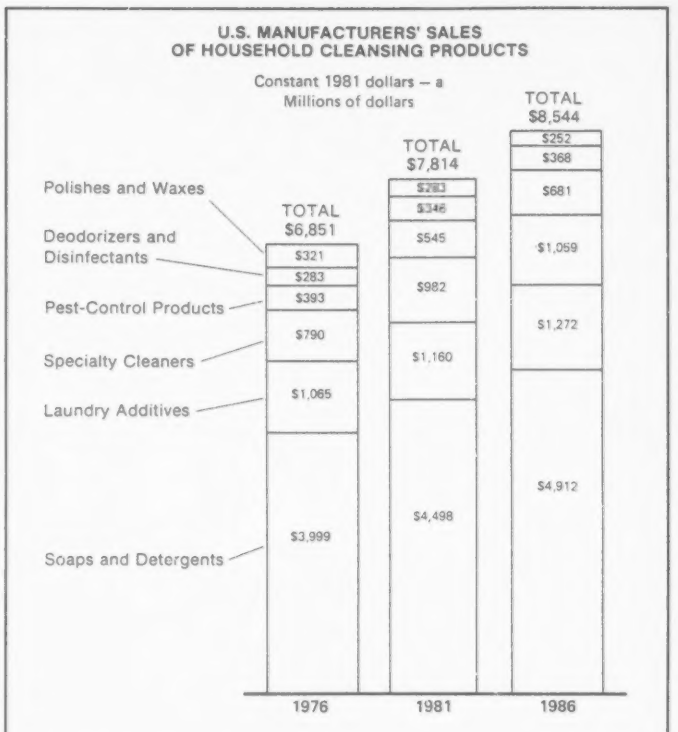
(Continued from Page 30)

rassment to the team's traditions, to Yankee fans and to baseball. I await the day that he trades himself, or sells the team, to someone with an understanding of what it means to play in the Major Leagues. . .

KeeperQuote: Billy Wilder, now 75, tells Michiko Kakutani in the *New York Times* of May 4 about his approach to moviemaking: "The basic point is to bring them in and keep them awake. The picture where it starts at 8, and at midnight, I look at my watch and it's 8:15—that's the kind of picture I hate. . ."#

Cabletime Net Sales opens

ARLINGTON, VA.—Cabletime Network Sales has opened to sell commercial time on cable systems serving 35,000 homes in Alexandria, Va., and here. Offices are at 2707 Wilson Blvd.

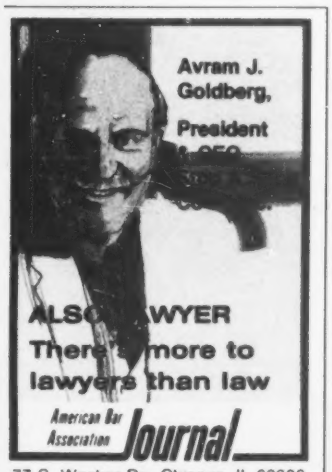


a – 1976 data adjusted to 1981 dollars using GNP implicit price deflator

Source: Charles H. Kline & Co.

Cleaning products outlook

Although sales of household cleaning aids are expected to pick up after two years of flat sales, the annual growth rate of these products over the next five years will average less than 2% annually in constant 1981 dollars, according to a survey by Charles H. Kline & Co., Fairfield, N.J., whose chart is shown here. The fastest growing segments of the market will be specialty categories, the research company predicts.



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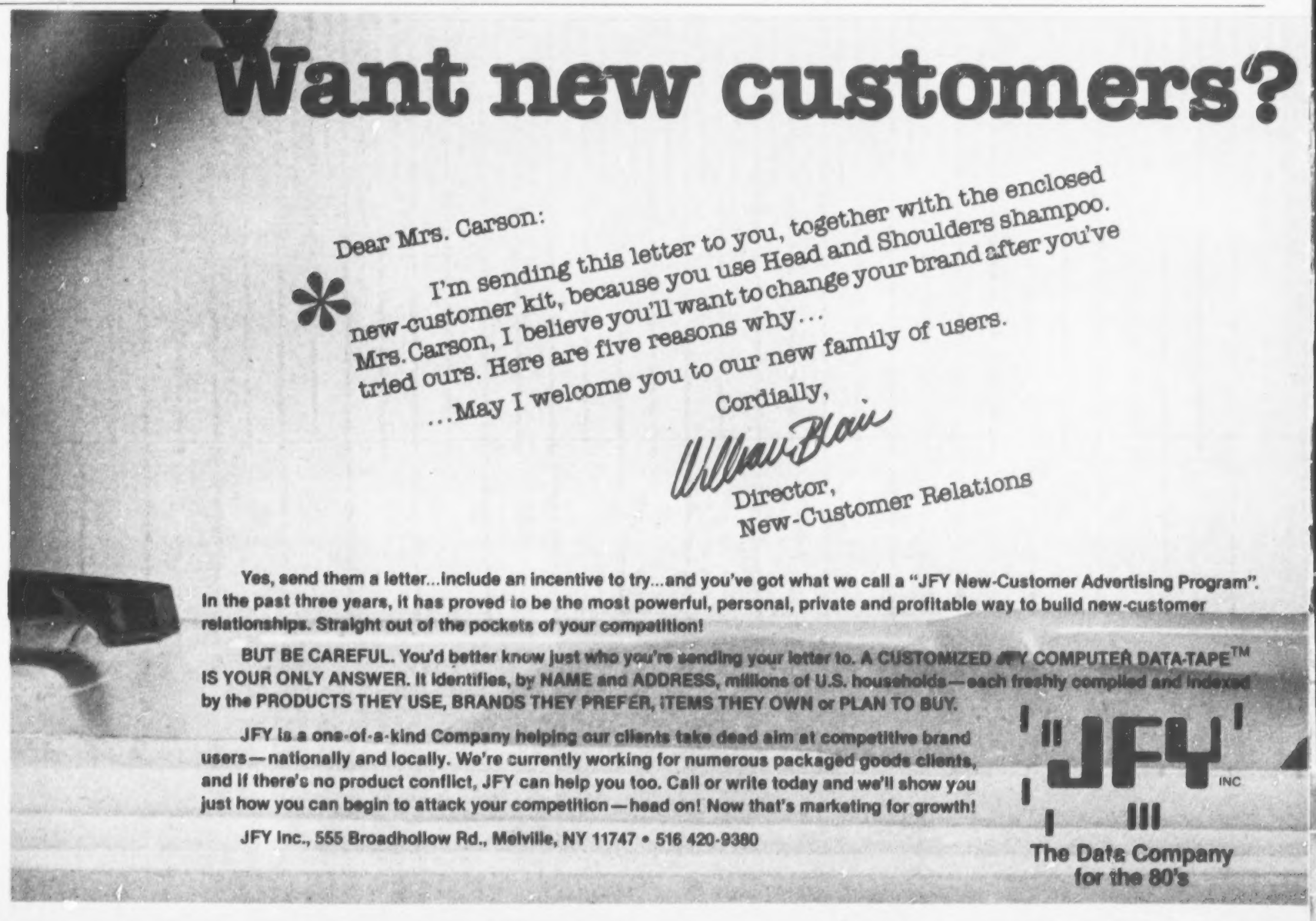
NYC Phone 212-684-4510


Want new customers?
Dear Mrs. Carson:
I'm sending this letter to you, together with the enclosed new-customer kit, because you use Head and Shoulders shampoo. Mrs. Carson, I believe you'll want to change your brand after you've tried ours. Here are five reasons why...
...May I welcome you to our new family of users.
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Current and May '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	May 1982	May 1981	Jan.-May 1982	Jan.-May 1981
Women's				
†§Bride's Magazine	251.7	212.1	888.0	829.3
▲Co-ed	35.0	39.0	154.1	164.6
§Cosmopolitan	206.5	212.0	949.1	960.6
Essence	59.5	96.8	394.1	380.3
§Family Circle	123.9	121.8	654.4	644.3
§Good Housekeeping	170.4	194.8	784.4	809.7
▲Health	29.5	32.6	146.2	144.5
Ladies' Home Journal	80.2	91.8	355.1	411.9
Lady's Circle	10.3	8.2	47.0	56.4
McCall's	101.6	97.2	395.7	481.6
F. McCall's Working Mother	67.9	103.3	292.9	169.3
†Modern Bride	183.1	154.8	812.8	689.0
Ms.	49.5	41.7	213.0	209.0
○New Woman	41.3	54.7	174.9	138.3
§Parents Magazine	79.2	70.1	344.3	306.7
Playgirl	42.7	46.6	204.6	225.3
Self	84.6	84.4	342.9	326.6
Seventeen	117.0	132.0	510.9	514.4
Soap Opera Digest	34.3	7.0	117.0	35.8
'Teen Magazine	53.5	54.5	219.8	215.1
§True Story	55.0	54.2	273.0	280.0
§Woman's Day	104.2	96.4	573.3	573.0
▲The Workbasket	30.0	33.0	188.5	175.3
Working Woman	99.4	75.8	398.8	294.6
	2,119.3	2,114.8	9,434.8	9,035.6
*** % change 1982 vs. 1981	+0.2%		+4.4%	
General				
▲A.D. Magazine	13.6	17.0	67.3	78.6
Air Progress	23.4	22.8	89.5	89.6
▲American Film	18.7	25.3	98.8	106.0
American Forests	8.3	11.3	54.1	65.5
American Legion	22.3	17.1	169.0	137.6
American Photographer	47.5	29.7	221.6	194.1
American West	28.8	30.5	73.0	79.3
○Americana	27.1	23.3	94.5	89.7
§The Atlantic	34.8	25.3	130.5	131.1
○Audubon Magazine	30.1	31.8	94.6	89.2
BBI Jewish Monthly	22.3	21.2	122.5	110.8
§Bon Appetit	99.1	105.9	394.5	407.2
Book Digest	17.3	19.9	115.9	147.5
Changing Times	43.4	24.2	186.5	151.6
Christian Herald	34.0	41.0	190.4	205.3
Christian Life	22.6	26.0	139.7	132.8
☆Christianity Today	51.2	62.8	341.2	362.8
Circus	27.8	17.3	137.8	72.8
Complete Men's Group	22.0	21.3	111.8	105.8
Country Journal	44.7	34.9	221.6	215.5
Creative Computing	115.5	96.0	572.2	430.1
D. Cuisine Magazine	43.1	40.4	211.2	165.0
Dance Magazine	85.3	86.3	339.8	342.3
Ebony	96.0	87.3	399.2	393.3
▲Elks Magazine	22.6	18.3	121.4	123.4
§Esquire	72.6	37.2	265.0	152.8
Fifty Plus	31.3	29.5	151.4	172.4
Flying	52.7	46.8	224.8	211.8
○Games	25.3	21.6	77.1	61.7
§Gentlemen's Quarterly	97.0	100.0	458.1	469.4
Geo	14.3	22.0	86.4	108.0
Golf Digest	83.0	76.9	385.5	409.3
§Golf Magazine	61.1	72.7	462.1	468.2
Gourmet	81.5	79.4	330.6	310.2
§Harper's Magazine	11.0	18.0	79.6	115.1
High Fidelity	24.3	33.6	178.3	201.2
High Technology	59.1	—	121.9	—
#Inside	58.6	51.9	127.7	119.1
Kiwanis Magazine	11.6	14.8	72.9	73.6
Let's Live	82.3	87.6	381.3	431.0
Life	56.4	65.8	253.3	272.9
Lion	9.5	4.7	31.5	23.3
Modern Photography	124.5	117.5	577.6	574.9
§Money	127.1	108.7	521.8	471.5
Moneysworth	18.2	15.5	80.3	78.7
Moody Monthly	44.8	46.1	269.8	295.3
Moose Magazine	22.0	19.0	109.0	100.0
○Mother Earth News	49.6	44.0	155.0	156.6
○Museum	127.1	108.7	521.8	471.5
Musician, Player & Listener	53.0	—	259.3	236.5
National Geographic	20.9	33.5	109.0	144.6
Natural History	36.9	32.8	157.6	186.0
§Omni	60.0	47.8	266.0	246.0
§Penthouse	49.3	63.3	304.9	384.5
Petersen's Photographic	39.2	44.0	211.5	216.9
Playbill	61.0	53.5	268.2	256.9
§Playboy	104.5	119.7	517.8	543.2
Popular Photography	124.8	142.8	636.5	663.0
Prevention	67.4	82.3	346.2	435.7
Psychology Today	38.2	41.1	189.3	233.8
§Reader's Digest	102.6	125.4	418.2	457.5
Rotarian	19.6	14.0	73.3	70.8
††Saturday Evening Post	50.0	45.5	191.8	182.7
Science Digest	30.2	25.5	146.8	136.4
◊Science 82	19.9	37.1	133.9	162.7
Scientific American	95.3	78.8	389.6	420.1
Signature	48.5	52.4	274.6	254.9
Smithsonian	91.6	84.9	394.9	390.4
Stereo Review	43.8	52.7	253.1	269.1
Success	30.8	31.1	131.3	137.7
Tennis	74.0	66.0	309.1	300.0
Town & Country	167.1	151.0	641.6	580.0
Travel/Holiday	46.3	47.0	275.2	268.6
Travel & Leisure	126.1	101.2	493.6	457.2
▲V.F.W.	27.1	22.4	144.6	147.2
Video	54.2	62.0	258.3	248.7
Video Review	50.7	50.2	311.3	238.7
Weight Watchers	25.2	21.9	134.7	116.3
World Tennis	45.1	63.5	266.7	224.3
Writers Digest	22.4	21.3	119.3	106.4
Yankee	69.3	77.7	383.2	392.5
Total Group	4,242.4	4,051.4	19,534.0	19,284.8
*** % change 1982 vs. 1981	+1.9%		+0.7%	
Fashion & service				
Glamour	177.2	219.6	782.2	853.6
Harper's Bazaar	96.5	105.5	541.2	482.2
Mademoiselle	139.1	147.2	586.0	614.3
Vogue	204.5	191.5	1,056.1	918.1
Total Group	617.3	663.8	2,965.5	2,868.2
*** % change 1982 vs. 1981	−7.0%		+3.3%	
Art & antiques				
American Artist	93.0	73.8	306.9	291.1
Antiques	149.7	165.8	776.9	796.8
○Art & Antiques	50.9	58.1	166.3	172.5
▲Art in America	114.0	117.5	565.8	540.5
▲Art News	90.6	114.7	523.7	582.6
○Portfolio	62.0	44.5	189.8	128.0
Southwest Art	131.0	186.0	569.0	553.0
Total Group	691.2	760.4	3,098.4	3,064.5
*** % change 1982 vs. 1981	−9.1%		+1.1%	
Home				
§Architectural Digest	173.6	176.1	632.0	629.5
§Better Homes & Gardens	135.3	141.0	503.6	574.1
Colonial Homes	65.4	63.6	188.9	163.8
C.▲Country Living	34.0	30.2	174.6	69.3
Dallas-Fort Worth Home/Garden	52.3	37.5	247.3	166.7
Early American Life	—	—	72.3	81.6
§▲Family Handyman	81.4	62.3	357.0	281.9
○Flower & Garden	—	—	119.2	110.1
Home	26.6	40.0	136.7	155.8
†Homeowner's How-To	24.4	37.5	79.7	97.8
Houston Home/Garden	126.8	101.8	527.4	449.5
Horticulture	27.2	25.0	158.9	131.2
House Beautiful	98.3	115.8	393.0	450.6
House & Garden	116.6	126.9	460.7	529.4
Living:				
○Dallas	94.3	144.5	236.2	397.4
○Houston	78.6	104.2	247.4	286.2
○Denver	87.9	93.6	241.4	278.8
○Austin	—	—	80.8	97.9
○San Antonio	—	—	90.8	114.4
○Phoenix	—	—	72.9	71.4
○Florida Gulf Coast	—	—	52.8	46.9
○South Florida	—	—	77.8	9.8
Metropolitan Home	76.2	66.5	308.6	264.3
††New Shelter	37.5	38.8	192.8	197.4
1001 Home/-Decorating Ideas	30.6	29.6	140.8	131.6
Organic Gardening	61.2	66.5	388.6	400.2
Phoenix Home/Garden	54.1	40.0	252.0	159.4
San Diego Home/Garden	75.3	36.7	276.7	193.0
#Southern Accents	78.8	78.3	161.5	157.8
Southern Living	178.5	150.1	653.1	593.4
§Sunset Magazine	167.2	193.6	695.5	689.5
▲Texas Homes	75.8	63.9	375.5	331.4
○Workbench	58.7	56.3	190.2	190.7
Total Group	2,115.6	2,120.3	8,786.4	9,102.8
*** % change 1982 vs. 1981	−0.1%		−3.4%	
In-flight & other passenger				
#Aboard Group (7)	—	—	616.0	480.0
Air California	46.5	61.0	261.7	289.5
○Alas Group (9)	210.0	210.0	560.0	459.0
Alaskafest	40.4	38.9	193.7	176.5
American Way	84.3	63.4	328.3	283.7
East/West Network:				
Amtrak Express	44.8	35.0	190.0	157.7
Continental Extra	60.0	58.5	263.8	250.3
Eastern Review	85.2	87.2	394.0	391.6
Ozark	47.0	48.7	204.0	220.0
PSA Magazine	91.5	91.7	417.3	423.0
Republic Scene-East	55.5	60.3	241.8	233.2
Republic Scene West	57.3	65.3	257.0	277.5
Texas International/-The Texas Flyer	74.3	66.0	301.5	261.8
United	95.2	92.0	361.1	386.4
Halsey Publications:				
Braniff's Flying Colors	36.0	28.8	145.5	151.5
Delta Sky	54.8	41.0	248.3	227.0
○Skylite	14.5	11.0	32.3	21.8
Hawaii	15.7	26.0	112.8	143.8
○Pace	28.9	31.2	86.8	112.9
Pan Am Clipper	41.3	63.3	188.5	276.4
Southwest Airlines	126.3	92.0	466.3	374.3
Spirit of Aloha	15.6	25.7	112.8	147.4
USAir	43.4	54.4	201.1	217.5
Webb Publications:				
Frontier	41.8	38.5	196.1	169.3
Passages	32.5	30.3	151.8	134.3
TWA Ambassador	44.6	55.7	215.8	225.7
Total Group	1,487.4	1,475.9	6,748.3	6,492.1
*** % change 1982 vs. 1981	+0.7%		+3.9%	
Metropolitan				
○Aloha	29.0	24.3	85.5	67.3
Atlanta	75.9	101.0	327.9	404.5
Baltimore	67.0	72.6	288.6	302.3
Boston	135.7	141.2	582.2	580.6
California	83.1	68.0	335.1	281.5
Charlotte	22.0	—	90.0	—
Chicago	170.3	155.3	674.8	629.5
Chicago's North Shore	65.4	57.9	294.0	284.6
Cincinnati	60.3	57.8	271.9	251.6
Cleveland	70.8	90.1	277.6	374.5
Coast	423.0	419.5	1,131.1	1,081.7
Columbus Monthly	85.1	107.9	359.3	431.9
Commonwealth	77.8	10.3	357.7	57.8
Connecticut	72.9	72.5	367.4	329.1
Country Magazine	26.3	17.1	115.5	72.5
D/Magazine, Dallas/Fort Worth	124.0	122.4	515.7	535.7
Denver	41.3	55.4	194.7	240.6
Monthly Detroit	72.1	59.5	260.5	215.2
Exclusively Yours Wisconsin	66.8	70.2	350.0	405.4
Grand Rapids	33.4	34.8	197.8	187.9
††Gulfshore Life	52.5	50.0	402.5	350.0
Honolulu	63.3	76.1	316.1	338.3
Houston City	72.0	74.6	323.7	287.3
Indianapolis	83.7	63.4	300.6	242.5
Kansas City	37.7	18.7	125.2	88.9
Los Angeles	229.0	232.0	937.5	912.5
○Louisiana Life	58.2	20.3	163.1	37.3
Madison	47.0	42.0	231.7	212.0
Miami	89.2	70.6	456.0	401.9
Milwaukee	29.1	34.3	139.6	141.0
Mpls./St. Paul	64.8	71.0	350.8	372.9
Nashville!	38.3	69.0	197.9	352.8
New Jersey Monthly	56.5	74.6	256.5	322.4
Ohio	55.3	53.3	152.0	152.8
Omaha	21.2	24.2	96.9	80.1
Oregon	21.0	27.3	93.1	117.3
Orlando	71.7	78.5	350.0	360.3
▲Pacific Northwest	24.5	19.7	117.5	42.0
Palm Beach Life	41.0	46.3	500.0	484.3
Palm Springs Life	108.0	111.5	701.7	697.4
Philadelphia	126.3	141.7	590.6	664.5
Phoenix	73.5	84.5	413.0	435.8
Pittsburgh	46.3	46.3	217.4	188.9
St. Louis	76.5	68.5	321.8	339.7
San Diego	138.5	145.6	636.2	700.5
San Francisco	56.0	72.4	243.6	277.6
San Francisco Focus	47.5	42.8	183.4	177.6
†Shenandoah Valley	32.0	26.4	91.0	69.4
Tampa	33.6	31.5	166.5	132.0
Tampa Bay	—	—	164.3	199.8
Texas Monthly	165.9	152.3	610.9	623.5
Twin Cities	52.0	57.6	228.1	227.5
Washington Dossier	41.3	42.0	197.0	232.0
The Washingtonian	148.0	131.0	642.2	616.3
Westchester	50.5	37.0	159.1	172.3
Westchester Illustrated	39.5	34.0	185.4	168.8
Total Group	4,195.6	4,109.3	18,340.2	19,943.8
*** % change 1982 vs. 1981	+1.5%		−8.4%	
Movie-romance-radio-tv				
Ideal Women's Group:				
Daytime Stars	—	—	46.5	113.6
○Intimate Story	—	23.9	100.2	118.5
Soap Opera	—	23.1	46.5	113.6
Macfadden's Women's Group:				
Modern Romances	24.6	30.3	147.4	149.9
Secrets	24.6	30.3	147.4	149.9
True Confessions	24.6	30.3	147.4	149.7
True Experience	24.5	32.3	147.4	158.8
True Love	24.6	30.3	147.4	149.9
True Romance	24.6	30.3	147.4	149.9
Sterling Women's Group:				
Daytime TV	30.2	32.3	150.7	160.0
Modern Screen	32.5	—	99.8	99.7
○Movie Mirror	32.2	32.3	66.5	97.1
Photo Screen	32.2	—	64.5	66.5
Soap Opera Stars	25.3	25.0	101.2	154.2
TV Movie Screen	—	32.3	67.6	97.1
TV Picture Life	—	—	66.6	66.5
○Teen Bag	7.0	7.4	18.5	24.4
Total Group	306.9	360.1	1,713.0	2,019.5
*** % change 1982 vs. 1981	−13.7%		−15.1%	
Youth				
Boys' Life	19.2	24.7	95.7	108.7
Campus Life	24.7	20.0	230.3	201.3
Total Group	43.9	44.7	326.0	310.0
*** % change 1982 vs. 1981	−1.7%		+5.1%	
Mechanics & science				
§Mechanix Illustrated	68.8	80.9	348.5	380.4
Popular Electronics	59.2	57.6	297.6	299.1
Popular Mechanics	125.1	128.8	525.5	550.2
§Popular Science	99.6	87.9	436.3	417.4
Total Group	352.7	355.2	1,607.9	1,647.1
*** % change 1982 vs. 1981	−0.7%		−2.3%	
Boating & yachting				
Boating	105.0	138.5	621.5	641.2
Chesapeake Bay	29.9	28.3	130.2	129.3
Cruising World	134.2	120.4	642.2	599.5
Lakeland Boating	55.1	52.2	268.2	250.4
Motor Boating & Sailing	134.4	141.5	757.9	748.0
Rudder	20.2	21.4	120.1	113.0
Sail	155.1	152.8	814.5	762.5
Sea & Pacific Skipper	74.2	79.7	386.7	407.6
Trailer Boats	28.3	30.1	145.1	135.7
Yachting	165.3	191.9	955.4	1,001.0
Total Group	901.7	956.8	4,841.8	4,788.2
*** % change 1982 vs. 1981	−5.7%		+1.1%	
Automotive & recreational vehicles				
Car & Driver	90.0	106.8	386.5	424.7
Car Collector & Car Classics	19.3	25.4	106.3	109.6
Car Craft	86.3	86.6	361.6	314.9
Cycle	113.3	112.8	489.7	493.4
Cycle Guide	74.0	81.3	326.0	343.3
Cycle World	92.3	103.6	397.2	454.7
Dune Buggies & Hot VWs	56.7	39.8	252.0	194.2
Family Motor Coaching	99.0	63.3	479.9	300.1

*** % change figured ONLY from magazines with comparable issues 1982 AND 1981. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but not prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◊Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. A. Combined unduplicated regional ads. B. Preprinted inserts included. + Affiliated with Sunday Mag./Net. C. Monthly as of Feb. '82. D. Monthly as of Jan. '82. E. Corrected Jan.-March '82 total—387.8. F. Monthly as of Oct. '81.

(Continued on Page 64)

Advertising pages in May consumer publications

(Continued from Page 63)

	Pages			
	May 1982	May 1981	Jan.-May 1982	Jan.-May 1981
4 Wheel & Offroad	55.0	42.8	215.8	176.2
Four Wheeler	29.1	30.0	136.0	121.1
Hot Rod	88.1	75.7	306.1	289.0
Motorcyclist	81.5	80.6	328.5	319.8
††Motorhome Life	74.4	49.8	285.9	177.4
Motor Trend	63.5	71.0	306.1	289.0
Pickup, Van & 4 WD	34.3	—	129.0	113.9
Road & Track	96.0	113.5	430.4	457.9
◇3 Wheeling	21.9	27.0	93.9	86.8
Trailer Life	126.0	103.6	504.4	423.7
Total Group	1,300.7	1,213.6	5,535.3	5,089.7
*** % change 1982 vs. 1981	+4.3%		+8.7%	

Outdoor & sport

Alaska	53.1	40.2	235.7	189.5
○The American Handgunner	38.0	38.5	110.1	110.9
American Hunter	12.3	7.4	59.9	48.4
American Rifleman	34.3	27.5	131.4	132.6
○Backpacker	—	—	92.1	81.1
▼§Bass Master	68.9	62.5	331.7	224.2
††Bicycling	93.9	78.7	337.6	288.6
Field & Stream	96.0	97.4	419.3	427.5
§Fins and Feathers	43.1	43.1	221.9	174.9
○Fishing World	48.8	39.6	133.6	116.5
Florida Sportsman	72.2	72.1	383.0	373.5
Fur-Fish-Game	24.8	21.8	122.0	120.8
Guns	35.3	34.7	159.8	158.5
Guns & Ammo	49.0	87.7	219.1	235.6
Outdoor Life	85.3	73.3	355.5	383.2
Petersen's Hunting	33.4	28.6	140.1	119.2
The Runner	32.2	27.7	164.0	113.4
Runner's World	79.8	37.3	195.7	179.2
Salt Water Sportsman	73.8	77.5	339.6	348.7
Shooting Times	31.5	30.8	142.1	189.2
‡‡§Ski	—	—	222.4	196.1
‡‡Skiing	—	—	197.6	160.0
Skin Diver	63.4	57.9	320.0	282.0
‡‡Southern Outdoors	55.9	53.9	210.6	193.5
Sports Afield	88.3	86.1	481.6	436.0
▲Spray	48.2	—	183.2	138.6
▲Western Outdoors	41.2	41.7	181.5	172.4
Total Group	1,302.7	1,165.9	6,091.1	5,594.1
*** % change 1982 vs. 1981	+7.6%		+8.9%	

Comics

○Archie Comic Group	—	—	20.0	20.0
DC Comics	7.0	6.0	35.0	42.5
Harvey Comic Group	8.0	8.0	40.0	40.0
Marvel Comic Group	10.0	9.5	50.0	48.0
Total Group	25.0	23.5	145.0	150.5
*** % change 1982 vs. 1981	+2.0%		−3.6%	

Newspaper Sunday magazines/national

§Family Weekly	77.1	92.3	397.9	463.2
Parade	70.4	69.0	335.8	377.9
Total Group	147.5	161.3	733.7	841.1
*** % change 1982 vs. 1981	−8.5%		−12.7%	

Canadian national weekend magazines

B. Perspectives	48.6	48.7	184.3	203.2
§Today	54.3	59.4	217.4	275.3
Total Group	102.9	108.1	401.7	478.5
*** % change 1982 vs. 1981	−4.8%		−16.0%	

Canadian

L'Actualite	72.6	74.5	284.5	260.8
Chatelaine:				
§English Edition	111.1	120.0	434.0	416.1
French Edition	92.9	102.4	359.0	363.0
§Financial Post Magazine	54.4	58.0	197.3	217.9
§Flare	73.1	71.6	232.5	261.1
▲§Homemaker's Magazine:				
English Edition	89.7	83.9	347.8	335.2
French Edition	66.5	61.7	262.5	249.0
§Macleans	134.5	113.5	578.2	503.7
▼§Quest Magazine	62.8	53.1	191.4	167.0
§Reader's Digest:				
Canada-English	100.2	107.0	417.2	465.1
Canada-French	107.9	92.3	426.1	521.8
▲Toronto Live	141.0	108.0	514.0	439.0
Total Group	1,106.7	1,046.0	4,244.5	4,199.7
*** % change 1982 vs. 1981	+5.8%		+1.0%	

April

Business

Atlanta Business Chronicle	26.8	35.0	87.2	103.2
Barron's	196.8	189.0	703.3	725.3
Black Enterprise	32.4	33.2	160.4	162.1
§Business Week	384.0	401.5	1,409.7	1,448.1
California Business	75.0	45.0	240.0	189.0
Corporate Report/-Kansas City	57.9	57.0	194.5	187.6
Corporate Report/Minnesota	74.6	83.8	285.9	298.1
Crain's Chicago Business	90.4	86.3	365.6	309.5
Dallas/Fort Worth Business	40.2	43.0	170.1	144.6
Dun's Business Month	71.1	85.0	279.0	282.0
☆Financial World	72.6	72.9	305.3	302.8
Florida Trend	114.0	117.3	324.8	272.3
▶Forbes	264.7	219.4	889.2	814.1
▶§Fortune	212.2	208.4	692.7	626.8
Hawaii Business	56.1	54.6	166.6	201.4
Houston Business Journal	191.7	145.6	705.7	516.3
§Inc. Magazine	71.9	77.7	307.9	301.7
▶§Industry Week	125.5	152.9	471.6	522.8
Indianapolis Business Journal	66.7	55.0	258.9	196.5
§Nation's Business	41.4	53.1	154.6	173.0
*New England Business	70.3	50.0	248.0	151.7
St. Louis Business Journal	108.5	69.0	374.9	251.5
Texas Business	81.6	59.2	219.3	162.8
Venture	34.8	32.2	151.6	138.6
Total Group	2,561.3	2,442.7	9,176.1	8,482.4
*** % change 1982 vs. 1981	+4.8%		+8.1%	

Newspaper Sunday magazines/local

+Arizona Republic	117.5	127.7	396.1	488.4
+Boston Globe	186.4	76.4	623.4	593.7
+Chicago Tribune	89.5	110.6	349.2	440.6
+Cincinnati Enquirer	78.2	104.5	307.3	371.8
+Cleveland Plain Dealer	91.2	127.4	278.9	396.5
+Columbus Dispatch	55.8	97.9	227.1	355.7
+Dallas Times Herald	78.3	85.3	293.4	341.7
E. +Denver Post	—	—	—	—
+Detroit News	83.7	136.7	355.8	489.9
Los Angeles Times Home Magazine	105.2	138.7	354.2	442.2
+Miami Herald	68.9	103.2	269.9	348.8
+New York News	59.0	111.1	222.6	379.6
New York Times Magazine	379.9	441.7	1,398.8	1,421.3
+Philadelphia Inquirer	73.5	85.8	262.5	293.9
+Toledo Blade Magazine	35.8	66.1	179.1	233.2
+Washington Post	121.7	163.6	422.2	490.0
Total Group	1,624.6	2,107.7	5,940.5	7,087.3
*** % change 1982 vs. 1981	−22.9%		−16.1%	

Weeklies, bi-weeklies, semi-monthlies

The Advocate	82.6	68.1	256.5	242.2
§Army Times Military Group:				
Air Force Times	134.1	145.7	553.3	557.9
Army Times	134.7	145.7	544.6	553.2
Navy Times	155.1	167.5	651.6	641.8
The Times Magazine	28.9	33.9	68.9	79.2
AutoWeek	133.7	121.7	503.5	432.2
The Blood Horse	304.4	379.4	1,973.6	1,767.7
Capper's Weekly	22.9	17.1	111.3	114.0
Commonweal	10.0	8.5	77.9	30.6
Golf World	91.5	96.7	284.0	291.5
§Grit	28.6	22.5	106.6	105.8
National Review	36.0	29.5	109.8	104.8
New Republic	22.8	29.7	106.3	79.8
New York Magazine	219.1	205.6	713.5	647.2
New Yorker	387.2	388.6	1,275.4	1,225.3
§Newsweek	223.9	284.3	818.2	950.1
People	324.7	340.4	1,057.0	1,061.7
Rolling Stone	124.7	120.2	345.5	316.9
Sporting News	81.6	61.9	223.6	197.6
§Sports Illustrated	226.4	250.7	809.2	841.3
§Time	209.1	238.5	803.6	871.8
A. Travelhost	2,128.0	1,765.4	8,896.3	7,702.4
§TV Guide	292.3	267.2	1,265.1	1,273.6
▶Us Magazine	51.3	27.7	181.7	119.2
§U.S. News & World Report	145.2	143.0	528.6	525.2
Total Group	5,598.8	5,379.8	22,262.8	20,739.2
*** % change 1982 vs. 1981	+4.1%		+7.3%	

Foreign

Buenhogar:				
Ecuador	15.0	9.8	36.0	29.7
Chile	5.7	5.0	7.7	9.0
Mexico	83.5	92.8	225.7	224.5
Puerto Rico	26.7	37.7	70.7	76.7
Venezuela	55.0	62.3	141.7	140.2
Colombia	77.8	67.2	184.5	141.2
Peru	47.0	43.8	123.0	120.2
Central America	7.0	10.8	15.5	23.8
U.S.	6.7	6.8	22.0	29.0
Dominican Republic	15.8	15.3	57.8	41.0
Coqueta:				
Mexico	12.5	6.0	35.0	21.5
Puerto Rico	1.0	2.0	7.0	6.5
Venezuela	5.0	6.0	21.0	22.5
Colombia	2.5	4.0	18.5	13.5
Peru	—	—	5.0	—
Central America	—	—	5.0	1.0
Fascinacion:				
Mexico	4.0	12.0	23.7	27.0
Puerto Rico	1.0	3.0	6.5	5.0
Venezuela	9.5	7.5	41.2	36.5
Colombia	9.0	8.0	30.0	22.7
Central America	—	1.0	—	1.0
Geomundo:				
Chile	6.0	8.0	18.0	19.0
Mexico	15.0	16.0	40.0	40.0
Ecuador	5.0	7.0	16.0	13.0
Venezuela	16.5	13.5	52.5	40.5
Colombia	14.0	15.5	38.5	34.5
Peru	9.0	12.0	29.0	29.0
Puerto Rico	7.0	7.0	23.0	16.0
Central America	7.0	6.0	16.0	15.0
Hombre De Mundo:				
Mexico	26.7	20.5	61.2	49.5
Chile	5.2	6.0	19.2	20.0
Puerto Rico	5.7	11.0	23.7	38.0
Ecuador	4.0	6.0	17.0	19.0
Venezuela	30.2	19.0	74.3	54.0
Colombia	12.5	13.7	36.5	43.2
Peru	5.0	10.0	16.0	30.0
Central America	6.0	8.5	13.0	22.0
Ideas Para Su Hogar:				
Dominican Republic	—	3.5	3.0	10.5
Mexico	30.2	21.8	94.5	57.7
Chile	—	2.0	2.0	4.0
Puerto Rico	0.7	2.5	4.7	5.8
Ecuador	5.5	1.5	22.0	2.5
Venezuela	22.3	18.0	77.3	55.7
Colombia	26.0	21.5	70.0	58.3
Peru	12.5	11.0	38.0	31.0
Central America	1.0	2.5	5.0	3.0
Intimidades:				
Mexico	8.0	6.0	21.5	18.5
Puerto Rico	3.0	4.0	12.0	14.5
Venezuela	19.0	18.5	26.0	42.5
Colombia	1.0	1.0	7.0	8.5
Central America	1.0	1.0	7.0	5.0
Mecanica Popular:				
Mexico	27.2	25.8	83.8	91.8
Puerto Rico	15.8	23.3	56.5	76.8
Venezuela	26.7	26.5	93.7	96.3
Colombia	26.7	27.3	78.7	88.8
Peru	23.8	30.3	82.0	97.8
Central America	19.3	21.3	60.5	73.8
Chile	7.2	7.2	22.2	17.8
Argentina	9.5	11.8	31.3	45.2
The Ring en Espanol:				
Mexico	2.0	2.0	8.0	6.0
Puerto Rico	4.0	2.0	13.5	9.0
Venezuela	3.0	3.0	12.0	8.0
Colombia	—	—	—	—
Central America	—	—	—	—
U.S.	4.0	2.0	17.0	9.0
Vanidades Continental:				
Dominican Republic	39.8	31.5	124.3	89.2
Mexico	163.8	159.7	454.2	436.7
Chile	19.0	22.7	53.0	48.8
Puerto Rico	70.2	86.2	183.2	205.8
Venezuela	116.5	100.5	313.0	250.5
Colombia	113.7	108.0	234.8	240.7
Peru	59.3	56.2	151.7	142.3
Central America	28.2	36.8	86.5	88.5
Ecuador	28.3	40.8	67.8	80.0
U.S.	57.8	37.5	198.5	133.0
Cosmopolitan Foreign Editions:				
Australia	70.0	68.8	203.3	191.4
Brazil	46.0	43.0	128.6	103.9
France	150.7	143.7	337.3	308.3
Germany	33.0	14.0	84.0	45.0
Great Britain	119.0	129.0	331.0	334.0
Greece	80.0	50.0	198.0	135.0
Italy	69.8	76.2	193.4	196.5
Japan	47.0	38.0	134.6	73.0
Cosmopolitan en Espanol:				
Central America	4.2	9.2	14.8	22.3
Colombia	27.2	28.5	61.7	64.5
Ecuador	4.2	4.3	13.8	11.3
Mexico	92.5	68.7	247.7	119.3
Peru	28.7	22.8	59.7	52.5
Puerto Rico	28.8	36.8	95.2	104.8
U.S. (Spanish language)	17.7	16.5	65.7	56.0
Venezuela	34.3	35.3	112.7	85.2
International Communications:				
African Business	43.7	23.2	135.6	93.1
The Middle East	15.5	22.1	75.4	75.7
New African	17.7	25.1	95.5	111.5
Ak-Iktissad Al Arabi	11.2	11.0	24.8	37.3
International Management:				
Africa	17.7	17.2	58.8	48.8
Europe	38.0	44.3	131.5	140.5
Latin America	13.0	10.8	44.8	59.2
Middle East	15.0	13.3	67.8	54.7
Pacific	16.7	15.2	59.8	46.8
Johnston International:				
Alam Attijarat	63.7	58.5	235.0	223.9
Ejecutivo	25.2	—	38.8	—
Modern Africa	31.3	25.2	63.7	70.3
Modern Asia	44.1	50.0	117.6	139.5
§Newsweek International:				
Atlantic	96.6	104.1	296.7	304.3
Latin America	27.2	36.6	89.7	103.6
Pacific	62.4	75.2	249.9	263.3
††Progreso	—	17.6	—	51.6
Reader's Digest:				
Arabic	—	—	—	—
*Asian	165.5	231.5	750.5	543.4
Australian	76.5	70.0	264.5	344.3
Belgian-Flemish	116.5	99.5	295.5	281.0
Belgian-French	84.5	74.5	238.6	229.5
British	53.8	66.6	214.0	226.4
*Chinese	67.5	110.0	323.5	325.3
Danish	32.0	45.0	168.8	149.0
Dutch	64.5	68.8	160.3	179.4
Finnish	76.5	106.0	218.3	258.8
French	86.3	87.9	268.0	266.4
German	86.2	89.3	287.6	282.8
Iberian	29.0	49.5	105.0	152.0
Indian	99.5	109.0	346.5	421.0
Italian	69.0	72.5	185.5	263.5
Japanese	43.2	50.8	180.4	168.8
Korean	20.5	16.0	73.9	59.0
Latin America:				
Argentina	16.0	21.0	52.5	91.5
Brazil	16.3	11.5	42.8	41.1
Central America	13.5	18.0	46.5	57.5
Chile	13.5	23.5	60.0	105.5
Colombia	37.5	46.0	96.0	160.0
Ecuador	10.0	13.5	42.0	43.5
Mexico	57.0	49.7	186.6	198.0
Peru	12.0	11.0	36.5	41.0
Puerto Rico	11.5	9.5	33.0	30.0
U.P.B.	13.0	22.5	48.5	93.0
U.S. Spanish	17.5	28.0	69.0	75.5
Venezuela	20.0	20.5	73.0	77.5
Portugal	31.8	40.0	132.3	138.5
New Zealand	51.5	40.5	217.0	143.2
Norwegian	48.8	62.5	171.8	148.5
South African	114.0	100.5	334.0	285.5
Swedish	20.5	33.3	115.0	91.1
Swiss-French	34.0	43.0	111.0	120.0
Swiss-German	50.0	51.0	152.0	157.0
Canada-English	104.6	109.0	317.0	330.1
Canada-French	90.9	94.3	318.2	431.5
Time International:				
Time-Asia	89.4	96.7	306.0	325.7
Time-Atlantic	113.2	114.7	372.6	374.1
Time-Canada	173.5	183.8	588.2	541.0
Time-Latin America	63.6	74.4	223.3	229.6
Time-South Pacific	139.4	134.5	470.3	472.8
**Visao	155.3	103.7	428.7	357.0
▶§Vision/Latin America	34.2	41.1	120.6	126.8
Total Group	6,171.9	5,836.7	17,651.2	17,062.4
*** % change 1982 vs. 1981	+5.7%		+3.1%	

C2.710-1 6/1/82

PBS fights back
See Magazine

Advertising Age

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IAA MEET HEARS OF WOES

Latin America hardest hit by ad slowdown

By DENNIS CHASE
and LAUREL WENTZ

SAO PAULO—There will be a slowdown in the growth of advertising billings generated outside the U.S. this year, but one of the severest dips will occur in Latin America.

That is the consensus of advertising agency executives attending last week's International Advertising Assn.'s World Advertising Congress in Brazil. A general economic malaise caused by inflation and currency devaluations is being exaggerated by the worsening crisis in Argentina because of the battle with the United Kingdom over the Falkland Islands, according to sources.

In addition to Argentina's problems, a Mexican market hit by price controls and a huge devaluation and a massive drop in the Chilean market have caused ad agencies to revise their Latin American billings projections downward.

"Frankly, we're now beginning to look at our projections for Latin America," says Edward Ney, chairman of Young & Rubicam. "It's not that big a problem for us because we haven't been in some of these countries that long. But it is very important because we are now trying to establish ourselves there."

The main trouble spot is Argentina, where many agencies are expecting a 40% to 60% drop in billings this year compared with earlier estimates. Several Argentine agency execs scheduled to appear at the IAA meeting never showed up.

"They obviously had other things on their minds," said Federico Ortiz, president of Ortiz, Scopesi & Cia, the second-largest agency in Argentina, affiliated with Ogilvy & Mather. However, another agency official said, "They're all trying to save their businesses."

McCann-Erickson S.A. in Buenos Aires, with $7 million in billings last year, had estimated this year's billings around $10 million. However, according to agency head Jorge Gondolfo, those estimates have

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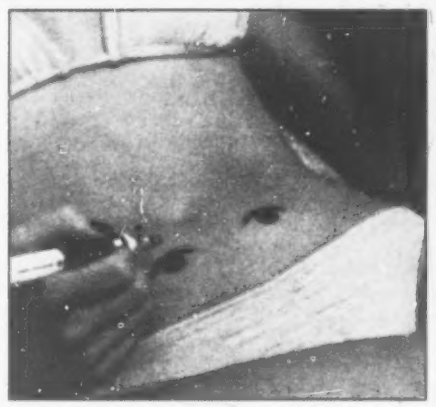
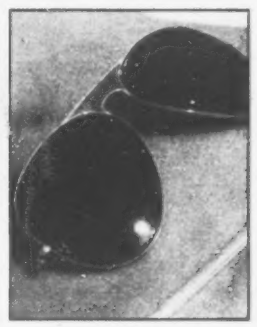
Nestle executive warns advertisers of today's "sensitized consumer"; other IAA coverage, see Page 39.





Tummy test

Ray-Ban sunglasses "bans rays" is the message of a new commercial for the brand from Jordan, Case & McGrath, New York. Spot warns that ultraviolet rays can burn the surface of the eyes. The Bausch & Lomb brand uses a "second pair of eyes" drawn on a sunbather's stomach to show how protective the product is.

P&G tests Banner tissue, Ariel detergent gets try

By JENNIFER ALTER

Although it maintains a solid hold on the leadership position in the $1.9 billion toilet tissue category, Procter & Gamble Co. is entering the value end of the market with a moderately priced brand called Banner.

To be tested in parts of Georgia and North and South Carolina beginning in early June, Banner is priced 12% above Summit, the unadvertised brand P&G launched through mass-merchandise outlets last summer (AA, March 23, '81).

Almost concurrently, the company is introducing in this country a version of a hot overseas brand—Ariel, a concentrated, low sudsing granular laundry detergent, which will test in Colorado, Wyoming and small parts of Nebraska, South Dakota, Utah and New Mexico.

While the company claims that Banner is not a response to generic and low-price brands, now said to hold 22% of the toilet paper category, its arrival gives P&G an entry into the value segment, which clearly is increasing in importance. It also is thought by some to be a statement about the success of Summit and its positioning, the latter a clear departure from the company's traditional marketing methods.

"What they're doing now with Banner would indicate they're not entirely satisfied with Summit," commented George Adler, of Smith Barney, Harris Upham.

As opposed to Summit, which is of lower quality than P&G's Charmin and White Cloud, Banner is said to provide "superior softness." Single ply, in rolls of 400, it has sac-

(Continued on Page 38)

Stroh's Fridholm to take over upon merger

Top 2 Schlitz execs to exit

By ROBERT REED

The two top-level Jos. Schlitz Brewing execs, Frank Sellinger and Daniel McKeithan, will leave the company upon its merger with Stroh Brewery, and recently named Stroh president Roger Fridholm will be named to head the Schlitz subsidiary.

The departures of the key Schlitz officers fuel industry speculation that Stroh will eventually move all of the former's headquarter operations to its Detroit office, leaving, at best, a skeleton operation in the beer city of Milwaukee, say industry sources.

Mr. Sellinger, vice-chairman, president and chief executive officer, and Mr. McKeithan, chairman, are expected officially to announce their resignations before the Schlitz stockholders' June 10 meeting, when the merger will be approved. Mr. Fridholm is expected to be named as president at the same time, industry sources told ADVERTISING AGE.

Officials of Stroh have been in Milwaukee talking with Schlitz employes and already have made known their intent to keep the bulk of its marketing staff and strategies intact.

It has yet to be determined if Anthony Amendola, Schlitz exec vp-marketing, will remain with the new No. 3 brewer. That decision will be based on the range of responsibilities the Stroh hierarchy gives Mr. Amendola, say sources. Stroh, which is in need of marketing expertise, is said to be anxious at keeping the veteran beer exec.

In addition, Stroh officers have recently made overtures to the brand managers of Schlitz, Schlitz Light and Old Milwaukee/Old Milwaukee Light, sources say. It has yet to be determined what members of the Erlanger brand staff will be asked to stay. Stroh had

(Continued on Page 38)

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last minute news

Lever's $30 million spot buying to BBDO, O&M

NEW YORK—Lever Bros. is moving its tv spot buying activity out of J. Walter Thompson Co., as expected (AA, May 10). The business, billing about $30 million, is to be split effective Oct. 1 between Lever agencies BBDO and Ogilvy & Mather. In dollar terms, the loss amounts to $500,000 in income, JWT said. It's the first client defection since the agency discovered tv syndication "accounting irregularities" last winter.

McMillan quits McGraw-Hill in power struggle

NEW YORK—Daniel A. McMillan III, exec vp, McGraw-Hill Publications, has resigned. Insiders say the resignation is related to a fierce internal battle over a successor to retiring *Business Week* publisher Bernie Alexander, and that Mr. McMillan's candidates were turned down. He and M-H deny the departure was related to the impending selection.

Lorillard to debut Satin, mulls Newport 10 pack

NEW YORK—Lorillard will introduce Satin low-tar regular and menthol cigarets, featuring a "satin tip," in Denver and Milwaukee June 3 via MCA. It also is said to be planning a test of a 10-cigaret Newport pack.

Sherman leaving JWT for WRG/East presidency

NEW YORK—Ronald Sherman, exec vp of JWT Co. and entertainment division president, has been named president of Wells, Rich, Greene/East,

(Continued on Page 8)

Scripto to ignite new lighter fight with Ultra Lite

By JOHN J. O'CONNOR

A hungry Scripto Inc. this September will carry the fight to Bic and Gillette with a new parity-price disposable lighter and a $2 million-plus campaign—the first major advertising push in the category in several years.

The Atlanta-based marketer's new Ultra Lite is a sleek, fashionable lighter in four styles, whose objective is to cut deeply into the shares of market leader Bic and No. 2-selling Cricket from Gillette. Scripto's existing entries, Mighty Match and Star Lights brands, occupy third place with a combined 18% share, compared with Bic's 50% share and Cricket's 25% share. Gillette, however, claims Cricket's share is more like 35%.

The category this year is expected to generate retail sales of $230 million, a volume roughly 12% higher than 1981. According to industry estimates, unit sales are expected to hit 400 million this year, up 10% from 1981.

Scripto president-chief executive officer K. Douglas Martin, formerly of Gillette's Paper Mate division, appears to be emulating the tack that Bic took when it mangled Cricket with a lower-pricing strategy coupled with a $20 million ad outlay between 1974-77. With Bic and Gillette continuing to keep lighter pricing at inexpensive levels (30¢ to 47¢ per unit to the trade), Cricket's ad budget has dropped to zero, while Bic's "Flick your Bic" spending plummeted to $206,000 in 1981, according to Leading National Advertisers.

The company's "production and competitive marketing flexibility," as Mr. Martin puts it, stems from the planned opening this summer of a

(Continued on Page 34)

ELECTRONIC MEDIA EDITION

Advertising Age

'EME' starts weekly schedule

CHICAGO—The new *Electronic Media Edition* of ADVERTISING AGE begins its regular weekly publication schedule with an issue dated Thursday, June 10, featuring a special report on teletext-videotex.

The premiere issue of this separate publication was published May 3, timed for introduction at the National Cable Television Assn. annual convention in Las Vegas.

The new publication will carry comprehensive news and analysis from the full range of the electronic media industry, including commercial tv, cable, radio, syndication, home video and other areas. Its editorial content will concentrate solely on electronic media. It will utilize the resources of the national and international newsgathering staffs of AD AGE and Crain Communications Inc., publisher of AA and 18 other business newspapers, magazines and newsletters.

The initial weekly issue will carry the first installment of a two-part series presenting an in-depth look at the exploding world of teletext and videotex. This report will include background on the two fields, agency and advertiser reaction to them and profiles summarizing the most significant corporate activities in these areas.

Subscriptions to the *Electronic Media Edition* are available at $10 a year. The publication is not sold as part of a regular ADVERTISING AGE subscription.#

High-tech home center set

By JANET NEIMAN

CHICAGO—Dart & Kraft's expertise in consumer products will be tested in the high-technology electronics industry beginning next week, when the company's new Anova Electronics division officially introduces its new Anova Master System at the Consumer Electronics Show here.

A "home environment system" made up of three units—a telephone center, control center and protection center—that can be integrated or used individually, Anova Master System is designed to serve as everything from a telephone to an electrical switch to a fire alarm.

Anova will debut in a wide-open consumer market for high-technology home control products. Though notable competitors exist for each individual unit (Panasonic in the telephone and message center concept, BSR for control centers and Universal Securities Instruments in home protection devices), the company says Anova is unique in its integration of all three functions.

Anova's telephone center combines the features of an answering machine with seven programable

(Continued on Page 34)

Airline competitiveness eyed by Justice

By KIMBERLY PALMER and TOM BAYER

DALLAS—The cacophony of controversy over the airline industry's automated reservations systems apparently was a familiar tune to the U.S. Justice Department.

Justice officials last week revealed a month-old civil investigation into competitive practices among the nation's airlines, and few industry observers appeared surprised. The far-reaching investigation was seen by many as a logical step following recent claims and counterclaims—specifically between bankrupt Braniff International and American Airlines—regarding possible abuses of airline computerized reservations systems (AA, May 24).

"We may have come full circle here," said William Jackman, spokesman for the Air Transport Assn., the umbrella group for the air carriers.

He was referring to the fact that, as the need for an efficient way to handle increasing passenger volume had emerged in the early 1970s, the airline industry proposed an independently operated reservations system to serve all carriers, but the plan was grounded by the Justice Department. It had balked because of antitrust implications; disagreement that arose among suppliers and carriers also contributed.

Now, almost four years after deregulation removed the tie-down, airline automated reservations systems once again are being scrutinized by the Justice Department.

The much-publicized complaints Braniff has lodged against American's SABRE reservations system, and American's staunch denials of wrongdoing, go well beyond claims and counterclaims traded between two competing carriers, one of which is now protected by the courts under Chapter 11 of the federal bankruptcy laws.

While the Civil Aeronautics Board is investigating the "dirty tricks" complaints Braniff filed against American and while the Justice Department's criminal investigation into the matter still is being conducted through a federal grand jury in Fort Worth, the newly revealed civil probe is a review of the whole industry's behavior.

How the airlines chose to compete, and how they communicate with each other from the clerical to corporate levels, appears to be the gamut of the Justice Department inquiry, which industry observers say should also define the fuzzy.

(Continued on Page 34)

highlights

Monday, May 31, 1982

Taking a cue from NBC-TV, CBS-TV affiliates will be carrying more evening news network commercials as well as more prime time spots. *See Page 6.*

Despite an upbeat session, several things put CBS-TV on the defensive at its affiliates meeting. *See Page 6.*

Burger King's new chief executive officer, Norman Brinker, is eager to improve the chain's business—from the sizing and pricing to the presentation. *See Page 12.*

K mart will maintain its price-conscious image despite a drop in first quarter profits. *See Page 12.*

Shulton prepares for the June introduction of Lady's Choice deodorant. *See Page 33.*

House & Garden is turning itself into an entirely new product. *See Page 35.*

CORPORATE CLOSEUP

Things may be changing at E.E. Dickinson Co., marketer of venerable Dickinson's witch hazel. *See Page 4.*

VIDEOTECH

ABC is discussing a joint venture with Brazil's major television network. *See Page 24.*

MAGAZINE

Commercials aired on PBS? Public broadcasting is changing in the face of funding cuts and cable competition. *See M-2.*

Losing a big account need not mean the end of the road, says Richard Bonsib, chairman of a small agency—if you pay attention to the details and reorganize carefully. *See M-33.*

Irresistably memorable names for brands stand out in the bewildering forest of names and claims. In Tyler's Ten, William Tyler discusses this concept of "Nameonics" as well as his picks for the top 10 print ads of the month. *See M-34.*

SPECIAL REPORT

This week's Special Report covers marketers and advertisers in the City of Brotherly Love, where Philadelphians are mounting a national advertising and pr campaign to celebrate the city's 300th birthday. *See M-7.*

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Demonstration

"Pop it, squeeze it, shake it"—instructions for making a Tecate drink by popping the top, squeezing in a lime and sprinkling in salt—get new interpretation in these scenes from a new spot from Cibco Importing, Houston, via Bloom Agency.

PBS finds itself in a rapidly changing game . . .

. . . including funding cuts, cable competition and commercials

By B.G. Yovovich

Advertising executive Peter Mayer's son, a law student, was shocked by what had just appeared on his television screen.

"Dad, you won't believe this," shouted the incredulous young man to his father, who was busy in another room. "I just saw an ad on WYES," the noncommercial public television station in New Orleans.

The older Mr. Mayer smiled, "I know, we placed it."

"But . . . but that's against the law," said the perplexed law student.

Au contraire.

Not only was the ad legal, but it was just the beginning of a nine-city, 18-month public television experiment mandated by Congress. And the young Mr. Mayer and other patrons of noncommercial television had best brace themselves: The opening of public television to commercials is likely to be just the first of a slew of changes as the institution enters the most critical period in its history.

There is plenty of evidence of crisis and turmoil. The Reagan Administration's proposal to cut direct federal funding of the Public Broadcasting Service by one-third, for example, helped spur the advertising experiment and is prompting public television officials to explore alternate sources of funding (see accompanying article) and to reexamine their budgetary priorities.

Public television also has begun to lose some of its most prominent personalities to its commercial competition. Longtime public television mainstay Bill Moyers moved to CBS last year. Gene Siskel and Roger Ebert, cohosts of PBS's top-rated half-hour show, "Sneak Previews," jumped to WGN Continental Productions, Chicago, last month, and "Wall Street Week" host Louis Rukeyser reports receiving numerous commercial tv offers.

And perhaps most ominous for public television is the looming competition from cable tv, particularly from various culture and entertainment channels that have been launched in the last couple of years. Though cable's lack of penetration into many of the nation's largest markets has minimized the impact of such services so far, even the most cursory examination of their offerings shows they ultimately pose a threat to public broadcasters.

This September, for example, CBS Cable will begin airing "A Walk Through the 20th Century," 20 one-hour programs, with Bill Moyers, that will explore the events of this century—precisely the kind of program that would have been a highlight of any PBS season.

So would some of the programing on Hearst/ABC's ARTS cable channel. Programs there include talk shows hosted by Calvin Trilling and Studs Terkel; original productions of plays by David Mamet, Frank South and David Rabe, and performances by Isaac Stern, Placido Domingo, Rudolf Nureyev and the Alvin Ailey American Dance Theatre.

And RCTV's Entertainment Channel now owns first rights to all BBC programing produced since January, 1981—again, the kinds of productions that have been PBS staples.

As ancient Chinese sages noted long ago, however, crises may be fraught with danger, but they contain the seeds of opportunity as well. At the same time that cable programing has fostered new threats to public television, cable and other video technologies are opening up new opportunities as well. One strong possibility: A pay, premium PBS Cable channel that would go head to head with some of the recent commercial entrants. Another project in the works: A PBS video club that would market videocassettes and videodiscs under the PBS label to its members.

There is at least one further twist to today's complicated public television scenario. At the same time that budgets are being threatened and danger looms all around, the nation's public broadcasters have been attracting record-breaking audiences and posting the highest ratings in their history.

During the week of Jan. 11 to 17 this last winter, the following news cheered the folks at PBS:

- A "National Geographic Special" on sharks was seen in 17.4% of all U.S. households, the highest cumulative rating of all time for a PBS program.
- The week's episode of the "Life on Earth" series posted a 10.7 cume, making it the highest rated weekly series ever to appear on PBS.
- The 7.5 rating recorded by "Sneak Preview" was the highest cume rating for a half-hour PBS series or special.
- The Flame Trees of Thika episode reached 7.5% of the nation's households, the highest rating on record for a "Masterpiece Theatre" presentation.
- "Wall Street Week," "American Playhouse," "Matinee at the Bijou" and the "Mark Russell Special" all set records for their respective programs.

All together, public television's prime time cumulative audience increased 17% over January, 1981, reaching a cumulative rating of 38% (or 31 million U.S. households) for the week. The total (full day) cumulative audience for the week hit 56.8%, or 46.3 million homes. Both represent the highest such figures in PBS history.

Several factors have come together in recent years to help make such ratings possible, not the least of which was a five-year appropriation passed by Congress in 1975 that increased federal funding for public television from $62 million in 1975 to $160 million in 1980. It wasn't only the size of the appropriation, but the duration as well, that was important. "It meant we could develop programing that required a two to three-year lead time, where previously we could plan only one year ahead," recalls Michael E. Hobbs, PBS senior vp.

The 1975 legislation that brought the funds also provided PBS with three satellite channels to interconnect local public tv stations and make program distribution easier and less expensive. By 1979, public television was armed with the new satellite interconnect system and with highly promotable programs like Carl Sagan's "Cosmos." The local stations decided it was time to band together and do a better job of coordinating their operations.

The first step was the establishment of a common PBS schedule for two hours on each evening Sunday through Wednesday —unprecedented cooperation for the fiercely independent stations.

"This brought a consistency to our scheduling," says Dan Agan, director of marketing with PBS. "No matter where they might be, our audience would know that 'Nova,' for example, would be on Sunday night.

"It also permitted PBS to take a more aggressive position with regard to advertising itself."

With the core programs aired at the same times and dates throughout the system, nationally coordinated advertising campaigns and more aggressive use of on-air promotion became possible. As a result, PBS and its member stations have spent more than $8 million since the major advertising and promotion push began in 1979, including more than $2.5 million for ads in *TV Guide*.

The new common core schedule also persuaded a number of program underwriters to offer additional promotional support, such as ads in *TV Guide*, newspaper television sections and national publications like *The New Yorker*.

Gulf Oil Co., for one, not only underwrites "National Geographic Specials" to the tune of $1.7 million a year, but it also spends $2.5 million each season on ads and promotion. Aided by such support, the specials are consistently the highest-rated shows on PBS, and have pulled nine of the 25 highest ratings in PBS history.

In fact, the combination of efforts among PBS, the underwriters and the local stations has had a striking effect on public tv viewership. Weekly full-day cumulative ratings are up nearly 48% since 1975, with more than half of U.S. tv households now tuning in to public television each week. Over the same seven-year period, weekly prime-time cumes are up a whopping 85%—a particularly impressive performance in light of the erosion that network ratings have suffered in recent years.

Though such audience growth in recent years has

Anthony Andrews (left) and Jeremy Irons starred in the British-made "Brideshead Revisited," one of PBS's most talked-about series this year.

Other fund sources

Commercials, pay cable, and videodisc sales are not the only new sources of funding being considered for public television. Other possibilities include:

- An excise tax levied on every television set sold in the U.S.
- Taxes to be imposed on commercial broadcasters specifically for the support of public television and radio.
- A national telethon patterned after the "Night of 100 Stars" that would be the culmination of local auction efforts.
- New tax laws that would provide tax credits for contributions to public television stations.
- A tax checkoff on federal and state tax returns similar to the Presidential campaign checkoff.
- Rental of unused Public Broadcasting Service satellite capacity and unused tv studios for tv program and commercial production and for video teleconferencing.

—*B.G.Y.*

B.G. Yovovich, a business writer in Chicago, contributes frequently to Magazine on a variety of marketing and media topics.

broadened public television's penetration into less affluent households, its viewership remains decidely upscale. Figures compiled last year show that each week public tv reaches 63% of U.S. households with annual incomes of more than $30,000 and 61% of households headed by individuals who are professionals, managers or who own their own businesses.

The demographics describing public television's more than 1 million subscribers are even more striking: Median household income is $43,000; 89% attended or graduated from college, and 59.6% are employed in professional/managerial occupations.

Such upscale demographics, of course, make public television audiences exceptionally attractive to advertisers and offer hope that commercials on public television will be able to command premium prices. Hence, the nine-station experiment to offer commercial time. As of mid-May, only WYES had run commercials, with most of the others scheduled to put them on the air shortly thereafter.

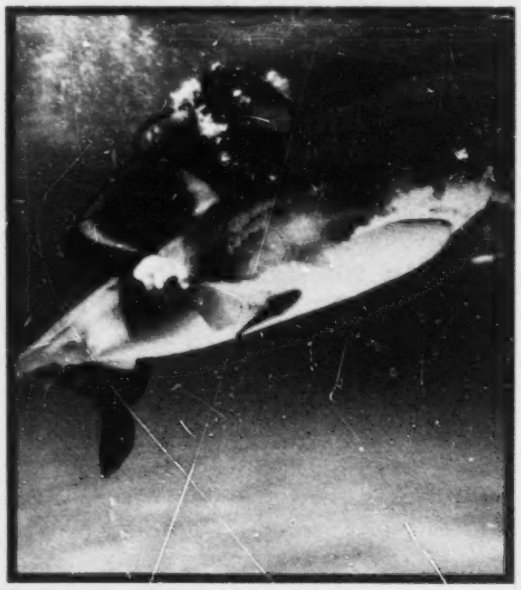
For the most part, each station sets its own policies—rates on WYES, for instance, are running at about $150 per spot—but they also follow system-wide guidelines (see accompanying article). The hope, of course, is to generate the revenue to replace funds that won't be coming in because of cutbacks and other assorted problems.

Yet, despite the prospect that commercials may generate the much-needed income, a large segment of the public television community has remained extremely cool to the idea, with Louisville's WKPC station already having pulled out of the advertising experiment after the station's board chairman resigned in protest.

"If public television goes commercial," says PBS president Lawrence Grossman, himself a staunch opponent of commercials on public television, "then it won't be public television."

Part of the reason for the deep-rooted resistance to commercials is the way many public television stations are set up. A sizable number of them are operated by universities or by nonprofit groups whose charters prohibit advertising, and there is widespread concern that commercials would destroy the special relationship that noncommercial stations have developed with their audiences—and especially with their dues-paying subscribers.

"There also are logistical problems that limit how much advertising we can sell," points out Mr. Agan, the PBS marketing director. "Our half-hour programs run 28 minutes and 50 seconds, our hour programs run



The "National Geographic Special" on sharks, which ran in January, drew a record PBS audience (see chart above).

58 minutes and 50 seconds, and that doesn't leave a lot of time for commercials, even if we eliminate all of our on-air promotions.

"The only study so far suggests that even if all the available spots on all the available stations were sold at premium prices, it would only generate $90 million—and this does not take into account selling costs." Those include the costs connected with the establishment of ad sales staffs and the purchase of necessary additional broadcast equipment.

Adds Mr. Grossman, "I haven't seen any studies that project that we won't actually lose money if we take advertising."

All time top rated PBS evening programs

Ranked by total or cumulative audience*

Rank	Title	Date	Hours	Total or Cume Aud.
1.	National Geographic Special: The Sharks	1/82	1	17.4%
2.	National Geographic Special: The Incredible Machine	10/75	1	16.0%
3.	Live from the Grand Ole Opry	3/79	7	14.6
4.	Live from the Grand Ole Opry	3/80	6	14.2
5.	Death of a Princess	5/80	2	13.8
6.	The Scarlet Letter	4/79	4	13.7
7.	Making M*A*S*H	1/81	1½	12.4
8.	National Geographic Special: Etosha, Place of Dry Water	1/81	1	12.1
9.	National Geographic Special: The Living Sands of Namib	3/78	1	11.7
10.	The Fifties: Moments to Remember	3/81	3	11.2
11.	National Geographic: The Great Whales	2/78	1	10.8
12.	Life on Earth: The Infinite Variety	1/82	1	10.7
13.	National Geographic Special: Mysteries of the Mind	2/80	1	10.4
14.	National Geographic Special: Dive to the Edge of Creation	1/80	1	10.1
15.	National Geographic Special: The Legacy of L.S.B. Leakey	1/78	1	10.0
16.	Live from the Grand Ole Opry	3/78	3	9.9
17.	NOVA: Anatomy of a Volcano	2/81	1	9.7
18.	Cosmos	10/80	1	9.5
19.	Life on Earth	2/82	1	9.4
20.	Cosmos	12/80	1	9.2
21.	Something Spectacular with Steve Allen	3/81	3	9.1
22.	Live from the Grand Ole Opry	3/81	7	9.0
23.	Cosmos (R)	10/81	1	8.8
24.	National Geographic Special: The Volga	3/77	1½	8.6
25.	The Lathe of Heaven	1/80	3	8.5

*Total and cumulative audience are defined as the percentage of U.S. TV homes viewing at least six minutes of the program

Note: PBS only receives ratings for ten weeks out of the year. The above rankings are for those programs for which we have ratings as of February 1982.

Sources: Nielsen Television Index, Public Broadcasting Service

Where PBS officials appear to be more hopeful is in their thoughts about the possibilities of a PBS-operated pay cable service.

"Our research and the research of others suggests that the audience for a [pay] PBS Cable is larger than you or I would believe," says Michael Soper, PBS's director of marketing projects and project director with PBS Cable. "The market is there." According to PBS market research studies, as many as 20 million American families are regular viewers of cultural programing on public television, and as many as 5 million of those households would be "likely subscribers" to PBS Cable at $12 per month.

Such an endeavor is particularly attractive to public broadcasters. Instead of forcing PBS to develop an entire new set of skills connected with ad sales, the pay cable operation would be able to take advantage of two already existing public television strong points: (1) the fund-raising and membership recruitment expertise public broadcasters have developed and (2) the well established and close ties that PBS has with the nation's major cultural institutions and, through the local stations, with arts and performing groups around the country.

The local nature of cable systems would also enable local public broadcast operations to play a role in the pay channel, perhaps providing some local programing to supplement the national feed. Moreover, such a service could be integrated relatively easily into traditional PBS broadcast operations, with the pay channel serving as a program feeder.

According to Mr. Soper, the major barrier to implementation of such a pay cable service is that "there are too few addressable homes"—that is, not enough potential customers of the PBS Cable service whose homes are wired via cable systems with a pay capacity. "It could be another couple of years before the timing is right."

Despite the advantages outlined by proponents of PBS Cable, even the service's most ardent supporters concede that it is likely to face stiff opposition from other cultural services. In fact, some of the more pessimistic observers not only question heady predictions for the vitality of the PBS Cable concept, but express doubt that any of the high quality cultural channels—pay or advertiser-supported—can be commercially viable.

"All you have to do is look at the history of other media," says Mr. Grossman. "Look at radio. When you got 50 or 100 stations, the audiences became so diluted that no one could afford to produce quality programing. In my judgement, that's what has happened to [quality] magazines as well, and when television channels proliferate, program originality and quality are more likely to diminish than to improve."

The only solution, maintains Mr. Grossman, is continuation of subsidies for public television. "No orchestra, dance company, public library, museum or educational system could survive in the marketplace without public subsidy," says the PBS president. "It is totally unrealistic to expect that new technologies of distribution will eliminate the need for public funds." AA

Brace yourself, the ads are coming

It's a case of "so far, so good" at New Orleans' WYES, the first public tv station to air paid advertising.

Despite the fact that the station has been running commercials since the last week in March, the dreaded "negative viewer response" feared by many public broadcasters has been virtually nonexistent so far. The station has received only three letters of complaint. "We've had almost no reaction at all," adds Bob Wisehart, tv critic with the *New Orleans Times-Picayune*. "We've gotten no letters and heard almost no comments."

On the financial side, the news has been more tangible.

"We did about $10,000 in billings for the month of April," says Al Smith, president of Audubon Communications Corp., a media consulting company administering the ad sales program for WYES. "We made a profit the first month, we hope to gross $1.2 million by the end of the experiment and earn a profit of $800,000 for the station." On the average, each 30-second spot is costing advertisers about $150.

Should Mr. Smith's expectations be realized, the profits from the advertising would represent roughly 20% of this year's WYES budget.

The first commercial, a spot for New Orleans Business Machine Co., was placed on WYES because, "Public television delivers a sophisticated audience and I felt tht my client should be there," says Silvio Fernandez of Creative Marketing, the advertising agency that handles the account. "We've canceled all of our other tv buys for this account so that at the end of our 90-day schedule we'll be able to tell how effective the buy was."

In addition to the business machine commercial, WYES has run spots for a bank, insurance company, stock brokerage, jeweler, radio station, theater, real estate broker, car dealer and fast-food operation. All of these advertisers had previously run spots on commercial channels.

Not all of the public tv stations involved in the ad experiment will follow WYES's example and allow product advertising, but commercials on all of the stations will have to comply with minimum standards:

- Commercials will air in clusters lasting no more than two minutes and will not interrupt programs.
- Advertising must be sensitive to the tastes and interests of the audience.
- Advertising will respect the intelligence of the viewer.
- Standards of quality that apply to regular programing will also apply to advertising.
- Stations will reserve the sole right to accept or reject advertisements on the basis of quality or content.
- Stations will adhere to both the spirit and letter of the National Assn. of Broadcasters tv code.
- Stations will exercise particular caution in placement of advertising adjacent to programing for younger viewers.

Other stations participating in the experiment are WHYY, Philadelphia; WIPB, Muncie, Ind.; WNET, New York; WPBT, Miami; WQED, Pittsburgh; WQLN, Erie, Pa.; WSKG, Binghamton, N.Y., and WTTW, Chicago. At presstime, only WYES had put commercials on the air, although WPBT and WQLN were planning for a start by the end of May. Four stations—WHYY, WPIB, WQED and WTTW—have targeted June dates, while WNET is looking to September. WSKG has not established a firm date.

—*B.G.Y.*

Alcohol ads top $1 billion

By JOHN J. O'CONNOR

NEW YORK—Advertising of beer, distilled spirits and wine cracked the $1 billion mark for the first time in 1981, a 12% increase over the previous year's outlay.

The data, compiled by *Impact* with the cooperation of several expenditure tracking services, put beer in the lead with spending of $464.8 million, up 11% over 1980. Distilled spirits followed with an outlay of $377.1 million (+11%). Although last in spending, wine had the greatest percentage increase, 28%, as vintners poured $173 million into media.

The alcoholic beverage industry newsletter chalked up the robust increase in wine advertising to "sizable" prime time tv expenditures by major wine companies.

"The 8% gain in distilled spirits advertising," *Impact* noted, "is a sign that distilled spirits marketers are not going to take their stagnant sales performance lying down." At the same time, *Impact* questioned how distillers can maintain such spending levels when increases "erode existing profit margins."

Distilled spirits shipments were estimated at 455 million gals. last year, or the same as 1980. Wine shipments rose 6% to 505 million gals. Beer was up only 2% to 5.6 billion gals. shipped last year.

In terms of advertising per gallon shipped, distilled spirits was the undisputed category leader with 83¢ spent per gallon, up from 76¢ a year earlier. Wine advertising last year rose to 34¢ per gallon, up from 28¢ in 1980. Due to its enormous volume, beer spending per gallon was 8¢, the same as in 1980.

■ In terms of advertising by media, tv accounted for 44%, or $451 million, of total media dollars. Next came magazines with $252 million (25% share), followed by radio, $123 million (12%); newspapers, $102 million (10%); outdoor, $72 million (7%), and Sunday supplements, $15 million (1%).#

Alcoholic beverage industry's '81 ad spending
(millions of dollars)

MEDIUM	WINE	DISTILLED SPIRITS	BEER	TOTAL	1981 MEDIUM SHARES	1970 ADV. DOLLARS	1970 MEDIUM SHARES
Radio	$ 17.3	$ —	$105.9	$ 123.2	12%	$ 39.4	12%
Television	130.1	—	320.9	451.0	44	94.4	28
Magazine	11.5	222.2	17.9	251.6	25	99.1	30
Outdoor	0.9	62.3	9.0	72.2	7	35.0	10
Newspaper[1]	11.4	79.6	11.0	102.0	10	65.4	19
Newspaper Supps.	1.8	13.0	0.1	14.9	1	2.0	1
Total	$173.0	$377.1	$464.8	$1,014.9	100%	$335.3	100%

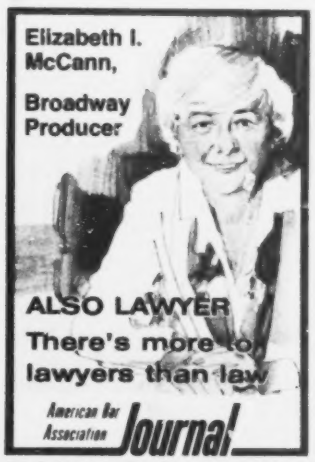
[1]Projected by IMPACT from top market and leadership brand expenditures.
Sources: LNA, PIB, MR, RER, IMPACT DATABANK and IMPACT estimates.

MICHAEL DONAHUE

BALTIMORE—Michael J. (Slim) Donahue, 90, an agency executive whose 70-year career included cofounding the old Donahue & Coe agency in New York, died here May 13 after a brief illness.

Mr. Donahue, who resided in Stoneleigh, Md., was born in Massena Springs, N.Y. He founded M.J. Donahue Co., New York, in the 1920s and later merged with Sayers Coe to form Donahue & Coe. The agency went on to pioneer in motion picture advertising and was credited with bringing "coming attractions" into theaters as a selling tool. In 1932, Donahue & Coe was sold to Edward J. Churchill, then an executive at the agency. Mr. Churchill retired in 1964, after the agency acquired Ellington & Co., and the remaining partners, Don West, Walter Weir and William Bartel (president of Ellington) changed the agency's name to West, Weir & Bartel. (WW&B effectively lasted until April, 1968, when it was acquired by MacManus, John & Adams).

Mr. Donahue, after selling his agency, moved to the Baltimore area and joined the Anchor Post Products company as advertising manager. He also continued to operate M.J. Donahue Advertising. He retired from Anchor Post in 1956 but continued to be active in his agency until a year ago. #



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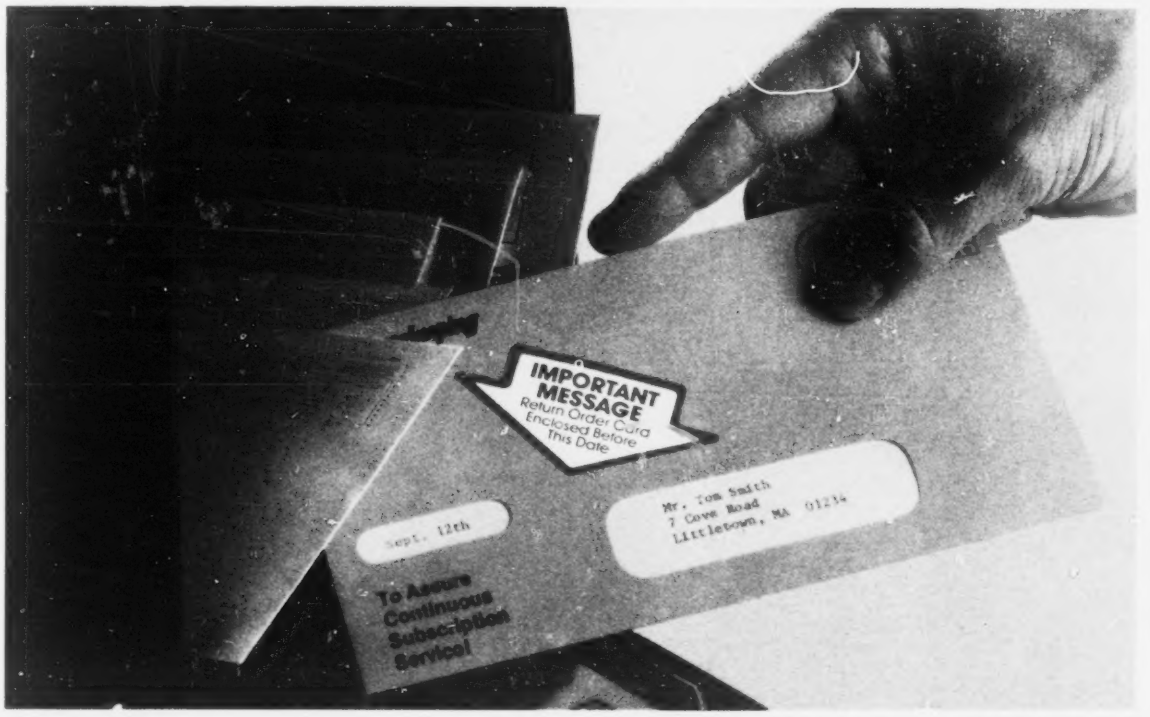

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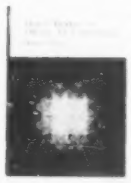

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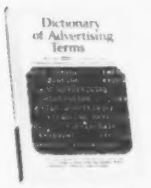

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Public shops up, down in quarter

By CHRISTY MARSHALL

NEW YORK—Publicly held agencies turned in record gains and losses during the 1982 first quarter as they adopted new accounting procedures, fell victim to devaluation or, in the case of JWT Group, increased operating costs as a result of relocating.

Interpublic Group of Cos. came in as the biggest gainer in net income, up an incredible 206%, as a result of changing its accounting procedures to conform to the Financial Standards Accounting Board's F.A.S. 52, a procedure that cuts down the losses suffered as a result of currency translation.

■ The biggest loser in net income, down 113%, was JWT Group, still reeling from a $30 million writeoff in 1981 as a result of accounting irregularities found in its syndication unit.

Interpublic's net income was up to $2.6 million from the $865,000 posted for the same quarter in 1981. JWT's net income nose-dived from $326,000 in 1981 to a minus $43,000 in 1982. The drop is attributable to devaluation of the Mexican peso and office moving expenses.

Earnings gains also were reported by Doyle Dane Bernbach, up 44% to $690,000, and BBDO, up 12% to $3.2 million from $2.9 million in 1981. The remaining public agencies recorded losses. Grey was down 12% to $437,000 from $501,000, and Ogilvy & Mather slipped to $2 million from $2.5 million. Decreased profits at O&M were attributed to the devalued Mexican peso.

All the publicly held agencies posted revenue gains in the first quarter. The greatest increase was reported by Grey, up 25% to $29.1 million from $23.3 million.

BBDO's revenues were up 12% to $47.2 million. Its domestic revenues, now inclusive of Tracy-Locke/BBDO in Dallas, were up 19%, but international revenues were down 4%. O&M's revenues were up 11.5% to $73.9 million, and JWT was up 11% to $92.4 million.#

Agency financial reports

First quarter

Net income	1982	1981	%
BBDO	$3,196,000	$2,860,000	12
Doyle Dane Bernbach	690,000	480,000	44
Foote, Cone & Belding	1,382,000	1,360,000	1.6
Grey	437,000	501,000	−12
Interpublic	2,645,000	865,000	206
Ogilvy & Mather	2,036,000	2,493,000	−18.3
JWT Group	($43,000)	326,000	−113

Revenues	1982	1981	%
BBDO	$47,200,000	$42,200,000	12
Doyle Dane Bernbach	38,898,000	34,267,000	14
Foote, Cone & Belding	40,838,000	38,406,000	6.3
Grey	29,083,000	23,315,000	25
Interpublic	101,850,000	98,108,000	3.8
Ogilvy & Mather	73,921,000	66,324,000	11.5
JWT Group	92,400,000	83,300,000	11

Why DDB eyed merger

(Continued from Page 4)

agreed that the demands of multinational clients and increased competition for market share are compelling reasons in the quest for growth.

■ "There's no question but that the largest agencies, as a group, are continuing to increase their market share at the expense of the medium-size agencies," Mr. Austrian said. "This is happening because most of the large budget increases are coming from multinational clients who are assigning their accounts, with increasing frequency, to the large multinational agencies.

"For the first time ever, U.S. advertising did not represent more than 50% of the total worldwide spending," Mr. Austrian continued. "This is a key, key trend which will continue. In fact by the year 2000 the U.S. portion could well be below 40%. The major growth will be international. Our clients will continue to seek growth outside our borders. We have to be prepared to meet their needs."

In another business matter, the stockholders once again defeated the proposal from the Society of Catholic Medical Missionaries, Philadelphia, to reexamine and reevaluate the ethics involved in DDB's handling of the South African Krugerrand account (AA, May 3). The nuns in the society are opposed to South Africa's apartheid policies and, in that connection, oppose the sale and promotion of the Krugerrand.#

Grossman joins Yaffe

SOUTHFIELD, MICH.—James Grossman has closed the doors of Grossman & Associates and has become senior vp at Yaffe Berline. Mr. Grossman brought along some of his clients, including Bonnie Bread, Comcast Cablevision, Family Computer Center, Greater Media Inc., Lexitel Corp., Mercury Paint Co. and Metro Trading Assn. Billings for these accounts are estimated at nearly $2 million.

Agency elected to group

SAN FRANCISCO—Maxwell Arnold Jackson & Smyth has been elected to membership in the Affiliated Advertising Agencies International.

C2710-1 9/1/82

Magazine special report: Radio's waves

Advertising Age

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$1 a copy; $40 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | June 7, 1982

Fresh idea

R.T. French Co. is introducing Sweater Fresh spray garment cleaner on the West Coast. It bought the product a month ago from Cono-Tec, a product development company that had been test marketing the item. It is getting multimedia support via J. Walter Thompson USA.

McCormick juggled ad $ in takeover fight

By RICHARD L. GORDON

BALTIMORE—McCormick & Co. has revealed how executives in its grocery products division, aiding the fight against a takeover bid by Swiss conglomerate Sandoz Ltd., persuaded its ad agency to delay billings to help inflate earnings during certain periods from 1977 through early 1981.

The report on the bending of certain accounting rules, written by outside investigators hired by McCormick and recently released by the company, said that McCormick's "cooperative" advertising agency helped grocery products division managers artificially cut expenses and meet "ambitious" profit targets by delaying agency billings. In other instances, investigators said division employes altered advertising agency invoice dates, or simply withheld invoices.

The report said there is no evidence that any corporate funds were diverted to any McCormick employe as a result of the irregularities. Nor were any questions raised in the report about the role played by McCormick's agency, W.B. Doner & Co., Baltimore, though not named by the investigators, is McCormick's agency of record.

"It really is our problem, not a Doner problem," McCormick vp, secretary and general counsel James H. Harrison Jr. said in an interview. "We've taken action to solve it." He said results of the investigation are unlikely to affect Doner's status as McCormick's agency.

"They would seem to have been primarily trying to accommodate their client," he said of Doner's willingness to defer billings. "We've not really talked to them about it, although the investigators have."

Doner exec vp William Hooper said the agency had "reviewed all our materials, and our billings, with McCormick's special counsel," but he declined to dis-

(Continued on Page 80)

ESPN signs up for Nielsens

By COLBY COATES

In a move that should silence its critics, Entertainment & Sports Programming Network has opted to join the ratings wars.

But the cable sports network's plans to go on Nielsen meters in the last quarter of this year is only one part of the ratings and research package the company is serving up to advertisers.

Designed to position ESPN more like a magazine sell than broadcast, ESPN's deal with Nielsen Home Video Index will produce quarterly reports with household ratings and share; audience comp on viewers per household, plus market section data, which includes income, education, family size, county size and pay cable homes. Besides average quarter-hour numbers, ESPN also will break out numbers by sports in specific dayparts, and dayparts with specific sports. The information will be compiled utilizing both Nielsen meters and in-home diaries, and will be published for the first time early in 1983. *(USA Cable is leaning toward Nielsens; see story on Page 81.)*

The advertiser and agency buying community, some of which has been critical of ESPN for not going on meters when the cable network met Nielsen requirements, will learn all about the research plans starting June 22.

On that date, ESPN execs will begin—in New York City—a five-city briefing tour for the buying fraternity. Other stops on the tour include Chicago, Detroit, Los Angeles and San Francisco.

ESPN exec vp-chief operating officer Bill Grimes readily admitted that Bristol, Conn.-based ESPN has taken its lumps for resisting demands that it "get into a cpm

(Continued on Page 80)

New 'BW' chief in hot spot

By STUART EMMRICH

NEW YORK—The simple announcement from McGraw-Hill last week that James Pierce was being named publisher of *Business Week* barely hinted at the behind-the-scenes power struggles that have been going on at that company during the past year.

For the past 12 months, key execs at McGraw-Hill have been locked in corporate combat over the choice of a successor to R.B. (Bernie) Alexander and the future direction of *Business Week*. That combat claimed as casualties several top execs and staffers and raised serious questions, both within and outside of McGraw-Hill, about the management of the company.

Insiders say Mr. Pierce, publisher of McGraw-Hill's *Aviation Week & Space Technology* since 1979 (and before that on the *Business Week* sales staff for three years), faces the dual challenge of improving staff morale at *BW* and protecting the magazine from a top management described as being chiefly interested in taking its profits to prop up the company's bottom line.

That last battle, over the use of *BW*'s considerable

(Continued on Page 82)

Toyota key in DFS-Japan link

By JACK PLIMPTON and DENNIS CHASE

TOKYO—Dancer Fitzgerald Sample is about to forge a new Japanese link with Nippon Design Center, a small Japanese agency owned, in part, by Toyota Motor Sales. That move will give DFS a stronger link with the Japanese automobile company, which is said to be looking to coordinate its worldwide advertising more closely.

DFS senior vp Nelson Riddle Jr. (son of the famous bandleader) has been in Japan on "special assignment" for 17 months working on various research and other projects with NDC related to the Toyota account worldwide. He acknowledged that the new linkup could happen within the next 12 months.

■ According to one source, so far the two agencies have been working on trying to get a common theme to Toyota's advertising—similar to what Coca-Cola is trying to do worldwide. DFS has helped Toyota's success in the U.S. with its "Oh what a feeling" campaign; however insiders say

(Continued on Page 81)

NEWSPAPER

AA
DC2001ACONGLI
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
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WASHINGTON DC 20014

last minute news

Century 21 to review on $20 million account

IRVINE, CAL.—Century 21, largest U.S. real estate network, will conduct a review shortly in which five to six finalists, including incumbent WRG/Townsend, Newport Beach, Cal., will participate. Decision to review the estimated $20 million account follows appointment of Bruce Oseland, former operations assistant to the president, to the new post of vp-marketing. WRG/Townsend recently revamped its staff on the account.

Reynolds to test new low-tar Bright cigarets

WINSTON-SALEM, N.C.—R.J. Reynolds is about to test new Bright king-size and 100mm low-tar cigarets in Detroit, Oklahoma City and Denver. Newspapers, magazines and outdoor support via Leber Katz, New York.

P&G debuts repositioned, therapeutic Wondra

CINCINNATI—Procter & Gamble is introducing nationally a reformulated Wondra skin lotion, abandoning the upside-down bottle used when the product first was introduced. Testing since last fall in Charleston, S.C. (AA, Oct. 19), the new version takes a more therapeutic positioning, claiming to "relieve dry skin better" with seven new ingredients. B&B, New York, handles.

Broyles considered for top 'Newsweek' post

NEW YORK—William Broyles, editor of *Texas Monthly* and *California*, is under consideration for a top new editorial post at *Newsweek*, reportedly to be groomed to succeed 60-year-old executive editor Lester Bernstein, who would then be reassigned. Mark Edmiston, Newsweek Inc. president, denied industry rumors that Mr. Bernstein was being fired. Last Friday, Katharine Graham, chairman of the parent Washington Post Co., met for dinner in Austin with *Texas Monthly* publisher Michael Levy to discuss Mr. Broyles' future. Meanwhile, the controversial June 7 cover *(see story on Page 3)* generated even more controversy when it was learned that the late Sarai Ribicoff, niece of former U.S. Sen. Abraham Ribicoff, was one of the models used for the William Bailey painting. While denying the

(Continued on Page 8)

Newspapers continue repositioning bids

'Des Moines Tribune' to cease p.m. run

By ROBERT REED

Concern for its long-term potential and growth caused the Des Moines Register & Tribune Co. to play its trump card and discontinue the afternoon *Tribune* newspaper.

The *Tribune* will cease publication in September when it will be absorbed partly by a revamped morning *Register* featuring the *Tribune's* columnists, local news coverage and features, company officials say.

The decision to terminate the afternoon publication was based not only on the immediate financial troubles of the *Tribune*, but also on the publishing concern's long-term objectives.

Newspaper operations accounted for the bulk of the Register & Tribune's 1981 revenues with a tally of $70.5 million compared with $68 million for the previous year. Broadcasting earned $18.8 million in 1981 compared with $18 million in 1980.

But the company had posted a $618,000 first-quarter loss and the *Tribune's* ad revenues had declined sharply during that span, the company said.

"We don't think Des Moines is big enough to support two mediocre newspapers, but it is capable of supporting one excellent newspaper," said David Kruidenier, publisher of the company.

For a year, the Register & Tribune has been exploring options concerning the fate of the two newspapers (AA, May 10). The company had commissioned a three-member strategy task force that submitted three other alternatives designed to improve the company's future financial health, said Michael Gartner, president and editor of the papers. Those options included: Combining news staffs but keeping two separate papers, reducing the size of each paper's staff, or standing pat with two newspapers and their autonomous units.

"All were considered financially attractive but not journalistically attractive," Mr. Gartner said. "Sure, the initial reaction is one of 'hate to see it happen' but it will insure independence for the future, strength

(Continued on Page 84)

'Denver Post' gambles on morning-only

By KIMBERLY PALMER

In what one *Denver Post* executive describes as "the ultimate gamble," the traditional evening newspaper will complete its conversion to morning-only editions today (AA, May 31).

Since its Sept. 14, 1981, debut as an all-day newspaper, the *Post* gradually has been moving toward becoming a morning paper, in direct competition with its crosstown rival, the tabloid-size *Rocky Mountain News*.

The *Post* becomes the first major metropolitan daily newspaper to switch from evening to morning editions to take on another morning competitor, said Tim Kelly, *Post* managing editor. "It's the ultimate gamble. It's never been done before in this size of market. There is no track record or past history.

"We feel very good about the move," he added. "We are entering the morning market and will let the chips fall where they may."

According to Audit Bureau of Circulations figures for the period Oct. 1 through March 30, the *News* reported a daily circulation of 312,873, compared with the *Post's* 258,376. But the *Post* leads the *News* in Sunday circulation with 356,372, compared with 335,665.

■ Ralph Looney, editor of the *News*, which is owned by Scripps-Howard, says the move by the Times Mirror-owned *Post* poses no real threat to his paper's current lead in daily circulation. "The *Post* has been in the process of doing this [becoming a morning paper] since last September, and we have no evidence that there has been any significant change in our circulation figures. We are very confident that we will continue to grow. We have made some great improvements in our product in the past months. . .and we will continue to do so."

Soon after *Post* publisher Lee Guittar made the decision last summer to make the *Post* a morning paper, October was set as the

(Continued on Page 84)

ELECTRONIC MEDIA EDITION

Advertising Age

'EME' goes weekly Thursday

CHICAGO—ADVERTISING AGE's new *Electronic Media Edition* begins its regular weekly publication schedule this week. The issue, dated Thursday, June 10, features a special report on teletext-videotex.

The premiere issue of this separate publication was published May 3.

The new publication will carry comprehensive news and analysis from the full range of the electronic media industry, including commercial tv, cable, radio, syndication, home video and other areas. Its editorial content will concentrate solely on electronic media. It will utilize the resources of the national and international newsgathering staffs of AD AGE and Crain Communications Inc., publisher of AA and 18 other business newspapers, magazines and newsletters.

The initial weekly issue will carry the first instalment of a two-part series presenting an in-depth look at the exploding world of teletext and videotex. This report will include background on the two fields, agency and advertiser reaction to them and profiles summarizing the most significant corporate activities in these areas.

Subscriptions to the *Electronic Media Edition* are available at $10 a year by phoning (312) 649-5403 or writing to 740 Rush St., Chicago, Ill. 60611. The publication is not sold as part of a regular ADVERTISING AGE subscription.

'RS' fires Bonanni, lawsuit threatened

By STUART EMMRICH

NEW YORK—Peter Bonanni was fired last week as publisher of *Rolling Stone*, the second time in the last four months that the 49-year-old Mr. Bonanni has left a publisher's post under stormy circumstances.

Kent Brownridge, general manager of *Rolling Stone*, said Mr. Bonanni had been terminated because of "differences" over the direction of the magazine. There has been no official word from the magazine about the changes, but Mr. Brownridge said that owner Jann Wenner will reassume the publisher's spot he held before hiring Mr. Bonanni three months ago, and that ad director William David will take over responsibility for the ad sales staff.

Mr. Bonanni confirmed he has left *Rolling Stone*, but said he could not discuss events leading to his departure until he made a formal announcement later this week. Mr. Brownridge also declined to discuss specifics, saying that Mr. Bonanni had threatened legal action against the magazine.

■ Also out is Craig VanderPloeg, who was brought in as marketing services director by Mr. Bonanni last month. Mr. Bonanni and Mr. VanderPloeg had worked together at *Woman's Day* before Mr. Bon-

(Continued on Page 80)

highlights

Monday, June 7, 1982

Group W Cable is breaking the first major national consumer media campaign from a multiple systems operator. *See Page 6.*

The Entertainment Channel cable network takes on commercial tv in a new ad campaign. *See Page 6.*

Heublein Inc., while hunting for acquisitions, will invest heavily in its Kentucky Fried Chicken division. *See Page 10.*

Beatrice Foods is striving for strength in the beverage industry. *See Page 12.*

Lack of a single program listing guide is a big problem for cable advertisers and subscribers. *See Page 20.*

An Ivy League professor explores advertising's blatantly Freudian motivation. *See Page 24.*

Ford is trying something from both ends of the auto spectrum, from minicars to new electronic gadgets for top-of-the-line models. *See Page 28.*

PepsiCo renews its "challenge" in the U.K. as rival Coca-Cola responds with a version of "Coke is it." *See Page 32.*

Gillette continues testing "Brush Up," shave lather-in-brush. *See Page 34.*

Romance is in the air as paperback romance companies launch a tv war. *See Page 54.*

Atari's Pac-Man is taking a big bite out the U.K. market. *See Page 62.*

Japan's ad industry gets ready for a government fight. *See Page 62.*

Men's magazines try to overcome male's initial resistance to fashion shows. *See Page 67.*

Headwraps have reached their sales peak, but they'll be back this fall to accessorize evening wear. *See Page 68.*

Graphics designers and computer experts see a need for the two groups to work together. *See Page 68.*

Burroughs will say "I do" to tv for the first time with a corporate campaign this month and product pitches this fall. *See Page 69.*

Consumers are getting the heavy end of advertisers' budgets as the trade receives less, according to the Fourth Annual Survey of Promotional Practices. *See Page 74.*

CORPORATE CLOSEUP

Bally Mfg. Co. has a new team of executives eager to face the challenge fast growth brings. The company, whose fame comes from pinball machines, is now a broad leisure-time products marketer. *See Page 4.*

INTERNATIONAL

Canadian advertising agencies ignore the recent Implementing Telidon conference. *See Page 36.*

Nestle's new managing director is ready to act on a mandate from stockholders to get the company going again and restore profit margins. *See Page 38.*

VIDEOTECH

WATS Marketing of America stepped into the controversy over the new cable tv network practice of selling the names of per-inquiry respondents to third parties. *See Page 47.*

MAGAZINE

Best promotions of the year reflect the trend of agencies using more scientific and professional methods. *See M-2.*

An agency media executive lists the 10 traps that squelch originality, suppress uniqueness and narrow perspective—and how to avoid them. *See M-21.*

SPECIAL REPORT

Special report on radio shows that while the medium is as strong and popular as ever, it continues to be challenged in ways the other media aren't. *See M-5.*

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N W Ayer wins 1, loses 1

By ROBERT RAISSMAN and JAY McCORMICK

You win some, you lose some.

Last week, N W Ayer won out over another General Motors agency—D'Arcy-MacManus & Masius—for a new $15 million corporate campaign, but client AT&T Long Lines decided to take its $15 million business long-distance account out of the agency.

Ayer's winning campaign for GM will carry the theme, "We're the best GM ever," and will appear in print, tv and radio as fast as possible. Print ads got into newspapers last Friday, and the broadcast spots will air as soon as production is completed. Ayer already handles GM corporate public affairs advertising and D'Arcy handles corporate product advertising. Since the new campaign fell into a gray area, GM asked the two agencies to compete for it.

"In some respects the D'Arcy campaign tested better, in others the Ayer campaign tested better," said John McNulty, vp-pr at GM. "The things that we thought were most important at this time were the ones where Ayer showed up

(Continued on Page 80)

Cigar volume dips in 1981

By JOHN C. MAXWELL JR.

The cigar industry's unit volume declined modestly in 1981. While the figures include the rolling out of Backwoods by Consolidated Cigar, we note that the total decline was minor.

With the aging of the U.S. population, more interest might be shown in cigars. Thus, we expect 1982's consumption to be flat or down only slightly. It would appear we have hit bottom or are close to it.

The major trend within the industry is, of course, the move to higher-price products. The premium product costing 50¢ or more now accounts for about 5% of units and 25% of dollars for the industry.

Backwoods appears to be an interesting success story in an otherwise lackluster industry. General Cigar recently introduced Jim Burley to compete with this product, and we expect other entries as time progresses. The only other item we see in test is a John Swisher product called Swisher Sweet Coronella.

Very few products showed growth in 1981. Those that did were American Cigar's Antonio y Cleopatra and M&N Cigar's Cuesta-Rey and Rigoletto. Bayuk sold its Garcia y Vega to General Cigar in March, 1982; this product was relatively stable in 1981. Bayuk is negotiating to sell Phillies as well. At this writing, negotiations are in progress for the MacAndrews & Forbes Group to buy Consolidated Cigar from Gulf & Western.

Mr. Maxwell is with Lehman Bros. Kuhn Loeb, New York.

LITTLE CIGARS

(Millions of units)

	Units	% of 1981 market Pct.	Units	% of 1980 market Pct.
Reynolds				
Winchester	772.0	56.1%	855.3	60.1%
Consolidated				
Dutch Treats	389.6	26.9	343.0	24.1
Lorillard				
Omega Natural 85s	16.5	1.2	20.2	1.4
Omega Natural 100s	37.6	2.7	40.8	2.9
Cherry 100s	5.5	0.4	7.1	0.5
Menthol 100s	4.3	0.3	5.7	0.4
Total Omega	63.9	4.6	73.8	5.2
Between the Acts (80mm)	44.0	3.2	48.7	3.4
Madison (80mm)	29.7	2.2	33.6	2.4
Total	137.6	10.0	156.1	11.0
American Cigar				
Roi-Tan (85mm and 100mm-F)	20.0	1.5	25.0	1.8
Antonio y Cleopatra (100mm-F)	25.0	1.8	30.0	2.1
Deringer	4.0	0.3	7.0	0.5
Total	49.0	3.6	62.0	4.4
Total	1,376.0	100.0%	1,422.0	100.0%

LARGE CIGARS

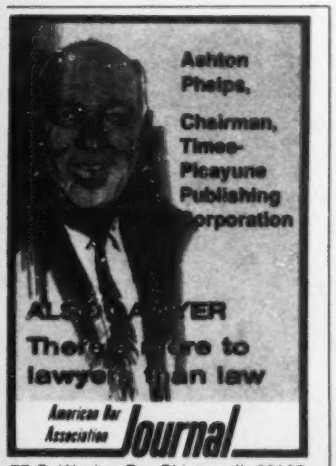
(Millions of units)

	Units	% of 1981 market Pct.	Units	% of 1980 market Pct.
Consolidated Cigar				
Muriel	359	9.3%	375	9.5%
Dutch Masters	316	8.2	340	8.6
El Producto	193	5.0	213	5.4
Backwoods	42	1.1	—	—
Others	92	2.4	103	2.6
Total	1,002	26.0	1,031	26.1
John H. Swisher & Sons				
King Edward	760	19.7	780	19.7
Others	130	3.4	140	3.6
Total	890	23.1	920	23.3
General Cigar				
White Owl	270	7.0	284	7.2
Robert Burns	165	4.3	168	4.2
Tijuana Smalls	75	2.0	90	2.3
William Penn	140	3.6	150	3.8
Others	40	1.0	45	1.1
Total	690	17.9	737	18.6
American Cigar				
Roi-Tan	85	2.2	95	2.4
Antonio y Cleopatra	181	4.7	180	4.6
La Corona	19	0.5	18	0.4
Others	3	0.1	2	0.1
Total	288	7.5	295	7.5
Bayuk Cigars				
Phillies	194	5.1	201	5.1
Garcia y Vega*	104	2.7	104	2.6
Others	1	—	1	—
Total	299	7.8	306	7.7
Havatampa	160	4.1	162	4.1
Lorillard				
Erik Filter Natural	72	1.9	79	2.0
Erik Filter Menthol	35	0.9	39	1.0
Erik Filter Cherry	21	0.5	23	0.6
Total	128	3.3	141	3.6
U.S. Tobacco				
(House of Windsor)	70	1.8	72	1.8
M&N Cigar Manufacturers				
Cuesta-Rey	70	1.8	69	1.7
Rigoletto	32	0.8	31	0.8
Total	102	2.6	100	2.5
Universal Cigar				
Optimo	65	1.6	66	1.7
Corral Wodiska y Ca	31	0.8	31	0.8
Others	130	3.5	91	2.3
Total	3,855	100.0%	3,952	100.0%

*Garcia y Vega was sold to General Cigar on March 15, 1982.

Wuerfel setting up merger consulting company

RYE, N.Y.—Frank Wuerfel, formerly group vp-processed foods group, ITT Continental Baking Co., has formed a consulting company bearing his name. Mr. Wuerfel will specialize in representing small and medium-size companies interested in merging or being acquired and large corporations wishing to divest themselves of a subsidiary or division. His address is P.O. Box 31, 10580.



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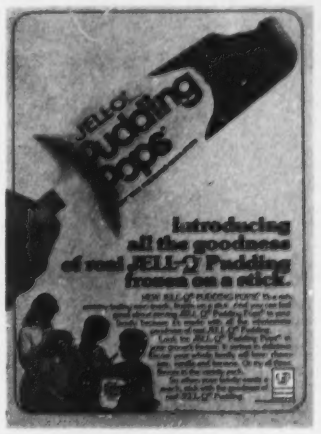

Popping up

Print ads like this and tv spots featuring Jell-O spokesman Bill Cosby are supporting regional introduction of General Foods' Jell-O Pudding Pops (AA, March 8). Item is now in all areas but the West Coast. Young & Rubicam, New York, is the agency.

Frito-Lay extends line

DALLAS—Frito-Lay has introduced a new line of boxed Grandma's cookies in the Northwest where the original Grandma's line of boxed cookies has been in distribution.

The new line also is being tested in Kansas City. The company has shifted a Frito-Lay brand pecan pie into new packaging to place the product under the Grandma's label along with all of the company's other baked goods.

Advertising Age

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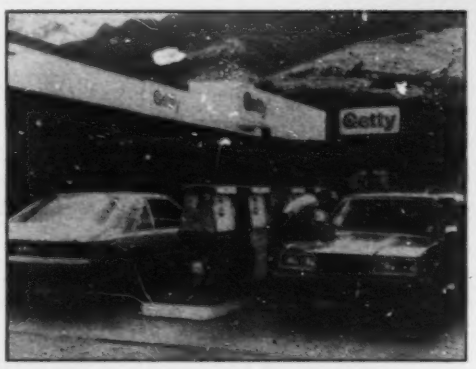
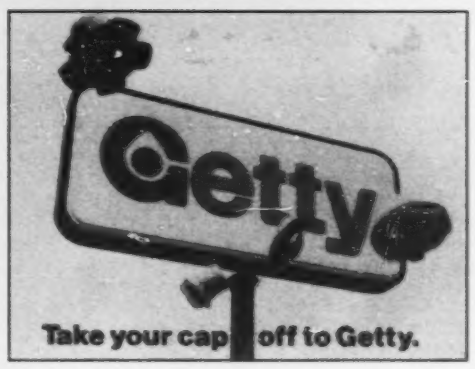
$1 a copy; $40 a year | *The International Newspaper of Marketing • In Two Sections, Section 1.* | *June 14, 1982*

Capping it off

Getty is introducing its own name as a replacement for its Skelly and Surfco brands in a number of markets, with tv and print under the theme, "Take your cap off to Getty." The conversion will run through 1983. *(See story on Page 3.)*





Y&R out in huge Europe shift

Peugeot puts all at Univas

By CAROLYN PFAFF

PARIS—In what shapes up as the biggest account change ever to hit Europe, the management at the troubled French car maker, Peugeot-Talbot, whose European ad expenditure tops $130 million, has abruptly decided to "coordinate and harmonize" advertising across the Continent.

As a result, the auto maker is severing its seven-year affiliation with Young & Rubicam (worth $30 million) and throwing a big question mark over a further $20 million currently shared in Britain between D'Arcy-MacManus & Masius ($13.5 million) and Ted Bates ($6.5 million).

The only winner in this huge transfer is Eurocom/Univas, the giant French agency group, 46% owned by the gove ment and now No. 18 in world ings with $103 million in gros come. With a few possible exceptions, Univas will take over all Peugeot and Talbot business across the board sometime between September and January onward in most European countries.

Commenting on the Peugeot decision, Jean-Claude Boulet, Y&R deputy head of Europe and head of the Y&R group in Paris, said, "The top management at Peugeot did not realize when they decided to move the account that they are breaking a very important partnership. This decision means that Y&R loses the Talbot account in France, Spain, Italy, Germany, Switzerland, Holland and Norway. On top of this, it means that the advertising agencies handling Peugeot in all of these countries will be losing the account, so they are not only firing Y&R, they are also firing the Peugeot agencies everywhere except in Italy and Belgium,

(Continued on Page 68)

Lorillard pits DFS against incumbent FCB

Two in Kent shootout

By JOHN J. O'CONNOR

NEW YORK—Loews Corp.'s Lorillard division has asked Dancer Fitzgerald Sample and incumbent Foote, Cone & Belding to prepare fresh creative approaches on its sagging Kent and Kent III cigaret brands, whose combined billings are in the $25 million range.

Should FCB lose the shootout, there is a very strong likelihood DFS will add both brands to the Lorillard business it already handles, namely Triumph and a test brand called Rebel.

The decision to seek a possible creative solution to the declining sales profile of the Kent brands apparently signals the death knell for the Kent III "taste city" campaign, which features panoramic views of major cities such as Chicago ("Kent III takes the Windy City by storm"), and the Kent "food" campaign. The latter attempts to marry Kent to the taste of foods and beverages through arresting graphics, e.g., a sardine can containing three mini-Kent cartons or an ice cream pack bearing the Kent design.

The demise of that effort undoubtedly will be toasted by nonsmokers, many of whom expressed revulsion with the graphic association of a cigaret with table fare.

For the last 18 months Lorillard has been slumping, with the exception of its fast-growing Newport brand, after three or four solid growth years that made it the nation's fastest-growing cigaret company. Those happy days spawned trade ads headlined, "When you're hot, you're hot."

Lorillard's cooling-off period began with huge ad spending increases by its larger competitors, namely Philip Morris U.S.A., R.J. Reynolds Tobacco and Brown & Williamson. B&W, for example, is estimated to have spent $150 million to launch Barclay in 1981, a smoke that has been successful at the expense of ultralow-tar brands like Kent III.#

Both strongly deny report

BBDO-JWT merger?

NEW YORK—ADVERTISING AGE learned last week that an eye-popping merger proposition—BBDO International acquiring JWT Group—was being floated within BBDO. However, the heads of both agencies adamantly deny any such discussions are going on.

"I have never initiated or responded to a proposal of any kind of merger or acquisition with JWT," said Bruce Crawford, president of BBDO International. "I cannot say for sure it has never been discussed among people, a what-would-you-do-if kind of thing. But no, there is no contemplation at this moment and there haven't been any negotiations." He added with a laugh. "But if enough people call me, maybe I'll start thinking about it."

A JWT spokesman was "absolutely, positively sure" no such discussions were being held or being planned.

A JWT/BBDO duo (with combined gross income of $536.9 million) would bump Interpublic Group of Cos. out of first place among U.S. agency conglomerates worldwide. And this match would be relatively conflict-free. In fact, the two share such major clients as Lever Bros., PepsiCo, Quaker Oats, Scott Paper and Schlitz.#

P&G tests microwave mix

By JANET NEIMAN

Anticipating the potential afforded by future growth of microwave ovens, Procter & Gamble is testing Duncan Hines Microwave Cake Mix, believed to be the first nonfrozen grocery product made specifically for microwave cooking.

P&G is testing one flavor, a yellow cake mix, in the Seattle area. According to a company spokesman, every ingredient of the mix "has been tailored for the microwave oven," making it inappropriate for baking in a conventional oven. The product retails for about $1.09, the same price as most other cake mixes.

Cincinnati-based P&G already maintains the top spot in the $756 million dessert mix category, of which double and single-layer mixes and specialty cake mixes make up about 67%. Duncan Hines mixes hold about 35% of the market, followed closely by General Mills' Betty Crocker. Pillsbury holds third place with about 21%.

Both General Mills and Pillsbury say their regular cake mixes can be used for microwave baking, and both include on their packages the addresses to which consumers may write to receive microwave cooking instructions. Some General Mills potato mixes also have microwave instructions on the box.

Industry sources say consumers complain that cakes baked in microwave ovens frequently come out unevenly baked and lopsided. Nevertheless, both General Mills and Pillsbury say they will not market microwave-only mixes. With only about 20% of all households owning microwave ovens, "we don't want to limit our product to such a small market," a General Mills representative said.

But one Seattle buyer pointed to the vigorous movement (80 cases a week in her stores) of Pillsbury's Hungry Jack microwave popcorn, which is a frozen, prepared product. "I'd want to bake a cake in 10 minutes a lot more than I'd want fast popcorn," she said.

Pillsbury may not be as disinterested in microwave foods as it contends at this time. In addition to frozen

(Continued on Page 66)

last minute news

Fotomat picks FCB for $10 million account

WILTON, CONN.—Fotomat Corp. has selected Foote, Cone & Belding, New York, to handle advertising for its 3,800 U.S. retail outlets for film, photo finishing and related photo products. The previous agency is Chiat/Day. Spending is estimated at $10 million.

Reemtsma's $42 million media placement to HMS

HAMBURG—Reemtsma, Germany's leading cigaret marketer, is moving $42 million in beer and cigaret advertising placement to HMS Media Service, Europe's largest media shop, from Benton & Bowles Media Pool. Move expected to be complete by June, 1983.

HBO planning four made-for-pay feature films

LOS ANGELES—Home Box Office was prepared to announce during the weekend plans to develop four new made-for-pay feature films. Currently in negotiation for development are "The Bleeding Heart," dramatization of Marilyn French's best seller, with David Puttnam of "Chariots

(Continued on Page 8)

Kill food rule: FTC aide

By RICHARD L. GORDON

WASHINGTON—The Federal Trade Commission's Reagan-era consumer protection chief has given the commission his guidelines for avoiding the kind of rule-making fiascos that hurt the commission in the past. And the first FTC project to fail his tests is the long-pending food advertising rule.

The running theme in the 42-page memo drafted by FTC consumer protection chief Timothy Muris is a demand for "hard evidence" before the commission acts. Without it, he said, the commission should yield to a "general presumption" against government interference with "established practices.

"Of course, markets rarely work perfectly," he said. "Perfection, however, is not the relevant standard for judging markets, any more than it should be the standard for judging the commission's actions. When there is substantial evidence that market forces cannot eliminate actions that significantly injure consumers and substantial evidence that the commission's remedy will improve consumers' well-being, the commission should act."

Mr. Muris, as expected (AA, May 17), is urging the commission to abandon a food ad rule that the pre-Reagan commission tentatively had approved in 1980. He said the long record compiled in the food project, which dates back to 1974, doesn't have the evidence he believes the commission needs to withstand later scrutiny in the courts and Congress.

The rule would limit "natural" claims to products that contain no artificial ingredients and that are "minimally processed," but Mr.

(Continued on Page 70)

Chipwich legal woes mount

By GAY JERVEY

NEW YORK—Success may be proving a cruel mistress for Chipwich Inc., the company that reinvented the ice-cream sandwich with the addition of cookies and chocolate chips but is now plagued by controversy and legal wrangling.

With Chipwich's summer ad program apparently shelved, Rand Public Relations, Chipwich's former marketing arm, has become the latest company to join the roster of those embroiled in legal hassles with Chipwich. Last month Rand resigned the account due to unpaid bills (AA, May 17). and president Stan Bradskeir indicated at the time that if worse came to worst, it would seek legal redress to collect payment due.

Worst came, and today the company indicates that—however hesitantly—it has initiated legal action. In doing so, Rand joins Premium Products Inc., Chipwich's former marketing arm, which is suing Chipwich for breach of contract.

Chipwich abruptly severed relations with Premium last March, claiming that its principals Bruce Nevins and James Stevens had fallen short on their promises. Among other things, Chipwich claimed that Premium lacked the guaranteed marketing expertise in the ice cream area and that its small staff was too thin to conduct a new product launch.

Chipwich is "starting to spend too much god-

(Continued on Page 70)

Oops!

"So daring. . .we can't show it on television," states commercial for Ce Soir intimate apparel, which then goes to black screen. The spot did not run on broadcast tv; it ran on cable.

(See story, Page 69.)

Fox seeks advertisers as co-producers

By JAMES P. FORKAN

Twentieth Century-Fox Television has begun a search for advertisers and agencies that are interested in co-producing tv movies and other programing for broadcast on one of the tv networks.

Richard Rosetti, Fox's vp of tv movies, miniseries, specials, daytime and late night, flew in from his Beverly Hills base last week to visit five unidentified New York ad agency execs with "institutional clients" to discuss how mutually beneficial such a linkup could be.

From a cost standpoint, the benefits are obvious. A prime time network tv movie now costs $1.9 million to $2.3 million to produce, depending on how difficult it is to produce and on what stars are booked, Mr. Rosetti said. Only two years ago, he recalled, the ballpark range was $1.6 million to $1.8 million, so the rate of increase is about $100,000 a year per movie.

Unlike some less-experienced production companies now working with advertisers on tv vehicles, Mr. Rosetti said, Fox has 25 producers under contract, extensive facilities and decades of experience.

There were indications that some Procter & Gamble agencies were among Mr. Rosetti's prospects. General Foods, which sponsors Benton & Bowles-developed tv movies under its "Golden Showcase" umbrella, is a client Fox would very much like to work with, he acknowledged. However, B&B was not on his visit list, since Fox views it as a production rival.

Harris Kattleman, Fox TV chairman, gave the go-ahead nearly two years ago to Mr. Rosetti, whose advertiser/agency chase was sidetracked until a couple of network tv miniseries commitments were completed. The seed for this advertiser push actually was planted about that same time, Mr. Rosetti recalled, after a periodic meeting with Bill Croasdale, vp-associate director of network programing, BBDO, New York, that ended, as usual, with the

(Continued on Page 70)

highlights

Monday, June 14, 1982

Chevrolet's general manager hopes a 1919 ad strategy can bring entry-level buyers back to the division's fold. *See Page 10.*

Prevention is aiming to become a general-interest publication for women. *See Page 10.*

Tiffany & Co. is expected to try to enlarge some of its programs, as it names Ogilvy & Mather Partners as its new agency. *See Page 12.*

Videogame makers scored high at the summer Consumer Electronics Show in Chicago. *See Page 14.*

A new copier is speaking up in the office equipment market: Sharp Electronics Corp. is introducing a machine that talks to the user. *See Page 14.*

DFS/New York has a former English schoolteacher as its new president. *See Page 32.*

New types of products are challenging the traditional air freshener market. *See Page 38.*

Almay prepares a skincare product to rival Oil of Olay and other entries. *See Page 38.*

Korn & Associates, Philadelphia, has merged with Ketchum Advertising. *See Page 38.*

The Grand Effie went to Doyle Dane Bernbach for its Sun cameras campaign for Polaroid Corp. *See Page 54.*

Roy Rogers is courting Ms. Pac-Man this summer. *See Page 54.*

Top American Advertising Federation honors went to four adclubs. *See Page 58.*

Lingerie marketers find little changed at networks since suspension of the NAB code, but still only one opts for cable at this point. *See Page 69.*

Ally & Gargano stood out at this year's Clio Awards gala ball, winning eight statuettes. *See Page 72.*

CORPORATE CLOSEUP

Swedish packaging giant Tetra Pak is moving in on the U.S. market, starting with tests of its Brik Pak system of shelf-stable containers for milk and fruit juice. *See Page 4.*

FOLLOWUP

Into its third year of accepting advertising, *Changing Times* is glad it decided to change its no-ad policy. *See Page 37.*

INTERNATIONAL

Despite talk of disillusionment at the Leo Burnett Co. shop in Frankfurt, several executives say the agency is merely calming down after its first few years. *See Page 40.*

VIDEOTECH

CBS may be the hardest-bargaining network, but producers are still lining up to sell it on their made-for-tv movies. *See Page 44.*

Tv stars and their agents are calling the shots in the made-for-tv movie business. *See Page 44.*

The jukebox is playing a new tune—it now comes in video. *See Page 47.*

Boston's Red Sox baseball team and Bruins hockey team and Storer Broadcasting's WSBK-TV are forming a regional pay cable sports network. *See Page 52.*

MAGAZINE

First in a new series of interviews with major ad agency executives, conducted by Barton Cummings, is a revealing discussion with Jock Elliott, chairman emeritus of Ogilvy & Mather International. *See Page M-2.*

The lively art of animation isn't receiving its just rewards. So says commercials production consultant Hooper White as he explains the different techniques of the art. *See Page M-27.*

SPECIAL REPORT

Business/Professional Advertising report shows how use of the proper mixture of marketing tools available makes for successful business-to-business selling. *See Page M-7.*

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Coors comes in from cold

By ROBERT REED

Coming in from the great outdoors with a renewed marketing approach is Adolph Coors Co., forsaking the "High Country" look for a more product-oriented campaign hitting the air this week.

The ad shift for the flagship Coors brand is the Golden, Colo.-based brewery's most visible effort since making a slew of marketing department changes last year.

Replacing the "High Country" scenes of rolling mountains and running water are vignettes centering around traditional beer drinking gatherings. Spots showcase bar scenes and parties against the theme, "Made for the way you really like to drink beer," industry sources report. The commercials also emphasize the beer's pure water and natural ingredients. Ted Bates & Co., New York, handles.

■ The message is primarily targeted at the drinker who has "three or four beers at a time," said one source. In addition, the campaign is attempting to lure a wider consumer base, including women and minorities, which also are rep-

(Continued on Page 66)

Aggressive new cold cereals seen in '82

By JOHN C. MAXWELL JR.

Cold cereal volume in 1981 was up less than 1% in pounds, to 2.02 billion pounds. The year's dollar volume grew around 15% and probably approached $3 billion, against $2.6 billion in 1980. We believe that the current 1%-to-2% tonnage growth trend is a good expectation for this year, and we look for price increases approaching the 6%-to-8% level.

The only companies that gained market share in 1981 were General Mills, Nabisco and Ralston Purina (including its private labels). On a poundage basis, General Mills showed the strongest growth—up 5%. Considering Ralston's over-all base, it was up 12% from a small base. Units in the "all others" group, preponderantly private labels of Ralston, rose more than 15% from a small base.

In the new product area, Kellogg's Nutri-Grain has achieved a share of slightly under 1%—not strong for a four-item line. It has cut two of the four and recently added Wheat & Raisins.

General Mills' major priority has been to get Cheerios back on track, an effort that resulted in unit gains exceeding 10% in recent quarters. Donutz, a new children's cereal, looks promising. General Foods' Fruit & Fiber was successfully introduced toward yearend (November-December), and currently holds over a 1% share at an annual rate. Ralston's new blueberry version of Waffelos appears to be doing well. Dinky Donuts, introduced in November, 1981, currently has about a 0.5% share.

We expect aggressive new product introductions in the cold cereal industry to continue in 1982.

A few months ago Kellogg cut the price of its Corn Flakes by 8%, and this was followed by General Foods doing the same for Post Toasties. Ralston also followed with a 5.5% price reduction on its generic corn flakes.

To date, these cuts seem to have had little or no impact on respective market shares. General Mills recently announced a price increase averaging about 4.5% for its heavily oat-based product line.#

Mr. Maxwell is with Lehman Brothers Kuhn Loeb Research, New York.

Top ten cold cereals

	1981 share lbs.	1981 share $
Corn Flakes (Kellogg)	6.8%	4.6%
Cheerios (General Mills)	5.6	5.9
Sugar Frosted Flakes (Kellogg)	5.3	4.9
Raisin Bran (Kellogg)	4.5	4.0
Chex (Ralston Purina)	4.2	4.0
Shredded Wheat (Nabisco)	4.2	3.2
Rice Krispies (Kellogg)	3.9	4.3
Raisin Bran (General Foods)	3.6	3.2
Grape-Nuts (General Foods)	3.3	2.6
Cap'n Crunch (Quaker)	3.1	3.7
	44.5%	40.4%

Cold cereals—Per cent of market

	1980% lbs.	1980% $	1981% lbs.	1981% $
Kellogg				
Corn Flakes	7.0	4.8	6.8	4.6
Sugar Frosted Flakes	5.5	5.1	5.3	4.9
Raisin Bran	4.9	4.4	4.5	4.0
Rice Krispies	4.1	4.5	3.9	4.3
Bran products	3.0	2.3	2.9	2.2
Froot Loops	2.3	2.9	2.3	2.9
Special "K"	1.8	2.4	1.6	2.2
Frosted Mini-Wheats	1.6	1.6	1.6	1.6
Sugar Smacks	1.5	1.6	1.5	1.5
Sugar Pops	1.3	1.5	1.2	1.4
Apple Jacks	1.0	1.5	1.0	1.5
Product 19	1.1	1.4	0.9	1.2
Honey Nut Corn Flakes	1.1	1.2	0.8	0.9
Raisin, Rice & Rye	0.6	0.7	0.8	0.9
Frosted Rice	0.8	1.0	0.7	0.9
Nutri-Grain	—	—	0.7	0.8
Cocoa Krispies	0.5	0.7	0.5	0.7
Most	0.6	0.7	0.4	0.5
Cracklin Bran	0.5	0.6	0.4	0.5
Graham Crackos	0.3	0.3	0.2	0.2
Other	1.4	1.7	1.4	1.6
Total	40.9	40.9	39.3	39.3
General Mills				
Cheerios	5.0	5.3	5.6	5.9
Wheaties	2.7	2.0	2.7	2.0
Honey Nut Cheerios	1.8	2.1	2.0	2.3
Lucky Charms	1.7	2.2	1.8	2.3
Total	1.8	2.5	1.7	2.4
Trix	1.5	2.0	1.5	2.0
Golden Grahams	1.3	1.5	1.3	1.5
Crispy Wheats 'n Raisins	1.1	1.3	1.2	1.4
Monsters, etc.	0.7	1.0	0.7	1.0
Cocoa Puffs	0.7	0.8	0.7	0.8
Donutz	—	—	0.4	0.5
Buc*Wheats	0.4	0.5	0.4	0.5
Body Buddies	0.4	0.5	—	—
Crazy Cow	0.1	0.1	—	—
Other	0.7	0.6	0.5	0.4
Total	19.9	22.4	20.5	23.0
General Foods				
Raisin Bran	4.1	3.7	3.6	3.2
Grape-Nuts	3.1	2.4	3.3	2.6
Sugar Crisps	1.7	1.9	1.6	1.8
Pebbles	1.2	1.5	1.3	1.6
Honeycombs	1.3	1.7	1.2	1.6
Post Toasties	1.0	0.6	1.2	0.8
Alpha-Bits	1.0	1.1	0.9	1.0
Bran Flakes	0.8	0.8	0.8	0.8
Grapenut & Oat Flakes	0.6	0.5	0.7	0.6
C. W. Post	0.6	0.7	0.4	0.5
Post Fruit 'n Fibre	—	—	0.3	0.4
Other	0.2	0.1	0.3	0.1
Total	15.6	15.0	15.6	15.0
Quaker Oats				
Cap'n Crunch	2.8	3.4	3.1	3.7
Life*	2.4	2.2	2.4	2.2
100% Natural	1.5	1.4	1.4	1.3
Corn Bran	1.0	0.9	0.7	0.6
Other	0.4	0.7	1.0	0.8
Total	8.6	8.6	8.6	8.6
Ralston Purina				
Chex	4.4	4.2	4.2	4.0
Cookie-Crisp	0.9	1.0	0.7	0.7
Waffelos	—	—	0.7	0.8
Honey Bran	0.6	0.6	0.3	0.3
Freakies	—	—	0.2	0.2
Other	0.6	0.4	0.3	0.1
Total	6.5	6.2	6.4	6.1
Nabisco				
Shredded Wheat	4.0	3.0	4.2	3.2
Other	0.9	0.8	0.8	0.7
Total	4.9	3.8	5.0	3.9
Pet				
Heartland	0.1	0.1	0.1	0.1
All Others	4.0	3.0	4.5	4.0
Total	100.0	100.0	100.0	100.0

*Includes cinnamon

Source: Lehman Brothers Kuhn Loeb estimates

Packager out to cover U.S.

(Continued from Page 4)

ize a profit—that package has to survive in the market and sell for another 10 years. In the meantime, to stay ahead of the competition, we've got to be plowing research and development money into new concepts all the time."

Mr. Rausing says that no corporate leader in his right mind would proceed on such a basis. "But when you've got only one product, you haven't any choice but to be the best. So we make certain that we are and we stay that way."

■ The no-longer-so-secret secret of Tetra Pak's success is a simple but ingenious packaging production method. A continuous roll of plastic-coated paper runs through a machine which curls it into a tube shape, while a liquid beverage is poured into this tube from above. The tube is then heat-sealed and cut off below the level of the liquid, forming a completely full container holding no air and strong enough to withstand stacking.

The smallest filling machine Tetra Pak makes can produce up to 1 billion containers a year. The company's profits come not from the machines, which are usually leased to the customer, typically a dairy, but from the sales of packaging material itself.

Tetra Pak now operates some 21 factories worldwide. The filling machines, designed and built by Tetra Pak's team of 400 engineers, are manufactured at three of the plants, while the others turn out the paper and plastic packaging material in giant rolls.

In addition to making the machines and providing the paper material, Tetra Pak also offers its customers a full-service and maintenance deal. As a market analyst puts it: "Tetra Pak's turnkey-like marketing plan builds a kind of wall around its customer by supplying the raw materials, the filling machines and the service expertise. There's little room for competitors to maneuver once the client is hooked."

Today, Sweden, where the first Tetra Pak milk carton was launched, accounts for only about 8% of the company's total sales. The biggest single market in terms of number of packages is Italy, with Japan—where Tetra Pak operates a wholly owned subsidiary—a close second.

With annual group sales exceeding $1 billion, Hans Rausing says Tetra Pak now has the capacity to tackle the U.S. market from a position of strength. Two previous attempts in the 1950s failed because of organizational problems, but Mr. Rausing has every reason to be optimistic about the chances this time.

Brik Pak Inc., Tetra Pak's U.S. subsidiary based in Dallas, is so far the only company to win FDA approval for its aseptic packaging carton, which is shaped like a brick. (It's both easily stackable and disposable and it costs far less than competing products on the market.)

Ocean Spray reportedly has achieved such success with the new package that it recently started a 10% price reduction to customers to reflect the savings it realized by switching over to the paper container.

Rita Simpson, pr manager for Brik Pak, says the company appears to have an almost unlimited potential. "Our customers are very enthusiastic about the product, not only because of its tremendous utility and low cost, but also because of the wider market it affords their products, thanks to its long-life characteristics." Ms. Simpson notes that some customers like Ocean Spray have built whole campaigns around the package.

In Europe, where Tetra Pak already reigns supreme in its field, the company is breaking into new markets. Says Hans Rausing: "Rather than diversifying into new product areas, we expand and grow by designing new and better packages and by finding new liquid foods to package." Today, Tetra Paks hold everything from Japanese sake and asparagus juice to French table wines and cooking oils. It's no surprise that for the past few years Tetra Pak's sales have been growing by more than 20% annually.

More than a household word in some areas, Tetra Pak has achieved in some countries a market acceptance that totally baffles the competition. In Kenya, one of the company's pyramid-shaped cartons is printed on the national currency, and in Tanzania Tetra Pak containers are pictured on stamps.

Mr. Rausing insists that the company could never have developed as it has if it had not remained firmly in the hands of the immediate family, and he unashamedly attributes its success to what he likes to call the "feudal" management philosophy.

"Our local management is very independent, but the main policy guidelines emanate from the top. Then it's up to different local company heads to implement those decisions in the way they see fit, taking into consideration local marketing conditions," he says.

For obvious reasons, Mr. Rausing won't reveal what new package ideas he's got up his sleeve. But his company is engaged in a massive expansion scheme, partly to take advantage of the huge potential in the Third World for high-protein liquids and long-life products and to handle the potential the huge U.S. market promises. It may not be long before there is indeed a Tetra Pak in every home.#

A Rausing success

Tetra Pak's founder, Ruben Rausing, the son of a grocer, showed early signs of genius. Back in the 1920s, he was one of the first graduates of the Stockholm School of Economics. After graduating, he traveled to New York to study advanced economics.

Upon returning to Sweden, Mr. Rausing worked briefly for one Swedish company and then joined in the ownership of another before settling into high-volume liquid food packaging, a field he has worked in ever since. In his quest to come up with a less-expensive packaging system with improved stability and longer product life, he realized that he had to devise a packaging system which produced completely filled containers.

As the story goes, when tireless experimentation had failed to reap results, he was given an idea by his wife at the dinner table. Knowing full well what he was trying to achieve—a continuous production process—she recounted to him her simple method of making homemade sausage, where the meat inside a continuous tube of skin is tied off, creating filled links.

Reminiscing about this conversation today, Mr. Rausing admits that he shrugged off his wife's suggestion with a chuckle. Soon after, in the laboratory, he discovered with surprise that the sausage method worked like a charm.#

—*M.G.*

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Automotive advertising being put to the test—See Magazine

Advertising Age

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WYMAN TRIES TO REGAIN RDR

Bitter legal fight for buying unit

By JOHN J. O'CONNOR

NEW YORK—Samuel Wyman's bid to regain control of RDR Associates and its media-buying subsidiary, Timebuying Services Inc., has spawned a rash of lawsuits alleging conspiracy, computer tampering, slander and unfair competition.

The tangled and bitter legal fight in state supreme court here pits Mr. Wyman and three other former RDR execs against the seven-member board of RDR that steadfastly has resisted Mr. Wyman's bid to regain the reins of the company he held as chairman until a term in federal prison intervened.

The company is in the business of buying and selling broadcast media advertising time for its clients.

The RDR directors opposing Mr. Wyman include Stephens Dietz and Rodney Erickson, two marketing consultants who were installed as co-chairmen and co-chief executive officers of Timebuying Services in 1979, after Mr. Wyman was sentenced to a one-year prison term in connection with fraud charges arising out of the 1976 bankruptcy of REA Express.

(Mr. Wyman pleaded guilty to three counts in a 12-count indictment that accused him of conspiracy, mail fraud and and misapplication of REA Express' funds. The indictment centered around fraudulent media invoices submitted by RDR to REA Express. In addition, Mr. Wyman and two REA execs were accused of sharing the 15% commission from advertising space placed on the sides of REA trucks. They were secret partners in T.A. Marketing, a company that brokered the truck space sales.)

Released after serving four months of the one-year sentence, Mr. Wyman met with a wall of resistance from RDR execs whom, he charges, voted to terminate his employment and oust him from the board. RDR says he resigned before he entered prison.

Mr. Wyman alleges in court papers that during his absence an additional 90,000 shares in RDR were issued "for the purpose of diluting plaintiff's ownership interest in RDR." Prior to April, 1979, Mr. Wyman said he owned 386,000 of the 840,466 shares of RDR, in addition to proxies for additional shares.

Among other things, he is seeking to have the court void the 90,000-share issuance and assess damages "believed to be not less than $1 million." RDR's directors have denied his allegations.

The legal broadsides fired by RDR at Mr. Wyman and former RDR execs accuse them of conspiring to "destroy" RDR, a charge that has been vehemently denied. In an affidavit in one of the cases, Bernard Weiss, an officer and director and second-largest stock-

(Continued on Page 81)

Major study details ads' effect on sales

By STUART EMMRICH

NEW YORK—The case for advertising frequency—and its effect on people's buying habits—receives a major boost in an exhaustive and groundbreaking study just completed by Jos. E. Seagram & Sons and Time Inc.

Although companies work on the accepted premise that advertising can make a difference in sales—or else why bother with ads—the results of this three-year study confirm what many people up to now have taken on faith.

Preliminary findings of the study have been released to selected individuals in the advertising community over the last couple of weeks, but the full study will be made available for general release to advertisers, agencies and the media soon after Labor Day. A booklet is now being prepared by Time Inc. that will summarize the results.

Among the study's more surprising findings:

- It is easier to change people's behavior than their attitudes.
- Recall is a poor indicator of advertising effectiveness.
- Even a single ad can have a major impact on a product's awareness levels.
- It is much harder to increase a well-known product's favorable rating among consumers through an extended advertising campaign than it is to dramatically increase a favorable rating for a little-known product.
- The impact of advertising con-

(Continued on Page 80)

Woolworth reevaluates advertising

By JAY McCORMICK

DETROIT—F.W. Woolworth Co. will change its "entire approach to advertising" and will split the Woolco discount stores and Woolworth variety store operations.

Growth of Woolco stores will be frozen, and the company will concentrate expansion efforts on its specialty stores, Woolworth executives told the annual meeting here.

"We are in the process of changing our entire approach to advertising. Our ads are more than unattractive; some are repelling," said Edward F. Gibbons, chairman-chief executive officer.

The changes in advertising will follow restructuring of the U.S.

(Continued on Page 82)

last minute news

Ralston buys three-network upfront package

NEW YORK—Ralston Purina and Paul Schulman Co., net tv buying unit of Gardner, kicked off the fall prime time buying season with a three-network package. New series bought: ABC's "Brass Monkey," CBS' "Newhart" and NBC's "Family Ties" and "Cheers." Returnees included are ABC's "Dynasty," "Love Boat," "Hart to Hart" and "Fall Guy"; CBS' "60 Minutes," "Dallas," "Magnum, P.I." and "Archie Bunker's Place," and NBC's "Real People," "Little House" and "Quincy."

FTC told to brace for big cut in 1983 budget

WASHINGTON—FTC was told that Senate/House budget conferees are urging a major slash in its 1983 appropriation, to $47 million compared with its $61 million request. If the budget's approved by Congress, appropriations' panels would face breaking their assigned spending ceiling.

Purina readying Praise dog food

ST. LOUIS—Ralston Purina is readying a new dog food called Praise. A company source said the brand is one of a number under development and no decision has been made on its future. Tennant, Chicago, handles.

Pillsbury expands microwave pizza marketing

MINNEAPOLIS—Pillsbury is going into supermarkets for the first time with its five-item line of Totino's Heat & Eat microwave pizza, after

(Continued on Page 8)

Nabisco picks two; Parkson shop to go

By NANCY GIGES

Nabisco executed two more elements in its long-range restructuring program by naming agencies to handle business formerly at MCA Advertising (AA, May 24) and by acknowledging it has hired the investment banking firm of Morgan Stanley & Co. to handle the sale of its J.B. Williams Co. toiletries subsidiary.

The agency reassignment is a further consolidation of shops that still number 14. Nabisco assigned Fleischmann and Blue Bonnet margarines to Benton & Bowles, already agency for Planters nuts and snacks. McCann-Erickson, agency for hot and ready-to-eat Nabisco cereals and Dromedary baking mixes, was named for Curtiss' Baby Ruth and Butterfinger

(Continued on Page 82)

NEWSPAPER

AA
DC2001#CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

COORS BEATS THE HEAT THAT KILLS BEER TASTE.

Other beers are subjected to taste-killing heat of 140.

Only Coors is kept cold from the brewery to your store to assure fresh beer taste.

Extreme heat destroys beer taste. In fact, because of the way other beers are processed and shipped they are exposed to 140 degrees of this taste-killing heat even before they reach your store.

Not Coors. Only Coors is always packaged and shipped cold from the brewery to your store. In fact, Coors is kept cold longer than any other beer—and that means fresher tasting beer for you.

Sure, it would be easier to allow Coors to be exposed to extreme heat. And maybe some beer drinkers wouldn't taste the difference. But we think real beer drinkers would. Because keeping it cold is the only way to assure fresh beer taste. That's why your last Coors tastes as fresh as your first. Tastes first beer fresh. Coors after Coors. Coors is the beer made for the way you really like to drink beer.

Coors
MADE FOR THE WAY YOU REALLY LIKE TO DRINK BEER.

Coors is cool

Adolph Coors Co. is showcasing Coors beer by touting that it's packaged and shipped cold from the brewery to the store. In this ad, Coors is shown next to another beer that looks suspiciously like Anheuser-Busch's Budweiser. It is part of a new campaign via Ted Bates & Co. (AA, June 14).

Account team exits raise eyebrows

Execs say JWT, Kodak not shaky

By GAY JERVEY

NEW YORK—A highly uncharacteristic series of personnel changes on the Eastman Kodak account at J. Walter Thompson USA has raised questions about the future course this 51-year-old marriage will follow. According to JWT and Kodak, the future is positive.

Speculation followed the word that at least four key JWT execs have left the Kodak account in recent weeks. They are William C. Thompson, a JWT exec vp; senior vp John Wells; senior vp William Campbell, and Thomas Hanft, vp.

On July 15, Mr. Thompson will join McCann-Erickson as exec vp-director of account development, a new position, and as a director. A 17-year JWT veteran, Mr. Thompson has for the last five years been focusing his attention almost exclusively on Kodak's worldwide business, most recently as exec vp and member of both the U.S. and worldwide boards.

That McCann and Kodak are no strangers only makes the development more interesting. During the past few years, Kodak has been giving more of its international business to McCann. In 1978, Kodak Ltd., the U.K. subsidiary, moved its account from JWT London to McCann London. And in September, 1981, Kodak's Brazilian arm made the same agency change for its Ektra camera line.

Furthermore, when Kodak decided to move its instant camera business out of JWT several years

(Continued on Page 80)

Introducing fitted Pampers.
They help give your baby wetness protection right down to her toes!
Pampers
they're at a Pampers price.

Expanding Pampers Procter & Gamble has moved Pampers with "stay-dry gathers" into Denver, Los Angeles, San Francisco, St. Louis and Hawaii. The new version of Pampers, with elasticized legs, had been in the Fort Wayne and Cincinnati areas for several months (AA, March 15). Agency is Benton & Bowles, New York.

Next week: Top media

Next week ADVERTISING AGE presents its second report on America's 100 Leading Media Companies. The report includes profiles of each of the 100 companies, summarizing their recent activities, and includes complete listings of their holdings. Interspersed with the profiles are features on companies and individuals of special interest, along with tables listing top newspapers in circulation and ad linage gains, "hottest" magazines, largest cable systems and others.

The first AA report on top media companies ran last December. Beginning with next week's issue, the report will appear annually at midyear.

Anti fever hits Argentina

BUENOS AIRES—Anti-American sentiment was growing here after the Argentine surrender of the Falkland Islands (Malvinas) to the British last week, and it already is having an impact on marketing and advertising.

The war's end not only toppled the current government, but is causing advertisers to take a look at their campaigns, and possibly at their affiliation with various American ad agencies, according to sources.

Earlier this month, Economy Minister Roberto Alemann warned the presidents of North American companies that about 10 lists of U.S. companies and their products here are being circulated among unions, political parties and student organizations for use in action campaigns, "including a possible boycott," according to one exec who attended the unpublicized meeting.

Mr. Alemann reportedly told the company presidents that the government "is not involved in any way with such a campaign," and that the police are investigating the matter.

However, sources in the Peronist party, Argentina's largest opposition party, and trade union sources said such lists do not exist.

"I have heard that rumor and it is false," a high-ranking Peronist said. He said he believed that uncontrolled government security forces, linked to the Public Information Secretariat, are spreading rumors that lists exist and that they plan to place phone calls to U.S. companies demanding money to get the company off the list.

"I think Roberto Alemann is being used by them to give the concept credibility," the source said. "I don't think he's involved."

Nonetheless, during the last month of the Falkland (Malvinas) crisis, anti-American posters were hung in the city, listing the names of several U.S. companies and some of their products, sources say. They usually were taken down by police.

The possibility of increasing hostility toward things American has local media magnate Pedro Simoncini worried that he won't be able

(Continued on Page 78)

highlights

Monday, June 21, 1982

Nickelodeon cable channel for children is playing a new ad tune —this time for parents. *See Page 10.*

Allied Stores studies consolidation of divisions. *See Page 10.*

The consumer electronics industry was pleased to hear from the Supreme Court that it will tackle the copyright issue involving videocassette recorders. *See Page 12.*

Ethan Allen runs corporate responsibility messages, a new twist in home furnishings advertising. *See Page 14.*

David B. Keith of Houston Natural Gas takes over as chairman of the American Advertising Federation. *See Page 24.*

A "Licensing '82" panel featured Mego Corp., Griffin/Bacal and Westport Marketing Group execs with advice and case histories on licensed merchandise. *See Page 32.*

Toy and tv licensers vied with those representing tv and movie properties at the "Licensing '82" exhibition. *See Page 32.*

The average Southeast Asian doesn't want to be the first on his block to own anything, according to the former head of John Roddy/FCB in Hong Kong. *See Page 35.*

Abra K Dabra, a pizza entertainment restaurant, will try to cook up some profits to sustain retail operations of parent K mart. *See Page 35.*

Members Only starts a trend with status jackets, and others follow. *See Page 41.*

Grey Advertising, Los Angeles, and Meldrum & Fewsmith, Cleveland, were top winners at the National Addy awards ceremony. *See Page 42.*

Godfather Pizza withdrew an ad that claims its pizzas weigh 5 lbs. after the National Advertising Division overruled its defense. *See Page 58.*

The Electronic Media Rating Council is the new name for what formerly was the Broadcasting Rating Council. *See Page 61.*

Helene Curtis' plunge into the high end of the haircare business is based on its faith in Finesse conditioner. *See Page 71.*

For the first time ever, private radio stations in Belgium are playing advertising. *See Page 72.*

Satellite News Channels, "The Non-Stop News Machine," has started up for 2.6 million subscribers. *See Page 73.*

"Volunteerism" got a push at the American Advertising Federation convention last week. *See Page 74.*

The down economy boosts direct marketing. *See Page 74.*

CORPORATE CLOSEUP

Igloo Corp., after successful tests, is taking its case to the public in a concentrated tv campaign that is expected to spread nationally. *See Page 4.*

INTERNATIONAL

NCK Spain is making headline ad news, walking off with two top accounts in the last few weeks. *See Page 54.*

VIDEOTECH

Home Box Office has unveiled a wave of original-program product. *See Page 45.*

Regional brewers become enamored of cable tv in battling national brands. *See Page 47.*

MAGAZINE

First in an automotive marketing series, "Marketing on the Road," takes a behind-the-wheels look at luxury cars. *See Page M-2.*

More than ever, corporate image is reflected in the bottom line and must be managed as any other asset or liability, says a public relations executive. *See Page M-48.*

SPECIAL REPORT

From convertibles to concept vehicles, this week's Special Report investigates how U.S. auto makers are making adjustments to cure the market's ills—and keep up with their foreign competition. *See Page M-7.*

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'Cleveland Press' dies at age 103

CLEVELAND—As recently as six weeks ago management of the *Cleveland Press* denied their problems were serious enough to cause the demise of the 103-year-old newspaper—going so far as to accuse their competition of starting shutdown rumors. But the death blow came suddenly last Thursday with the simple announcement to employes: "Today will be the last issue of the *Cleveland Press.*"

This is the sixth major afternoon newspaper to fold in the last year.

In recent months the *Press,* owned by industrialist Joseph E. Cole since he purchased it from E.W. Scripps Co. in November, 1980, has made many changes calculated to save money and prolong its life.

A 25¢ Sunday edition was launched with much fanfare last August. But late last month, as Sunday circulation figures dipped to 275,000 compared to about 316,000 during the week, *Press* executives turned the Sunday edition into a weekend paper, charging the same ad rates as it had been charging for the Saturday paper.

And in March, the *Press* became an all-day newspaper, putting it in direct competition with the morning *Plain Dealer,* the dominant fac-

(Continued on Page 80)

summer, apparently before introduction of the rest of the '83 models.

Ford Thunderbird and Mercury XR-7 will also get a new look for 1983. The slightly down-sized new models, with all new sheet metal and quite a different appearance from current models, will be introduced in early winter.

The new Thunderbird will have styling similar to Ford Motor Co.'s Continental Concept 90 show car.

Taking no chances, Ford is planning to be ready for any market rebound with something new in almost every category except subcompact, where its Escort and Lynx have been doing relatively well.

Next spring an all-new line of compact cars, the Ford Tempo and Mercury Topaz, will debut. Based on a stretched version of the Escort, they will replace the Ford Fairmont and Mercury Zephyr.

With such a broad revamping of its product line, Ford will probably benefit from any general upswing, as it will have something new for almost everyone.

Chrysler Corp. will introduce its biggest front-drive models this fall, the E bodies. They will be about three inches longer than the K-cars and will be known as the Chrysler New Yorker, the Gran LeBaron, the Dodge 600 and 600 ES.

The current New Yorker is Chrysler's biggest old-fashioned rear-drive car and is also its hottest-selling model. It will be kept in 1983 but renamed the Fifth Avenue.

While there won't be the big multi-line alphabetical introductions from General Motors of recent years—X-cars, J-cars, A-bodies, and the like—or anything big from Chrysler Corp., there is enough new in Detroit's '83 lineup to elicit buyer interest, perhaps even some passion.

It could be that when the economy heats up, so will the love affair with the automobile. The course of true love always runs smoother with a little money in the pocket.

U.S. compact pickup trucks on a roll

After six months, GM leads the pack to grab half the market

By Don Edgar

Six months may seem like a short time for some folks. But if you are linked with the automotive industry in any way, the days, weeks and months can drag on.

Yet, for one particular segment of the industry, six months turned out to be enough time to accomplish something its counterparts have been trying to do for some years—make headway in the battle against the imports. In those six months the American automotive manufacturers overtook and passed Japanese imports in the small, compact pickup truck sales derby.

While the Japanese have had a stranglehold on the market since the mid-1960s, domestic companies appear to have seized the initiative.

Starting last October with the introduction of the Chevrolet S-10 and GMC S-15 pickups, U.S. auto makers gathered 51% of the market in March, based primarily on the strength of the two General Motors products. The Ford Ranger and Dodge Rampage joined the race after the first of the year.

Several auto executives in Detroit have forecasted annual sales of compact trucks to reach a million units by 1985—perhaps even before. While the Japanese, principally Toyota and Datsun, have had a stranglehold on the compact truck market since the mid-1960s, domestic companies appear to have seized the initiative and the battle for sales leadership has begun.

Figures supplied by the Motor Vehicle Manufacturers Assn. show that GM's dynamic new duo outsold both Datsun and Toyota during February and March and were responsible for domestic models' wresting away the sales leadership in March when U.S.-built compact pickups captured 50.89% of the market. Contributing to the over-all success for the domestics were the AMC/Jeep Scrambler, Ford Ranger, Dodge Rampage and Volkswagen pickup, while Ford Courier, Chevy Luv, Dodge Ram 50 and Plymouth Arrow, sold by American dealerships, were tallied in the imports' column. (See chart.)

"Chevrolet is very pleased with the acceptance of the S-10 pickup," noted M.H. Erdman, Chevrolet national truck sales manager. "Since January we have outsold our main foreign competitor by a wide margin."

Chevrolet took the real message to the consumer, noted Mr. Erdman. "Our advertising was built around the premise of product quality, payload, towing capability and mileage—items the customer previously associated with our competitors," he said.

The success of the S-10 has had some impact on the sales of regular-size Chevrolet pickup trucks and the imported Luv. Full-size pickup sales are off about 8% when compared with a year ago, while Luv sales, for the first three months of 1982, have fallen from 23,905 to 8,826 units. These changes were anticipated, stressed Mr. Erdman.

When 1983 introduction time rolls around, Chevrolet plans to be ready with three new offerings in the S-10 category. "Spectacular," is the way Mr. Erdman phrased it. Chevy is slated to have a four-wheel-drive pickup along with an extended cab model and a down-sized Blazer. An S-10 diesel engine version is also on the horizon, but it will be smaller than the currently popular 6.2-liter V-8 selling so well among full-size Blazers, Suburbans and pickups.

"Our advertising was built around product quality, payload, towing capability and mileage—items previously associated with our competitors."

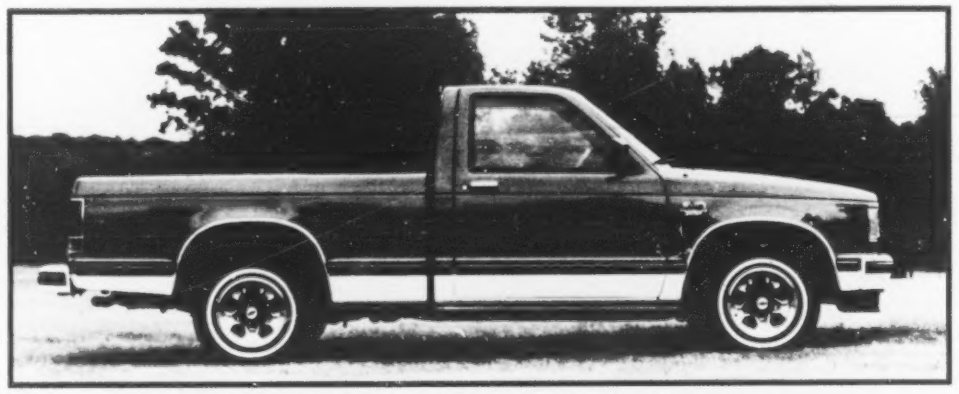
Mr. Erdman could not predict a time frame for smaller vans and van wagons.

Advertising strategy will remain about the same for Chevy's S-10. "We go right to the heart of the issue because we have the vehicle that can handle customer requirements," Mr. Erdman added. "We name names in our commercials, and we haven't done that in a long, long time. Once we get a customer to test drive an S-10, we feel certain we'll get the sale."

Ford views the competition in a different light, according to William Barnes, Ford's light truck sales manager. The company, he said, compares its sales launch to that of Chevrolet's S-10 instead of matching sales figures with Toyota and Datsun.

"Looking at the first three 10-day periods for the Ranger and the S-10, Ford had an advantage of 1,500 more sales," he said. "During the first 10-day period in April, Ford bested Chevy by a couple hundred pieces. The Ranger is going very well and as

(Continued on Page M-16)



The S-10 turned out to be a good catch for Chevrolet.

Retail Sales of Compact Pickup Trucks

	Oct. 1981	Nov. 1981	Dec. 1981	Jan. 1982	Feb. 1982	March 1982	Six Month Totals
Jeep Scrambler	811	819	652	577	649	686	4,194
GM, S-Series	1645	7609	8529	13444	20985	29969	82,181
Ford Ranger	—	—	—	—	1440	8288	9,728
Dodge Rampage	—	—	—	973	1312	2172	4,457
Volkswagen	3196	2212	2833	1115	1305	1599	12,260
Domestic Totals	**5652**	**10640**	**12014**	**16109**	**25691**	**42714**	**112,820**
Ford Courier	5337	4859	3869	4228	3599	2584	24,476
Chevrolet LUV	3416	2475	1696	2750	2930	3146	16,413
Plymouth Arrow	477	501	546	653	863	467	3,507
Dodge Ram 50	1143	1296	1907	3481	3618	4169	15,614
Toyota	9099	9044	11624	8468	10440	14331	63,006
Datsun	7617	8054	10424	6245	6955	11452	50,746
Mazda	1449	1585	898	1739	2930	3602	12,203
Isuzu	1251	1159	1184	1198	1105	1473	7,370
Import Totals	**29789**	**28973**	**32148**	**28762**	**32440**	**41224**	**193,336**
Total Sales	**35441**	**39613**	**44162**	**44871**	**58131**	**83938**	**306,156**
% of Sales-Domestic	**15.95**	**26.86**	**27.20**	**35.90**	**44.20**	**50.89**	**36.85%**

Source: Motor Vehicle Manufacturers Assn.

Don Edgar is a free lance writer in the Detroit area. He reported on trucks in last year's Automotive Marketing Special Report.

Compact trucks

(Continued from Page M-9)
the pipeline fills up, we'll have more ability to supply Rangers to the market."

According to Mr. Barnes, Ford sees the compact segment rising to about 30% of the total market. "Our share of the compact truck market is going up and the Japanese share is coming down. Ford is tracking ahead of its program and we are more than pleased."

Ranger sales have affected the market for the regular F-series pickup trucks, but how much "is difficult to measure," Mr. Barnes said. "We had anticipated very heavy substitution—in the neighborhood of 30% to 50%. However, the market has been so weak it is difficult to get a real handle on it. Everything is further clouded by the fact that General Motors has a diesel [in a Luv] and Ford doesn't yet.

"The imported Courier is also affected. When was the last time anyone saw a Courier advertisement or commercial? All our efforts have been directed purely

(Continued on Page M-18)

The new Dodge Rampage is targeted to the youth market.

Thoughts

(Continued from Page M-12)
eral Motors, a chief critic of the Chrysler bailout at the time it was proposed, has sought to use nearly every segment of the Chrysler bailout blueprint in some form. So have the Ford Motor Co., the American Motors Corp. and International Harvester, to name a few.

American manufacturers have initiated accelerated programs aimed at learning how to compete in today's market. While falling short of reinventing the automobile, they are reinventing the industry that makes it.

Taking its cues from the Japanese, the American industry has begun to go beyond just retooling its automobiles to run farther on less gas. Manufacturing and assembly operations are undergoing major surgery, not simply being automated, with some input from the long ignored factory worker. Supply pipelines are being rethought with competitive bidding being tried for such products as steel, with tough decisions being made about whether the company makes a product inhouse or buys it from outside.

Missing from all this activity is a sense of sincerity on the part of Detroit, a feeling by the public that the industry is serious about wanting to win back the respect of its home-turf American buyers by being truly innovative over the long haul. The reasons for this persistent uneasiness are numerous.

With respect to product, the all-new models more often turn out to be warmed-over models, much like their predecessors, and still trailing the pace-setting Japanese with respect to innovation. The customers, hard pressed as they are to buy anything, aren't impressed by what's in the showrooms, nor by the repair shop work and costs required on the new models.

Labor finds it difficult to believe that management wants to develop a new partnership when "give backs" are matched by Chrysler's recruiting management talent with country club dues paid by the company. Or, more recently, General Motors' promising select salaried workers that they will not be adversely affected by further wage cuts only days after promising labor at the bargaining table that all would sacrifice equally.

Car buyers may be disenchanted, too, with much of the regulation from Washington. But many find it tough to feel that Detroit deserves to get back in good standing when it continues a blanket assault upon laws that seek to control pollution emissions from automobiles, improve the fuel economy of automobiles and improve their safety. They are as suspect of Detroit's long-term commitment to quality also, especially when programs such as the revived Chrysler five-year, 50,000-mile warranty are limited-time-only offers rather than standard operating procedure.

The auto executives say it costs too much to do something like that. In the marketplace the message again and again is that it may cost as much not to. The same can be said of rebates and limited-time-only price cuts.

A strong economy will bring the industry temporary renewal and perhaps save it the need to confront its public with more than glossy ads and radiant commercials that haven't done the trick. Credibility in the workplace and the marketplace could give that renewal longevity. The most innovative step American manufacturers could take would be to stop the gimmickry. AA

BECAUSE OF
MEN LIKE LEONARDO DA VINCI.

"A MAN WITH WINGS LARGE ENOUGH AND DULY ATTACHED MIGHT LEARN TO OVERCOME THE RESISTANCE OF THE AIR, AND CONQUERING IT SUCCEED IN SUBJUGATING IT AND RAISE HIMSELF UPON IT."
–LEONARDO DA VINCI, 1452-1519

OMNI Magazine recognizes that science is not just the province of scientists, but of all thinking men and women. That's why a man like Leonardo Da Vinci, who was an artist and metaphysician as well as the only professional scientist of his time, could envision man traveling through the air four centuries before the Wright Brothers, Apollo, or even hang gliding. Leonardo was a man of vision and imagination, the most basic elements of science. In his day, they called his flying machine wild speculation, fiction. Today, we would call it prophetic.

Which is why OMNI feels that science fiction is as much a part of science as are laboratories and textbooks . . . and why every month, more than 5.4 million OMNI readers (MRI 1982) have come to see the full scope of today's science–and tomorrow's. Join us on the New Frontier. OMNI Magazine. It will change the face of science journalism forever.

OMNI

ADVERTISE IN OUR SPECIAL OCTOBER ANNIVERSARY ISSUE. CLOSING DATE AUGUST 1, 1982.

Compact trucks

(Continued from Page M-16)

at the Ranger. And we introduced Ranger with two years of Ford Care [a policy that includes no charge for standard maintenance such as oil, lubrication and filters]. We have since added a $300 rebate [$500 in California]."

As for the future at Ford, look for refinements in the pickup to boost both the payload and trailer towing capacities. A new down-sized Bronco II is scheduled to appear in 1983. Later this year, Rangers equipped with a diesel engine and with a four-wheel drive will be available. The diesel is a 2.2-liter, four-cylinder that Toyo Kogyo Co.'s Mazda introduced in a pickup last February. The four-wheel-drive Ranger will have a V-6 engine.

While its success has not been as great as the General Motors and Ford compact trucks, Pat Keegan, director of sales operations for trucks at Chrysler, said that the company is more than excited with how the Dodge Rampage has taken a fair segment of the market.

"We want to eat into the Chevy S-10 and Ford Ranger part of the business," he said. "And with a payload capacity of 1,140 lbs., the Dodge Rampage is going to compete."

Marketing strategy for the Rampage will remain much the same. The small car/truck is appealing to the youth market, and Rampage's marketers are considering some modification to take advantage of the public's perception of the model as a "racy little truck."

AMC's Jeep Scrambler averages 23 mpg in city driving.

Meanwhile, Chrysler's minivan, called the T-115, is getting closer to introduction, although Mr. Keegan wouldn't speculate on a date other than to say "before 1985."

"The T-115 will be a seven passenger, garagable unit and will be a high volume vehicle," he said. "We look for it to become a substitute for the conventional station wagon. Chrysler is continuing to explore other small truck ventures."

At American Motors, attention is focused on the Jeep Scrambler. "The Jeep Scrambler has been out for about a year now and the launch of the product was better than we anticipated," said Dean Greb, director of marketing with Jeep. "We ended up selling about 8,000 Scramblers. This year we expect to sell about 10,000 units."

With a five-speed manual transmission and the four-cylinder engine, the Scrambler has the best mileage rating for any four-wheel-drive compact pickup truck. The numbers are 23 miles per gallon in city traffic and 28 mpg on the highway.

"Part of Jeep's selling strategy was to lower the base price to $6,765, a reduction of $823. This gives Scrambler about a $1,000 advantage over the four-wheel-drive pickups from Datsun, Toyota and Chevy Luv," Mr. Greb said.

Based on Jeep's consumer research, a tweaking of the initial marketing plan is likely. More buyers perceive the Scrambler to be a compact pickup than the company originally thought. Scrambler will continue to be billed as the "pickup that picks up where others leave off."

"A year from now we'll have a compact of trio units on our present J-series," Mr. Greb said. "Basically a new model from the ground up, Jeep will have a Cherokee, Wagoneer and a pickup truck—size and performance to compete with Chevrolet's S-Series and Ford's Rangers."

In Japan, the importers will be busy upgrading their offerings to regain a better foothold in the lucrative American compact truck market.

But it should be interesting to see if Chevrolet and Ford can stave off the imports and battle each other, as in the past, for the No. 1 position in the small truck race. Only time will tell. AA

IF YOU DON'T DO IT NOW, YOUR COMPETITION WILL.

They'll be Joining the Nation's Leading Shopping Mall Promoter to demonstrate their automotive products to 1.5 million people, on Two 10-week tours of America's largest Shopping Centers...

The Shopping Center Network (**SCN**) will be touring America with TWO exclusive multi-company shows of automotive products. Our Eastern Tour begins September of 1983, and our Western tour starts in April of 1984.

More than 1.5 million people will visit each exhibit, see product demonstrations, and be convincingly impressed by your competitor's product, unless you act now.

Who Is The Shopping Center Network?

For nearly a decade **SCN** has been producing corporate exhibitions for sponsors like: *CHEVROLET, R.J. REYNOLDS, CLAIROL, GILLETTE, CANON, CBS, BURGER KING, EASTMAN KODAK, EASTERN AIRLINES, RCA and THE U.S. DEPARTMENT OF ENERGY...* and bringing them to the people thru our network of over 1600 of the largest and most influential enclosed regional malls in the nation.

And now for the first time, we're putting together a program just for the automotive industry called:

The Car Care Clinic.

Here's How The Car Care Clinic Works.

SCN will arrange for each major mall on the tour to house **The Car Care Clinic** exhibition each weekend, with over 20 leading manufacturers of auto related products.

Full audio, visual and live hourly spokesperson demonstrators will maintain our show's excitement and continuity. **SCN** also handles all logistical support... including scheduling, trucking, fuel, maintenance, set-up and take-down, insurance, product sampling, literature distribution... the works.

Each exhibitor can supply his own exhibit or if you prefer, **SCN** will design, build, train personnel and man your display at a pre-arranged fee.

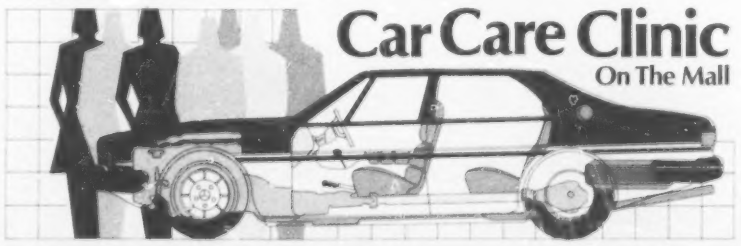
The Competitive Edge

To make it even more enticing, **SCN** will guarantee exclusivity of product line on a first come-first served basis.

How Do I Sign Up?

For more information about this new marketing concept for the 1980's and for our detailed **Car Care Clinic** brochure, call Mr. Joel Benson, President of Shopping Center Network at (305) 595-0201 in Miami or write to us at 10651 Kendall Dr., Miami, FL 33176 Suite #110.

Eastern Tour Sept., 1983
Western Tour April, 1984



advertiser was going to get overly concerned about the medium's failings.

But advertisers and tv networks can no longer afford this luxury.

Not only has the rapid growth in the number of tv households come to an end, but network programs are facing increasing competition from pay cable and subscription television—and that's why network executives should start paying much closer attention to research efforts such as those at Television Audience Assessment (TAA).

"Our goals are to develop and test a system of audience measurement based on viewers' attitudes and responses to programs, and to demonstrate to industry decision makers the utility of these measures as an additional form of program ratings for cable and broadcast television," says TAA president Elizabeth J. Roberts, whose nonprofit organization is funded by grants from various groups, including the Ford and Markle Foundations.

Current and recently completed TAA projects include efforts to study:

- The "halo" effect that placement of ads on highly appreciated programs may have on the corporate image of the advertisers.
- How viewing decisions and program involvement levels of pay cable subscribers differ from those of the general public.
- How channel-switching patterns in 12-channel households, for example, compare with those in 30-channel homes.

The TAA effort is not the first attempt to perform qualitative assessments of tv programs and audiences. In recent years, Bristol-Myers reportedly has done a private study of the relationship between program type and ad effectiveness, and J. Walter Thompson USA reportedly has conducted proprietary research on the relationship between the incidence of sex and violence on a tv show and the program's effectiveness as an ad vehicle. And in such countries as Canada, France, Great Britain and the Netherlands, where television has been under greater government control than in the U.S., a variety of qualitative measures have been incorporated in the various rating systems.

My bet is that researchers will find that quality programs will be the ones to rate high in audience interest. If this can be combined with current research that (1) develops a new attitudinal rating system that can distinguish shows generating a high audience interest and (2) demonstrates that high interest programs are superior ad vehicles, then television executives finally will find themselves motivated to eliminate the pablum that accounts for so much of today's network programing.

So far—and probably for the near future—the efforts to develop attitudinal ratings will raise more questions than they answer. Is viewer involvement with a particular program constant or does it vary from episode to episode? Do some kinds of commercials do better on a low-involvement program than on a high-involvement show?

And the big question: How will the advertising community—which likes "hard numbers" like the set-counts provided by Nielsen and Arbitron—respond to the "soft numbers" coming from surveys of consumer attitudes?

No one says that dealing with the problem of improving our television rating systems—and television programing—will be easy.

The "measurement challenge" that faced physicists in the 1920s resulted in one of the most turbulent periods in the history of the science, but by the time scientists finally got things straightened out, the turmoil had paved the way for a period of remarkable creativity and progress.

Let's hope the same will hold true for the television industry. AA

Promotion Trends

By Louis J. Haugh

Judging the most valuable

In a period of generally flat restaurant sales, it is probably appropriate that entrants in this year's ninth annual Pepsi-Cola Most Valuable Promotion competition have concentrated on price and coupon discounts as a key marketing strategy.

The winners were honored recently at the National Restaurant Show in Chicago. This year, for the first time in the nine years the contest has been sponsored by Pepsi, the panel of six judges commented that creativity among the entries seemed to have dropped off but that the contest reflects restaurant promotion activity quite accurately.

The contest is judged on three criteria: Originality of idea, creativity of execution and accomplishment of measurable objectives. The judges were three food service business papers' editors and three others, including this writer, familiar with food service and promotion.

It is interesting that the contest's winners have not had the spectacular sales and traffic increases of previous years. Among this year's winners, average sales were up 17% and traffic was up 13% as compared with sales increases of 49% on increased traffic of 81% in 1981. As a rule, promotions were aimed not so much at getting new customers as getting customers to increase their purchases. Price discounts were used by 45% of all entries, compared with only 16% the year earlier. Coupon discounts were used by 27% of all entrants this year.

At the same time, sweepstakes promotions were off, dropping from 30% of all promotions last year to 18% this year. New product activity also was off significantly, from 21% of the promotions involving new products or services last year down to only 7% this year.

Among the entrants, the percentage using radio advertising was off from 54% last year to 43%, and television was down from 28% to 15%, continuing a three-year decline from a high of 58% in 1980. Some of this decline in tv advertising may be explained by looking at the MVP entries, which are divided into three categories, restaurants with fewer than 30 units, those with 31 to 100 units and those with 100-plus units.

The MVP contest has generated more entries from smaller restaurants, which are less likely to use tv advertising. This year, 76% of all entrants in the 100-plus category reported using tv advertising, compared with 75% last year.

Use of instore materials to support a promotion has remained virtually constant over the three years, 62% this year, 54% last year and 60% the year earlier. Newspaper support has also remained constant, 45% this year, 48% last year and 47% the year earlier.

Use of premiums appears to have slipped over the three year period, from 40% in 1980, to 33% in 1981 and 26% this year. Use of direct mail increased from 13% last year to 23% this year, and use of publicity is also up, rising from 20% last year to 24% this year.

The number of restaurants that promoted with charity tie-ins also increased, from 13% in 1981 to 34% this year. In fact the MVP grand prize winner, Boddie-Noell Enterprises, Rocky Mount, N.C., a Hardee's franchisee in Virginia, mounted a statewide four-phase promotion to raise funds for mentally retarded children in the Special Olympics.

Boddie-Noell sold "donation dollars" during a four-month drive and donated 5 cents for each order of fries to raise $33,630. In addition, the company's employes helped out both the winter and summer games.

The Special Olympics tie-in was promoted via radio, tv and point-of-purchase materials such as "spare change" cannisters in stores.

The MVP entry blank pointed out that boosting sales was not a primary objective of the promotion, but stores in the Virginia cities of Richmond, Roanoke and Norfolk all reported sales increases.

Other tie-ins with charities among the MVP entrants included the United Way, James Whitcomb Riley Memorial Assn. for handicapped children, National Kidney Foundation, Children of the Scottish Rite Hospital, Mutiple Sclerosis Society and UNICEF. It almost appeared that some of the charity links were an attempt to offset some of the brassiness of "ask for the order" promotions which discounted food or soft drinks.

A winner in the MVP contest in the under-30-stores category was Campbell Hospitality, a unit of Campbell Soup Co., Camden, N.J., for a grand opening promotion for its H.T. McDougal's stores. Schedule Enterprises, Grand Rapids, Mich., operator of Mr. Steak restaurants, offered a collection of 12 "critters"—little clip-on animal premiums—free with soft drink purchases. This won the company an under-30 award.

The third winner in the under-30-stores category was Wendicorp., Miami, a Wendy's franchise; the award came for a civic booster promotion in Miami. For every hamburger sold, the company donated 5 cents to a local civic group to spread a positive image for Miami.

Wendicorp. managed to distribute 250,000 bumper stickers and raise $5,000. The promotion, it was noted by the judges, was particularly interesting because it was fielded in the back yard of Burger King Corp., which has its corporate offices in Miami. In fact, Burger King was rumored to have decided to leave Miami and then embarked on an effort to stem that report.

In the 31-to-100 category, Little King, Omaha, Neb., fielded a "deal of a meal" after announcing it at an employe rally. During this sales meeting, which followed a western theme, employes were given 3,000 coupons each to distribute to friends and new customers at schools, businesses, plants and public buildings. A total of 7.6% of the 975,000 coupons distributed were redeemed, increasing sales by 17%. The employes signed their names on the coupons and were eligible to bid for prizes with the redeemed coupons.

More and more restaurants appeared to be using employes as the focal point of their promotions. These events range from sweepstakes prizes to Walt Disney World to buttons and hats for instore use. Barney Enterprises, Crown Point, Ind., designed a promotion similar to Little King's with coupons distributed by employes, explaining "the basic restaurant business comes from people who are related to or are friends of existing employes."

Another MVP winner, the Taco Time 10-State Advertising Assn., Ogden, Utah, distributed coupons in 49 newspapers in eight states, supported by tv and radio commercials. The purpose of the promotion, which had a theme of "bite off all you can chew," was to build traffic in a down period.

In the 100-plus category, Burger Chef Systems, Indianapolis, went after children with a "funmeal feast" promotion packaged in a plastic sailboat that served as a container premium. The meal of a hamburger, fries, soft drink and dessert was supported with tv and a newspaper ad.

The Krystal Co., Chatanooga, Tenn., used an unusual "rub and win" game to win its award. The "get rich quick" sweepstakes entry was printed on the cardboard packaging for the chain's hamburgers, thereby eliminating the game pieces that are typical in most promotions of this type.

In addition to food and cash prizes, consumers could save five Krystal "K" letters to enter a $100 cash sweepstakes. Radio and tv commercials and four price-off coupons in a newspaper ad gave promotion support.

Other MVP winners in the institutional and hotel categories were Martin Marietta Aerospace, Orlando, Fla.; Motorola Inc., Schaumburg, Ill.; Strathallan Hotel, Rochester, N.Y., and the Hilton Harbor Castle, Toronto.

McDonald's Corp., Oak Brook, Ill., by far the largest in the fast-food category, submitted no entries. However, it is estimated that more than half of its 1982 ad budget will be invested in promotions.

In fact, some analysts believe that McDonald's has invested so much on game promotions that without them, sales increases would be hard, if not impossible, to come by. It has been rumored that McDonald's and other hamburger chains are trying to wean themselves from excessive reliance on games and discounts. AA

Restaurant promotion activity by category

Percent Using	1982	1981	1980
Radio	43%	54%	60%
In-Store materials	62	54	60
Television	17	28	58
Newspaper	45	48	47
Premiums	26	33	40
Self-liquidator	8	17	24
Free	14	16	16
Price Discount	45	16	31
Coupon Discount	27	16	18
Sweepstakes	18	30	20
Crew Incentives	34	NR	NR
Publicity	24	20	NR
Charity Tie-In	34	13	NR
Other Tie-In	17	31	29
Direct Mail	23	13	NR
New Product Intro	7	21	NR

Source: Pepsi Cola Most Valuable Promotions entrants

Louis J. Haugh is managing partner, Westport Marketing Group, Westport, Conn.

Advertising pages in June consumer publications

Current and June '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

Women's

	Pages June 1982	Pages June 1981	Pages Jan.-June 1982	Pages Jan.-June 1981
†§Bride's Magazine	251.7	212.1	858.0	829.3
▲Co-ed	31.5	36.6	185.6	201.2
§Cosmopolitan	195.7	199.0	1,144.8	1,159.6
Essence	71.0	82.0	465.6	474.9
§Family Circle	122.6	116.0	777.0	760.2
§Good Housekeeping	185.5	169.4	967.8	979.1
▲Health	21.1	23.1	167.3	167.6
Ladies' Home Journal	74.2	82.6	429.3	494.5
Lady's Circle	8.9	6.2	55.9	62.6
McCall's	81.1	86.1	476.8	567.9
†Modern Bride	—	—	812.8	689.0
Ms.	41.3	39.5	242.1	227.5
○New Woman	—	—	174.9	138.3
§Parents Magazine	77.4	67.6	421.7	374.3
Playgirl	39.8	41.5	244.4	266.7
Redbook	96.6	100.7	531.0	566.6
Self	71.8	69.2	414.7	395.8
Seventeen	96.9	102.4	607.8	616.8
Soap Opera Digest	15.0	10.0	131.0	45.0
'Teen Magazine	50.0	36.7	269.8	251.9
§True Story	49.2	46.5	380.0	378.7
§Woman's Day	98.9	102.8	669.5	676.9
▲The Workbasket	24.9	24.8	213.4	200.1
Working Woman	70.3	59.5	469.0	354.1
Total Group	1,775.4	1,714.3	11,140.2	10,878.6
*** % change 1982 vs. 1981	+4.0%		+2.4%	

General

▲A.D. Magazine	11.3	12.5	78.6	91.6
Air Progress	22.4	18.1	111.9	107.7
▲American Film	21.8	16.5	120.7	122.5
American Forests	6.2	0.3	60.3	74.8
American Legion	22.2	21.9	191.1	159.5
American Photographer	51.2	43.1	272.8	237.2
○American West	—	—	73.0	79.3
○Americana	—	—	94.5	89.7
§The Atlantic	32.8	30.3	163.3	161.8
○Audubon Magazine	—	—	94.6	89.2
BBI Jewish Monthly	24.7	23.1	147.2	133.9
§Bon Appetit	75.8	97.7	470.3	504.9
Changing Times	38.4	19.7	224.9	171.3
Christian Herald	31.8	36.0	93.3	101.3
Christian Life	24.5	26.7	164.2	159.5
▶Christianity Today	35.6	49.7	376.8	411.2
Circus	35.2	27.3	172.8	99.6
Complete Men's Group	23.0	22.7	134.8	128.5
Country Journal	31.8	36.8	253.4	252.3
Creative Computing	126.6	102.4	698.8	532.4
D. Cuisine Magazine	42.1	41.8	254.6	209.2
Dance Magazine	52.0	51.8	391.8	394.0
Discover	33.2	23.7	206.1	187.9
Ebony	86.0	87.2	485.3	480.4
▲Elks Magazine	17.6	19.4	139.0	142.8
§Esquire	62.5	46.3	327.5	199.5
Fifty Plus	23.0	31.8	174.4	204.2
Flying	56.7	64.7	281.5	276.5
○Games	—	—	77.1	61.7
§Gentlemen's Quarterly	102.0	94.7	560.1	564.1
Geo	11.8	14.0	98.2	122.0
Golf Digest	80.0	77.1	465.5	486.4
Gourmet	65.1	67.1	395.7	377.3
§Harper's Magazine	17.2	26.6	96.8	141.7
High Fidelity	33.2	39.5	211.4	240.7
High Technology	59.1	—	121.9	—
▲Income Opportunities	46.9	51.7	291.4	299.0
#Inside	—	—	127.7	119.1
Kiwanis Magazine	13.9	14.3	86.8	87.9
Let's Live	70.1	89.6	451.4	520.6
Life	49.5	65.2	302.8	338.1
Lion	6.7	9.0	38.2	32.3
Modern Photography	126.9	127.9	704.5	702.8
§Money	121.7	102.6	643.5	574.1
Moneysworth	12.0	15.4	92.3	94.2
Moody Monthly	34.8	38.7	304.6	330.1
Moose Magazine	16.0	19.0	125.0	119.0
○Mother Earth News	—	—	155.0	156.6
○Museum	45.3	29.3	134.0	103.3
Musician, Player & Listener	55.3	57.7	314.6	294.1
National Geographic	28.6	36.4	137.7	180.9
Natural History	24.6	24.4	182.2	210.4
§Omni	59.0	64.0	325.0	310.0
§Penthouse	59.5	63.3	364.4	384.5
Petersen's Photographic	51.2	47.9	262.7	264.8
Playbill	53.5	53.6	321.7	310.5
§Playboy	132.9	141.6	650.6	685.5
Popular Photography	134.1	146.9	770.6	809.9
Prevention	64.3	79.7	410.5	515.4
Psychology Today	34.3	51.2	223.6	285.0
§Reader's Digest	90.4	100.7	508.5	558.2
Rotarian	12.9	15.3	86.2	86.1
††Saturday Evening Post	50.0	45.6	191.8	182.7
Science Digest	28.7	27.8	175.4	164.3
◊Science 82	22.9	29.1	156.8	191.8
Scientific American	60.9	100.3	451.0	520.4
Signature	52.6	45.6	327.2	300.6
Smithsonian	66.6	73.2	461.5	463.6
Stereo Review	60.2	66.0	313.3	335.1
Success	31.7	29.0	163.0	166.7
Technology Illustrated	56.8	—	171.5	—
Tennis	74.9	81.8	384.0	381.9
Town & Country	113.6	116.0	755.2	696.0
Travel	36.1	44.5	311.3	313.1
Travel & Leisure	71.4	110.1	564.9	567.3
▲V.F.W.	22.6	—	167.2	—
Video	60.1	56.8	317.7	306.1
Video Review	54.0	44.5	365.3	283.2
Weight Watchers	33.8	24.8	168.5	140.6
World Tennis	49.1	53.4	250.4	277.0
Writers Digest	18.9	20.7	138.2	127.1
Yankee	67.8	62.8	451.0	455.3
Total Group	3,607.6	3,629.0	21,941.0	21,261.7
*** % change 1982 vs. 1981	−0.6%		+3.2%	

Fashion & service

Glamour	128.4	168.9	910.6	1,022.5
Harper's Bazaar	70.2	64.9	611.5	547.2
Mademoiselle	97.6	88.0	683.6	702.3
Vogue	139.4	121.4	1,195.5	1,039.6
Total Group	435.6	443.2	3,401.2	3,311.6
*** % change 1982 vs. 1981	−1.7%		+2.7%	

Art & antiques

American Artist	46.3	46.4	353.2	337.5
Antiques	137.9	135.9	914.8	932.7
○Art & Antiques	50.9	58.1	166.3	172.5
▲Art in America	104.0	119.0	669.8	659.5
▲Artnews	102.0	148.0	626.2	730.0
○Portfolio	—	—	189.8	128.0
Southwest Art	123.0	120.6	692.0	673.6
Total Group	564.1	628.0	3,612.1	3,633.8
*** % change 1982 vs. 1981	−10.2%		−0.6%	

Home

§Architectural Digest	138.8	118.0	770.8	747.5
§Better Homes & Gardens	139.9	107.0	664.8	701.4
○Colonial Homes	65.4	63.6	188.9	163.8
C. ▲Country Living	29.3	27.4	204.0	96.8
Dallas-Fort Worth Home/Garden	76.3	51.6	323.6	218.2
▲Family Handyman	—	—	357.0	281.9
○Flower & Garden	38.5	34.2	157.7	144.3
Home	20.7	27.9	157.4	183.7
†Homeowner's How-To	24.4	37.5	79.7	97.8
Houston Home/Garden	128.6	98.7	655.9	548.3
Horticulture	31.3	22.0	190.6	153.2
House Beautiful	62.5	80.9	455.5	531.5
House & Garden	80.2	100.1	540.9	629.5
Metropolitan Home	63.5	67.5	372.1	331.8
††New Shelter	—	—	192.8	197.4
E. 1001 Home Ideas	27.1	43.1	167.8	174.7
Organic Gardening	50.7	57.5	439.3	457.7
Phoenix Home/Garden	42.2	39.1	294.2	198.5
San Diego Home/Garden	45.5	41.2	322.2	254.2
#Southern Accents	—	—	161.5	157.8
Southern Living	128.4	138.7	781.5	732.1
§Sunset Magazine	147.1	163.3	842.6	852.8
▲Texas Homes	78.1	71.2	453.6	402.7
○Workbench	—	—	190.2	190.7
Total Group	1,329.2	1,361.1	8,760.6	8,331.5
*** % change 1982 vs. 1981	−2.3%		+5.2%	

In-flight & other passenger

#Aboard Group (7)	—	—	616.0	480.0
Air Cal	54.0	61.8	316.7	350.5
○Alas Group (9)	36.0	30.0	92.0	75.9
Alaskafest	39.2	46.3	232.9	222.8
American Way	83.2	65.0	411.5	348.7
East/West Network:				
Amtrak Express	46.5	41.3	236.5	199.0
Continental Extra	66.3	54.2	330.1	304.5
Eastern Review	85.8	81.2	479.8	472.8
Ozark Flightime	51.0	49.0	255.0	269.0
PSA Magazine	94.8	98.0	512.1	521.0
Republic Scene East	58.3	54.5	300.1	287.7
Republic Scene West	64.2	63.5	321.1	341.0
Texas International/-The Texas Flyer	78.9	64.2	380.5	326.0
United Mainliner	89.0	79.8	450.1	486.2
USAir	51.2	46.3	252.3	216.5
Halsey Publications:				
Delta Sky	52.6	45.0	296.6	272.0
○Skylite	—	—	32.3	21.8
Hawaii	16.2	25.4	129.0	172.8
○Pace	—	—	86.8	112.9
Pan Am Clipper	36.3	67.6	225.1	344.0
Southwest Airlines	91.7	80.0	558.0	454.3
Spirit of Aloha	16.3	25.4	129.1	172.8
Webb Publications:				
Frontier	45.8	35.5	241.9	204.8
Passages	34.3	27.2	186.1	161.5
TWA Ambassador	62.0	44.8	277.8	270.5
Total Group	1,211.6	1,456.0	8,177.4	7,752.1
*** % change 1982 vs. 1981	−16.8%		+5.5%	

Metropolitan

○Aloha	29.0	24.3	85.5	67.3
Atlanta	61.0	77.7	388.9	482.1
Baltimore	60.0	60.9	348.6	363.2
Boston	113.3	119.8	695.5	700.4
California	81.2	70.7	416.3	352.2
D. Charlotte	22.0	—	112.0	—
Chicago	134.2	136.4	809.0	765.9
Chicago's North Shore	63.1	68.0	357.1	352.6
Cincinnati	55.8	58.9	327.7	310.5
Cleveland	62.5	63.3	340.1	437.8
Coast	308.5	355.6	1,390.3	1,437.3
Columbus Monthly	73.6	84.1	432.9	516.0
Commonwealth	63.5	22.0	421.2	79.8
Connecticut	81.5	69.5	448.9	398.8
D/Magazine, Dallas/Fort Worth	121.7	121.4	637.3	657.1
Denver	39.5	53.4	234.2	294.0
Monthly Detroit	58.8	31.7	319.5	246.9
Exclusively Yours Wisconsin	62.8	60.8	412.8	486.3
Grand Rapids	44.3	46.3	242.1	234.2
††Gulfshore Life	64.5	83.0	466.5	433.0
Honolulu	73.0	73.5	389.1	411.8
Houston City	71.8	81.8	395.5	369.2
Indianapolis	40.6	47.8	341.2	290.3
Kansas City	23.0	18.1	148.2	107.0
Los Angeles	184.3	187.0	1,121.8	1,099.5
○Louisiana Life	—	—	937.5	912.5
Madison	47.0	60.0	278.7	272.0
Miami	95.6	110.6	551.6	512.6
Milwaukee	22.7	27.7	163.3	168.7
Mpls./St. Paul	56.4	56.3	407.2	429.2
Nashville	38.6	59.0	236.5	421.8
New Jersey Monthly	78.1	69.8	334.6	392.2
New Mexico	35.5	25.8	165.0	125.1
Ohio	49.6	33.9	201.6	186.7
Omaha	15.9	19.0	115.6	98.9
Oregon	32.7	31.6	125.7	148.8
Orlando	60.0	80.2	410.0	430.5
▲Pacific Northwest	27.9	18.3	145.4	60.3
Palm Beach Life	36.3	43.7	536.3	528.0
Palm Springs Life	80.5	76.3	782.2	773.7
Philadelphia	110.0	116.6	700.6	781.1
Phoenix	61.4	83.5	474.4	519.3
Pittsburgh	61.5	36.3	278.9	225.2
St. Louis	69.7	64.3	391.5	403.0
San Diego	121.1	128.8	757.3	829.3
San Francisco	43.5	57.9	287.1	335.5
○San Francisco Bay Views	43.3	34.5	151.0	198.5
San Francisco Focus	40.0	40.2	223.4	217.8
†Shenandoah Valley	—	—	91.0	69.4
Tampa	34.6	20.4	201.1	152.4
Tampa Bay	34.8	47.3	199.1	247.1
Texas Monthly	141.7	166.0	752.6	789.5
Twin Cities	41.9	45.1	270.0	272.6
Washington Dossier	40.3	35.3	237.3	267.3
The Washingtonian	125.0	140.5	774.0	761.1
Westchester	30.7	37.7	189.8	210.0
Westchester Illustrated	39.0	41.5	224.4	212.8
Total Group	3,490.5	3,669.1	22,705.9	21,946.1
*** % change 1982 vs. 1981	−4.9%		+3.5%	

Movie-romance-radio-tv

Ideal Women's Group:				
Daytime Stars	15.4	24.8	61.9	134.5
○Intimate Story	18.8	22.2	119.0	157.6
Soap Opera	15.4	24.8	61.9	134.5
Macfadden's Women's Group:				
Modern Romances	25.1	25.6	165.9	175.5
Secrets	25.1	25.6	165.9	175.5
True Confessions	26.6	26.9	174.0	185.7
True Experience	25.1	25.6	165.9	175.5
True Love	25.1	25.6	165.9	175.5
True Romance	25.1	25.6	165.9	175.5
Sterling Women's Group:				
Daytime TV	31.5	32.2	182.2	192.2
Modern Screen	32.5	32.8	132.3	132.5
○Movie Mirror	—	—	66.5	97.1
Photo Screen	—	33.5	64.5	100.0
Soap Opera Stars	25.3	25.3	126.5	179.5
TV Movie Screen	—	—	67.6	97.1
TV Picture Life	32.5	32.8	99.1	99.3
○Teen Bag	—	—	18.5	24.4
Total Group	372.7	429.8	2,383.5	2,790.6
*** % change 1982 vs. 1981	−13.3%		−14.6%	

Youth

Boys' Life	20.0	18.8	115.7	127.5
Campus Life	24.7	16.7	230.3	218.0
Total Group	44.7	35.5	346.0	345.5
*** % change 1982 vs. 1981	+2.6%		+0.1%	

Mechanics & science

§Mechanix Illustrated	62.2	61.0	410.7	441.4
Popular Electronics	51.7	55.1	349.3	354.2
Popular Mechanics	110.7	109.6	636.2	659.8
§Popular Science	58.5	48.9	575.3	525.9
Total Group	283.1	274.6	1,971.5	1,981.3
*** % change 1982 vs. 1981	+3.1%		−0.5%	

Boating & yachting

Boating	103.3	108.1	724.8	749.3
Chesapeake Bay	27.0	28.3	157.2	157.6
Cruising World	118.0	108.2	760.2	707.7
Lakeland Boating	45.7	49.0	314.1	299.5
Motor Boating & Sailing	113.3	123.3	871.2	870.3
Rudder	24.4	30.7	144.6	143.7
Sail	141.1	132.7	952.6	895.2
Sea & Pacific Skipper	69.0	82.8	455.8	490.4
Trailer Boats	19.9	23.8	165.0	159.5
Yachting	146.3	177.2	1,101.7	1,178.2
Total Group	808.0	864.1	5,647.2	5,651.4
*** % change 1982 vs. 1981	−6.5%		−0.1%	

Automotive & recreational vehicles

Car & Driver	92.9	90.1	479.4	514.7
Car Collector & Car Classics	22.1	27.7	128.4	137.3
Car Craft	108.5	76.4	470.1	391.3
Cycle	80.3	87.4	570.0	580.9
Cycle Guide	64.8	56.9	390.8	400.2
Cycle World	71.9	62.5	469.2	517.2
Dune Buggies & Hot VWs	57.8	44.2	309.8	238.4
Family Motor Coaching	90.7	63.0	570.6	363.1
4 Wheel & Offroad	82.1	41.4	297.9	217.6
Four Wheeler	29.6	28.2	165.6	149.3
Hot Rod	77.5	59.2	383.6	346.7
Motorcyclist	63.8	64.0	392.3	383.9
Motor Trend	80.9	60.9	352.9	326.7
††Motorhome	79.9	50.7	365.8	228.1
Pickup, Van & 4 WD	30.7	—	159.7	—
Road & Track	134.8	110.9	565.2	568.8
3 Wheeling	26.5	27.0	120.4	86.8

*** % change figured ONLY from magazines with comparable issues 1982 AND 1981. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but not prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◊Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. A. Combined unduplicated regional ads. B. Preprinted inserts included. +Affiliated with Sunday Mag./Net. C. Monthly as of Feb. '82. D. Monthly as of Jan. '82. E. Combined June/July figures.

(Continued on Page 66)

Advertising pages in June consumer publications

(Continued from Page 65)

	Pages			
	June 1982	June 1981	Jan.-June 1982	Jan.-June 1981
Trailer Life	120.7	97.3	625.1	521.0
Total Group	1,315.5	1,047.8	6,816.8	5,972.0
*** % change 1982 vs. 1981	+25.5%		+14.1%	
Outdoor & sport				
Alaska	42.5	40.5	278.2	230.0
○The American Handgunner	38.0	38.5	110.1	110.9
American Hunter	15.6	9.9	75.5	58.2
American Rifleman	26.4	26.3	157.8	158.9
○Backpacker	45.8	43.2	137.9	124.3
▼§Bass Master	—	—	331.6	224.0
††Bicycling	94.2	81.1	431.8	369.7
Field & Stream	77.6	74.0	496.9	501.5
§Fins and Feathers	35.7	25.6	257.6	201.7
○Fishing World	—	—	133.6	116.5
Florida Sportsman	64.5	65.1	447.5	438.6
Fur-Fish-Game	18.5	20.0	140.5	140.9
Guns	24.3	35.8	184.1	194.3
Guns & Ammo	51.9	39.8	271.0	275.4
Outdoor Life	67.5	63.1	423.0	446.3
Petersen's Hunting	35.7	28.4	175.8	147.6
The Runner	37.3	22.2	201.3	135.6
Salt Water Sportsman	58.5	63.1	398.1	411.8
Shooting Times	37.1	34.7	179.1	226.3
‡‡§Ski	—	—	224.4	196.1
‡‡Skiing	—	—	197.6	160.0
Skin Diver	76.3	71.5	396.3	353.5
‡‡Southern Outdoors	—	—	208.8	193.3
§Sport	42.9	38.5	232.1	208.9
Sports Afield	85.4	82.0	567.0	518.0
▲Spray	57.2	54.7	240.4	193.3
▲Western Outdoors	28.7	29.3	210.2	201.7
Total Group	1,061.6	987.3	7,108.2	6,535.3
*** % change 1982 vs. 1981	+7.5%		+8.8%	
Comics				
○Archie Comic Group	10.0	10.0	30.0	30.0
DC Comics	6.5	7.5	41.5	50.0
Harvey Comic Group	8.0	8.0	48.0	48.0
Marvel Comic Group	10.0	10.0	60.0	58.0
Total Group	34.5	35.5	179.5	186.0
*** % change 1982 vs. 1981	−2.8%		−3.5%	
Newspaper Sunday magazines/national				
§Family Weekly	57.5	64.6	455.4	527.7
Parade	59.1	53.9	396.0	431.7
Total Group	116.6	118.5	851.4	959.4
*** % change 1982 vs. 1981	−1.6%		−11.3%	
Canadian national weekend magazines				
B. Perspectives	30.1	36.8	214.4	240.0
§Today	24.5	47.7	241.9	323.0
Total Group	54.6	84.5	456.3	563.0
*** % change 1982 vs. 1981	−35.4%		−19.0%	
Canadian				
L'Actualite	59.7	71.2	342.1	333.7
Chatelaine:				
§English Edition	84.0	92.5	518.0	506.6
French Edition	66.7	80.5	425.7	443.5
§Financial Post Magazine	30.6	27.1	227.9	245.0
§Flare	54.0	60.1	286.5	321.2
§▲Homemaker's Magazine:				
English Edition	72.3	70.2	420.1	415.3
French Edition	64.0	51.3	326.5	307.2
§Macleans	101.5	95.0	672.1	596.5
▼§Quest Magazine	—	—	191.4	167.0
§Reader's Digest:				
Canada-English	81.8	72.8	520.2	565.7
Canada-French	82.0	53.5	535.0	535.4
Toronto Life	102.0	107.0	616.0	546.0
Total Group	798.6	781.2	5,081.5	4,985.1
*** % change 1982 vs. 1981	+2.2%		+1.9%	

May

	Pages			
	May 1982	May 1981	Jan.-May 1982	Jan.-May 1981
Business				
Atlanta Business Chronicle	36.1	32.8	123.3	136.0
Barron's	206.9	191.1	910.3	916.6
Black Enterprise	46.6	30.1	192.8	206.9
§Business Week	483.8	466.6	1,893.5	1,914.7
California Business	128.1	122.3	377.1	311.8
Corporate Report/-Kansas City	61.5	44.6	256.0	232.2
Corporate Report/Minnesota	87.7	103.9	373.6	402.0
Crain's Chicago Business	134.5	89.9	500.1	399.4
Dallas/Fort Worth Business	42.6	40.1	212.7	185.2
Dun's Business Month	73.0	92.0	351.0	374.0
☆Financial World	97.2	105.4	402.5	408.2
Florida Trend	59.3	50.8	384.2	323.2
▶Forbes	294.7	308.8	1,183.9	1,122.9
▶§Fortune	406.8	330.6	1,099.5	957.4
Hawaii Business	47.2	67.8	213.9	269.3
Houston Business Journal	228.5	163.4	934.2	679.7
§Inc. Magazine	115.3	105.6	422.4	407.3
▶§Industry Week	154.2	150.9	625.8	673.7
Indianapolis Business Journal	74.5	53.2	333.4	249.7
§Nation's Business	42.5	49.7	197.3	222.7
*New England Business	56.6	47.0	304.7	198.7
St. Louis Business Journal	111.7	73.8	486.6	325.3
Texas Business	50.5	37.1	269.8	199.9
Venture	43.3	39.7	194.9	178.3
Total Group	3,083.1	2,797.2	12,243.1	11,086.1
*** % change 1982 vs. 1981	+10.2%		+10.4%	
Newspaper Sunday magazines/local				
+Arizona Republic	116.3	126.6	512.9	615.0
+Boston Globe	203.9	221.6	827.3	815.3
+Chicago Tribune	119.1	127.7	466.3	568.3
+Cincinnati Enquirer	83.6	132.6	390.9	519.7
+Cleveland Plain Dealer	83.6	124.0	362.4	520.5
+Columbus Dispatch	64.0	100.7	291.1	456.4
+Dallas Times Herald	87.9	102.3	381.3	444.0
+Denver Post	126.5	237.2	667.6	903.7
+Detroit News	116.6	147.7	472.4	637.7
Los Angeles Times Home Magazine	111.4	137.9	465.6	580.1
+Louisville Courier-Journal	100.5	118.1	475.4	532.2
+Miami Herald	69.6	108.9	339.5	457.7
+New York News	55.8	116.7	278.4	496.3
New York Times Magazine	321.7	383.7	1,720.5	1,805.0
+Philadelphia Inquirer	79.2	100.6	341.7	394.5
+Toledo Blade Magazine	64.2	88.3	243.3	321.5
+Washington Post	154.5	190.2	576.7	680.2
Total Group	1,958.4	2,564.8	8,815.3	10,748.1
*** % change 1982 vs. 1981	−23.6%		−18.0%	
Weeklies, bi-weeklies, semi-monthlies				
The Advocate	95.4	83.8	351.9	308.0
§Army Times Military Group:				
Air Force Times	170.2	145.8	723.5	703.7
Army Times	169.0	145.2	713.6	698.4
Navy Times	200.4	163.8	852.0	805.6
The Times Magazine	5.1	10.8	74.0	89.9
AutoWeek	172.5	143.2	676.0	575.4
The Blood-Horse	287.8	207.9	2,261.3	1,975.6
Capper's Weekly	20.3	18.1	131.6	132.1
Commonweal	7.4	11.2	85.3	41.8
Golf World	80.8	90.1	364.8	382.5
§Grit	29.6	21.8	136.2	127.6
National Review	35.0	35.2	144.8	139.1
New Republic	31.8	37.2	138.2	116.9
New York Magazine	264.1	231.0	977.6	878.2
New Yorker	403.3	365.2	1,678.7	1,590.5
§Newsweek	297.6	274.7	1,115.8	1,224.8
People	381.3	377.1	1,438.2	1,445.3
Rolling Stone	93.2	78.3	438.7	395.1
Sporting News	60.5	61.8	284.3	259.6
§Sports Illustrated	312.2	261.6	1,118.4	1,120.0
§Time	285.4	243.6	1,091.5	1,116.0
A. Travelhost	2,827.0	2,208.6	11,723.3	9,911.0
§TV Guide	359.2	357.2	1,624.3	1,630.8
▶Us Magazine	52.7	40.8	234.3	160.0
§U.S. News & World Report	185.8	182.3	714.4	705.5
Total Group	6,827.6	5,776.3	29,092.7	26,531.4
*** % change 1982 vs. 1981	+18.2%		+9.7%	
Foreign				
Buenhogar:				
Ecuador	7.0	12.7	43.0	42.3
Chile	2.5	4.0	10.2	13.0
Mexico	90.2	75.2	315.8	299.7
Puerto Rico	16.8	24.8	87.5	101.5
Venezuela	43.2	55.3	184.8	195.5
Colombia	58.5	52.3	216.0	193.5
Peru	28.0	32.7	151.0	152.8
Central America	2.0	11.7	17.5	35.5
U.S.	6.0	7.2	28.0	36.2
Dominican Republic	18.0	92.7	75.8	50.7
Coqueta:				
Mexico	9.3	7.0	44.3	28.5
Puerto Rico	3.0	1.0	10.0	7.5
Venezuela	6.0	6.5	27.0	29.0
Colombia	5.0	1.0	23.5	14.5
Peru	—	—	5.0	—
Central America	—	—	5.0	1.0
Fascinacion:				
Mexico	10.0	7.5	33.7	34.5
Puerto Rico	2.0	1.0	8.5	6.0
Venezuela	21.5	7.7	62.7	44.2
Colombia	10.0	9.0	40.0	31.7
Central America	—	—	—	1.0
Geomundo:				
Chile	10.0	9.7	28.0	28.7
Mexico	21.5	18.5	61.5	58.5
Ecuador	7.0	7.0	23.0	20.0
Venezuela	20.0	17.7	72.5	58.2
Colombia	17.5	13.5	56.0	48.0
Peru	12.0	12.0	41.0	41.0
Puerto Rico	8.0	7.7	31.0	23.7
Central America	11.0	7.7	27.0	22.7
Hombre De Mundo:				
Dominican Republic	—	—	—	—
Mexico	35.8	34.5	97.0	84.0
Chile	8.7	10.0	24.8	30.0
Puerto Rico	13.3	20.3	37.0	58.3
Ecuador	5.7	9.0	22.7	28.0
Venezuela	68.8	21.5	143.2	75.5
Colombia	22.5	19.2	59.0	62.3
Peru	12.7	14.0	28.7	44.0
Central America	10.2	13.0	23.2	35.0
Ideas Para Su Hogar:				
Dominican Republic	—	4.0	3.0	14.5
Mexico	38.0	32.3	132.5	90.0
Chile	2.0	2.0	4.0	6.0
Puerto Rico	1.3	4.2	6.0	10.0
Ecuador	6.8	1.5	28.8	4.0
Venezuela	44.0	22.0	121.3	77.8
Colombia	35.8	34.3	105.8	92.7
Peru	19.0	12.0	57.0	43.0
Central America	1.0	2.5	6.0	5.5
Intimidades:				
Mexico	7.0	4.5	28.5	23.0
Puerto Rico	2.0	3.0	14.0	17.5
Venezuela	6.0	10.5	32.0	53.0
Colombia	1.0	2.0	8.0	10.5
Central America	1.0	2.0	8.0	7.0
Chile	—	—	2.0	2.0
Mecanica Popular:				
Mexico	22.5	33.3	106.3	125.2
Puerto Rico	16.8	20.7	73.3	97.5
Venezuela	26.7	30.8	120.3	127.2
Colombia	24.8	26.7	103.5	115.5
Peru	25.8	30.7	107.8	128.5
Central America	19.2	20.3	79.7	94.2
Chile	6.2	4.0	28.3	21.8
Argentina	9.8	10.5	41.2	55.7
The Ring en Espanol				
Mexico	2.0	2.0	10.0	8.0
Puerto Rico	4.0	2.0	17.5	11.0
Venezuela	3.0	3.0	15.0	11.0
Colombia	—	—	—	—
Central America	—	—	—	—
U.S.	7.5	2.0	24.5	11.0
Vanidades Continental:				
Dominican Republic	35.5	31.5	159.8	120.7
Mexico	147.0	151.8	601.2	588.5
Chile	14.0	20.0	67.0	68.8
Puerto Rico	47.3	46.7	230.5	252.5
Venezuela	93.5	81.8	406.5	332,3
Colombia	102.5	90.5	337.3	331.2
Peru	37.3	46.2	189.0	188.5
Central America	17.7	31.7	84.2	120.2
Ecuador	19.3	28.7	87.2	107.7
U.S.	67.5	42.2	266.0	175.0
Cosmopolitan Foreign Editions:				
Australia	75.9	60.1	279.2	251.5
Brazil	62.0	45.6	190.6	149.5
France	175.3	139.5	512.6	447.8
Germany	36.0	17.0	120.0	62.0
Great Britain	148.0	153.0	479.0	487.0
Greece	71.0	20.0	269.0	205.0
Holland	28.0	—	87.0	—
Italy	105.2	90.3	298.6	286.8
Japan	43.0	—	177.6	73.0
Cosmopolitan en Espanol:				
Central America	5.7	8.3	20.5	30.7
Colombia	27.0	23.0	88.7	87.5
Ecuador	5.2	2.5	19.0	13.8
Mexico	96.3	90.8	344.0	290.0
Peru	17.0	16.0	76.8	68.5
Puerto Rico	39.3	56.2	134.5	161.0
U.S. (Spanish language)	21.2	11.7	86.8	67.7
Venezuela	47.2	33.2	159.8	118.3
International Communications:				
African Business	24.3	40.6	159.9	133.7
The Middle East	16.9	18.6	92.3	94.2
New African	30.5	15.8	125.9	127.2
Al-Iktissad Al Arabi	3.5	13.0	28.3	50.3
International Herald Tribune	111.0	96.5	444.3	431.7
International Management:				
Africa	14.7	16.5	73.5	65.3
Europe	67.7	53.8	199.2	194.3
Latin America	15.5	15.5	60.3	74.7
Middle East	16.0	17.0	83.8	71.7
Pacific	33.3	19.5	93.2	66.3
Johnston International:				
Alam Attijarat	67.5	72.8	303.5	296.7
Modern Africa	39.0	30.3	102.7	100.6
Modern Asia	58.0	80.1	175.6	219.6
§Newsweek International:				
Atlantic	126.6	95.7	423.2	400.0
Latin America	34.3	36.4	124.0	140.1
Pacific	92.6	87.8	342.5	351.1
††Progreso	18.5	17.6	35.3	51.8
Reader's Digest:				
Asia	180.0	209.5	930.5	752.9
Australian	75.0	70.0	319.5	414.3
Belgian-Flemish	116.5	161.0	412.0	442.0
Belgian-French	84.5	115.5	322.5	345.0
British	66.2	61.7	280.2	288.1
Chinese	93.0	120.5	416.5	445.8
Danish	34.3	37.8	203.1	186.8
Dutch	44.5	55.3	204.8	234.7
Finnish	82.5	64.0	300.8	322.8
French	100.0	112.9	368.0	379.3
German	91.4	93.9	379.0	376.7
Greek	9.0	—	49.5	—
Iberian	29.5	72.5	134.5	224.5
Indian-English	105.0	82.5	451.5	503.5
Indian-Hindi	36.0	—	91.5	—
Italian	95.0	68.0	280.5	331.5
Japanese	44.8	50.4	225.2	219.2
Korean	21.3	20.5	95.2	79.5
Latin American:				
Argentine	22.5	29.5	75.0	121.0
Brazil	10.0	10.5	52.8	51.6
Central American	12.5	19.0	59.0	76.5
Chile	16.5	28.0	76.5	133.5
Colombia	37.0	46.5	133.0	206.5
Ecuador	9.5	14.5	51.5	58.0
Mexico	111.0	64.2	297.6	262.2
Peru	10.5	14.0	49.0	55.0
Puerto Rico	10.0	11.0	43.0	41.0
U.P.B.	15.0	27.0	63.5	120.0
U.S. Spanish	16.5	19.5	85.5	95.0
Venezuela	24.5	21.5	97.5	99.0
Portugal	48.0	58.0	180.3	196.5
New Zealand	61.0	64.0	278.0	207.2
Norwegian	58.8	53.3	230.6	201.8
South African	112.5	91.0	446.5	376.5
Swedish	26.0	29.8	143.0	120.9
Swiss-French	47.0	51.0	156.0	171.0
Swiss-German	55.0	66.0	207.0	223.0
Time International:				
Time-Asia	123.2	106.1	429.2	431.9
Time-Atlantic	147.6	116.9	520.3	491.0
Time-Canada	201.4	158.3	788.3	697.1
Time-Latin America	86.3	88.1	310.2	317.7
Time-South Pacific	173.4	142.0	643.8	616.3
**Visao	215.5	125.5	696.2	482.5
▶§Vision/Latin America	47.2	44.4	168.0	171.2
Total Group	6,320.6	5,928.8	23,859.2	19,617.0
*** % change 1982 vs. 1981	+6.6%		+21.6%	

Wine sales grow 5.8% in '81, but imports do better

By JOHN C. MAXWELL JR. and DONNA M. MATTEI

Wine industry sales in 1981 grew 5.8% from 1980. As had been the case in the past few years, imported wines outpaced the domestics' growth; imports grew 11.9% and domestic wines increased 4.3%. Total shipments for 1981 pushed annual per capita consumption to 2.4 gallons.

During 1981, white wines continued to cannibalize the market share of reds and rosés. White wines' share rose to about 60% from 55% in 1980. Reds, on the other hand, fell from 25% in 1980 to 22% in 1981, and rosés slipped to 18% from 20%.

The reasons for the increase in white wines' popularity remain unchanged: White wine is a versatile and refreshing drink, and the U.S. is a young wine consuming nation and white wines are an easier beginning to wine enjoyment.

■ With imported wines increasing 11.9% in 1981, they now represent more than one-fifth of U.S. wine sales. Italian wines once again increased their share of U.S. imports, to 58.1%, and their sales grew 12.8%. French wines rebounded in 1981 from the prior year's depressed level. They were highly priced in earlier years, which caused an erosion of share and a decrease in volume. In the past year or so, promotions of these wines have increased and this, coupled with the strong dollar vis-a-vis the French franc, served to boost U.S. demand for French wine—by 33.6%.

The modest 0.4% growth in Spanish wines indicates the declining popularity of Yago Sangria, which represents most Spanish wine in the U.S.

On the domestic front, E.&J. Gallo retained its No. 1 position, followed by United Vintners, Almaden, Wine Spectrum and Franzia Brothers, in that order. Although Gallo was up 7.4% from 1980, United Vintners and Almaden were down, 3.9% and 5%, respectively. The largest percentage gains in 1981 were Franzia Brothers' rise of 26.2% and F. Korbel's 26%.

The only change in position within the top 10 sellers were between Canandaigua and Monarch, who changed positions, with Canandaigua going from No. 9 to No. 7 and Monarch doing the reverse.

Both domestic and imported wine sales reflected a continuing popularity of still and effervescent wines. The decline in natural wines (including sangrias) and vermouth continued last year.

■ In 1981, the export of U.S. wine saw tremendous growth—more than 40%. Total exports represented slightly more than 1% of domestic output in 1980 and jumped to 2.2% last year. This tells us that the quality of U.S. wines is recognized abroad, and we see no reason for this trend to stop.

The most important new trend in the wine industry is the introduction of light wines. Light wines are made from grapes that are harvested before they would be if full-flavored wines were sought. Although this decreases the sugar content, it also decreases the flavor. Because of this, we believe that until technology is developed to improve the flavor, the consumer segment for these wines will be beginning drinkers.

In addition, although we recognize that there is a niche in the industry for light wines, we believe the potential is not as great as the light beer and diet soda markets. Our basic reasons are that wines are already perceived as low in calories, and wines are viewed as a classical beverage; light wines may not measure up to that image.

We expect light wines to capture 5% to 10% of the industry over the next few years.

The first quarter of 1982 saw some softening in the U.S. wine industry. We see this as a result of the current recession, which, depending on the timing of a recovery, may produce a flat to slightly up year for the industry.

For the longer term, we continue to expect industry growth in the area of 4% to 6% per year, with premium wines outpacing that rate of growth.#

Mr. Maxwell and Ms. Mattei are with Lehman Brothers Kuhn Loeb, New York.

U.S. wine market: Sales and shares

Rank 1980	Rank 1981	Company	1979 mil. gal.	1979 (%)	1980 mil. gal.	1980 (%)	1981 mil. gal.	1981 (%)	% change 1980-1981
1	1	E.&J. Gallo	111.6	23.1	119.3	23.3	128.2	23.7	7.4
2	2	United Vintners	54.4	11.3	51.9	10.1	49.8	9.2	(3.9)
3	3	Almaden	28.6	5.9	31.7	6.2	30.1	5.6	(5.0)
4	4	Wine Spectrum	15.9	3.3	22.2	4.3	27.1	5.0	22.1
5	5	Franzia Bros.	11.7	2.4	18.2	3.6	22.9	4.3	26.2
6	6	Paul Masson	13.2	2.8	16.3	3.2	16.5	3.1	1.5
9	7	Canandaigua	13.1	2.7	13.6	2.7	15.3	2.8	12.5
8	8	Guild	13.2	2.8	12.3	2.4	13.2	2.5	7.5
7	9	Monarch	12.2	2.5	12.4	2.4	12.6	2.3	1.6
10	10	Sebastiani	9.0	1.9	10.0	2.0	8.5	1.6	(14.5)
12	11	Gibson	3.3	0.7	4.5	0.9	4.6	0.8	3.7
11	12	C. Mondavi	4.9	1.0	5.0	1.0	4.5	0.8	(10.0)
11	13	Christian Bros.	5.1	1.1	5.0	1.0	4.1	0.8	(17.1)
14	14	Beringer	3.5	0.7	3.3	0.6	4.0	0.7	21.5
11	15	Mogen David	6.3	1.3	5.0	1.0	3.5	0.6	(30.0)
15	15	Lamont	2.0	0.4	3.2	0.6	3.5	0.6	9.8
13	16	Bronco	2.9	0.6	3.4	0.7	3.2	0.6	(5.6)
16	17	Giumarra	1.4	0.3	2.2	0.4	2.3	0.4	3.3
17	18	Delicato	1.0	0.2	2.0	0.4	1.9	0.4	(6.3)
18	19	Wente	1.5	0.3	1.7	0.3	1.6	0.3	(2.3)
19	19	Weibel	1.4	0.3	1.6	0.3	1.6	0.3	0.6
20	20	East-Side	1.5	0.3	1.4	0.3	1.3	0.2	(6.9)
20	20	Sonoma	1.4	0.3	1.4	0.3	1.3	0.2	(3.9)
22	21	California Growers	2.1	0.4	1.2	0.2	1.2	0.2	(6.4)
24	21	F. Korbel	0.7	0.1	0.9	0.2	1.2	0.2	26.0
21	22	Robert Mondavi	1.4	0.3	1.3	0.3	0.9	0.2	(32.2)
23	22	Brookside	0.9	0.2	1.0	0.2	0.9	0.2	(6.1)
25	23	Mirassou	0.7	0.1	0.8	0.2	0.8	0.1	(2.6)
22	24	Perelli-Minetti	2.1	0.4	1.2	0.2	0.7	0.1	(38.5)
26	24	Louis Martini	0.8	0.2	0.7	0.1	0.7	0.1	(5.4)
27	25	San Martin	0.7	0.1	0.6	0.1	0.6	0.1	(2.6)
28	26	M&H	0.2	—	0.3	—	0.4	0.1	23.5)
29	27	Pacific Land & Viticulture*	0.1	—	0.2	—	0.2	—	(16.7)
		Subtotal	327.7	67.8	353.2	69.0	369.2	68.1	4.5
		Other Domestic	62.5	13.0	54.3	10.6	58.5	10.8	2.8
		Total Domestic	391.3	81.0	410.1	80.1	427.7	78.9	4.3
		Imports	91.7	19.0	102.1	19.9	114.2	21.1	11.9
		Total	483.0	100.0%	512.2	100.0%	541.9	100.0%	5.8%

*Formerly Concannon Source: Lehman Bros. Kuhn Loeb

Radio spots popping up in Belgium

By JASPER BECKER

BRUSSELS—Media history is being made in Belgium. For the first time ever, commercials are being broadcast on private radio stations in a country that still is refusing to allow commercials to appear on the state-controlled radio and tv networks.

The audacious move by six of the largest *radios libres* (free radio stations), whose growth has mushroomed in Belgium over the past four years, takes advantage of a legal vacuum in a law passed in August, 1981, which for the first time recognized the stations' existence.

The once-outlawed free radios are sticking their necks out, but so far the government has not made any reprisals. An emergency ministerial meeting, called to consider the government's response, has neither approved nor rejected out of hand the demands to allow advertising officially on all electronic media.

■ A constitutional committee has been set up to consider the legal courses open.

The legal loophole arose in the first place because the Flemish and the Walloon regional authorities disagreed in their interpretation of the law that first legalized the free radios. The Francophones claimed the law prohibited advertising, while the Flemish thought it did neither one nor the other. The Council of State then declared that the final conclusion was unclear, due to constitutional irregularities when the law first was drawn up last year.

The lawyers may continue to disagree among themselves, but in effect it is a *fait accompli* now. The government, by its inactivity, has virtually condoned the move by the free radios to assert their financial independence.

Only the head of RTBF (the national tv network) truly is outraged and is threatening to take the free radios to court. He is backed by the Socialist parties in Belgium, but tacitly opposed by the right wing Christian Democrats.

The free radios still have a battle on their hands; they are still limited to a range of 100 watts, but for the first time Belgian advertising agencies have the potential available to reach a wide audience with a flexible medium. "This brings Belgium into the 20th Century," said one ecstatic media director in a Brussels agency.

Six of the largest free radios have grouped together under the direction of the Information et Publicité Belge, owned by Radio Television Luxembourg, to form Radio Key which is coordinating the sales of spots across the nation. They have a potential audience of some 4 million listeners and a recorded audience of 560,000.

The national newspapers have taken a dim view of the event, but on a local level the radio stations and newspapers are cooperating to share advertising sales and news-gathering. RTL is thought to have been unusually crafty in setting up Radio Key as it thereby keeps its monopoly on Belgium's commercial airwaves. Agencies complain, though, that the spot costs are too high at BF125 ($2.80) per thousand. The cost per thousand on RTL is just less than $4.48, but this is way above the four-to-one cost ratio of tv to radio found in the U.K. or the U.S.

None of the starved Belgian advertisers using the free radio stations really are complaining, though, and heading the field on the first day's broadcast were Procter & Gamble, L'Oreal, Lois jeans, Henkel and others. Spots still are being kept to four minutes per hour and avoid advertising to children as well as tobacco and political advertising, but this may change as confidence grows. And who knows where this action in Belgium may lead. Can the free radios of France, Holland and Germany be far behind?#

Scents off

"The delightful new body spray with the reassurance of a gentle deodorant" is how Lever Bros. is describing its new Impulse all-over-body spray in ads supporting national launch (AA, March 29), via J. Walter Thompson USA. It comes in four scents: Delightfully Daring, Instantly Innocent, Mysterious Musk and Suddenly Sassy.

Penney picks Gill, Howell

NEW YORK—J.C. Penney Co. has elected William Howell and Robert Gill as vice-chairmen. Mr. Howell is an exec vp and director; Mr. Gill is a senior vp-director, corporate personnel and planning. The appointments coincide with the retirements of vice-chairman Walter J. Neppl on July 1, and Kenneth Axelson, exec vp-director, finance and public affairs, on Aug. 1.

Shop promotes Hirsch

NEW YORK—Shaw Elliott has changed its name to Hirsch Elliott, reflecting the promotion of Bernard Hirsch, exec vp-creative director, to principal. The agency was formed in 1966 by Herbert Shaw and Don B. Elliott, former employes of Muller Jordan Herrick (now Muller Jordan Weiss). Mr. Shaw left the agency in 1978 to pursue other interests.

Action Graphics bought

DALLAS—Casey Cohlmia Advertising & Public Relations has purchased Action Graphics, Waco, Tex., from Patti and Jack Durrett. Karen Wilerson, account exec at Action Graphics, becomes office manager.

Coen trims '82 $ forecast

By CHRISTY MARSHALL

NEW YORK—With ad spending in local media softer than expected, Robert Coen, media spending forecaster and senior vp, McCann-Erickson USA, is toning down his predictions for 1982.

Late last year, Mr. Coen estimated that 1982 ad spending in the major media would increase 11.7% to $68.5 billion. But last week, at his midyear presentation here, Mr. Coen scaled down his estimate to $68 billion because of sluggishness in local newspapers and retail advertising. The adjusted total represents a 10.4% increase over 1981.

Said Mr. Coen, "Our December, 1981, projections for 1982 advertising expenditures were based upon the then-current consensus of a 9.2% GNP growth. Current expectations have been lowered to less than 6%. In comparison, advertising expenditures will not only continue to grow faster than the economy as a whole, but it is evident that the differential is widening as advertising is increasingly used to solve problems created by the economy. The ratio of advertising-to-sales is expected to rise."

By category, Mr. Coen expects ad spending to be up 8% to $3.8 billion in magazines, up 13% to $3.1 billion for national newspaper linage, up 12% to $6.2 billion for network tv, up 13% to $4.2 billion for spot tv, up 12% to $245 million for network radio, up 9% to $975 million for spot radio and up 11% to $19.7 billion for all other national media (including direct mail).

The greatest downward revision in Mr. Coen's midyear outlook came in total local advertising. Last fall, Mr. Coen forecast total local advertising in 1982 would show an 11.9% increase over 1981 to $30.7 billion. He has revised that to read: Up 9.6% to $29.6 billion. He attributed the adjustment to the "economic downturn" that has lasted longer than expected and to "lousy" retail sales.

■ Mr. Coen's earlier predictions were also based on a far more optimistic economic picture than has come to pass. "The recession is deeper and longer than expected," Mr. Coen said.

In the first four months of '82, network tv ad revenues were up 13%. By individual network, CBS is up 21% over 1981, ABC is up 13% and NBC showed a scant 5% increase over the same period in 1981.

The strongest performance has come in spot tv, up 21.5% for the first quarter over a year ago. Without an inventory shortage at the networks, it would have been up 18%, Mr. Coen said. He attributed the increase to a spillover from network, an increase in rebate advertising and the feeling among advertisers that they can cover their major markets just as effectively with spot tv. The fact that 1982 is an election year also bodes well for tv, Mr. Coen noted.

■ One of the poorest performers continues to be magazines, now "paying the bill for the sluggish economy," Mr. Coen said. "But the reports suggest we may be at the bottom; it may be getting better." For the first four months of 1982, there was no increase in pages and only an 8% increase in revenue for magazines.

National newspaper ad revenues are up an estimated 17% in the first four months of '82, with substantial increases in automotive. But ad spending in local papers continues to be soft, especially in classified advertising, Mr. Coen noted. For the first third, local newspaper advertising was up 11% over the same period a year ago.#

THE OUTLOOK FOR 1982

	CHANGE OVER 1981	1982 FORECAST (000,000)
Magazines	+ 8%	$ 3,810
National Newspapers	+13	3,075
Network TV	+12	6,225
Spot TV	+13	4,225
Network Radio	+12	245
Spot Radio	+ 9	975
Other National	+11	19,715
Total National	+11.0	38,270
Total Local	+ 9.6	29,650
Grand Total	+10.4%	$ 67,920

McCall raps attacks on FTC

(Continued from Page 3)

ness,' Dave simply disagrees with the overwhelming majority of our membership. Our requests to the membership to support the associations' position on this issue to their congressmen and senators has drawn the biggest response we have seen since 'kidvid,'" Mr. Adams said.

Mr. McCall's jab at the associations was the only sour note for AAF leaders using the convention to rally member adclubs to support its FTC proposals in Congress. While there is sharp debate in Washington over the industry's major goal—elimination of FTC authority to regulate unfair advertising—little of the acrimony seeped into the AAF convention program until the McCall speech.

AAF delegates heard their leaders warmly praise FTC chairman James C. Miller III. Chairman Miller's emissary to the convention, FTC lobbyist Bryce L. Harlow Jr., responded in kind. Nearly ignored in their remarks was the fact that chairman Miller and his fellow FTC members have denounced the industry's bid to end regulation of unfair advertising as an unjustified "special exemption."

Later in the convention, Sen. Robert Kasten (R., Wis.), the manager of FTC legislation in the Senate, received a hero's welcome as the prime sponsor of FTC legislation that does away with unfair advertising as a violation of the FTC act. Sen. Kasten said eliminating regulation of unfair ad practices is justified because advertising is protected by the First Amendment.

He told AAF "the pressure has got to come from you to pass a bill," and he said many members of Congress believe the FTC should not have the power to regulate truthful ads that it finds are somehow unfair, and that his bill is "the right way to do it, the logical way to do it." AAF members enthusiastically applauded the senator's attack on big government.

The next day, however, Mr. McCall said antigovernment feelings have gone too far. "Men and women who are fair-minded and deeply philosophical on almost every other issue give knee-jerk reactions to their government," he said, adding, "Government excesses are every bit as responsible as business prejudices for the current climate of antagonism in the U.S., but let's be careful that we not go too far in dismembering government and its functions that were designed to serve the American people, us included."

His own agency and clients, he noted, "have been stung more than once by the FTC. I have considered them to be arbitrary and unfair on occasion. I, in a flight of rhetoric, even likened their young lawyers to the Baader-Meinhof gang. So I am no woolly head who has no sympathy with the annoyance that people feel for the FTC."

Consumers and honest businesses need an FTC to control the "few but dangerous" unscrupulous business people, he said. And he called FTC's ad substantiation requirement and its policing of ads for both deception and unfairness "pillars of public protection."

But he complained that these requirements have come under attack since FTC chairman Miller arrived at the commission, and that some ad leaders were too quick to swing behind the chairman "when even his fellow Republican commission members were not in agreement." He cited a Four A's press release in which the association said it fully supports "the general approach" of the Reagan administration and chairman Miller toward the FTC and welcomes a review of its ad substantiation program."

"It is heady stuff," he said, "to have an administration committed to the dismantling of many government functions. But, our business must hew to the principle of judging each issue by its impact on the welfare of the public as well as its impact on business."#

Big Stroh revamp due

By ROBERT REED

Stroh Brewery Co. is expected to announce this week major changes in the marketing department of its recent acquisition, Jos. Schlitz Brewing Co.

In addition to revealing which members of the Schlitz marketing team will remain, and in what capacity they will serve, Stroh brass may shed some light on the future of Schlitz exec vp-marketing Anthony Amendola. His decision, sources say, depends on the responsibilities he is given.

So far Stroh is showing a propensity for installing its own execs in key Schlitz posts, prompting speculation that John Bissell, Stroh vp-marketing, will also be heading all Schlitz marketing efforts.

High-level changes at Schlitz were announced last week. As expected, Peter Stroh, chairman-chief executive officer of Stroh, assumes the same posts at Schlitz. Former chairman Daniel McKeithan resigned and Roger Fridholm, Stroh president, also became president of Schlitz (AA, May 31). Last week's announcement said that Frank Sellinger will remain with Schlitz as vice-chairman. Brewery sources now say the 67-year-old Mr. Sellinger will be with the company for the duration of the summer, but will retire by September.

In his post as vice-chairman, he will no longer have operational responsibilities and will be acting more in a consulting capacity for Stroh while it completes its managerial takeover of Schlitz.

Another reason insiders cited for his staying for the transition is that he is the Schlitz brand's ad spokesman. Although Mr. Sellinger's presence in the current Schlitz campaign has been lessened, he is still the image bolstering the theme: "Behind every Schlitz is a man who knows his beer."

J. Walter Thompson USA, Chicago, is working on a new Schlitz campaign expected to debut in the fall. The new work does not feature Mr. Sellinger, according to sources. Regarding advertising, Mr. Bissell said the company is "reviewing the bidding in terms of work done [by the agencies]." Mr. Sellinger was unavailable for comment on his position.

In other news, Teamsters union locals at three of the Schlitz breweries have gone out on strike. Unions in Tampa, Winston-Salem and Longview, Tex., walked out last week following three months of unproductive negotiations and the union's rejection of a company contract proposal.#

BPAA told not to cut ads during recession

By STUART EMMRICH

PHILADELPHIA—When a recession hits and money is tight, companies seeking to trim expenses often decide that an advertising budget might be expendable.

But a market researcher speaking at this year's annual conference of the Business/Professional Advertising Assn. warned that cutting back on advertising during a recession can have damaging repercussions when the economy rebounds. And Valerie Kijewski, an associate at the Strategic Planning Institute, added that increasing advertising in a recession actually can help a company boost its competitive position.

She said research by the SPI showed that companies increasing their advertising during a recession raised their market shares by at least a point and a half, an increase of 25% over what the market share for average companies was during the period.

The ability for companies to move ahead of competitors during a recession is enhanced by a tendency for most companies to become less aggressive in a recession, to blame losses on economic conditions rather than moves by competitors and not to track market share changes as closely as they do revenue figures, Ms. Kijewski said.

Increasing advertising during this period, she argued, can boost even further these potential gains, because so few companies do it.

"Only about 25% of businesses try to dramatically increase advertising during a recession. But they learn that it can pay off rather well," Ms. Kijewski said.

In response to questions about whether increasing an advertising budget during a recession means that a company might further hurt its ability to make a profit, Ms. Kijewski said there was little difference in return on investment between companies that do and those that don't advertise during a recession. But she added that those who do advertise in a recession can grab an increase in market share that likely will be retained.

"Increasing advertising during a recession doesn't hurt short-term bottom line, but does enhance long-term profitability," she said.#

Anti fever hits Argentina

(Continued from Page 2)

to show tv programs he bought in the U.S.

Mr. Simoncini owns a network of private tv stations in the country's interior and said he doesn't know what U.S. shows he should buy this year, if any, because he's afraid the government might prohibit him from showing them.

However, so far his fear seems unfounded. Just before the government's surrender, it ordered state-controlled Channel 13 in Buenos Aires to halt the English science-fiction movie, "The Limbo Connection" halfway through, and replaced it with "The Waltons."

Channel 13 said it was flooded with angry phone calls from viewers protesting the screening of an English film while Argentines were awaiting news of a British assault on their troops defending the islands.

For marketers, the surrender might have changed all the rules. One leading marketing head of a large automobile manufacturer said some companies are thinking of switching their agency affiliation from U.S. to local agencies. At least one U.S. agency official is worried about a possible campaign to bad-mouth U.S. agencies, which could affect the government's attitude toward such agencies. "If the government shows partiality, it could have a huge effect because the government controls the tv stations," he said.

Sources say Chesterfield pulled its long-running "The Most Famous American" ads out of circulation once the war began and that any new product introductions, particularly cigarets, henceforth cannot have English-sounding names. Even items such as jogging shoes, now commonly called "joggers," will be questioned, one source said.

Commercials showing young people dancing and singing in jeans and other ads probably will not be acceptable now, as "these young people are several years more mature following the war," the source said.

■ Ironically, the government's own pro-war commercials might have contributed to an expected-change in leadership. The slick ad campaign was so effective in convincing the population that victory was near, sources say, it generated massive disappointment when the surrender was announced.

The overriding question might well be whether the economy will return to strict controls or continue on its prewar path toward a free market.

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100 Leading Media Companies

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Bigger budgets or earlier buying pattern?

Network tv upfront buys may hit record

By COLBY COATES

NEW YORK—The 1982-83 network tv upfront marketplace appears headed toward a $1.7 billion-to-$1.8 billion payday, making it the biggest upfront market yet.

Estimates of last year's action range from $1.5 to $1.6 billion. What suggests that this marketplace will be a record-breaker is that the projections are coming from both sides of the negotiating table.

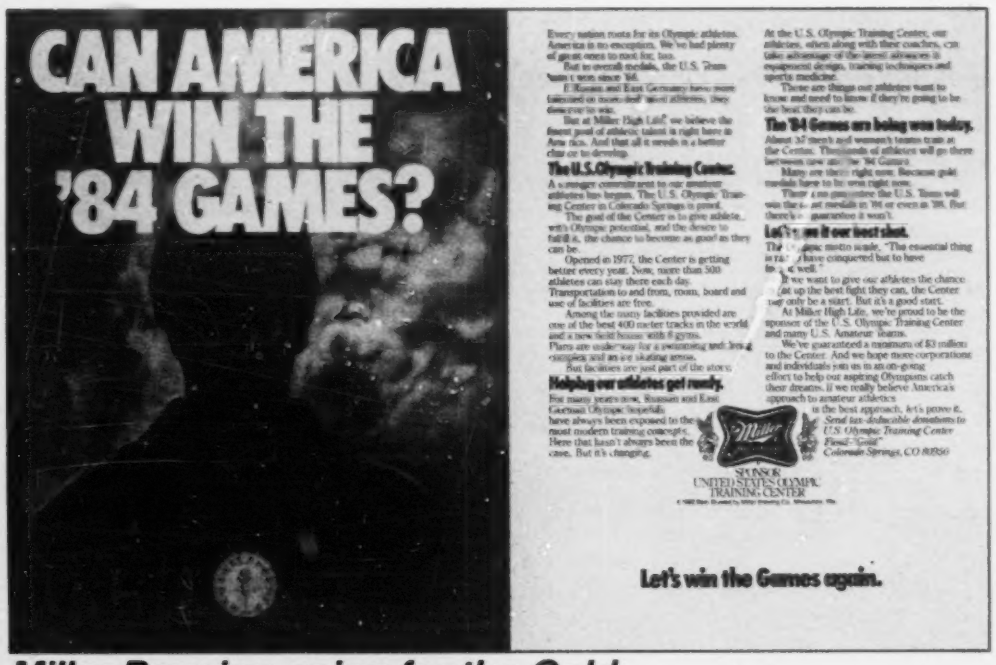
The budgets that have landed on agency and network desks thus far are uniformly higher than a year earlier. However, the important question is: Are advertisers prepared to spend that many more ad dollars than a year ago, or are they just committed to spending a greater percentage of their over-all budgets upfront to avoid the costly scatter market later on? Right now there is no clear-cut answer to the question, although the gut feeling, on the part of both agency and network execs, is that higher budgets loom.

For example, several major entertainment companies are reported to have boosted spending plans both for theatricals and various home entertainment games; automotive marketers also are reportedly checking in with bigger budgets. Even some conservatively managed package goods companies have come in with significantly higher dollars.

■ Reportedly, both ABC and CBS are opening their negotiating sessions seeking price boosts of up to 30%. Sources indicate that both will settle for 15% hikes over a year ago. NBC-TV's vp for national sales, Aaron Cohen, indicated that "flexibility" is the NBC buzzword. "We're prepared to go in and make any kind of deal the advertiser wants. If the client wants a homes assurance, we'll give it to him; if he wants demographics, we'll give him that, too."

Mr. Cohen also said that for the first time in several seasons, NBC "is getting a better shot at filling inventory across the week. It used to be, the way our Friday night was, I could only sell a six-day schedule." But with the attention its new Friday night entry, "Remington Steele," has received, along with the fact that "Matthew Star" apparently plays better as a Friday night 8 p.m. (ET) show rather than a 7 p.m. Sunday entry, things are looking up at 30 Rock.

Though several fairly significant upfront buys are in the final stages of negotiation right now, it appears as if the floodgates won't break until after July 4.


CAN AMERICA WIN THE '84 GAMES?
Every nation roots for its Olympic athletes. America is no exception. We've had plenty of great ones to root for, too.
But in overall medals, the U.S. Team hasn't won since '68.
If Russia and East Germany have been bolstered on more-deaf-mute athletes, they deserve to win.
But at Miller High Life® we believe the finest pool of athletic talent in right here in America. And that all it needs is a better chance to develop.
The U.S. Olympic Training Center.
A stronger commitment to our greatest athletes has begun. The U.S. Olympic Training Center in Colorado Springs is proof.
The goal of the Center is to give athletes with Olympic potential, and the desire to fulfill it, the chance to become as good as they can be.
Opened in 1977, the Center is getting better every year. Now, more than 500 athletes can stay there each day.
Transportation to and from, room, board and use of facilities are free.
Among the many facilities provided are one of the best 400 meter tracks in the world and a new field house with 8 gyms.
Plans are underway for a swimming and diving complex and an ice skating arena.
But facilities are just part of the story.
Helping our athletes get ready.
For many years now, Russian and East German Olympic hopefuls have always been exposed to the most modern training concepts.
Here that hasn't always been the case. But it's changing.
At the U.S. Olympic Training Center, our athletes, when along with their coaches, can take advantage of the sports' advances in equipment design, training techniques and sports medicine.
There are things our athletes want to know and need to know if they're going to be the best they can be.
The '84 Games are being won today.
Almost 30 men's and women's teams train at the Center. Thousands of athletes will go there between now and the '84 Games.
Many are there right now. Because gold medals have to be won right now.
There's no guarantee the U.S. Team will win the most medals in '84 or even in '88. But there's no guarantee it won't.
Let's give it our best shot.
The Olympic motto reads, "The essential thing is not to have conquered but to have fought well."
If we want to give our athletes the chance to put up the best fight they can, the Center may only be a start. But it's a good start.
At Miller High Life, we're proud to be the sponsor of the U.S. Olympic Training Center and many U.S. Amateur teams.
We've guaranteed a minimum of $3 million to the Center. And we hope more corporations and individuals join us in an on-going effort to help our aspiring Olympians catch their dreams. If we really believe America's approach to amateur athletics is the best approach, let's prove it.
Send tax-deductible donations to U.S. Olympic Training Center Fund-"Gold" Colorado Springs, CO 80950
SPONSOR UNITED STATES OLYMPIC TRAINING CENTER
Let's win the Games again.

Miller Brewing going for the Gold

Miller Brewing pushes for America's return to Olympics dominance in a new campaign designed to solicit funds for the Olympic Training Center. The print and tv drive will come out of Miller High Life's ad budget.

Miller opens up its Olympics run

By ROBERT REED

MILWAUKEE—As amateur athletes from all over the world prepare for the 1984 Olympics, Miller Brewing Co. also is warming up via a July campaign that will showcase its corporate sponsorship of the games.

The nation's No. 2 brewer will uncap a $15 million advertising campaign aimed at promoting support for the Olympic Training Center, Boulder Springs, Colo. Funds for the new ad drive are coming from the estimated $60 million budget earmarked for flagship Miller High Life beer.

Miller has guaranteed it will contribute a minimum of $3 million toward the running of the center.

The push centers on a competitive theme, "Let's win the games again," and three of its four 30-second commercials key on the rigors of preparing for Olympics competition, says Lauren Williams, exec vp of Miller.

The theme line underscores the fact that America has not won in over-all Olympic gold medals since 1938, and also advocates "a feeling of nationalism" to achieve that goal, Mr. Williams added.

But such altruism is not without its own competitive edge. Anheuser-Busch, the nation's No. 1 brewer and Miller's nemesis, is also deeply involved with the Olympics.

A-B recently entered into a $10 million agreement with the Los Angeles Olympic Committee and is beginning to employ that organization's symbol on its beer packaging. In addition, A-B has contracted with ABC-TV to sponsor the summer Olympic Games, and Miller High Life is the lone beer sponsoring the winter games in Sarajevo, Yugoslavia.

The first of the four Miller spots, entitled "Gold Medal," highlights the facilities of the Olympic Train-

(Continued on Page 88)

highlights

Monday, June 28, 1982

End the U.S. Postal Service's monopoly on first-class mail, Federal Trade Commission chairman James C. Miller III urges Congress. *See Page 6.*

Worried about allowing advertising on board, cash-strapped airlines nevertheless are considering what form would be most palatable to their passengers. *See Page 10.*

Direct-broadcast satellite pioneers hailed last week's Federal Communications Commission action setting rules for a dbs service as a sign they soon will be on the air. *See Page 14.*

The long-term outlook for business and pleasure travel is sunny, despite recent recessionary problems. *See Page 20.*

"Annie," up against "E.T.," "Star Trek II" and "Rocky III," got off to a lukewarm start. *See Page 30.*

New York enacts a beer and soft-drink container deposit law, much to the dismay of the two industries. *See Page 47.*

Trying to reinforce the fact that it is pursuing the word-processing market, Exxon Office Systems is blitzing the print media with a monthlong national image campaign. *See Page 50.*

Plans for reviving local advertising self-regulation are ahead of schedule, the American Advertising Federation reported *See Page 72.*

A 10-month-old Minneapolis shop, Fallon McElligott Rice, stole the Andy awards show, taking three. *See Page 76.*

Canada's economic slump is catching up with ad agencies there. *See Page 79.*

Ponderosa System starts its first major thrust outside the U.S., opening a steak house in the U.K. *See Page 81.*

Only 10 gold awards were presented by the Art Directors Club this year, down from last year's 26. *See Page 81.*

Lord Lew Grade, the British entertainment impresario, has joined Norman Lear's Embassy Communications as international chairman-chief executive officer. *See Page 89.*

Anheuser-Busch steps up diversification efforts by breaking into the wine market and naming the first agency for its Eagle Snacks. *See Page 89.*

CORPORATE CLOSEUP

Clorox Co. is fine-tuning its diversification strategy, dropping some unsuccessful acquisitions and trying new ones. It also is fighting back against new challenges in its major business, bleach. *See Page 4.*

FOLLOWUP

Weetabix Co. gears up U.S. marketing efforts and introduces a new cereal. *See Page 12.*

INTERNATIONAL

No one is getting any work done as World Cup soccer captures practically everyone's attention in Latin America, to the satisfaction of the advertising community there. *See Page 42.*

VIDEOTECH

Believing it has an appetizing product, National Educational Media is offering films on food preparation to cable for advertiser sponsorship. *See Page 51.*

Paramount Home Video joins two other movie studios in getting into videogame cartridge marketing. *See Page 54.*

Information Resources' two-way ratings system tracks tv viewing so closely, it reflects channel switching during commercials. *See Page 54.*

International Jensen is taking its automobile stereo equipment expertise and putting it into the home entertainment business. *See Page 66.*

SPECIAL REPORT

100 Leading Media Companies are profiled and ranked by circulation and advertising revenues in this week's Special Report. This second annual report includes complete media property listings, miniprofiles of key personnel behind the companies and a reference index (Page M-8). *See Page M-2.*

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Ad impact study stirs questions

By STUART EMMRICH

NEW YORK—More than two months before its official release, an exhaustive study on advertising frequency and its impact on consumer buying habits is generating widespread interest and controversy in the advertising community.

The findings of the three-year study, a Time Inc. and Jos. E. Seagram & Sons joint venture, challenge some long-held notions about advertising effectiveness. In addition, the findings attempt to set some general standards for print advertising campaigns (AA, June 21).

Perhaps the two issues to cause the most stir—Time Inc. execs said they had been inundated with calls about the study last week and ad agencies reported a keen sense of interest among clients—were those that touched on how many times an ad needs to be seen before it has impact and the validity of recall as a measurement tool.

■ Bill Behrmann, vp-media director, Ogilvy & Mather, Chicago, said the study would "cause people to rethink the entire issue of advertising frequency and its impact on

(Continued on Page 86)

'Vanity Fair' promotes by leaps and hounds

Vanity Fair breaks its ad campaign nine months before the first issue hits the stands in March. The first ads highlight four subjects that the Conde Nast magazine will cover: Literature, the arts (dancer Twyla Tharp is shown above), politics (above right) and popular culture. Leber Katz Partners is the agency.

JWT revamp merges N.Y., USA control

By FRED DANZIG

NEW YORK—A sweeping reorganization of J. Walter Thompson Co. has elevated chairman-chief executive officer Don Johnston's right-hand man, senior vp Roy A. Glah, into a key new post as senior vp-operations for JWT/New York, consolidated management of the New York agency operation with JWT/USA and installed a senior management committee to direct the newly combined operation.

Peter Mills, who served as exec vp-JWT/USA and general manager of the New York office since September, 1979, returns to his native Australia in a few weeks to take over as chairman-ceo of JWT Australia, based in Sydney. He succeeds Patrick Moran, president, JWT Australia, who will leave JWT after the transition period in the near future. Along with the change in Australia, Ross Howarth, exec vp-media director in the Sydney office, has been raised to general manager, assuming some of Mr. Moran's responsibilities.

Mr. Glah, who has spent 25 of his 47 years at JWT, has served since March, 1977, as special assistant to Mr. Johnston. He now will be running day-to-day operations in New York, reporting directly to Walter J. O'Brien, who earlier this year was brought here from Chicago to serve as president-chief operating officer of JWT/USA. Mr. O'Brien became

(Continued on Page 85)

world news roundup

PARIS—Young & Rubicam, the biggest U.S. agency in France, is still losing business to French shops. Following the loss of the $30 million Peugeot-Talbot account to Eurocom/Univas (AA, June 14), Y&R lost the $4 million account of real estate developer Maison Phenix to Publicis.

BUENOS AIRES—Argentina has suspended KLM, Lufthansa and Air France flights linking Buenos Aires to the Dutch, German and French capitals in retaliation for arms sales prohibitions.

BERLIN—The West German government has approved plans for the national introduction of a videotex system that will link 150 villages and cities by the end of 1984.

TOKYO—Ogilvy & Mather's new affiliation in Japan with Tokyu Agency International (AA, May 10) has garnered its first account with the win of Pond's cold cream and manicure products, worth an estimated $1.4 million, formerly with Ketchum Advertising. In addition, O&M's Hong Kong subsidiary Meridian has won the $1.5 million Parker Pen account for the Asia region, replacing J. Walter Thompson Co.

STOCKHOLM—Thanks to a new law, direct-mail companies here will have ready access to the state's computer registry, where data on a person's income, assets, children and political persuasion are stored.

BRUSSELS—NCK's small Brussels shop has bagged the $3 million Datsun account (formerly with D'Arcy-MacManus & Masius).

HELSINKI—Burger King will enter the Finnish market this fall, with the aim of being market leader by 1984. The competition, Clock, a Swedish hamburger chain, and Carrols, which started under a U.S. license but is now wholly Finnish, plans to counter with expansion.

MEXICO CITY—Seventy-one new earth stations were inaugurated last week as part of a government plan to reach all parts of the country via tv. Also, Mexico will launch its own satellite in 1985.

Royal tot triggers U.K. tie-ins

By SEAN MILMO

LONDON—Advertisers and souvenir makers were quick off the mark once the royal birth was announced last Monday.

British Airways offered free drinks to passengers on its flights, linking up with a congratulatory commercial on the ITV network. This was screened half an hour after the announcement the Prince and Princess of Wales had a son.

The 40-second commercial, featuring a baby and children looking at a BA plane, ran to the tune of "Rock-A-Bye Baby" and ended with a shot of a BA aircraft over London's St. Paul's Cathedral with "Congratulations" traced in the sky. Most viewers would have forgotten that exactly the same shot was used for a similar commercial at the time of the royal couple's wedding last July.

Heinz also screened a congratulatory commercial and several companies ran congratulatory messages in the papers the next morning.

Staffordshire Potteries was the first of the souvenir manufacturers to get a commemorative product in the shops. Its factory at Stoke-on-Trent worked through the night to have mugs showing a silhouette of the Princess and baby and the birth date on sale in local stores by 9 a.m. the next morning.

The company and its competitors in The Potteries—the center of the U.K. china industry—could not wait for the baby's name to be announced. Factories in the area

(Continued on Page 85)

Stormy industry lobbyist session reported

Dissent on FTC ad rule stance?

By RICHARD L. GORDON

WASHINGTON—Now that New York ad agency chief David McCall has broken the ice, are ad industry associations finding there is less consensus for change in the Federal Trade Commission's authority than they previously assumed?

The Washington grapevine reverberated with reports of a stormy meeting of industry lobbyists, where ad industry policy toward the commission was again the issue. The session was unrelated to the McCall remarks.

Execs at the American Advertising Federation and American Assn. of Advertising Agencies, meanwhile, reported no member queries last week as a result of the attack by McCaffrey & McCall's president on the industry's FTC policy, delivered during a speech at the AAF convention (AA, June 21).

Participants at the industry lobbyists' meeting, organized by General Mills and held at the Washington headquarters of the Grocery Manufacturers of America, shunned comment when contacted last week. But it quickly went into circulation that representatives of two major advertisers had opened fire on ad association proposals urging Congress to narrow FTC's

(Continued on Page 90)

Awareness falls; Coke still No. 1

By JOSEPH M. WINSKI

In a month characterized by substantial declines in the awareness scores of major advertisers, Coca-Cola advertising retained its No. 1 spot in consumer awareness in May, according to adWatch, a monthly survey by ADVERTISING AGE and SRI Research Center Inc.

Coke advertising was identified as that first coming to mind by 4.1% of the 1,250 consumers who were asked, "Of all the advertising you've read, seen or heard in the last month, which first comes to mind?" Coke's May awareness score was down from 6% in April. Runner-up Pepsi-Cola's awareness, meanwhile, rose to 3.4% from 2.9%, substantially reducing the better than 2-to-1 margin Coke held over Pepsi in April.

Moreover, in industry-specific questioning, Pepsi unseated Coke as No. 1 in consumer awareness, being identified by 28.6% of consumers as the soft-drink advertising that first came to mind, vs. the 25.3% of respondents who identified Coke advertising. In April, Coke topped Pepsi in the category by a score of 30.1% to 27.3%.

There were three newcomers to the top 10 in over-all awareness in May: Toyota rose to No. 6 with 1% of all responses, Dr Pepper to a tie for No. 7 with 0.96% of all responses and General Motors to a tie for No. 9 with 0.56% of all responses.

adWatch

Advertising for Chevrolet rose to No. 7 from No. 9 in over-all awareness, making General Motors the only company with two spots on the top 10 list. Falling from the top 10 were Peter Pan peanut butter, 7UP and Budweiser.

Advertising remaining in the top 10 but changing positions was that for Miller beer, which rose to No. 3 from No. 4, changing places with McDonald's, and for Chrysler, which fell to No. 9 from No. 6. Ford was No. 5 both months.

Coke's awareness falloff of 5.7 percentage points in advertising recalled by product category was the second-largest such drop measured in May. Purina had the largest decline, falling 7.8 points in pet food ad awareness and to No. 2 in the category, behind Alpo. Also recording sharp dips in awareness by product category were Tide detergent, down 5.1 points; Miller beer, despite its improvement in the over-all ranking, down 4.9 points; United Airlines, down 4.8 points; Polaroid, down 4.5 points; Bayer aspirin, down 4 points; Kellogg, down 3.6 points, and Scott Paper, down 3.4 points.

The top gainer in awareness of industry advertising was American Airlines, which posted a 3.1 percentage point rise in airline advertising and rose to No. 2 in awareness in its category from No. 4 in April.

The aggregate awareness score of the top

(Continued on Page 80)

'Most active' ads in May

Largest changes in awareness, by percentage points within industries

	Change in % of all responses for industry
1. Purina	−7.8
2. Coca-Cola	−5.7
3. Tide	−5.1
4. Miller	−4.9
5. United Airlines	−4.8
6. Polaroid	−4.5
7. Bayer	−4.0
8. Kellogg's	−3.6
9. Scott's	−3.4
10. American Airlines	+3.1

Awareness falls; Coke still No. 1

(Continued from Page 3)

three advertisers fell in May in 17 of the 20 product categories covered by adWatch. Only the leaders in home electronics, gum & candy and coffee & tea increased their combined scores.

This widespread decline might be traced to a variety of causes, including "decreased media buys by some of the big advertisers and increased buys and/or ad efficiency by the many smaller advertisers out there," said Gary Gabelhouse, SRI Research project director for adWatch.

Advertising Age and SRI Research Center, based in Lincoln, Neb., introduced adWatch last month (the name has been changed from adTrack because of a conflict with an existing service of Corporate Intelligence Inc., St. Paul, Minn., called ADTRACK) as a planned continuing measurement of consumer awareness of advertising.

As noted last month (AA, May 17), AA and SRI Research Center believe adWatch to be the most ambitious statistically valid research into ad awareness yet undertaken. The sample is constructed to represent accurately the population being studied, enabling valid generalizations to be made about a much larger group, in this case all U.S. consumers 18 years of age or older.

In the survey, conducted by trained SRI interviewers, consumers are asked to identify the advertising that first comes to mind out of all advertising to which they are exposed, and then for advertising for each of 20 product categories. AdWatch also asks consumers where they saw, heard or read the advertising they name.

AdWatch counts all replies naming a specific brand, including spinoff products bearing the principal brand name. Thus, Pepsi Light is counted as a vote for Pepsi-Cola and Miller's Lite beer and Bud Light are included in the totals for Miller and Budweiser. A product such as Tab, which does not include the Coca-Cola name as part of its name, is tallied as a separate brand. Some respondents named "light" beer but did not mention a specific brand. Such responses are assigned to a generic "light" category; adWatch does not assume that the consumer means a certain brand but merely records the response as given. Consumers are given no assistance of any kind in answering the questions.

As was the case in April, tv dominates as the source of advertising, being named by 66% of the respondents as the medium of the ad they identified as that first coming to mind out of all advertising. In April, 69% said tv was the source. Tv's share of the product-category advertising that first came to mind ranged to as high as 89%, for airline companies. (A detailed discussion of the source of the ads identified in adWatch will be available in this week's *Electronic Media Edition* of AA.)

More than half (52%) of the people questioned said they couldn't think of any ads when they were asked to identify one from all ads seen, read or heard in the previous month. In April, 44% couldn't come up with an ad.

Other May findings:

- In personal soap and shampoos, Procter & Gamble's Head & Shoulders, with 3.4% of all responses, dropped out of the top three from No. 1 in April, when its advertising had an awareness score of 5.1%. Head & Shoulders was the only No. 1 in April to fall from the top three in May. Prell, also a P&G brand, moved up to No. 1 from No. 2, despite a lower score in May than in April.
- Miller fell from No. 1 in the beer category, receiving 12.2% of responses, down from 17.1% in April. Budweiser took over the top spot, with a 14.2% score, up from 12.8% in April.
- Other advertising fell from No. 1 positions: Avon, to No. 2 in cosmetics, replaced by Chanel, which didn't rank in the top three in May; United Airlines, to No. 3, replaced by Eastern; Scott to No. 3 in paper products, replaced by Charmin, and Gallo, to No. 2 in wine & liquor, replaced by Riunite.
- Despite its dip in the over-all ranking, McDonald's widened its already staggering dominance of fast-food advertising, garnering 48.7% of all responses in the category, up from 46.9% in April. No. 2 Burger King's score fell to 5.8% from 7.3%.
- Polaroid fell further behind Kodak and into a tie with Canon in cameras & photographic equipment, with 11.5% of the responses in May, down from 16% in April. Kodak's score also fell, to 15.7% from 17.8%. There were no responses in May for "the James Garner ads" without identifying the product, Polaroid; in April, 18 people, or 1.4% of the total questioned, responded that way.
- Charmin, which in April was No. 1 in toiletries/hygiene and No. 2 in paper products, in May was No. 1 in both categories. It received 5.4% of the responses in toiletries/hygiene and 8.4% in paper products.

There were other newcomers to the top three in their categories, in addition to the previously mentioned American Airlines and Chanel: Dial, to No. 3 in personal soap & shampoo; Grape-Nuts, to No. 2 in breakfast foods, and Tampax, to No. 3 in toiletries/hygiene. Solo, a new P&G detergent, moved to No. 3 in laundry products.

Dropping from the top three in their product categories, in addition to Head & Shoulders: Estee Lauder, Wheaties, Crest, RCA and TWA. The top three remained the same in cars and trucks (Ford, Chevrolet, Toyota); fast-food restaurants (McDonald's, Burger King, Wendy's) and coffee & tea (Maxwell House, Folger's, Sanka). Except for RCA's dropping out of a tie for third place, the home electronics category also remained the same, with Atari a strong No. 1 followed by Radio Shack and General Electric.

In medicine & drugs, Anacin moved up to No. 2 from No. 3, switching places with Bayer. Stouffer's moved to No. 2 from No. 3 in packaged, canned & frozen foods, changing places with Green Giant. Winston overtook Salem to take the No. 2 spot in tobacco products, with Salem dropping to No. 3, and in gum & candy, Doublemint moved up to No. 2 and Trident fell to No. 3.#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center Inc., 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Top 10 in awareness

Advertising named most often

May	April		May % of responses	April % of responses
1.	1.	Coca-Cola	4.1	6.0
2.	2.	Pepsi-Cola	3.4	2.9
3.	4.	Miller	2.0	1.7
4.	3.	McDonald's	1.4	1.9
5.	5.	Ford	1.3	1.4
6.	—	Toyota	1.0	.63
7.	9.	Chevrolet	.96	.71
7.	—	Dr Pepper	.96	.55
9.	6.	Chrysler	.56	1.0
9.	—	General Motors	.56	.32

Question: Of all the advertising you've read, seen or heard in the last month, which ad first comes to mind?
Source: SRI Research Center Inc., Lincoln, Neb.

adWatch

May's top ads in awareness by industry

	(#1 in April, if different)	% of industry responses
1. **Airline companies:** Eastern	(United)	11.6
2. **Beer:** Budweiser	(Miller)	14.2
3. **Breakfast foods:** Kellogg's		7.8
4. **Cameras & equipment:** Kodak		15.7
5. **Cars/trucks:** Ford		17.5
6. **Coffee & tea:** Maxwell House		18.6
7. **Cosmetics & fragrances:** Chanel	(Avon)	3.3
8. **Fast-food restaurants:** McDonald's		48.7
9. **Gum/candy:** Wrigley		9.0
10. **Home electronics:** Atari		15.5
11. **Laundry products:** Tide		18.2
12. **Medicine & drugs:** Tylenol		18.3
13. **Packaged, canned, frozen foods:** Birds Eye		8.6
14. **Paper products:** Charmin	(Scott's)	8.4
15. **Personal soap & shampoo:** Prell	(Head & Shoulders)	5.1
16. **Personal toiletries/hygiene:** Charmin		5.4
17. **Pet food:** Alpo	(Purina)	9.3
18. **Soft drinks:** Pepsi-Cola	(Coca-Cola)	28.6
19. **Tobacco products:** Marlboro		8.0
20. **Wine & liquor:** Riunite	(Gallo)	6.1

Question: Of all the ads for (product category) you've read, seen or heard in the last month, which ad comes first to mind?
Source: SRI Research Center Inc., Lincoln, Neb.

advertiser people

Gooden boosted in Swift shakeup

Chicago—Bruce Gooden has been named director-corporate marketing services at Swift & Co. in a management shakeup that resulted in the departure of Elliot Shear, who formerly held that title. Mr. Gooden's previous position as director of marketing for the poultry and processed meats division has been eliminated. Jack Stoops, formerly president of Vigo Inc., Tulsa, assumes responsibilities as director of marketing for processed meats.

Dennis Fitzgerald, formerly associate director for business development, Libby, McNeill & Libby, was named marketing manager for breakfast strips, succeeding Randy Irion, who became marketing manager for Brown 'N Serve sausage. Mr. Irion succeeds Richard Gray, who left the company several months ago. No director of marketing for poultry has been named; Tom Giglio continues as marketing manager for poultry, and Glen Wilke, formerly media assistant in the media services department, was named assistant product manager for poultry.

Also in the shakeup, Bill Nicol, previously director of purchasing at Swift, was named group product manager for Soup Starter and Stew Starter lines, succeeding Bill Bowen, who left the company. Tim Harris, formerly assistant product manager on Soup Starter, was named product manager. Chris Broxon, formerly at Turtle Wax, was named product manager on Stew Starter.

Other people on the move:

Harv Schneider to manager-marketing services, Master Lock Co., Milwaukee, from director-marketing communications, Addressograph Farrington Inc., Mt. Prospect, Ill. He succeeds **Edson Allen**, who left the company.

Gerhard Ade to manager-company identity, a new position at TRW Inc., Cleveland, from corporate manager-design and advertising services, McGraw-Edison Co., Rolling Meadows, Ill.

George R. Snider Jr. to director-marketing services, a new position at the chemical group of B.F. Goodrich, Cleveland, from director-pr, B.F. Goodrich, Akron.

Jack F. Reichert to chief executive officer, Brunswick Corp., Skokie, Ill., in addition to continuing posts as president and chief operating officer. Mr. Reichert, formerly vp-marketing for bowling operations and Mercury Marine, succeeds **K. Brooks Abernathy**, who remains chairman.

Charles Roe to vp-international marketing, a new position at Amana Refrigeration, Amana, Ia., from vp-special accounts.

Terry L. Gould to advertising coordinator-international group, Firestone Tire & Rubber Co., Akron, from identification specialist, Dayton Trade Sales division of Firestone North American tire group, succeeding **Ronald Cusano**, who left the company. Earlier at Firestone: **Benjamin Ammons** to exec vp-marketing and sales, North American tire group, from vp-marketing and sales, Carlisle Tire & Rubber, Carlisle, Pa., succeeding **James R. Thomas**, who became vp-wholesale operations, sales and marketing operations group.

Robert L. Winter to advertising manager, and **Glen Grosser** to sales promotion manager, both at Zenith Data Systems, Glenview, Ill., from account exec, Davis Harrison Advertising, Chicago, and advertising and sales promotion manager, Belden Corp., Geneva, Ill., respectively. Mr. Winter's position is new; Mr. Grosser succeeds **Felicia Jones**, who left.

Douglas McDonough to marketing manager, a new title, Society of Real Estate Appraisers, Chicago, from communications and promotion director for affiliates of the National Association of Realtors, Chicago.

Paul Luchsinger to vp-marketing and sales, consumer plastics, Mobil Chemical, Macedon, N.Y., from general manager-new business development. He succeeds **Dominic Piazza**, who moves to vp-manufacturing.

Susan A. McCormick to advertising and catalog manager, a new post, Misco, Homdel, N.J., a minicomputer supplies company, from account manager, Newport Inc., New York.

Thomas R. Scanlin to vp-marketing, American Steamship Co., Buffalo, N.Y., from vp-service division. He succeeds **Michael M. Scheidt**, who moves to vp-sales.

Kay Warmuth to vp-direct marketing, a new post, Diners Club/Carte Blanche, New York, from director of product and service marketing, Diners Club, Los Angeles.

Suzie Crocker to director of communications, Pizza Time Theatre, Sunnyvale, Cal., a new post, from communications manager.

Joseph E. Cole to vp-marketing, SCM Proctor-Silex, King of Prussia, Pa., from vp-international operations. Mr. Cole succeeds **Thomas O. McNeil**, who left the company and has joined Freelance Inc., Philadelphia, a stationery-giftware company, as vp-marketing.

Eric M. Boyle to vp-marketing, Lindsay International, Lindsay, Cal., from senior group product manager, Morton Frozen Foods, Del Monte Corp., San Francisco, succeeding **Ronald H. Russell**, who left. Also, **Noel Schanz** to product manager-macadamia nuts, a new post, from marketing manager-foodservice, Hunt-Wesson Foods, Fullerton, Cal.

Keith L. Frohreich to vp-marketing, Carl Karcher Enterprises, Anaheim, Cal., from vp-management supervisor on the Carl's account, Cochrane Chase, Livingston & Co., Irvine. He succeeds **Paul Mitchell**, who has become vp-corporate affairs.

Brad Brown to manager-special programs, PepsiCo, Purchase, N.Y., from vp-account supervisor, Evans/Weinberg, Los Angeles. Mr. Brown will be based in Los Angeles.

Judith Kooker to director of corporate communications, FMC Corp., Chicago, from manager of public issues, succeeding **Howard Mudgett**, who was assigned to special projects.

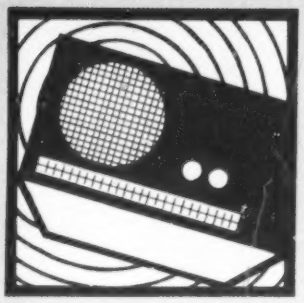
John C. Mitchell to new post of group product manager, Morton Frozen Foods, Del Monte, San Francisco, from brand manager, Procter & Gamble, Cincinnati.

Helen M. Gray to the newly created position of vp-corporate communications, Atari Inc., Sunnyvale, Cal., from executive director, Horatio Alger Assn. of Distinguished Americans, New York.

Thomas D. Hawley to vp-manager of advertising, Rainier National Bank, Seattle, from manager for division and subsidiary support advertising. He succeeds **A. George Chambers**, who left.

Ronald J. Harcarik to manager of advertising and sales promotion, ITT Cannon, Fountain Valley, Cal., from pr manager, Ameron Inc., Monterey Park, Cal. He succeeds **Terry McCarthy**, who left.

Kenneth K. Markman to advertising director, Universal Pictures, Universal City, Cal., from vp-advertising, 20th Century-Fox Pictures, Los Angeles. He succeeds **Camille Lane**, who became vp-creative director, Columbia Pictures, Burbank.#



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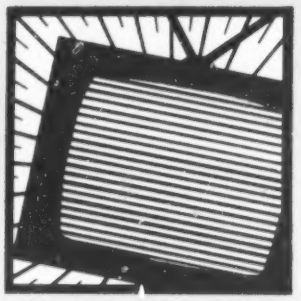

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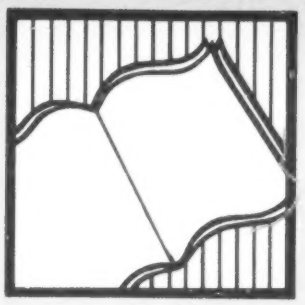

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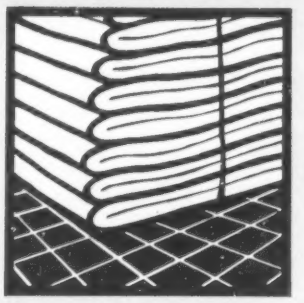
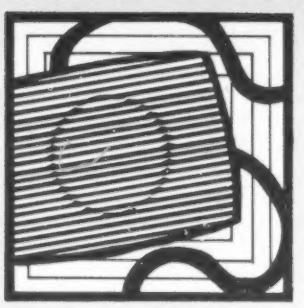


Newspapers



Cable

Good news, bad news

Among media companies, cable and Sunbelt outpace the pack

By Joseph M. Winski

In Toledo, O., last year, 14 active *Toledo Blade* advertisers, including Wickes Furniture, one of the newspaper's larger accounts, went bankrupt.

But in Houston, the *Houston Chronicle* ran enough advertising to move past the *Chicago Tribune* into second place among all newspapers in total advertising linage. Only the perennial leader, the *Los Angeles Times*, ran more.

The major tv networks, the most prominent representatives of the "old" electronic media, took their lumps last year, posting revenue gains of well under 10% each and flat or lower earnings.

But the "new" electronic media sizzled, at least in revenues. Media revenues of American Express Co. and Warner Communications soared—57% and 44% respectively in 1981—on the wings of their joint cable venture, Warner Amex. And Denver-based Tele-Communications Inc., our reporter found, "is playing its own version of Pac-Man . . . gobbling up cable systems" at such a rate that it has become the top multiple systems operator in the country. Its media revenues were up 50% last year.

In St. Petersburg, Fla., the rapidly growing *St. Petersburg Times*, increasingly becoming regional in scope, helped boost Times Publishing Co.'s revenues by 34%, while Evening News Assn. in Detroit candidly admitted that it was using *its* Sunbelt earnings to sustain the loss-plagued *Detroit News*.

That's the pattern that clearly emerges in Advertising Age's second annual ranking of the country's 100 largest media companies: While the group as a whole posted a 13% increase in revenues in 1981, cable tv and Sunbelt-based companies considerably outpaced the rest of the industry, particularly those companies primarily in traditional media businesses in the industrial northern states.

The top 10 companies in our survey, which measures revenues from media operations only, remained the same, although there was some shuffling within the top 10.

American Broadcasting Cos. retained its title of the largest U.S. media company, and self-described "largest and most successful advertising medium in the world." But ABC's media revenues rose just 4.3% last year, the smallest gain among the top 25 companies and one of the smallest on the list. ABC's lead over No. 2 CBS, which posted an 8.7% revenue increase, narrowed to $125 million from its 1980 lead of $203 million.

RCA Corp., No. 3 on the list with its NBC network, posted a 6.5% revenue increase, but NBC's earnings fell 36% last year. (Our survey does not attempt to rank companies by earnings, but does make note of them, when they are available, in the individual company profiles.)

NBC blamed the economy as well as the legacy of Fred Silverman—a stockpile of lousy programs, the network claimed.

Rounding out the top 10 were Time Inc., No. 4; Times Mirror Co., No. 5; Gannett Co., No. 6; S. I. Newhouse & Sons (also known as Advance Publication), No. 7; Knight-Ridder Newspapers, No. 8; Hearst Corp., No. 9, and Tribune Co., No. 10.

Times Mirror Co. posted a 21% revenue gain, easily the largest among the top 10, and jumped to fifth place from seventh in last year's rankings, exchanging positions with Newhouse. Newhouse still retained its ranking as the largest privately owned media company. In the other shuffle in the top 10, Knight-Ridder moved up a notch, changing places with Hearst.

Only two companies on the list suffered a decline in media revenues, both because of retrenchments in media holdings. Playboy Enterprises, which sold *Oui*, fell 3.7% in revenues and to No. 53 from No. 40. Charter Co., which is getting out of media entirely, it appears, dropped 32% in media revenues and to No. 38 from No. 23.

As was the case last year, the top 10 companies were the only ones with media revenues topping a billion dollars. The top 10 also repeated their large share of the top 100 companies' media revenues, accounting for 45.7% of the group's combined media revenues of $33.12 billion. That's down, however, from the 46.5% of the total generated by the top 10 last year. That reflects the slower rate of gain by the top 10 companies: 11% vs. 14% for the remaining companies.

While the billion-dollar-plus companies' share of media revenues might raise questions in some quarters about an unhealthy amount of media concentration in the U.S., media company executives today indicate little fear of the type of antibigness sentiment implicit in such things as the hearings on media concentration held by the Federal Trade Commission in 1978.

Asked to characterize the current political climate for media companies and how it has changed under the Reagan administration, one company replied in its questionnaire, sent earlier this year by Advertising Age: "There appears to be a trend that would permit the consolidation of media companies to move ahead at a more rapid rate than in the past."

The same company official added, "The electronic media environment has changed more drastically . . . than the print media environment." "Good—much improved with Reagan," observed another company.

Our survey and interviews also picked up a surprising, and perhaps significant, amount of wariness about cable tv. Despite the impressive revenue gains posted by many cable operations, some media executives clearly are beginning to re-examine the almost ritual projections of cable's bright financial future. Indeed, in the opinion of Roy Park, chairman of Park Broadcasting, cable "is highly capital intensive, and it's going to wind up in the hands of a few, large companies."

Among others who have recently expressed caution about cable is Katharine Graham, chairman of Washington Post Co., Lloyd Schermer, president of Lee Enterprises, and General Tire & Rubber Co.'s RKO General (No. 50), which last year sold its cable system, Cablecom-General, to Capital Cities Communications (No. 15), citing a desire to move out of the cable-intensive hardware end of cable.

Thomas H. Wyman, CBS Inc. president, also has joined the skeptics, saying at the network's affiliates meeting last month: "It becomes increasingly clear that the potential impact of cable television has been overrated by many . . . . It is going to take longer to develop profitable cable networks than most have imagined, and fewer of them will survive" than has been anticipated.

CBS distributed at the meeting a booklet crammed with data aimed at taking "a hard, cold look at the potential of cable." Not surprisingly perhaps, the conclusion is that the networks don't have all that much to fear from cable as an advertising vehicle. While basic and pay-cable will attract 18% of the evening tv audience by 1990, and the networks' share will be down to 70%, the report concludes, total ad revenues of cable services will be only $3.5 billion to $4 billion, compared to $33 billion to $38 billion for the networks and local tv stations. "The emergence of cable is no cause for alarm, as long as advertising on cable is commensurate with the audience values cable delivers," CBS asserts.

That view is hardly likely to be shared at companies such as Tele-Communications, which leaped 18 places on our list, to No. 48 from No. 66, by virtue of the growth of its cable tv systems, its only media business. Other sizable cable-fueled increases last year were attained by Cox Communications, up 32% in revenues and three notches to No. 21; Westinghouse Electric, up 19% in revenues and three places to No. 24; Viacom International, up 35% in revenues and 10 places to No. 49, and Continental Cablevision, up 53% in revenues and from being unlisted last year to No. 89. American Express rose 10 slots in the rankings to No. 70 and Warner Communications six to No. 71.

Among the noncable companies recording substantial revenue gains last year was Dow Jones & Co., which remains hard-pressed to accommodate demand for ad space in the *Wall Street Journal*; Dow Jones' revenues rose 22% last year and its ranking two notches to No. 14. Central Newspapers, publisher of the Indianapolis dailies, rose 24% in revenues and five rungs to No. 25 in the rankings, while magazine publisher Knapp Communications Corp. was up 44% in revenues and seven places in the rankings to No. 92.

New to the rankings, in addition to Continental Cablevision, is Turner Broadcasting System, unlisted last year but No. 82 this year by virtue of a 94% increase in revenues, the highest of any company on the list. Turner Broadcasting's "superstation," WTBS-TV, Atlanta, now available on cable systems serving 19 million homes, increased its ad revenues by 59% last year, while ad revenues of the company's cable operations, Cable News Network and CNN 2, nearly quadrupled. The cable operations lost $11 million last year, however.

CSX Corp., better known as a railroad company, is also new this year (No. 96). CSX owns daily newspapers in Jacksonville, Fla., and elsewhere, as well as weeklies and a small Florida cable company. Howard Publications, Oceanside, Cal., is new to the list at No. 74 and Sammons Communications, Dallas, unlisted last year, is No. 98 this year.

Some of last year's figures have been revised to reflect the receipt of what we believe to be more accurate information subsequent to last year's publication of the rankings. Figures that have been revised are so indicated on the accompanying chart and in the profiles, which start on Page M-8.

The five companies displaced from last year's list, all of which qualify as near-misses this year, are The New Yorker Magazine, $58.2 million in revenues; LFP Inc. (Larry Flynt Publications), $55 million; Rodale Press, $55 million; Blue Chip Stamps (publisher of the *Buffalo Evening News*), $54.8 million, and Macfadden Holdings (publisher of *US* and romance magazines), $54.5 million.

Other contenders identified this year are Allbritton Communications, revenues estimated by AA at $55 million; Forbes Inc., estimated revenues of $54 million; Crain Communications, publisher of Advertising Age and other business magazines, $50.5 million; Scripps-League Newspapers, estimated revenues of $50 million; Whitney Communications, estimated revenues of $49 million; Kiplinger Washington Editors, estimated revenues of $49 million, and Calkins Newspapers, estimated revenues of $48 million.

The cutoff point for this year's listing was $59.2 million. Last year it was $49.9 million.

Joseph M. Winski is editor-at-large of Advertising Age.

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100 LEADING MEDIA COMPANIES

RANK 1981	RANK 1980	COMPANY	(000,000) 81 Media	81 Total	80 Media	80 Total	81 Media %	80 Media %
1	1	American Broadcasting Cos.	2,300	2,440	2,204.5	2,280	95.8	96.6
2	2	CBS Inc.	2,175	4,126	2,001	4,062	49.9	55.2
3	3	RCA Corp.	1,620	8,004	1,521.8	8,011	20.2	19
4	4	Time Inc.	1,510	3,300	1,348.5	2,882.0	45.8	47
5	7	Times Mirror Co.	1,368.4	2,156	1,128.4	1,857	63.5	60.8
6	6	Gannett Co.	1,345	1,367.2	1,195	1,215	98.4	98.8
7	5	S. I. Newhouse & Sons	1,250	1,400	1,115*	1,250	89	89
8	9	Knight-Ridder Newspapers	1,200.5	1,237.1	1,099	1,099	97	100
9	8	Hearst Corp.	1,200	N/A	1,100	N/A	N/A	N/A
10	10	Tribune Co.	1,170	1,410	1,048	1,230	83	84.6
11	11	New York Times Co.	796.6	845.2	679	733.2	94.3	93
12	12	Washington Post Co.	753	753.4	659*	659.5	99	99
13	13	McGraw-Hill	732.4	1,110.1	644.8	1,000	66	64.5
14	16	Dow Jones & Co.	600	641	493.3	530.7	93.6	93
15	17	Capital Cities Communications	573.8	573.8	472.1	472.1	100	100
16	19	Dun & Bradstreet	553.4	1,331	492.3	1,176	41.6	41.9
17	14	Triangle Publications	502.2	502.2	461.6*	461.6	100	100
18	15	E. W. Scripps Co.	500	550	475	525	90.9	90.5
19	18	Cox Enterprises	419.2	419.2	367.6	367.6	100	100
20	20	Metromedia Inc.	390.5	461.8	333.7	453.9	84.6	73.5
21	24	Cox Communications	370.2	403.5	281	309.2	91.8	91.7
22	22	Field Enterprises	368.7	425	329.9	380	87	86.8
23	21	Meredith Corp.†	330.5	403.4	330.5	403.4	81.9	81.9
24	27	Westinghouse Electric Corp.	319	9,367.5	269*	8,514	3.4	2.3
25	30	Central Newspapers	304.5	304.5	246.1	246.1	100	100
26	26	Harte-Hanks Communications	300.9	348.5	269	304	86.3	88.7
27	25	Reader's Digest Assn.	300	1,200	270	1,100	25	23.8
28	35	Ziff Corp.	300	N/A	200	225	N/A	89
29	36	Storer Broadcast Co.	276.4	276.4	197.1	197.1	100	100
30	41	Oklahoma Publishing Co.	266.8	266.8	229*	229	100	100
31	28	Evening News Assn.	250	250	235.7	235.7	100	100
32	29	Cowles Media Co.	238.0	238.0	213.7	213.7	100	100
33	34	Affiliated Publications	236.1	236.1	206.5	206.5	100	100
34	33	Thomson Newspapers Ltd.**	232.4	536.2	208.1	438.7	43.3	47.4
35	31	Chronicle Publishing Co.	216.7	216.7	210.5	210.5	100	100
36	32	News America Publishing†	210	210	210	210	100	100
37	37	Copley Newspapers	205.8	206.5	190.4	191.6	99.7	99.4
38	23	Charter Co.	202	4,970	296	4,563	4.1	6.5
39	39	Landmark Communications	200	200	182	182	100	100
40	38	Pulitzer Publishing Co.	197.4	197.4	184.4*	184.4	100	100
41	42	Media General	197.1	366.5	167.4	332.0	53.8	50.4
42	44	Multimedia Inc.	195.3	195.3	163.6	163.6	100	100
43	45	Freedom Newspapers	194.1	194.1	153.5	153.5	100	100
44	43	H&C Communications	188.3	188.3	165	165	100	100
45	46	A. H. Belo Corp.	180.1	182.3	150.6	157.6	98.8	95.5
46	47	General Electric Co.	175	27,000	150	24,960	0.65	0.6
47	50	National Geographic Society	170.7	257.7	143.3	207.7	66.2	69
48	66	Tele-Communications Inc.	167.7	181.4	111.9	124.4	92.1	90
49	59	Viacom International	164.5	210.4	122.3*	160.2	78.2	76.3
50	51	General Tire & Rubber Co.	160.9	2,180	142.1	2,200	7.3	6.5
51	55	Houston Chronicle Publishing Co.	160.6	160.6	133.7	133.7	100	100
52	52	McClatchy Newspapers	160	160	136.8	136.8	100	100
53	40	Playboy Enterprises	156	388.9	162*	363.2	40.2	44.6
54	48	Journal Co.	152.5	290	148.6	283.5	52.6	52.4
55	49	Penthouse International	150	160	145.7	155	93.8	94
56	54	Lee Enterprises	149.8	153.1	135.1	137	98	98.6
57	57	National Enquirer	145	145	129	129	100	100
58	60	A. S. Abell Co.	133	133	120.4	120.4	100	100
59	68	Cahners Publishing Co.	130	160	100	150	81.3	66.7
60	78	Oak Industries	130	507.1	76	386	26	19.7
61	58	U. S. News & World Report	127	135	125	125	94	100
62	64	Taft Broadcasting Co.	125.1	358.2	112.2	239.9	34.9	47
63	61	Donrey Media Group	125	125	120	120	100	100
64	69	Wometco Enterprises	122.7	434.2	95.4	357.2	28.3	26.7
65	62	Blade Co.	122.6	122.6	118.7	118.7	100	100
66	63	Providence Journal Co.	121	262	117	162.8	46.2	71
67	75	Petersen Publishing Co.	120	N/A	110	N/A	N/A	N/A
68	70	Seattle Times Co.	118.3	118.3	93.5	93.5	100	100
69	71	Morris Communications Group	115.8	118.4	89	91	97.8	97.8
70	80	American Express Co.	113.6	7,200	72.4	5,504	1.6	1.3
71	77	Warner Communications	110.5	3,240	76.5	2,059	3.4	3.8
72	73	Times Publishing Co.	110	110	82	82	100	100
73	67	Harcourt Brace Jovanovich	107	539.3	100	504	18.8	19.8
74	–	Howard Publications	100	100	87	87	100	100
75	56	McCall Publishing Co.	97.2	97.2	93.2	93.2	100	100
76	53	Courier-Journal & Louisville Times Co.	93.1	93.1	86.7*	86.7	100	100
77	74	Jefferson-Pilot Corp.	91.4	978.7	81.6	885.0	9.3	9.2
78	72	Des Moines Register & Tribune Co.	89.5	89.5	86.1	86.1	100	100
79	76	Scripps-Howard Broadcasting Co.	87.3	87.3	77	77	100	100
80	65	Pittway Corp.	86.3	403.6	77.6	311.7	28.2	35
81	88	Worrell Newspapers	84	84	60	60	100	100
82	–	Turner Broadcasting System	83	95.1	42.7	54.6	87.3	78.2
83	87	Southern Progress Corp.	80	N/A	61	N/A	N/A	N/A
84	79	Bergen Evening Record Corp.	79.3	80.4	73.1	74.2	98.6	98.5
85	91	Rogers UA Cablesystems	77.8	77.8	55	55	100	100
86	81	Park Broadcasting	75	80	65	70	93.8	92.9
87	82	Outlet Co.	75	142.8	64.2	132.3	52.5	48.7
88	83	Post Corp.	73.2	83.2	60.2	77	75.3	78.2
89	–	Continental Cablevision	73	73	47.6	47.6	100	100
90	86	Deseret Management Co.	71.9	84.5	61.3*	72.1	85	85
91	85	LIN Broadcasting	66.2	71	61.3	64.5	93.2	95
92	99	Knapp Communications Corp.	64.5	74.5	44.9*	51.6	86.6	87.1
93	93	Army Times Publishing Co.	63.3	94.4	55	82.5	67	66.7
94	84	United Cable Television Corp.	62.8	62.8	62.8	62.8	100	100
95	94	Rollins Inc.	62.1	454.6	54.7	400.1	13.7	11.9
96	–	CSX Corp.	61.6	5,432.2	55	4,841.4	1.5	1.3
97	96	Schurz Communications	60	60	52	52	100	100
98	–	Sammons Communications	59.9	59.9	50.2	50.2	100	100
99	89	Christian Science Publishing Society	59.5	N/A	58.4	58.4	N/A	100
100	90	Stauffer Communications	59.2	66.1	55.6	60.4	90	92

*Restated figures

**In successive columns: Thomson's U.S. Media revenues only; Thomson's U.S./Canadian media combined which is total revenues; and U.S. Media percentage total.

†Fiscal year closes June 30, 1982; 1981 figures unavailable at press time.

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The 100 leading media companies

Our annual roundup looks at how the powers fared in 1981

A.S. Abell Co.

A.S. Abell Co., Baltimore, is the country's 58th largest media company, with total 1981 revenues estimated by ADVERTISING AGE at $133 million. All revenues stemmed from two media subsidiaries: A.S. Abell Publishing, which accounted for about 80% of the total, and Abell Broadcasting.

Abell's principal property remains the Baltimore Sunpapers, the collective name for morning, evening and Sunday editions, which have a combined daily newspaper circulation of 344,832 and a Sunday circulation of 382,953 (March, 1982, Audit Bureau of Circulations figures).

At the Sunpapers, the watchwords are "evolutionary change." The arrival last summer from the *San Francisco Examiner* of publisher Reg Murphy signaled the decision to embark upon a far-reaching program of change.

When the *Washington Star* folded last year the Sunpapers picked up several of its reporters and features. Circulation also got a slight boost between the September, 1981, and March, 1982, ABC ratings as a result.

"The Sunpapers is positioning itself for growth under the leadership of talented professionals," Mr. Murphy has said. "Changes in both editorial and administrative positions were made to give ourselves opportunities to expand." Mr. Murphy recently announced to his staff that "What we're doing with the newspapers is making sure they're in a position to prosper and support new ventures under the publishing company umbrella."

Currently, Sunpapers are Abell Publishing's only properties. However, the company continues to look into a mid-Atlantic regional magazine. And recently plans were announced for a direct mail operation that would start with Sunpapers subscribers ultimately reaching out to metropolitan Baltimore.

Meanwhile, Abell Communications, A.S. Abell's younger, smaller corporate offspring, is moving ahead with its own acquisition program. It has recently added two Jacksonville, Fla. radio stations, WCRJ-AM and WCRJ-FM. By the end of 1983 it expects to have a total of seven new stations.

A good example of the adventurousness at Abell Communications is seen in its sponsorship of the U.S. Professional Cycling Championship through its hometown tv outlet, WMAR.

MEDIA PROPERTIES

Newspapers (dailies)

MARYLAND: *Baltimore Sun, Baltimore Evening Sun.*

Broadcasting

TELEVISION: WMAR-TV, Baltimore; WBOC-TV, Salisbury, Md.

RADIO: WCRJ (am, fm), Jacksonville, Fla; WBOC (am, fm) Salisbury, Md.; WRLX (fm) Baltimore.

Cable/video

Abell Communications Productions.

Affiliated Publications

Affiliated Publications, Boston, is the country's 33rd largest media company, with revenues of $236.1 million in fiscal 1981, all from media operations.

The company's revenues rose 14.3% last year from $206.5 million in 1980. The *Boston Globe* contributed $221.6 million in revenues, or 94% of the total, and broadcasting and cable tv operations the remaining 6%. In 1980, the *Boston Globe* contributed the same percentage of total revenues, or $194.4 million.

The *Boston Globe's* current daily circulation is 505,986, an increase of 3,255 over 1981, and the Sunday edition's circulation is 754,243, an increase of 5,879. These circulation figures are the "highest in the *Globe's* history," Daniel Orr, vp, said.

The increase in Sunday circulation was achieved despite a price increase in the Sunday edition last Jan. 3.

William O. Taylor, chairman of the publicly owned company, in the annual report said 1981 was a "record year for Affiliated Publications." The company "turned a healthy profit," he said. Despite a decline in fourth-quarter earnings because of a 22% drop in help-wanted advertising in the *Globe*, earnings for the year increased to $14.2 million, or $2.74 a share, up from $12.9 million, or $2.49 a share in 1980.

In 1981, the *Globe* recorded a gain of 4.7% in advertising linage from 1980. Advertising in the *Globe's* Sunday magazine increased 15%. The *Boston Globe Magazine* was No. 1 in retail advertising last year among newspaper magazines in the U.S.

Company subsidiary Affiliated Broadcasting acquired WOKV-AM and WAIV-FM in Jacksonville, Fla., in March, 1981. Last November, it sold two of its radio stations, WSAI-AM and WSAI-FM in Cincinnati, to Booth American Co., Detroit. Affiliated Broadcasting now owns five am and five fm radio stations.

Affiliated's acquisition of 45% of McCaw Communications, an owner and operator of cable tv and radio common carrier companies in Washington state and Alaska, was completed last August. The company also completed, in April of this year, the joint acquisition (with McCaw Communications) of Southern Oregon Broadcasting Co., a cable tv operator. This purchase also included Pacific Telatronics, a microwave common carrier serving northern California and southern Oregon.

Last October, Affiliated Publications entered into an agreement in principle with Knight-Ridder Newspapers for access to the Knight-Ridder/American Telephone and Telegraph Co. market test data of the Viewtron Home Information Service of southern Florida. The company also will have access to the much larger market test data from research scheduled to begin in 1983. If results of these tests are sufficiently encouraging, Affiliated Publications and Knight-Ridder will organize a joint venture which will launch a similar Viewtron system in the Greater Boston area.

In March, construction began in an off-site *Globe* production facility in Billerica, Mass. This will be a satellite plant housing two eight-unit printing presses and having the capability of adding two more presses.

Effective Jan. 1, 1981, William Davis Taylor retired as chairman of the board; he will continue as an Affiliated Publications director. William O. Taylor was appointed chairman of the board, ceo and publisher of the *Boston Globe*. Also on Jan. 1, Richard C. Ockerbloom was appointed executive vp, Millard G. Owen vp-marketing/sales and John F. Reid Jr. advertising director.

MEDIA PROPERTIES

Newspapers

MASSACHUSETTS: *Boston Globe.*

Broadcasting

RADIO: KRAK (am) and KEWT (fm), Sacramento, Cal; WOKV (am) and WAIV (fm), Jacksonville, Fla; WHYN (am, fm), Springfield, Mass.; WFAS (am) and WWYD (fm), White Plains, N.Y.; KMPS (am, fm) Seattle, Wash.

Cable/video

Forty-five per cent ownership in McCaw Communications with cable locations as follows—ALASKA: Frontier Colorcable, Fairbanks; Ketchikan Alaska Television, Ketchikan; Sitka Alaska Television, Sitka. OREGON: Southern Oregon Broadcasting Co., Medford, Klamath Falls, Grants Pass, Roseburg; St. Helen's Cablevision, Scappoose. WASHINGTON: Twin City Cablevision, Centralia, Tenino; Cle Elum Cablevision, Cle Elum; Whatcom County Cablevision, Ferndale, Lynden; South Whidley Cable Tv, Langley; Okanogan Valley Tv Cable Co., Omak; Telecable of Selah, Selah; Yakima Valley Cablevision, Yakima.

American Broadcasting Cos.

American Broadcasting Cos., New York, is the largest media company in the U.S., with media revenues of $2.3 billion in

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1981 out of total revenues of $2.44 billion. Its media interests encompass tv and radio stations and networks, consumer and business publications and several ties to the catv field.

The lion's share of its media revenues again came from tv and radio, which produced $2.1 billion in revenues, up from $1.97 billion in 1980. Publishing accounted for $275.3 million in revenues last year, up from $231.6 million in 1980. Some of the "publishing" revenues were generated by such sources as book sales and music publishing, not included by AA in media revenues.

Commercial time sales in the last half of 1981 lifted ABC-TV Network to record revenues, bolstered by advertiser response to audience gains in news, daytime and early-morning slots. Network execs crowed that ABC again was "the largest and most successful single advertising medium in the world," a title that for decades had belonged to CBS. To hang on to that crown, industry followers said ABC must overcome increasingly stiff competition.

Last year, ABC's over-all earnings of $146.3 million—only $9,000 more than in 1980—were hurt by "uncertainty in the advertising marketplace," chiefly in the first half, according to Leonard Goldenson and Elton Rule, ABC Inc.'s chairman and president, respectively. Other negative influences, they said, were write-downs of certain publishing operations and disruption of the fall 1981 prime time season by the actors' strike of the previous year.

This year also will present problems. The executives anticipate, for example, that higher costs for sports rights and development costs for video and theatrical movies will put "additional pressure on profit margins."

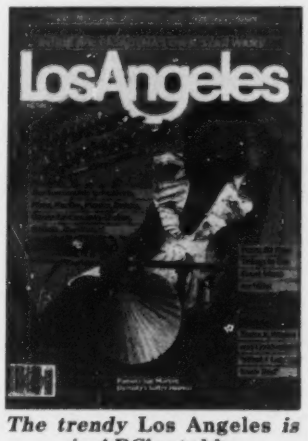
In addition, ABC Inc. plans to spend $110 million to $135 million on capital improvements in 1982.

In programing, ABC said the various commitments already in the house for movies, sports and other products totaled $1.34 billion at the end of 1981, 96% of which is payable over the next five years. These payments will range from a high of $500 million this year to a low of $49.2 million in 1986.

In the 28-week prime time season ended in April, ABC again finished as runnerup to CBS. But the gap was just .9 of a rating point, compared to a 1.6 point margin a year earlier. The company attributed the improvement to a blend of popular series, including newcomer "Fall Guy," movies like "Superman," "Grease" and "Close Encounters of the Third Kind," and specials like the Academy Awards. Hoping to narrow the gap further in the 1982-83 season, ABC has slated "The Winds of War" for the important February sweeps and "Thorn Birds" for later.

Last fall, ABC's most lucrative prime time series were "Love Boat" (asking $140,000 a 30-second spot), ABC Sunday movies ($125,000) and "Fantasy Island" ($120,000).

ABC said the network ranked



The trendy* Los Angeles *is in ABC's stable.

first in the key advertising category of viewers between 18 and 49 years of age. And in daytime, ABC dominated CBS in both the Nielsen homes and women aged 18-to-49 categories, paced by "General Hospital," "All My Children" and "One Life to Live." Although "General Hospital" has lost some of its ratings luster since its peak last fall, when the serial was the most popular daytimer ever, ABC executives plan to use it to launch a youth-oriented spinoff soaper.

ABC found itself engaged in tough ratings battles in late night ("Nightline" vs. NBC's "Tonight"), early morning ("Good Morning America" vs. NBC's "Today")—and even on Saturday mornings, where NBC children's programing threatens. ABC's weekend afternoon sports fare also has shown some slippage recently, although still ranking No. 1 in sports.

Late last month, ABC agreed to pay a reported $20 million to televise games of the new U.S. Football League, which plans to begin play next spring. The network reportedly will televise 20 games in each of the first two seasons.

NBC has seesawed many weeks in the No. 2 slot. As has happened to its rivals, ABC's growing ad volume has been offset somewhat by the costs of covering events, both expected (the royal wedding and the space shuttle) and unexpected (assassinations and attempted assassinations).

For ABC, 1984 already shapes up as a blockbuster sports year, with the network already having locked up more than $400 million in ad revenues out of a planned total of $610 million for the Winter and Summer Olympics. All told, ABC will have about 250 hours of tv coverage of the games, and another 100 hours on ABC Radio.

ABC executives described the owned tv stations division as "the most successful and profitable station group," leading in the ratings from sign-on to sign-off and in adult viewers aged 18 to 49. This operation's costs, not fully offset by ad sales, included advertising and research expenditures related to expansion of the local evening newscasts and early-morning shows.

ABC's radio division also continued to be active, lining up affiliates for the Talkradio and Superadio talk and music formats, respectively. ABC Radio Enterprises, in addition, seeks to acquire radio entities, such as Watermark Inc., Hollywood, purchased for its successful syndicated "American Top 40" series. This same operation's start-up costs have slowed ABC Radio division's earnings growth, however.

Its four veteran radio networks, with 1,800 affiliates, continued to climb in sales and earnings. The division added two demographically tailored networks, Direction (for ages 25 to 54) and Rock Radio (for 18 to 34).

The owned radio division also continued to grow, with three of its six am outlets claiming ratings leadership in their markets: KABC, Los Angeles, whose talk format inspired the Talkradio service; WMAL, Washington, and KGO, San Francisco. Former rock station WABC, New York, which for decades was the most-listened-to station in the nation, steadily lost ground in recent years to fm rock and this spring was forced to follow KABC's lead and become a talk station. ABC said WPLJ (fm), New York, finished last year as "the most-listened-to fm rock station" in the U.S.

In publishing, ABC is represented in both the consumer field via four "special interest" publications and in the trade field, through industry books from the Chilton, Hitchcock, Miller and Ames units as well as agribusiness magazines from Farm Progress Publications. Although this division posted sales gains in '81, its profits fell considerably due to write-downs at such units as R.L. White Co. plus economic pressures, including a weak farm economy.

ABC's growing involvement in new electronic media has both annoyed and worried some affiliates and shareholders, who wonder about the eventual impact these newcomers might have on ABC's No. 1 business, commercial television.

In recent weeks, ABC has signed new agreements involving at-home shopping/banking and pay-per-view (with Cox Cable Communications) and pay tv/video recording (via the Home View Network, using Sony hardware).

These join the upcoming Satellite NewsChannels joint venture with Westinghouse Broadcasting and the sports pay cable/pay-per-view projects due with ESPN and Getty Oil, as well as the currently operational ARTS and Daytime ad-supported cable services (both with Hearst/ABC Video Services) and vcr/disc sales via ABC Video Enterprises.

The ABC hierarchy acknowledges that while these ventures should make money "in time," they are not now significant revenue producers. Indeed, industry sources estimate ARTS and Daytime's combined ad sales in the low seven-digit neighborhood.

As Messrs. Goldenson and Rule explained, ABC is "more than a broadcaster" and so should be involved in the new fields, if for no other reason than to be there as home video erodes commercial tv viewing. Still, these executives expect any erosion of tv's share of audience to be offset by a growing tv audience base and John Severino, ABC-TV president, added that network tv should remain the "predominant" medium for mass marketers.

Mr. Rule said at this year's affiliates convention that ABC will continue to be "the engine that pulls the train, and we have no intention of depriving the engine of the fuel it needs."

MEDIA PROPERTIES

Magazines

ABC Publishing (special interest group)—*High Fidelity, Los Angeles, McCall's Needlework & Crafts, Modern Photography.*
ABC Publishing (trade group)—Ames Publishing: *Industrial Distributor News, Industrial Maintenance & Plant Operations, Industrial Safety & Hygiene News, Industrial Safety Product News.* Chilton: *Accent, Automotive Industries, Automotive Marketing, Chilton's Control Equipment Master, Commercial Car Journal, Distribution, Electronic Component News, Food Engineering Master, Hardware Age, Instrument & Apparatus News, Instruments & Controls Systems, Iron Age, Jewelers' Circular-Keystone, Motor Age, Product Design & Development, Review of Optometry, The Specialist, Truck & Equipment Salesman.* Farm Progress Publications: *Prairie Farmer, Wallaces Farmer, Wisconsin Agriculturist.* Miller Publishing: *Dairy Herd Management, Farm Store, Merchandising, Feedlot Management, Feedstuffs, Hog Farm Management, Home & Garden Supply Merchandiser, Tack 'n' Togs.* Hitchcock Publishing: *Assembly Engineering, Industrial Finishing, Infosystems, Machine & Tool Blue Book, Office Products Dealer, Quality Woodworking & Furniture Digest.*

Broadcasting

TELEVISION: ABC-TV Network (207 affiliates). ABC-owned stations: KABC-TV, Los Angeles; KGO-TV, San Francisco; WLS-TV, Chicago; WXYZ-TV, Detroit; WABC-TV, New York.
RADIO: ABC Radio Networks (1,800-plus affiliates). ABC-owned stations: KABC (am) and KLOS (fm), Los Angeles; KSFX (fm), San Francisco; WLS (am, fm), Chicago; WXYZ (am) and WRIF (fm), Detroit; WABC (am) and WPLJ (fm), New York; KSRR (fm), Houston; WRQX (fm), Washington.

Cable/video

ABC Video Enterprises, and various links with Hearst, Westinghouse Broadcasting, ESPN/Getty Oil and Cox Cable.

OTHER PROPERTIES

ABC Motion Pictures, ABC Scenic Attractions., Chilton Research Services, NILS Publishing and National Price Service database operations, Word Inc.

How AA got its data

Companies were ranked by net operating revenues from media properties. Included were print media supported by advertising or circulation revenues or both.

Examples of media operations not supported by advertising but included in the calculations are newsletters and electronic information services paid for by subscribers. Book publishing was excluded.

Similarly, revenues generated from the operation of radio or tv stations, including over-the-air and cable stations, were included. Revenues generated from the "production" of tv films or other programing for use by broadcast or cable stations were excluded.

However, syndication activity was counted when companies were involved in traditional media. Occasionally, revenues from production could not be extrapolated from syndication or other broadcast activity. These exceptions were rare and are noted in the profiles.

Net operating revenues refers to revenues less commissions and discounts.

Many of the top 100 companies are privately owned and thus not required to disclose financial figures. In addition, many of the publicly owned companies do not report their figures in the detail required for our analysis. In both cases, officials of the companies were contacted for estimates. Generally, we found companies to be helpful in guiding editors to a close approximation of media-property revenues. As the individual company profiles demonstrate, we were also able to interview many company executives expressly for this special report. In those cases where companies were not helpful, editors used secondary sources believed to be reliable, as well as equations developed by leading media analysts to estimate revenues of individual newspapers or radio and or tv stations.

As far as Advertising Age can determine, no one has ever attempted a ranking of this sort. Like other such rankings, it is likely to be flawed by omission and commission. We welcome your comments and suggestions for improving the accuracy of this annual listing. AA

American Express Co.

American Express Co., New York, is the 70th largest U.S. media company, with 1981 media revenues estimated by Advertising Age of $113.6 million, including $88.6 million from its 50% partnership with Warner Communications Inc. in cable tv operations. As an entity,

that joint venture generated $177.2 million last year. American Express had estimated media revenues in 1980 of $72.4 million coming from Warner Amex and magazine publishing.

The company's total revenues last year were $7.2 billion, up from $5.5 billion in 1980.

The Warner Amex venture consists of Warner Amex Cable Communications Inc., which constructs and operates cable systems that provide entertainment programing and other services to residential and commercial subscribers, and a sister company, Warner Amex Satellite Entertainment Corp., which produces and distributes programing via satellite to cable systems throughout the country. Warner Amex increased both its cable and satellite programing operations throughout 1981 and into the first half of this year, with total revenues of the joint venture up nearly 90% from 1980.

The company's media operations also include two magazines, *Travel & Leisure* and *Food & Wine*.

In recent years, American Express has expanded its media businesses both through internal development and acquisition. This is in keeping with the company's over-all philosophy to grow in both traditional and new lines of business. The acquisition of Shearson Loeb Rhoades in June of last year (a $900 million plus transaction), as an example, provides a base for expanded financial services.

Growth at Warner Amex Cable Communications has been most striking, with the expansion of Qube, the two-way interactive system, from Columbus, O., to Cincinnati, Pittsburgh, Dallas and Houston. The Qube technology is the bellwether for Warner Amex Cable, which is betting on two-way technology as a rapid growth area. The next major revenue source for cable, Warner Amex appears convinced, is pay-per-view, which also would benefit Qube, a pioneer in its development and use of pay-per-view technology.

The Qube system already can be linked with a wide array of data banks and a variety of services. These include stock market information, airline and train schedules, personal finance management, catalog shopping at home and home security. In the last category, Warner Amex is by far the leader with some 5,000 home-security subscribers, about two-thirds of the total category in the cable industry. Warner Amex Security Systems in Columbus, O., offers fire, police and medical emergency services protection via application of Qube technology. Similar security services have been introduced in Cincinnati and Houston.

In 1981, there was an increase of more than 17% in subscribers to Warner Amex cable systems. Currently there are nearly 1 million basic cable and well in excess of 600,000 pay subscribers at Warner Amex's 146 cable systems in 27 states. This makes Warner Amex Cable the sixth largest multiple system operator in the country.

At the end of last year, homes in Warner Amex franchise areas nationwide totaled 3.4 million. The 26 new and anticipated cable tv systems won during 1981 account for a potential 675,000 of that 3.4 cable homes-passed total. Major franchise awards, to cite one situation, include the suburban Chicago area, where five communities awarded the joint venture franchises that have a potential market of more than 50,000 homes.

Warner Amex Satellite Entertainment Co, or WASEC, introduced MTV: Music Television as its third satellite-delivered service last summer. The 24-hour-a-day video version of a contemporary music radio station—aimed at the 12-to-34-year-old age group—quickly has managed to reach into some 4 million cable tv households via about 600 cable systems. It's distributed free to basic subscribers and has been picking up significant, if not abundant, advertiser support.

The Movie Channel claimed strong subscriber gains in 1981 for its feature-film pay service. Totals at the end of the year were 1.7 million subscribing households, a more than 188% increase over 1980, with 1,700 cable systems carrying the service. Five months into 1982, totals increased to 2.2 million subscribers via 2,150 cable systems.

Nickelodeon, advertiser-supported, is the self-styled "young people's channel." It is also on the upswing with the service, which reached 6.3 million cable households at the end of last year, and is currently available to more than 7.7 million basic cable subscribers. The 1,500 cable systems carrying Nickelodeon going into 1982 increased

WNEV: Never say never

By Nancy Tait

On May 22, at 6 a.m., a dream came true for David Mugar. He pushed a button and Boston's newest tv station, WNEV-TV, CBS affiliate Channel 7, went on the air.

For Mr. Mugar, a wealthy Bostonian whose Armenian immigrant father founded Star supermarkets, and his New England Television Corp., the moment marked the culmination of 13 years of legal battling to win the station from former owner RKO General.

The quest had begun in 1969, when Mr. Mugar's Community Broadcasting and Dudley Station Corp., a rival black-controlled Boston group, challenged RKO's request for a license renewal. They found fault with RKO's programing, noting, among other things, that the station, WNAC-TV, then an ABC affiliate, didn't even bother to carry the network news.

The challengers also thought the moral character of RKO's parent, General Tire & Rubber Co., under investigation by the Justice Department for illegal trade practices—including allegedly pressuring General Tire suppliers to advertise on RKO stations—should be considered in determining RKO's own fitness to be a licensee.

But in 1974, the Federal Communications Commission issued a preliminary ruling in RKO's favor: General Tire's alleged illegal activities—in a 1970 consent decree, the company had agreed, without admitting any guilt, not to follow the illegal reciprocal trade practices—did not disqualify RKO as a licensee.

"At that point, I decided we had lost the case," Mr. Mugar, 43, recalls. But he decided to persevere and "to see if there was anything we had overlooked about RKO or General Tire's character."

He says, "For me it was just common sense. If General Tire was guilty of wrongdoing, then RKO—which is owned 100% by General Tire and whose people sat on both boards—well, they had to be affected by that."

Mr. Mugar says he was acting on the presumption that "the FCC considers the character of a licensee very important." Looking back, he acknowledges that it was probably because he was a layman and knew nothing of FCC history—the commission had never refused to renew a license because of the misconduct of the station owner's parent company—that he kept up the fight.

In 1975, through a chance introduction by a mutual friend, Mr. Mugar met the man who was to help him win his case, a lawyer named Terry Lenzer, who had served as assistant chief counsel to the Senate Watergate committee. Mr. Lenzer, in turn, asked Scott Armstrong, a former Watergate committee investigator who had joined Mr. Lenzer's law firm (and since has joined the *Washington Post*) to help in the sleuthing.

Mugar: Dream come true

By the end of 1975, Messrs. Lenzer and Armstrong had compiled and delivered to the FCC a 640-page report describing what RKO itself later—but too late, it turned out—acknowledged to be a "plethora of corporate misconduct" by General Tire, including the keeping of secret slush funds for bribing foreign officials and making improper domestic political contributions.

On the basis of the report, Community Broadcasting asked the FCC to reopen hearings on the license. In arguing against the reopening, RKO asserted to the FCC that there was "no factual or legal foundation for this pyramid of charges" against General Tire.

That contention would come back to haunt RKO, because a court would later determine that at the very moment RKO was asserting the innocence of its parent company it knew that the Securities & Exchange Commission had launched an independent investigation of General Tire.

In 1976 the SEC filed a civil action against General Tire, charging it with many of the activities described in the Mugar group's report to the FCC. General Tire agreed to another consent decree, part of which required an investigation by the company's outside directors into the allegations.

Only when that report was issued in 1977 and acknowledged "a plethora of corporate misconduct," as a court that later reviewed the report said, did RKO concede to the FCC that the charges might have merit.

Mr. Mugar thought this surely would cause the FCC to reopen the hearings, but it did not. "The FCC sat on those findings," he says. Indeed, the FCC didn't move until 1978, after Mr. Mugar had struck a deal with RKO, which apparently was becoming weary of the whole thing and increasingly unsure of the outcome, to buy the Boston station for $54 million. The FCC had to okay the sale, and in the process of doing so had to consider the damaging information that had been brought before it.

It was at this point that Mr. Mugar and Bertram Lee, president of Dudley Station Corp., together formed New England Television. "We had to," Mr. Mugar says. "There was no other way to get the case resolved. The FCC would accept nothing less than an agreement among all three parties in the case. Our partnership, like many others, started out of need. And we've stayed together out of need."

In a four-to-three vote in January, 1980, the FCC finally ruled that it would not renew RKO's Boston license, as well as its licenses in Los Angeles and New York.

In effect, the FCC said, the sins of the parent were indeed visited upon the child. Among the more damaging circumstances, reportedly, was that Thomas O'Neill, chairman of General Tire, also was chairman-ceo of RKO General.

RKO appealed the FCC action to the U.S. Court of Appeals, only to find its earlier "failure to come forward with a candid statement of relevant facts," *i.e.*, the SEC investigation, had caught up with it. The court upheld the FCC action, saying that "the record . . . shows irrefutably that the licensee was playing the dodger."

The court said, however, that RKO's "lack of candor" applied only to the Boston situation and not to proceedings involving license challenges to RKO stations in Los Angeles and New York, which are continuing.

RKO asked the U.S. Supreme Court to review the FCC decision, but the court refused to do so. New England Television was the earliest and only recognized applicant for the station, and Messrs. Mugar, Lee and associates found themselves, at last, with a tv station. The company paid $22 million for the station's assets; the station is probably worth $150 million, Boston tv analysts say.

Mr. Mugar is chairman of New England Television and controls about 40% of its stock. Mr. Lee is senior vp and one of three blacks on the board of directors.

Mr. Mugar says blacks own about 13% of the company, which he says gives it the highest minority representation of any major tv station. Edward Fredkin, an MIT professor of computer science, is president-ceo. The shareholders and management are either native Bostonians or live in Boston.

"We feel the local ownership of the station will prove more responsive to the needs of the Boston community," Mr. Mugar says.

He notes that the station's general manager, Winthrop Baker, who began his job June 2, was general manager of WBZ-TV in Boston from 1968 to 1973 and "has lived in Boston for many years. He's aware of its needs. The time he worked at WBZ was a very crucial one in Boston's minority crisis."

Channel 7 is only the second major tv station in U.S. history to have the license of its owners revoked by the FCC. The first was Channel 5, also in Boston, lost by the Herald-Traveler Corp. in 1972 because of a Herald-Traveler official's improper meetings with an FCC official.

Channel 5 was then taken over by a group of local investors promising more local programing. By nearly all accounts, Channel 5—WCVB-TV—has lived up to that promise.

Ironically, the same week that WNEV-TV went on the air last month, with the promise of better programing than was offered under RKO's absentee corporate ownership, an ownership change was also completed at WCVB-TV. There, the local owners sold the station, for a record $220 million, to Metromedia Corp., a New Jersey-based broadcasting company that has at best, according to industry followers, a mixed record in local programing. AA

Nancy Tait is a business writer based in Chicago.

to 1,725 by May 1.

Next up for WASEC is probably a shopping channel, the timetable for which has undergone a number of revisions.

WASEC is not yet a profit maker for Warner Amex, but the cable tv operation claims to be making money. WASEC also was the largest single seller of national cable tv advertising last year, not only via its own services but by representing Turner Broadcasting System for all advertising sales for Cable News Network and Cable News Network 2 (also see Warner Communications profile).

Warner Amex supposedly is developing technological, creative and marketing ties with Amex's Communications division. The division expanded in an important way when it acquired Mitchell Beazley Ltd., a London-based international publishing concern. Beazley is developing video programing capabilities via a co-production and distribution agreement with the Video Programmes division of Thorn EMI, an international video and music company. The agreement provides for the two companies to produce and distribute specially created video entertainment for the international broadcast and cable tv markets. Beazley claims a number of big selling books and publications, including "The Joy of Sex" and "Random House Encyclopedia."

During 1981, the American Express Publishing Corp.'s two magazines were said to have enjoyed "marked" growth. The profit-maker, *Travel & Leisure*, chalked up record advertising revenues and linage. Ad revenues were up 20% to $18,939,222, according to Publishers Information Bureau, and linage 13%. About 85% of the magazine's subscribers are American Express credit cardholders.

Food & Wine increased its advertising rate base 50% to 300,000 during 1981. On Oct. 1 of this year that rate base is scheduled to rise again, to 400,000. *Travel & Leisure*'s rate base is 925,000.

Ad pages last year at Food & Wine totaled about 300, bringing in ad revenues of $1.6 million, according to PIB. A 30% to 40% increase in linage is anticipated this year. *Food & Wine* recently began offering regional breakouts. Eastern edition has a circulation rate base of 100,000. Western edition's base is 70,000. Life Styles Impact Plan, or LIP, allows advertisers to purchase space in both magazines, either in national editions or regionals. Together the two magazines are estimated to have delivered more than $18 million to Amex's total media revenues.

MEDIA PROPERTIES

Magazines

Travel & Leisure, Food & Wine (American Express Publishing Corp.).

Cable tv/video

As part of 50-50 partnership in Warner Amex Cable Communications, Amex has interests in 146 cable systems in 27 states, with more than 900,000 basic cable subscribers and in excess of 625,000 pay cable customers (see Warner Communications profile). Also, joint venturer in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV: Music Television, and one pay service, The Movie Channel.

OTHER OPERATIONS

Merchandise Sales, Mitchell Beazley Limited, American Express Direct Response, WATS Marketing of America Inc. (affiliate company).

DENVER'S #1 DAILY
JOINS THE NATION'S TOP 20
The Detroit News
Newsday
San Francisco Chronicle
Houston Chronicle
Rocky Mountain News
For the first time in history, a newspaper in the Rocky Mountain region is included in the nation's top 20 newspapers in daily circulation.
Denver's preeminent daily, The Rocky Mountain News, scores another resounding success.
Write, call or check our ABC Publisher's Statement 3/31/82, for the complete story of the increasing dominance of the Denver market by the News.
Denver's Extraordinary Morning Newspaper
Rocky Mountain News
A Scripps-Howard Newspaper. Represented nationally by Story & Kelly-Smith, Inc.
ATLANTA • NEW YORK • BOSTON • SAN FRANCISCO • CHICAGO • DALLAS • LOS ANGELES • PHILADELPHIA • DETROIT

Army Times Publishing Co.

Army Times Publishing Co., Washington, is the country's 93rd largest media company, with 1981 media property revenues estimated by ADVERTISING AGE at $63.3 million, out of estimated total revenues of $94.4 million.

In 1980, the privately held company had estimated media revenues of $55 million out of estimated total revenues of $82.5 million.

About two-thirds of total revenues came from publishing and the remainder from commercial printing and telephone sales of subscriptions for other periodical publishers.

Army Times' Journal newspapers division, which publishes five daily suburban newspapers in the Washington area, began five-day-a-week publication last September, shortly after the *Washington Star* folded. The current daily circulation of 144,017, an ABC figure for the three months that ended last March, reflects a 14% increase in readership since the papers went daily.

However, Journal newspapers is the only part of Army Times Publishing that operates in the red. That's because the switch from a twice-weekly to a daily format required a huge, up-front investment that hasn't begun to spin off profits yet. That is expected to come about in a year or two.

"We decided to defer profits in order to have the long-range profitability of a five-day-a-week vs. a two-day-a-week paper," Henry L. Belber, executive vice-president, said. For now, Army Times will continue to invest in the Journal papers because the company anticipates further growth in that market, he said.

Although it has been rumored that the Journal newspapers were planning to enter the Washington metropolitan area, an Army Times spokesman insists that the company has no such plans. Army Times is best known, of course, for *Army Times* and its kin, *Navy Times*, *Air Force Times* and *Federal Times*. These papers quietly go about their business of providing newspapers to military and other government employes and have reached a combined current circulation of 330,000. The papers' principal target market,

the number of persons in active military service, has remained steady at 2 million for the past five years.

Last year was the company's best to date, but "the first quarter of '82 has come up even better than the year before," Mr. Belber said.

He suggested the company's financial health should get even better once the Journal papers reach the profitability expected of them. In addition, the company's profitable printing division is likely to become much more so when Army Times presses begin rolling out 120,000 copies a day of Gannett Co.'s new national daily, *USA Today*, for the Washington market this fall. Army Times and Gannett signed a printing contract recently after the satisfactory printing of two *USA Today* prototypes.

Army Times also is looking at opportunities that may present themselves in related areas like broadcast and cable. The company sees a role for itself in providing programing for Washington-area cable tv systems once the market is wired.

MEDIA PROPERTIES

Newspapers (dailies)

MARYLAND—*Montgomery Journal, Prince George's Journal.* VIRGINIA—*Alexandria Journal, Arlington Journal, Fairfax Journal.*

Newspapers (others)

Air Force Times, Army Times, Federal Times, Navy Times.

Magazines

Times (supplement to the military papers), *Military Market* (trade magazine).

OTHER OPERATIONS

Army Times Telephone Marketing, Journal Newspapers printing division.

A.H. Belo Corp.

A.H. Belo Corp., Dallas, publisher of the *Dallas Morning News*, is the nation's 45th largest media company, with media property revenues of $180.1 million in 1981, of which $121 million or 66% came from newspaper publishing, and $59 million or 32% came from tv and radio broadcasting. Total revenues were $182.3 million.

Media revenues were up 20% from $150.6 million in 1980, which was 96% of total revenues of $157.6 million.

Belo became a publicly owned company last year, although about 42% of its stock remains in the hands of the Dealy family.

Total advertising revenues of the *Dallas Morning News* were $102.3 million in 1981, an increase of 18% from 1980. Revenue increases were the result of higher ad rates and additional ad linage.

Total advertising revenues for WFAA-TV, Dallas, were $41.9 million, up 17% from 1980.

The Dallas Morning News ranks third in the nation in classified ad linage and commands a 57% share of newspaper classified advertising in the Dallas market. The News also surged ahead of its archrival, the *Dallas Times Herald*, in retail ad linage, for the first time in more than 50 years.

Since 1980, Belo has invested more than $2 million in Belo Information Systems On-line Network (BISON), a videotex system, said to be the first such commercial system in the nation. But in May, 1982, Belo said it was suspending operation of BISON until market conditions improve. Only 200 subscribers had signed up for the $10-a-month service that included news stories from the *News* and wire services, financial information, airline schedules and other consumer information.

Competition between the *News* and Times Mirror Co.'s *Times Herald* reached a new pitch this year as the *Times Herald* continued bragging boldly about being dominant in the market, while the *News* overtook the *Herald* in ad linage and asserted its own dominance. Both newspapers expanded news coverage to compete, opening news bureaus around the world and across the nation.

Significant personnel changes at Belo this year include the retirement of Mike Shapiro as president and chief executive officer of Belo Broadcasting Corp. and the appointment of Ward Huey as his successor, moving from executive vp.

Also, Martin Greenberg was named vp/radio at Belo Broadcasting (formerly president, ABC-FM, New York); Dorman Cordell was named chairman and chief executive officer of News-Texan (formerly chief of Texas operations for Associated Press), and Dave Smith, former sports editor of the *Boston Globe* and of the *Washington Star*, was named executive sports editor of the *Morning News*.

MEDIA PROPERTIES

Newspapers

TEXAS: *Dallas Morning News.* Also, area community dailies published by Belo's News-Texan: *Arlington Daily News, Garland Daily News, Grand Prairie Daily News, Irving Daily News, Mid-Cities Daily News, Richardson Daily News, Suburban News.*

Broadcasting

TELEVISION: WTVC-TV, Chattanooga, Tenn.; KFDM-TV, Beaumont, Tex.; WFAA-TV, Dallas. RADIO: KZEW (fm) and WFAA (am), Dallas.

Cable/video

Queen City TeleCommunications, Clarkesville, Tenn.

Providing assistance

In addition to the Advertising Age reporters and editors in all bureaus and free lance writers who wrote media company profiles for this issue, the following people did yeoman work producing this Special Report: Craig Endicott, Ann Helming, Sarah Stiansen and Nancy Tait.

Bergen Evening Record Corp.

The Bergen Evening Record Corp., Hackensack, N.J., is the country's 84th largest media company, with media property revenues of $79.3 million in 1981, or 99% of total revenues of $80.4 million.

The family-owned company's media revenues in 1980 were $73.1 million out of total revenues of $74.2 million.

The corporation's Bergen County-based flagship, the *Record*, the largest evening newspaper in New Jersey, and its semi-weekly *Ocean County Reporter* out of Toms River, N.J., ran up combined circulation and advertising revenues of $61.3 million, the *Record* contributing $59 million of that.

Revenues credited to Gateway Communications, the company's broadcasting division based in Cherry Hill, N.J., hit the $18 million mark, a jump from $16.5 million in 1980.

The *Record* is in the midst of a $62 million upgrading project, highlighted by the purchase of two Japanese-manufactured high-speed offset presses and pilot installation of the Swiss-made Ferag inserting system.

The presses, scheduled to be on line in late June, will enable the *Record* to become a full-color newspaper and what corporate officials claim will be the most modern paper in the country.

Already the *Record* is analyzing the possibility of launching a morning paper that would vary in style from the evening publication. A final decision is expected in the fall. However, the *Record* has made it clear that if the *New York Daily News* should fold before research is completed, the Bergen County paper immediately will begin publishing a morning tabloid.

Circulation of the *Record* in 1981 was 146,694 daily and nearly 200,000 on Sunday. While yearend audits reported a slight drop in circulation, which the *Record* claims is "common to today's patterns," 1982 figures to date have pleased company officials.

"Sunday circulation has been growing . . . our daily figures have just begun to show a small plus over the same period last year," said Bob Sapanara, circulation director. He said the gains mark the beginning of a reversal of the circulation decline.

Total full-run linage in the *Record* in 1981 was close to 51 million lines, a 1.4% increase from 1980. General ad linage increased more than 8%, offsetting declines in retail linage.

The new presses will enable the *Record* to produce up to 32 pages of spot color and up to 16 pages of process color in a 96-page publication. The *Record* now has the capacity to print editorial process color on all section fronts and advertising process color on all section backs.

The already-in-use Ferag system allows automated on-line insertion of preprinted material and off-line storage. The Ferag's speed will aid the handling of a growing volume of inserts in the *Record*. In 1981, approximately 114 million pieces were inserted by the paper.

Record board chairman Malcolm A. Borg said the company is excited "about introducing a high-quality color product into a black-and-white newspaper market. We anticipate enthusiasm by readers and advertisers alike."

In existence for 87 years, the *Record* has been owned by the Borg family for more than half a century. Since January, when Gregory Borg sold his 13.5% interest in the corporation and resigned as executive vice-president, the company has been wholly owned by Malcolm Borg and family trusts. Gregory Borg remains on the board of directors.

The company's entrance into new areas of communications is illustrated in the *Record*'s agreement with CBS and AT&T to supply news and service material for the highly publicized CBS/Venture One project which will test videotex in 200 Bergen County residences. Through a computer hookup, the *Record* will supply news and other material to Venture One. The paper in 1981 also produced a series of news programs over local cable television stations and is analyzing more involvement in that field.

These communications experiments are being undertaken, according to *Record* president Michael H. Heath, not with a view to making immediate profit but to "gain some front-line experience in these avenues."

Mr. Heath also said that the modernization "gives us capabilty to do many things . . . the outlook is broader than ever before."

No major changes again were reported at Gateway, whose stations reportedly continue to make headway in syndication.

MEDIA PROPERTIES

Newspapers

NEW JERSEY: *Record* (Bergen County), *Ocean County Reporter.*

Broadcasting

TELEVISION: WBNG-TV, Binghamton, N.Y.; WTAJ-TV, Altoona, Pa.; WOWK-TV, Huntington/Charleston, W.Va.

Blade Co.

The Blade Co., Toledo, O., is the nation's 65th largest media company, with 1981 revenues estimated by Advertising Age at $122.6 million, all from media operations. The privately owned newspaper, broadcast and cable company had estimated revenues of $118.7 million in 1980.

In a significant recent development, the company after several years of effort succeeded in getting Federal Communications Commission permission for Buckeye Cablevision, a wholly owned subsidiary, to unite its program offerings.

Savvy goes a long way

Some readers of Judith Daniels' *Savvy* have thanked her for not making her magazine a feminist vehicle. She says that breaks her heart.

Savvy is admittedly written for the "haves"—those well-educated women whose household incomes average $40,000 a year. That means "we may be elitist," Ms. Daniels says, "but that doesn't mean we're socially irresponsible."

Make no mistake—at age 43, Ms. Daniels thinks of herself as a feminist. *Savvy's* June issue this year carries a "Lamentation," an Editor's Note signed by executive editor Susan Edmiston, that mourns the probable death of the Equal Rights Amendment—"a historic defeat for women."

Ms. Daniels comments: "A lot of women now are going to law school and medical school and business school, but they don't see the generations of fighting that made that possible. And they're reluctant to see how laws [that gave them opportunities] can be changed back."

Even so, her magazine isn't a political vehicle, Ms. Daniels says. *Savvy* speaks to the "whole woman," sometimes in ways that some fast-track female executives might not find easy to swallow.

Along with stories on corporate power plays and investment strategies, the June issue talks about working mothers. The question: Are they cheating their children, and themselves?

In a sense, Judith Daniels is her magazine. She first thought of *Savvy* back in 1975 because "there was no single magazine talking to women I saw every day of my life"—the high achievers who loved their jobs but liked men, and family life, too. She left her job as managing

Daniels: A pragmatist

editor of *Village Voice* to work on the magazine idea fulltime for four years before its launch in January, 1980. She gives "most of her time and energy" to it as editor-in-chief of the magazine, published by Savvy Co.

But *Savvy* is a business, and Ms. Daniels is a pragmatist. There's been talk that Playboy Enterprises, recovering from recent jolts, is looking at possible magazine acquisitions. *Savvy* could be one of them.

Of that possibility, Ms. Daniels says: "Mergers happen in business, and that's never frightened me. Playboy is a first class publishing operation. [Merging with them] wouldn't bother me at all." AA

Previously, there were instances in which the cable system had to show different programs—on the same channel—to residents of Toledo and surrounding areas. For the first time, said John Karl, president of Buckeye, the cable company was able to present a unified marketing effort to Toledo residents in late 1981 and early 1982.

In January, 1982, the Blade Cable News came into being. News, provided by reporters for the *Toleao Blade*, the company's flagship media holding, is aired on one of Buckeye's channels from 6 p.m. to midnight seven days a week. It appears in the form of text flashed on the screen, in 16 colors with simple character-generated graphics.

Buckeye has added the CBS Cable Network to its list of offerings. It also has launched a drive to solicit national as well as local advertising for some of its cable channels. Solicitations for advertisers are appearing on various cable networks, and are generating interest, Mr. Karl said.

The system has experienced steady growth, growing from 68,000 households subscribing last year to slightly more than 72,000 subscribers currently. Mr. Karl said Buckeye is strengthening the already existing marketing efforts, which include ads on local television, radio, outdoor and in the *Toledo Blade*.

Two other cable systems owned by the Blade Co., one in Monroe, Mich. and the other in Sandusky, O., are holding their own. The Sandusky operation added 800 subscribers last year, growing to 14,000 subscribers. These operations were purchased by the Blade Co. in early 1981. In Monroe, the company has become one of the country's pioneers in experimenting with two-way cable tv.

A two-way stretch of wiring has recently been completed. It will give 800 homes the capability of simple response to cable programing. Consumers will be able to reply by touching panels that allow four to 15 responses. At the moment, the operation will not allow for full hookup with a home computer or terminal that would allow for complex responses.

All of the cable systems have added channels and offerings during the past year. The most recent addition will be a *Blade* sports and financial news network, slated to appear in the Toledo-area program offerings sometime in the next few months.

Things have been quieter for the *Toldeo Blade* and the company's three other newspaper holdings. Despite being the only paper in town, the evening *Blade* is, like most other newspapers, suffering from the economy and a decline in advertising linage. Ad revenues for the *Blade* in 1981 were slightly better than in 1980, but linage was down.

Ad revenues so far in 1982 are slightly below 1981 levels, said Ben Magdovits, director of advertising for the *Blade*. "The display advertising situation is a little discouraging right now," he said. "We're giving back about half the gains we made in 1981. And printing costs are continuing to rise. A change in the economy would really help."

The economy has created problems for some of the *Blade*'s advertisers, as well. Wickes Furniture Stores, a heavy advertiser, filed for reorganization under Chapter 11 of the bankruptcy laws and no longer advertises. In fact, lamented Mr. Magdovitz, 14 active *Toledo Blade* advertisers went bankrupt during the past year, victims of industrial Ohio's depressed economy.

But the paper's circulation has remained stable, he added. Despite the well publicized problems of evening papers, the company has no plans to switch the Blade to a morning paper or add a morning edition. The other Blade Co. newspapers have managed to avoid significant falloffs in business, as have its two tv stations and one radio station.

The company, owned by brothers Paul Block Jr. and William Block, remains in family hands as it has since 1926. The *Toledo Blade* this year marks its 182nd year of publication.

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *Monterey Peninsula Herald.* NEW JERSEY: *Redbank Register* (Shrewsbury). OHIO: *Toledo Blade.* PENNSYLVANIA: *Pittsburgh Post-Gazette.*

Broadcast

TELEVISION: WLFI-TV, Lafayette, Ind.; WLIO-TV, Lima, O.

RADIO: WWSW (am), Pittsburgh.

Cable/video

OHIO: Buckeye Cablevision, serving Lucas, Maumee, Montdera, Perrysburg, Sylvania, Sylvania Township, Toledo, Washington Township, Wood County; Erie County Cablevision, serving Sandusky. MICHIGAN: Monroe Cablevision, serving Monroe.

CBS Inc.

CBS Inc., New York, is the country's second largest media company with revenues of $2.18 billion from media operations in 1981, or 53% of total revenues of $4.13 billion.

In 1980, CBS had media revenues of $2.001 billion and total revenues of $4.06 billion.

Its original and most lucrative business, broadcasting, provided $1.92 billion of the multimedia conglomerate's revenues for the year. Nine magazines, including a newcomer, and the Sunday newspaper supplement, *Family Weekly*, contributed the remainder of media revenues.

Thanks to the CBS/Broadcast Group, CBS Inc.'s operating income managed to hold steady at $190.4 million last year, despite sharply rising tv programing costs, heavy investment in cable networking and a disappointing showing from the publishing group.

However, the cost of shutting down the mass market paperback book unit cut net income to $163.8 million from 1980's $189.7 million.

The CBS-TV Network, the corporate family's star advertising vehicle, maintained a comfortable edge in the prime time Nielsen ratings but continued to lag behind rival ABC-TV Network in billings. ABC-TV, according to Broadcast Advertisers Reports estimates, pushed past the $2 billion mark, considerably ahead of CBS-TV's $1.898 billion.

Even in the midst of celebrating the fourth consecutive prime time audience win, CBS execs could sense nagging signs of trouble ahead at CBS, because of the company's sluggish financial performance and the desire of volatile chairman and founder William S. Paley to be No. 1 in as many things as possible.

ABC's strength in the influential May local tv rating sweeps could be a harbinger of a closer nighttime race next fall. Locally, in markets where they compete head on with owned and operated stations, ABC generally outclassed CBS in the crucial November '81 sweeps, and looked particularly good with the sponsors' darlings, women 18 to 49. In New York, WCBS-TV was third to WABC-TV and WNBC-TV in sign-on to sign-off audiences, deflating the CBS station's advertising rates.

The pressures appear to be strongest at CBS News, now headed by Van Gordon Sauter, formerly of CBS Sports, who succeeded the retiring Bill Leonard. CBS News nervously watched viewers begin to sample other channels after Dan Rather was promoted somewhat earlier than originally contemplated to succeed Walter Cronkite as anchor on the "CBS Evening News."

A pinch of show business, including the loosening up of a sweater-garbed Mr. Rather, is credited with helping to hold off the advancing ABC "World News Tonight," but the competition remains tense. Mr. Sauter also must breathe life into the floundering early-morning wakeup show. Even with fresh faces and slicker promotion, this show usually runs far behind ABC's "Good Morning America" and NBC's "Today" in the Nielsens.

At the same time, CBS has been responding to news competition from Turner Broadcasting System in Atlanta. After Ted Turner began assiduously wooing over-the-air stations for his Cable News Network 2 lineup, an offer especially appealing to telecasters looking for overnight fare, CBS countered with its own bartered late-night news service. Several CBS affiliates bought the Turner service.

CBS spent $40 million on cable tv research and development last year. Its principal cable venture, CBS Cable, so far has had more success amassing press clippings than cable subscribers and affiliates. The pop cultural miniservice attracted more advertising than Hearst/ABC's ARTS, but not nearly enough to absorb the red ink. Many industry observers expect CBS Cable to be revamped once CBS/Fox Inc. gets rolling. Some think it will change quickly into a premium pay tv operation.

A restated 1982 first-quarter financial report dramatized the impact of the heavy investment in the developing technologies. The revamp, which dropped net income 14% to $12.2 million from the $14.2 million originally reported, was made because CBS decided not to defer the CBS Cable Network losses. Earlier, it had planned to include its cable operations in a joint cable venture with Twentieth Century-Fox Film Corp., starting with the second quarter, but the venture hadn't been finalized in time.

CBS/Fox will produce software for all the new video forms and will put CBS into the premium pay cable market for the first time. CBS is testing the marketing potential of teletext, using the vertical blanking interval to broadcast text and graphics material to home receivers over its Los Angeles station. Videotex, a cabled text system capable of two-way communication, will be tested in conjunction with American Telephone & Telegraph. CBS is not likely to market both on a major scale.

Some analysts believe ABC has outdistanced CBS in product development for over-the-air stations with its proposed Home View Network. ABC will test subscription tv to deliver movies and other pay attractions to videocassette recorder homes late at night, for playback at their convenience.

In 1981, CBS broke the regulatory line against Big Three tv network ownership of domestic cable companies. The Federal Communications Commission granted the network a waiver to own systems serving up to 90,000 homes for experimentation with the new techniques. The company had no difficulty buying Blackhawk Cable Communications in the Dallas/Fort Worth suburbs, but hit a snag in a bid for a newbuild franchise assignment in Alameda, Cal. The winner was United Cable, the country's 12th largest multiple systems operator.

At the publishing group, headed by Peter Derow, magazine ad pages in 1981 fell slightly from 1980, although the group's nine magazines and *Family Weekly* posted a 5% gain in ad revenues. But earnings for CBS/Publishing Group fell slightly last year.

The company's total number of magazines remained constant, but there was a change in titles. CBS sold *Pickup Van & 4WD* and acquired *Cuisine* after that magazine filed a bankruptcy petition. *Cuisine* has done exceptionally well in revenues, up 80% in the first quarter this

Magazines: The hot books

Magazine	%Increase in ad pages, 1981
AutoWeek	22.4%
Bon Appetit	21.8%
Money	21.8%
Architectural Digest	20.3%
Town & Country	19.4%
Harper's Bazaar	19.1%
Fortune	18.8%
Vogue	16.9%
The Washingtonian	15.7%
Gentlemen's Quarterly	14%

Source: Advertising Age.

...and the not so hot

Magazine	%Decrease in ad pages, 1981
Redbook	−16.2%
Ladies' Home Journal	−15.7%
United Mainliner	−14.9%
Popular Science	−12.8%
Mechanix Illustrated	−11.6%
House & Garden	−11.3%
Dun's Business Monthly	−10.4%
Organic Gardening	−9.3%
Woman's Day	−8.6%
U.S. News & World Report	−7.2%

Source: Advertising Age.

year, and pages, up 58% in the quarter, but the company has decided to cut the magazine's circulation base of 750,000 by 25,000 and to lower ad rates 3.3%.

Over-all pages for the group were down about 6% for the first quarter, while rev nues inched up 1%.

There were fewer traumatic personnel shifts than usual at CBS Inc. The CBS/Broadcast Group was restructured under president Gene Jankowski. Two group exec vps were added: James Rosenfield, formerly president of the CBS-TV Network, and Thomas Leahy, promoted from senior broadcast vp.

Robert Krefting shifted from head of special-interest magazines to president of consumer publishing, and Peter Diamandis of Gruner & Jahr replaced Peter Bonanni as publisher of *Woman's Day*.

Mr. Paley and Thomas Wyman, in his second year as CBS Inc. president, have assured stockholders that CBS will continue to be the preeminent provider of entertainment and information for the consumer at the end of the 1980s just as it was at the beginning. The technological explosion not withstanding, that leadership still will rest mainly on the appeal and strength of the CBS-TV conventional, over-the-air network, they predicted.

MEDIA PROPERTIES

Magazines

Audio, American Photographer, Cuisine, Cycle World, Family Weekly, Field & Stream, Mechanix Illustrated, Road & Track, Woman's Day, World Tennis.

Broadcasting

TELEVISION: KNXT-TV, Los Angeles; WBBM-TV, Chicago; KMOX-TV, St. Louis; WCBS-TV, New York; WCAU-TV, Philadelphia.

RADIO: RADIORADIO network; KCBS (am) and KRQR (fm), San Francisco; KNX (am, fm), Los Angeles; WBBM (am, fm), Chicago; WEEI (am, fm), Boston; KMOX (am, fm), St. Louis; WCBS (am, fm), New York; WCAU (am, fm), Philadelphia.

Cable/video

CBS Cable: 20% interest of Netcome Inc., which owns systems in Quebec; 18.44% of Premier Communications Ltd., British Columbia.

OTHER OPERATIONS

CBS/Columbia Group, CBS Theatrical Films division, CBS Records Group, CBS Technology Center, CBS Video Enterprises.

CSX Corp.

CSX Corp., Richmond, Va., is the 96th largest U.S. media company, with media property revenues of $61.6 million last year, from its Florida Publishing Co. and Clay Video subsidiaries. CSX Corp. is primarily a railroad holding company; its total revenues last year were $5.43 billion.

Media revenues were up 12% last year from $55 million in 1980. They came from cable and newspaper properties.

Florida Publishing, publisher of the morning *Florida Times-Union* and the evening *Jacksonville Journal* in Jacksonville, Fla., has always been owned by a railroad. In 1974, Seaboard Coast Lines Railroad gained 100% control of the company, and when Seaboard merged with Chessie Rail System in November, 1980, Florida Publishing became a wholly owned subsidiary of the newly formed CSX Corp.

Florida Publishing also owns *The St. Augustine Record*, a six-day publication with a circulation of 10,000, and the weekly Crescent City *Courier-Journal*, with a circulation of about 2,000 readers.

In the past year, Florida Publishing sold the *Flagler Tribune* and the *Ormond Beach Halifax*, which both served the Daytona Beach area, to the *Daytona Beach News Journal* for an undisclosed price.

According to Joseph Butler, vp-finance with Florida Publishing, the company decided to sell the Daytona Beach properties when it determined that the area's population growth wouldn't meet projections. In addition, Mr. Butler said, it was difficult for the two papers to compete with a strong, daily newspaper. Florida Publishing believes its divestitures were well timed, he said: "We were able to realize substantial gains in terms of both properties."

Florida Publishing expanded its printing operation last year to be able to offer a commercial printing service. A new offset printing press was installed at the company's St. Johns publishing division in St. Augustine, Fla., to accommodate the commercial printing venture. Florida Publishing also does commercial printing at its Jacksonville headquarters. Preprinted advertising inserts provide substantial revenue opportunities, the company said.

In the early 1970s, Florida Publishing acquired a 20% interest in Area Communications, a cable system that serves 55,000 subscribers in the Jacksonville area. Since that acquisition, it has diversified and grown modestly in cable.

Area Communications was granted a 15-year cable franchise for the city of Jacksonville in 1978. The system's initial phase of construction should be completed by year's end, by which time Area Communications expects to serve 70,000 subscribers.

Coast Line Communications, set up by CSX in November, 1980, is a separate subsidiary designed to provide marketing and advertising services both for CSX's cable systems and outside cable companies. Coast Line has an agreement with Area Communications and other systems to provide advertising inserts for local advertisers using its own inserts and those made available by cable networks such as Ted Turner's Cable News Network and the CBS cultural cable service.

Coast Line's production capability is being used by CSX's own 24-hour local news and information cable tv channel—Cablevision 12. The channel, which operates on the Area Cablevision systems, provides information to viewers in alpha-numeric form. Cable news staffers at Florida Publishing feed local and regional news, sports and other information to the channel's 50,000-person audience in Jacksonville. The system also has teletext wire service feeds.

Cablevision 12 also produces experimental video programs. This, Mr. Butler said, "is letting us get our feet wet in cable programing." Offerings include consumer-oriented programs like "Auto Shop," "Consumer Kitchen" and "Reporter's Notebook," a live, call-in show.

Clay Video, CSX's wholly owned cable subsidiary, currently reaches 10,000 homes in suburban Clay County, which surrounds Jacksonville. The cable subsidiary was acquired in August of 1980.

Clay Video has made three small cable acquisitions. One is an additional franchise for Clay County. The second is a municipal franchise for a system that is yet to be built in an adjoining county. In January, 1981, Clay acquired the Fernandian Cable Television Co., which serves a resort area in the northeastern corner of Florida. The system has around 2,800 subscribers.

CSX's media subsidiaries are continually seeking out profitable opportunities in media, and have several new media ventures pending. "We want to be a diversified communications company —not just a newspaper publisher—and one that serves a specific geographic area," Mr. Butler said. "Our commitment is to southeastern Georgia and northeastern Florida."

MEDIA PROPERTIES

Newspapers (dailies)

FLORIDA: Florida Times-Union (Jacksonville), *Jacksonville Journal, St. Augustine Record.*

Newspapers (nondailies)

FLORIDA: *Courier-Journal* (Crescent City).

Cable/video

Clay Video, Area Communications (20% owned by Florida Publishing Co.), Cablevision 12 (cable tv production facility).

OTHER OPERATIONS

Chessie System Railroads, Coast Line Communications (advertising and marketing services to cable TV systems), CSX Beckett Aviation, CSX Minerals, CSX Mineral Development Co., CSX Hotels (owner and operator of the Greenbrier Resort Hotel in White Sulphur Springs, West Virginia, and partial interest in two other properties), CSX Resources (real estate holdings, oil and gas ventures), Family Lines Rail Systems, New River Co. (coal mining), Richmond, Fredericksburg and Potomac Railroad Co., St. Johns Publishing (commercial printing).

Some unreclusive comments

By Ann Helming

It seems that life isn't getting any easier for the multimillionaire wheeler-dealer. Take the case of Edward L. Gaylord, the 62-year-old "reclusive" head of Oklahoma Publishing Co., a little concern worth about half a billion dollars.

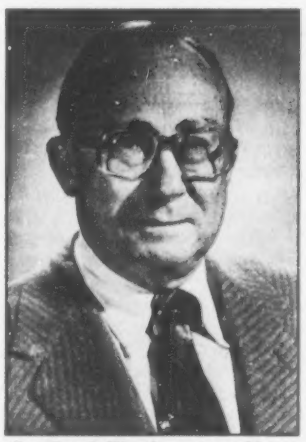
Mr. Gaylord is reputedly one of the richest and most powerful men in his oil-rich state. Much of the power, as well as the wealth, is inherited. Mr. Gaylord is the son of Edward King Gaylord, an Oklahoma pioneer who looms large in the history of the state.

The elder Mr. Gaylord also cast a long shadow on his son. Edward King Gaylord ran Oklahoma Publishing until his death at the age of 101 eight years ago. It was only then, at the age of 54, that Edward L. Gaylord was allowed to show that he might be more than just his father's son.

In attempting to do that, partly by extending the company's media holdings and adding acreage to its assets, he has generated a fair amount of controversy in the state, as well as some unfavorable comparisons with his father: He doesn't wield authority nearly as effectively as Edward King Gaylord, it's said. He doesn't command as much respect. He is aloof.

In an interview, Mr. Gaylord rejects such characterizations as unkind cuts. He says he is anything but a loner, spending about half his time on "civic" activities, such as the Oklahoma Industries Authority, Oklahoma Christian College and the Cowboy Hall of Fame, which Mr. Gaylord says is "a major tourist attraction in the state."

It's his 20-year chairmanship of the Oklahoma Industries Authority, a development trust affiliated with the state Chamber of Commerce, that he's proudest of, Mr. Gaylord says. True, the tax-exempt body did run into problems with the state's attorney general, who wanted a look at its books a while back, a request that Mr. Gaylord politely declined. Some people in the state have suggested that the authority has been run in part for the benefit of its trustees; Mr. Gaylord stoutly denies that and points to the more than 200 plants, among them a General Motors assembly plant, and the thousands of jobs he says the authority has brought to the state.



Gaylord: Work, not welfare.

Mr. Gaylord's word for himself, and his holdings, is "conservative." He says his two Oklahoma City newspapers, the *Times* and the *Daily Oklahoman*, his "most significant properties," are "conservative—not bubble-headed like the *New York Times* and the *Washington Post*."

He himself is a registered Democrat, but "not very proud of it," and has voted Republican for the last 30 years. "Ronald Reagan is a great American and we're all for Reaganomics," he says. To the obvious question, then, Mr. Gaylord explains that he keeps his Democratic registration so he can vote against especially loathed Democratic candidates in state primaries.

Mr. Gaylord serves Oklahoma Christian College as head of its board of directors because, he says, "They teach young people to work for a living, not to go on welfare." He and 25 other business leaders, mostly Oklahomans, helped raise $15 million to build an institute called Enterprise Square U.S.A. that will open on campus in November. Its aim, he says, is to "foster free enterprise," a system that he readily admits has served him well.

Meanwhile, back at the ranch, Mr. Gaylord's diversification moves for Oklahoma Publishing include some land buys up north, between Colorado Springs and Denver, that he says have good long-term development prospects.

The biggest buy, just a year ago, was $11 million invested in a ranch. Oklahoma Publishing also has added a film production company, a radio station, two tv stations and a newspaper in Colorado Springs in recent years. Plans are in the works for more tv and movie production, which Mr. Gaylord says looks "very profitable."

Some other ventures haven't panned out. After three years of fighting for control of Standard Metals Corp., a Colorado gold and silver mining operation, Mr. Gaylord and a partner backed off. He now says he would sell his 25% stake in the company "if we could find a buyer."

In the course of becoming his own man, Mr. Gaylord has upset a number of people, including the folks at an Oklahoma City tabloid who reportedly printed up some bumper stickers proclaiming that "Will Rogers Never Met Eddie Gaylord."

People who talk like that are just "enemies," Mr. Gaylord says. AA

Ann Helming is a business writer in Chicago and frequent contributor to Magazine/Special Report.

Cahners Publishing Co.

Cahners Publishing Co., Boston, is the country's 59th largest media company, with revenues of about $130 million from media operations for fiscal 1982, which ended March 31. That's an increase of 30% from fiscal 1981 media revenues of $100 miliion.

Media revenues represented 75% of the company's total revenues of about $160 million last year, up from the previous year's total revenues of $150 million.

Cahners is the U.S. operation of United Kingdom-based Reed Holdings Inc. Media revenues of Cahners came from 28 trade magazines, most of which have controlled circulation. Media revenues, therefore, are primarily from advertising.

In January the company reorganized, combining its Boston and Chicago magazine divisions into one, and dividing the magazines into four groups based on subject matter.

A new management structure was put into place as well. J. A. Sheehan was named president of the united magazine division. He had been president of the company's Chicago operation. William M. Platt, who had been president of the Boston division, was named exec vp of the unit.

The company named group vps for each of the four publishing groups. Ellsworth Brown, formerly publisher of *Purchasing*, heads the manufacturing industries group; Harold J. Sugarman, publisher of *Building Supply News*, tops the building/construction group; former *EDN* publisher H. Victor Drumm is group vp of the electronics/computer group, and *Restaurants and Institutions* publisher David Wexler heads the foodservice group.

In an interview at the time he was named president of the magazine group, Mr. Sheehan said the company plans to continue its past growth rate through "an aggressive acquisitions policy and an aggressive attitude toward launches." Since the end of 1981, however, there have been no acquisitions or launches on the part of Cahners.

Mr. Sheehan also said Cahners is interested in general circulation and newsstand publications, both consumer and business, indicating that a general circulation opportunity would be through acquisition, not a Cahners launch.

Although the company's results show gains for this fiscal year, "the place we have really been hurt is in the tight construction industry," Mr. Sheehan said.

Cahners also operates the Exposition Group as an adjunct to its magazines. This group produces publications that are distributed at industry trade shows.

MEDIA PROPERTIES

Magazines

African Construction, Appliance Manufacturer, Brick and Clay Record, Building Design and Construction, Building Supply News, Ceramic Industry, Construction Equipment, Design News, EDN, Electronic Business, Electronic Packaging and Productions, Electro-Optical Systems Design, Hotels & Restaurants International, Foodservice Equipment Specialist, Mini-Micro Systems, Modern Materials Handling, Modern Railroads/Rail Transit, Package Engineering including Modern Packaging, Plastic World, Professional Builder & Apartment Business, Purchasing, Restaurants and Institutions, Security Distributing & Marketing, Security World, Semiconductor International, Specifiers Guide to Mechanical & Electrical Products, Specifying Engineer, Traffic Management.

Annual directories

Transportation/Distribution Equipment Directory, U.S. Industrial Directory.

Capital Cities Communications

Capital Cities Communications, New York, is the country's 15th largest media company, with 1981 revenues of $573.8 million, all from media operations. Net income was $80 million vs. the $70 million posted a year earlier, when revenues were $472.1 million.

Well over 60% of the publicly owned company's revenue was derived from its magazine and newspaper holdings, with the remainder coming from broadcast and cable properties.

By all accounts, the company's most significant accomplishment in 1981 was its becoming a major factor in the cable tv business with the acquisition of Cablecom-General for $139 million.

Combining Cablecom's systems with a few already under Capital Cities control gave the company 51 separate systems operating in 16 states. Capital Cities said it expects a positive earnings contribution from its cable systems by this year's fourth quarter.

Capital Cities, until 1968 exclusively a broadcast company, has found that cable tv is winning viewers with some of its alternative offerings, particularly with theatrical films and some sports events.

The company has noted that "there is little doubt that there will be a continuing gradual reduction in audience totals delivered by the three commercial networks, and therefore our stations as well."

The company added that, "while we are not alarmed by this trend," it makes it even more important that Capital Cities stations "excel in all programing efforts, especially local and regional news."

In 1981 the broadcasting division posted a 16% gain in revenues to $193 million. Television stations enjoyed a 20% gain in national spot sales and a 14% increase in local sales. Meanwhile, its owned radio stations posted an over-all 11% revenue gain, with Fort Worth and New York properties making above average gains.

Of the six vhf stations owned by Capital Cities, its outlets in Philadelphia (WPVI-TV), Houston (KTRK-TV) and Buffalo (WKBW-TV), are the clear-cut ratings leaders in all the important local news segments, including early and late evening news. WTNH-TV in New Haven and WTVD in Raleigh-Durham are solid challengers to the top spot. The Fresno outlet, KFSN-TV, is the evening news leader, though it lags in morning ratings.

Chairman-ceo Thomas Murphy has said that Capital Cities is interested in boosting its tv ownership to the full complement allowed, five vhf and two uhf stations. Thus, in 1981, serious discussions were held about the acquisition of several different uhf outlets in major markets. But through late May this year no firm deals had been struck.

Of the 14 am and fm radio stations owned by the company, none ranked lower than 10th in any market, and the 10th ranked station was in Los Angeles where over 40 stations attain Arbitron ratings. In several cities the Capital Cities station was top ranked.

WBIE-FM was added to the fold in 1981, bringing the company to its full complement of seven fm and seven am stations.

Also within the broadcast division is the company's programing arm, Capital Cities Television Productions. During 1981 that unit produced three one hour documentaries and in association with Paulist Productions, five dramas dealing with problems confronting young people. Among the documentaries clearing 93% of the country were "For Better? For Worse? The American Family" and "Runaway: Where are They Now."

At the end of 1981 the company's Cable Television division counted about 290,000 subscribers, of which nearly 170,000 had a premium cable service. The cable operation is split into three regional divisions: Western, Northern and Southern. Capital spending in the division in 1981 topped $27 million.

However, the company has decided that prospective rates of return on major new franchises are lower than what it considers acceptable to get involved in "overheated" bidding. Thus it currently isn't seeking any major cable franchises.

The company expressed strong optimism for cable business, noting that "historically, Cap Cities growth has come through the acquisition and subsequent improvement of existing properties."

The company's publishing division, which includes such diverse holdings as the *Fort Worth Star Telegram* and *Entree*, a monthly for the gourmet retail trade, posted record sales and earnings in 1981, despite "experiencing intense cost pressures as a result of expanded operations, increased newsprint prices, additional personnel and the effects of the high rates of inflation."

The company owns a number of pennysaver operations but late last year it terminated the operations in Tulsa and Dallas; the pennysaver operations will continue, however, in Wichita and Topeka and in Missouri.

Within the publishing division, the specialized publications group had a strong year, but Cap Cities Professional Press suffered revenue declines.

MEDIA PROPERTIES

Newspapers (dailies)

ILLINOIS: *Belleville News Democrat.* MICHIGAN: *Oakland Press* (Pontiac). MISSOURI: *Kansas City Star, Kansas City Times.* OREGON: *Albany Democrat Herald, Ashland Daily Tidings.* PENNSYLVANIA: *Wilkes-Barre Times Leader.* TEXAS: *Fort Worth Star Telegram.* Also, three Fairchild Publications business dailies: *American Metal Market, Daily News Record, Women's Wear Daily.*

Newspapers (nondailies)

CONNECTICUT: Shore Line Publications:*Advertiser,* (in Branford, East Haven and North Branford), *Branford Review, Clinton Recorder, Hamden Chronicle, Niantic News* (East Lyme and Waterford), North Haven Post, Pictorial (Chester, Deep River, Essex, Lyme, Old Lyme, Saybrook, Westbrook), *Shoreline Times* (Guilford, Madison), *Wallingford Post.* OREGON: *Albany Stamp Collector, Albany Stamp Wholesaler, Cottage Grove Sentinel, Gresham Outlook, Lebanon Express, Newport New Times, Sandy Post, Springfield News.* KANSAS: *Pennypower Shopping News* (Topeka, Wichita, Springfield, Mo). Also, Fairchild Publications nondailies: *Energy User News, HFD-Retail Home Furnishings, Multi Channel News, Sportstyle, Supermarket News, W.* Also, International Medical News Group, Professional Press Group.

Magazines

Entree, Heat Treating, Home Fashion Textiles, Men's Wear, Metal/Center News..

Broadcasting

TELEVISION: KFSN-TV, Fresno, Cal.; WTNH-TV, New Haven, Conn.; WKBW, Buffalo, N.Y.; WTVD-TV, Durham-Raleigh, N.C.; WPVI-TV, Philadelphia; KTRK-TV, Houston.
RADIO: KZLA (am, fm), Los Angeles; WBIE (fm), Marietta, and WKHX, (fm), Atlanta, Ga.; WJR (am, fm), Detroit; WKBW (am), Buffalo, N.Y.; WROW (am, fm), Albany, N.Y.; WPRO (am, fm) Providence, R.I.; WBAP (am) and KSCS (fm), Dallas/Fort Worth.

Cable/video

ARIZONA: Clifton, Cottonwood, Globe, Holbrook, Page, Safford, Show Low, Winslow. CALIFORNIA: Burlingame, Modesto, Oakdale, Santa Rosa. ILLINOIS: Highland Park. INDIANA: Greenwood. IOWA: Sioux City. KANSAS: Abilene, Beloit, Cly Center, Concordia. MICHIGAN: Plymouth, Saline. MISSISSIPPI: Clarksdale, Gulfport. MISSOURI: Brookfield, Joplin, Kirksville, Trenton. NEBRASKA: Norfolk. NEW MEXICO: Rio Rancho, Roswell. NORTH DAKOTA: Fargo. OHIO: Green Township. OKLAHOMA: Altus, Ardmore, Hobart, Idabel, Mangum, Miami, Ponca City. TENNESEE: Dyersburg. TEXAS: Aransas Pass, Bonham, Childress, Denison, Lampasas, Lufkin, Memphis, Odessa, Port Lavaca, Sherman, Wellington.

Magazines: The Money Makers

	1981 Ad Revenues	% Change from 1980
Weeklies:		
1. Time	$253.4 million	+13.4%
2. TV Guide	$239.3 million	– 0.1%
3. Newsweek	$200.2 million	+13.6%
4. Sports Illustrated	$154.2 million	+19.8%
5. People	$136.1 million	+27.8%
Monthlies:		
1. Reader's Digest	$112.9 million	+12.9%
2. Good Housekeeping	$103.6 million	+14.8%
3. Better Homes & Gardens	$100.7 million	+ 4.8%
4. Family Circle	$ 95.1 million	+ 5.2%
5. Woman's Day	$ 88.9 million	– 7.9%

Source: Publishers Information Bureau

Central Newspapers

Central Newspapers, Indianapolis, is the country's 25th largest media company, with 1981 revenues estimated by Advertising Age at $304.5 million with all coming from newspapers, compared with the AA estimate restated from 1980 of $246.1 million.

The privately owned company publishes seven daily newspapers in Indiana and Arizona, with a combined daily circulation of 795,000.

Six are the a.m. and p.m. papers in Phoenix, Indianapolis and Muncie.

The *Vincennes Sun Commercial* is an afternoon product with a Sunday edition.

Both revenues and readership increased at Central in the past year. In fact, to accommodate the growing circulation of its Arizona newspapers, an $18 million satellite printing plant is nearing completion in Mesa, Ariz., to aid the overburdened main plant in Phoenix. The new

plant is to begin operating in August. Remodeling and upgrading of facilities continue at the Indianapolis papers as well.

Last month, Central made its first venture into cable. Through its new subsidiary, R/G Cable, the company has leased three channels in Phoenix from Storer Broadcasting Co. The one-way cable system reaches 20,000 subscribers in the Phoenix area.

The first channel, which began operating in May, brings viewers classified advertising in text form. The advertising must run in the newspaper first, and advertisers seeking cable exposure pay an additional charge.

The second channel is planned as a news program, due to start on Sept. 1. Plans for the third channel haven't been announced.

Company execs say they plan to diversify further into cable, while keeping newspapers the mainstay of the company. "We're watching the cable business very carefully," said Frank Russell, president of Central Newspapers.

MEDIA PROPERTIES

Newspapers

ARIZONA: *Arizona Republic, Phoenix Gazette.* INDIANA: *Indianapolis Star, Indianapolis News, Muncie Press, Muncie Star, Vincennes Sun-Commercial.*

Cable/video

R/G Cable, operating three channels in Phoenix area.

Charter Co.

Charter Co., the nation's 38th largest media company, had 1981 media property revenues of $202 million, representing about 4% of the company's total revenue of $4.97 billion. This compares with $296 million in media revenues out of total revenues of $4.56 billion in 1980.

The Jacksonville, Fla.-based company, which once said it wanted to become an important factor in communications, is fading from the scene as a media company. In the last six months it has been carrying out a mass divestiture of its media properties. When pending sales are completed, the company will be left with only a trade magazine and *Ladies Home Journal*, both of which Charter acknowledges are on the block.

In a statement on the company's strategy in February, Raymond K. Mason, Charter's chairman, said, "We have been discontinuing unprofitable operations and redeploying assets" since the 1979 acquisition of Carey Energy, which doubled the company's size and made it a much more significant energy company. Charter also has a sizable insurance business, which it apparently plans to expand.

Since January, Charter has followed up last year's sale of *Sport* magazine and the Dayton Press, an unprofitable printing subsidiary, by closing the troubled *Philadelphia Bulletin*, selling off *Redbook* and Charter Data subscription fulfillment service, and signing definitive agreements, subject to still-pending governmental approvals, to sell seven company-owned radio stations around the country.

The *Bulletin*, which had about $7 million in pretax losses in the last four months of 1981 alone, folded in January after the company's unsuccessful attempts to find a buyer. The closing came only about four months after the company had won $5 million in union concessions that temporarily saved the paper and had pledged to put $30 million in new capital into the *Bulletin*. But the paper kept losing money—operating losses mounted to $10.9 million in '81—and circulation—36,000 daily customers in the last year alone, according to the Audit Bureau of Circulations. Its share of newspaper advertising in Philadelphia fell to 28% of daily linage. Charter reported that its "extensive profit improvement plans" had failed to produce "the required results."

Charter also disbanded its

Where there's a W(ill), there's a W(ay)

By Susan Spillman

"When this company decided to get into cable it decided to do it in a big way."

—Daniel Ritchie, chairman, Westinghouse Broadcasting & Cable

Westinghouse is indeed into cable in a big way. One important symbolic indication of that was a recent name change: Westinghouse Electric Corp.'s Westinghouse Broadcasting subsidiary, the nation's oldest and fourth largest traditional broadcaster, is now known officially as Westinghouse Broadcasting & Cable.

Yet less than two years ago, even cable entrepreneur Ted Turner, who now finds himself in pitched battle with Westinghouse, would have been hard-pressed to recall where the company's six 12-channel cable systems were located, although a couple were in his own Georgia backyard.

But today Westinghouse:

- Has become the third largest multiple systems operator and half owner of the Showtime pay tv network, through its $646 million acquisition of Teleprompter Corp.
- Is taking on Mr. Turner's Cable News Network with its own brand of around-the-clock video news.
- Has entered into a partnership with Walt Disney for the creation of a Disney cable channel.
- Owns the small Portland, Me.-based Home Theatre Network pay service.
- Is the marketing and ad sales representative for the proposed Nashville Network and the two-year-old Black Entertainment Television service.

In short, Westinghouse rapidly has built itself into a cable empire. In just 18 months the company whose sole cable interests previously consisted of 65,000 subscribers in two states is poised to rival the prominence of industry leaders Time Inc. and Warner Amex.

To emphasize its cable prominence, Group W Cable earlier this month launched the first national advertising campaign ever undertaken by a multiple systems operator. The campaign attempts to position Group W Cable as a home entertainment marketer rather than a mere utility provider.

Broadcast operations contributed the majority of Westinghouse Broadcasting's $431.9 million in revenues in 1981. (Revenues of Teleprompter, which has become Group W Cable at Westinghouse, were included only since July, when the acquisition became final.) But this year broadcasting and cable will be equal in revenues, and by 1987 cable revenues will substantially surpass that of broadcasting, says Mr. Ritchie, the chairman and chief executive officer of Westinghouse Broadcasting.

Hayes: Not anti-Turner.

Ritchie: Big plans.

Westinghouse is sinking $300 million in capital investment into its cable properties this year. The bulk will go to revamp systems neglected under Teleprompter management. Over the next five years Westinghouse plans to spend $1.2 billion to expand the channel capacity of these systems in order to make room for the program offerings of its sister company, Group W Satellite Communications. By 1983 all of Group W's systems will have at least 20 channels, according to Group W Cable president Chris Derick.

Mr. Derick, former president of Viacom International's cable subsidiary, was wooed away from the presidency of the Comcast Corp., a Pennsylvania multiple systems operator, by Group W only six months ago. In addition to upgrading the company's 130 systems, Mr. Derick is playing catch-up for Group W, trying to win it what additional markets he can in the final stretch of the franchising race.

Teleprompter had been slow to enter the franchising gold rush of the late 1970s, and for the most part it was unsuccessful when it finally did. After a proxy fight for company control that resulted in new leadership, Teleprompter returned to profitability but not until franchising had become a highly competitive and expensive game.

Enter Westinghouse. With deep pockets and a sparkling public image, Westinghouse beefed up the mso's bidding efforts from coast to coast.

Yet some competitors, pointing to Group W's failure to win any major-city cable franchises, claim it has done so with little more success than Teleprompter. "We have not been very successful in the larger cities because we may not be very good at playing politics," concedes Mr. Ritchie, "but we have done well in the smaller and medium size cities. We've added 400,000 homes in the last year, which is the equivalent of two Denvers."

The reference to Denver is more than a casual one. Group W Cable's losing in its effort to land that coveted franchise earlier this year is a sore spot with Mr. Ritchie, whose personal acreage in the state of Colorado is second only to that of the federal government's. "In Denver our offer was the best," he claims, "but we don't have the head for those kind of politics—it runs against everything this company stands for. We don't feel comfortable competing in that fashion and past a point I would rather lose.

"I'm not referring to anything illegal. We'd never do that as I presume the others wouldn't either. It's just that in big cities you deal with full-time politicians. In the smaller franchises the council members are businessmen and community leaders."

Group W was the only mso competing for the 220,000-home Denver franchise that was not headquartered in the city. The winner was Mile-Hi Cable, a joint venture between Time Inc.'s Denver-based American Television & Communications and Daniels & Associates. As is often the case in big city franchising, Mile-Hi included local ownership of 22 prominent citizens such as former council member John Yelnick.

On another front Westinghouse has been involved in what has become an almost amusing battle, that between its programing subsidiary's just-launched Satellite News Channels and Ted Turner's Cable News Network. Westinghouse flipped the switch on its estimated $100 million investment on June 21, beaming the service to 2.6 million cable viewers across the country.

In one corner there is Ted Turner, the dashing and disheveled southern entrepreneur who poses for scotch ads and plots the demise of the networks. Banking on loyalty, Mr. Turner collects 20 cents per subscriber from system operators for his two-year-old news network. In the other corner there are the gray pinstriped peddlers from Westinghouse, teamed with ABC in this venture, handing out 50 cents per subscriber to operators willing to let them get their foot in the door with the new news service.

"I have asked our people to go out of their way not to be anti-Turner," stresses Jonathan Hayes, president of Group W Satellite Communications. "I don't see that there's anything to gain by that. In a very basic way it's not polite."

A lack of politeness has long been one of the most notable qualities of Mr. Turner, who at a press conference held early in the battle labeled Westinghouse's proposed service a "second-rate horse shit operation."

Despite Mr. Hayes' plea, the barbs, however, have not always been one-sided. There was marketing vp Ron Castell's speech to a cable group, which, complete with diagrams, purported to show how CNN dilutes its service by using the same tape on both CNN 1 and 2 and Turner's Superstation WTBS and by selling portions to broadcast stations. Even Mr. Ritchie can't resist jabbing: "If you have not watched the Turner channel you ought to watch some time. If we can't do considerably better than that, we ought to fail."

Once Satellite News Channels 1 is under way, the company will focus on its proposed second news service, featuring in-depth rather than headline coverage. Satellite News Channels 2 is aiming for a spring, 1983, launch. That same year Westinghouse plans to introduce the Disney Channel, a 16-hour-per-day pay service programed with a mix of Disney classics and original family fare produced at Disney's EPCOT (Experimental Prototype Community of Tomorrow) center, now under construction at Disney World in Florida.

In 1983, the company also plans to roll out marketing for the Nashville Network, an ad-supported service of country programs owned and to be produced by Opryland Productions.

After that Westinghouse plans to introduce additional cable services, "but right now those are still gleams in our eyes," Mr. Ritchie says.

"Cable is not just another thing for us," he adds. "This is make-it or break-it time." AA

Susan Spillman is an Advertising Age reporter in New York who covers the broadcast and cable industries.

broadcasting group, whose operations similarly had been tightened up under new management. Six radio stations were sold late last year to Surrey Broadcasting Co., Tucson, for $32 million, and in April, Charter agreed to sell its seventh station to Amaturo Communications, Fort Lauderdale.

In early May, after months of denying a sale was on tap, Charter sold both the ailing Redbook and the successful Charter Data subscription fulfillment unit to Hearst Corp. for $23 million in cash and promissory notes, plus a contingent payment based on the magazine's future performance. Though Charter took in revenues of $181.3 million from its magazine publishing and related services in 1981, *Redbook* ad revenues fell 2.7% during the year, to $50 million, from $51 million in 1980, according to Publisher's Information Bureau/Leading National Advertisers statistics, and the magazine's ad pages fell 16% from 1980.

The company declined comment on the future of *LHJ*, though it has acknowledged that it is "holding meetings with a prospective buyer." Late last month, Peter Callahan, publisher of *Us* and president of the Macfadden Group, was rumored to be the likely buyer. PIB/LNA figures show *LHJ* ad revenues dropped 6.1% during 1981 to $50 million, from $53 million the year before, as advertising pages fell 16%.

Early this year, the company announced that, beginning with the July, 1982, issue, *LHJ* would eliminate all letterpress printing with transfer of printing and binding operations to R.R. Donnelley, Mattoon, Ill., from Dayton Press.

A company spokesman said *Discount Merchandiser* "will probably be sold because we are in effect divesting ourselves of our media operations."

Charter had intended to step up its media involvement through Charter Media, a joint venture formed in 1980 with media entrepreneur Karl Eller. Charter Media bought the *Bulletin* for $31 million, KIOI-FM, San Francisco, and New York Subways Advertising. The joint venture lasted only nine months, and Charter bought out Mr. Eller's 50% share, including the *Bulletin* and KIOI.

MEDIA PROPERTIES
Magazines
Discount Merchandiser, Ladies' Home Journal, Redbook (sale pending).
Broadcasting
RADIO: KCBQ (fm), San Diego; KIOI (fm), San Francisco; WDRQ (fm), Detroit; KSLQ (fm), St. Louis; WOKY (am), Milwaukee, and WMIL (fm), Waukesha, Wis. (all sold pending FCC approval)

OTHER PROPERTIES
Charter Insurance Group, Charter Oil Group, direct marketing of gift items.

Christian Science Publishing Society

The Christian Science Publishing Society is the country's 99th largest media company, with revenues totaling $59.5 million from media operations in 1981. The major source of revenue is the *Christian Science Monitor*, with four national editions and one international edition.

A nonprofit, private organization, the Publishing Society also produces various Christian Science religious publications.

It was a relatively uneventful year for the *Monitor*, with ad sales remaining relatively stable and with no editorial or format changes. The *Monitor's* effort to become a news provider to other publications and broadcast outlets continued during 1981, with 206 newspapers now taking the *Monitor's* syndicated news service. The Los Angeles Times Syndicate distributes *Monitor* stories to newspapers like Denver's *Rocky Mountain News*, the *St. Louis Globe-Democrat* and the *Minneapolis Tribune*. The syndicated news stories on foreign and domestic affairs reach an estimated 30 million readers.

A weekly radio news service provided by the *Monitor* reaches about 6.5 million listeners through 312 stations. The service, which has been in place for three years, grew quickly during the past year. In 1981, the *Monitor* radio news service—a tape containing 20 audio news reports distributed to subscribers—had about 100 customers and grew to 312 by mid-1982.

The *Monitor*, published out of Boston, completed its first full year of official take-out sections on foreign countries. J. Anthony Periton, manager of the Publishing Society, said advertising by corporations and foreign countries was strong and the Monitor plans to continue the profiles. All articles are written by *Monitor* reporters and nothing is solicited from the foreign countries themselves—a common practice.

Circulation remained relatively stable for the *Monitor* during 1981 and early 1982 about 165,000. There have been no major marketing or advertising efforts to increase the paper's circulation. Advertising for the *Monitor* has declined slightly, mostly owing to the economy.

Mr. Periton said the paper has finished a program designed to motivate the *Monitor's* display ad sales staff and increase commission rates. The salespeople, who solicit primarily local advertising that runs once a week or every other week in the paper, are members of the Christian Science church and not fulltime professionals.

By boosting the amount of business coverage and putting an even stronger emphasis on reporting international news, the *Monitor* has been trying to get more corporate advertising and travel-tourism advertising.

Meanwhile, the *Monitor* continues to seriously explore the possibilities of a linkup with a cable television network as a source of additional revenue. Mr. Periton said there is nothing solid yet, but the *Monitor* did run an experimental two-segment program on television. It supplied the Independent Network News organization, through WPIX in New York, with a half hour segment on business, narrated by *Monitor* business writer Harry Ellis. The other news segment was on El Salvador, which also ran 30 minutes. The two reports were made available to any INN station wishing to use them. It was the *Monitor's* first major venture into television news.

The *Monitor* is also supplying information to a cable system and is closely examining a deal with a database information system accessed by businesses on a subscription basis.

In 1981, the New England Newspaper Assn. chose the *Monitor* as recipient of its first newspaper of the year award and *Monitor* reporter David Willis earned an award from the Overseas Press Club for his reporting of affairs in the Soviet Union.

The only personnel change in the Publishing Society was the appointment of William Moody as associate editor of the Publishing Society's religious periodicals. Irwin Canham, a noted reporter and editor of the *Monitor* for many years, died early this year.

MEDIA PROPERTIES
Newspapers
Christian Science Monitor.
Magazines
Christian Science Journal, Christian Science Heralds (in various languages), *Christian Science Sentinel.*

Chronicle Publishing Co.

Chronicle Publishing Co., San Francisco, ranks 35th among the nation's largest media companies, with 1981 revenues estimated by ADVERTISING AGE of $216.7 million, all from media operations.

The company is wholly owned by the family trust of the M.H. de Young estate. Michael de Young began publication of the *San Francisco Chronicle*, the city's dominant morning newspaper, in 1865. Its revenues just exceed two-thirds total revenues, according to ADVERTISING AGE figures.

The company operates four television stations, as well as a cable system that now has 150,000 subscribers. Other activities housed under the Chronicle umbrella, although not included in ADVERTISING AGE'S total estimate, are a tv production unit and a film financing distribution (to pay television) company.

In addition to the *San Francisco Chronicle*, the company is the co-owner, with the Hearst Corp., of the *San Francisco Sunday Examiner & Chronicle*, the area's top Sunday paper, and the *Bloomington* (Ill.) *Daily Pantagraph.*

The *Chronicle's* daily circulation is 530,672, according to March, 1982 ABC figures, putting it far ahead of its biggest challenger, the Gannett Co.-owned morning newspaper *Eastbay Today*, published in Oakland. *Eastbay Today's* March, '82 circulation was 94,310.

Circulation at the *Chronicle* has been growing by some 5,000 per year for the last several years.

Eastbay Today is attempting to draw readers from the *Chronicle* by positioning itself as a 10-cent paper (the *Chronicle* is 20 cents) and offering flashy coverage of sports and local news.

Under a joint operating agreement struck in 1965, and upheld in a court case last year, all non-editorial functions for the *Chronicle* and the *San Francisco Examiner* (the Hearst afternoon paper) are performed by the San Francisco Newspaper Agency.

Phil Geyer, *Chronicle* ad director, said the paper would continue to rely on seasonal circulation drives and "close monitoring of the marketplace" to maintain its circulation advantage.

Television and radio spots, as well as special promotion, which involved 150 automobile dealers in northern California, recently climaxed with the prize of a trip to Hawaii to a winner selected from people who test drove a car.

Chronicle Broadcasting encompasses the company's four television stations, which are wholly owned subsidiaries, including KRON-TV, San Francisco. Frances H. (Rani) Martin, president and chief executive officer at Chronicle Broadcasting, said that news and information are "the heart and soul of all our broadcast operations."

Last year, KRON unveiled its "Live at 4" news program, a format whose progress Mr. Martin described as "slow but steady." This year the company is focusing on updating its technical facilities and streamlining internal operations.

Jerry Florence, director of corporate research, is bringing survey and audience research functions in house, and is determined to bring more sophisticated survey and forecasting methods to bear on the problems faced by KRON. "Our industry has lacked forecasting sophistication," Mr. Florence said. "We need more analytical expertise."

KRON is the only station in America currently using the Aurora system of computer graphics for its news and weather broadcasts, noted Bruce Lindgren, director of creative services. "We're heading toward a fully computerized newsroom, which means that we'll be able to get stories on the air far faster than in the past."

On June 7, KRON began broadcasts of CNN-2, adding

No optical illusions

Irving B. Kahn, the granddaddy of cable predictions come true, is as busy as ever. As he puts it, "Getting a little bit involved is like getting a little bit pregnant."

He's conjuring up visions as usual. In fact, he has put together three new enterprises in the last five years based on his crystal-gazing.

Mr. Kahn was talking about an electronic home shopping service, electronic newspaper, and two-way banking back in the late 1960s, when they were called "esoterica." That was when he was co-founder and president of Teleprompter Corp., one of the biggest cable systems in the country, and one of the first that wasn't a "Ma and Pa" operation. (Mr. Kahn was jailed in 1971 for bribing Pennsylvania franchising officials and subsequently was ousted from Teleprompter in a proxy fight.)

Today, he's heavily involved in fiber optics—a technology that uses light to carry messages. Of his brethren still laying cable lines, he says: They're "running like sheep" to keep from getting obsolete before they start.

Mr. Kahn launched and now heads General Optronics, which is working with European companies to make laserware and other high technology items to sell to Common Market countries. He also runs Broadband Communications in New York. And he helped found Times Fiber Communications. That company, he says, has developed a way to distribute new fiber-using master antenna systems to high-rises—and is making millions.

All three companies, says Mr. Kahn, were formed with one end in view: To get the drop on fiber optics from every angle.

Meanwhile, according to Mr.

Kahn: Still looking ahead

Kahn, cable traditionalists "are still climbing poles." He maintains that by the time most of the big metropolitan franchises are wired, the phone company will already be in every home with fiber—"a 1,000-lane-highway" message carrier—and grab all the goodies.

Mr. Kahn says his more conservative colleagues "won't go out of business tomorrow," but he invites them to return to their roots. That means making the major commitment to strong local programing, and taking a pass on national advertiser support.

Irving Berlin Kahn says he's "64 going on 29." And yes, he is named after *the* Irving Berlin, who is Mr. Kahn's uncle. AA

2½ hours of news to the schedule.

Although company officials are reluctant to specify future plans, George (Toby) Harder, vp-corporate planning, said, "If it's in communications, we're taking a look at it." Cellular radio and direct broadcast satellite were among the possible new endeavors mentioned.

"Although we are investigating all kinds of new technologies," said Mr. Harder, "it's still the case that people don't watch technology, they watch programs. And we remained convinced that traditional television can still do some things—such as local news—best."

Western Communications, Walnut Creek, Cal., is Chronicle's cable tv arm, serving subscribers in California and New Mexico. Company president Ed Allen said Western is readapting its systems for greater channel capacity, a change that would lead to more numerous opportunities for local and national advertisers. "We're also getting ready to begin pay-per-view programing," said Mr. Allen.

Also high on the Western priority list is what Mr. Allen termed a system of energy load management, whereby individual consumer use of electric power can be more carefully monitored and controlled via modifications of the basic cable hookup. The goal is to reduce the stress on Pacific Gas & Electric facilities during peak hours, thus saving the consumer money.

"What's needed is a tariff under which users are 'penalized' for use during normal peak hours, and are 'rewarded' for use during off-hours," Mr. Allen said.

Chronicle Productions is the company's tv and video production/post-production unit and another wholly owned subsidiary. The company, headed by Marty Schultz, has been involved in commercial production, programing, industrial video projects and syndication. Macy's and Emporium-Capwell are clients for commercial production, and test spots for Ketchum Communications have also originated here. Two children's programs, "Buster and Me" and "Just Kidding," have been syndicated by the company.

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *San Francisco Chronicle, San Francisco Examiner & Chronicle* (Sunday paper owned jointly with Hearst Corp.).

Broadcast

TELEVISION: KRON-TV, San Francisco; KUPK-TV, Garden City, and KAKE-TV, Wichita, Kan.; WOWT-TV, Omaha, Neb.

Cable/video

Western Communications, serving subscribers in the following locations—CALIFORNIA: Asinomar Beach, Butte County, Carmel-by-the-Sea, Carmel Valley, Chico, Clayton, Concord, Contra Costa County, Corning, Del Monte Forest, Del Ray Oaks, Glenn County, Marina, Monterey, Monterey County, Orland, Pacific Grove, Salinas, San Mateo county, Seaside, South San Francisco, Willows. NEW MEXICO: Dona Ana County, Los Cruces, Mesilla.

OTHER OPERATIONS

Chronicle Productions, Chronicle Features & Chronicle Books.

Continental Cablevision

Continental Cablevision, Boston, Mass., is the country's 89th largest media company, with 1981 revenues of $73 million, all from cable television. The company's net income in 1981 was $17 million.

The 11th largest multiple systems operator in the U.S., Continental ended its first quarter in 1982 with 500,000 subscribers and an unusually high ratio of one pay subscriber for every basic subscriber. Through March, 1982, the company's cable service had passed 970,000 homes.

A privately held company, Continental has grown at a compounded rate of 30% since it acquired its first system in Tiffin, O., and Fostoria, O., in 1965. In November, 1981, Dow Jones & Co., a long-time suitor of CCI, purchased an initial almost 16% interest in the company. In January, 1982, it bought an additional 9.5% to boost Dow Jones total holdings to about 25%.

CCI's 1981 revenues rose 53% from the previous year and its net income was up 52%. That fast pace continued in the first quarter of the current fiscal year, when revenues jumped 50% to $23 million and earnings increased by 240% to $2.4 million.

Continental has 60 cable systems covering 192 communities in 10 states in the East, Midwest and in three California communities.

Founded in 1963 by two Harvard Business School classmates, Amos Hostetter, CCI president and chief executive officer, and H.I. Grousveck, CCI chairman, the company is divided into seven regions, each of which is under the management of its own vp-general manager. The regions' managers are responsible for franchising and renewals and make decisions independently from the Boston corporate headquarters about equipment purchases. The feeling among Continental's executives is that it is this decentralization of its operations that accounts for much of CCI's success.

Rick Hoffstein, the company's corporate controller, said CCI's growth has been entirely the result of new franchise purchases, "never as a result of acquisition." However, in a market where new franchises are waning, Continental may have to rethink this

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KHTV Houston • WVUE-TV New Orleans • WVTV Milwaukee • WKY Oklahoma City • KYTE KLLB Portland

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approach if it is to continue its rapid growth. Areas where it plans to aggressively seek new franchises are Chicago, New York City and the Oakland County suburbs outside Detroit.

CCI in the future plans to upgrade its systems. By the end of 1985, 12-channel systems will be boosted to 20 and 30 channels at a cost of $10 million. In 1982, the company hopes to add 70,000 new subscribers to its existing systems.

Other management personnel in the company include vice-president Tom Willet and the company's new treasurer, Nancy Hawthorne. Timothy Neher, formerly vp and treasurer, is now CCI's executive vp.

MEDIA PROPERTIES

Cable/video

Systems in 10 states. CALIFORNIA: Big Valley Cablevision (94% interest), serving Manteca, Stockton/San Joaquin County. ILLINOIS: Continental Cablevision of Illinois, serving Freeport/Cedarville (Ia.)/Keokuk (Ia.)/Carthage, Hamilton/Warsaw (Ind.), Kewanee, Lincoln/Logan County, Morton, Pekin/Groveland/Marquette Heights/North Pekin/South Pekin/Tazewell County/Tremont, Quincy; Continental Cablevision of Cook County, serving Calumet City/Calumet Park/Dolton, Elmhurst/Berkeley/Oakbrook Terrace, Forest Park, Franklin Park/River Grove/Rosemont/Schiller Park, Westchester; Continental Cablevision of Morton Grove. MASSACHUSETTS: Continental Cablevision of Brockton; Continental Cablevision Investments, serving Agawam/Granby/Holyoke/South Hadley/Westfield/West Springfield; Continental Cablevision of Massachusetts, serving Beverly, Newton, Reading, Saugus, Watertown; Continental Cablevision of Northampton, serving Northampton/Hatfield/Williamsburg; Continental Cablevision of Springfield; Continental Cablevision of Winchester. MICHIGAN: Continental Cablevision of Oakland County, serving Hazel Park, Madison Heights, Southfield/Lathrup Village; Continental Cablevision of Michigan, serving Holland, Jackson/Blackman Township, Lansing/Grand Ledge/Delhi, Delta, Dewitt, Lansing, Oneida Township, Roseville. MISSOURI: Continental Cablevision of St. Louis County, serving Belleville (Ill.)/ Fairview Heights/O'Fallon/St. Clair County (Ill.)/Swansea (Ill.), Jennings/Bellefontaine Neighbors/Country Club Hills/ Flordell Hills/ Moline Acres/Northwoods/Pine Lawn/Riverview, University City/Breckenridge Hills/Brentwood/Clayton/Edmundson/Maplewood/Overland/St. Ann. NEW HAMPSHIRE: Continental Cablevision of New Hampshire, serving Concord/Allenstown/Boscawen/Bow/Pembroke, Dover, Rollingsford/Somersworth/Berwick/South Berwick, Lawrence/Methuen/North Andover, Pease Air Force Base, Portsmouth/Eliot/Kittery/New Castle/Rye, Saco/Old Orchard Beach, Sale/Derry/Windham. OHIO: Continental Cablevision of Hamilton Co., serving Cheviot; Continental Cablevision of Miami Valley, serving North of Dayton suburbs (Englewood, Madison Township, Randolph Township, Trotwood, Union, Vandalia), South of Dayton Suburbs (Beavercreek, Bellbrook, Centerville, Kettering, Miamisburg, Miami Township, Moraine, Oakwood, Washington Township, West Carrollton); Continental Cablevision of Northeast Ohio, serving Bay Village/Avon Lake, Eastlake/Fairport Harbor/Grand River/Lakeline/Mentor/Painesville/Timberlake/Wickliffe/Willoughby/Willoughby Hills, Elyria/Carlisle, Elyria Township; Continental Cablevision of Ohio, serving Athens/The Plains, Bellevue/Clyde, Fairborn/Donnelsville/Enon/New Carlisle/Bath, Bethel, Mad River Township, Findlay/Arlington/McComb/VanBuren, Fostoria/Tiffin, Galion/Crestline, Norwalk/Milan/Monroeville, Springfield/Moorefield, Springfield Township, Upper Sandusky, Wayne/Harrison Township, Willard/Plymouth/New Haven/Shiloh, Xenia/Cedarville/Jamestown/New Jasper/Silver Creek/Spring Valley/Cedarville, Spring Valley, Xenia Township. VIRGINIA: Continental Cablevision of Virginia, serving Ashland, Henrico County; Continental Cablevision of James City County; Continental Cablevision of Richmond.

Copley Newspapers

Copley Newspapers, La Jolla, Cal., the 37th largest media company in the country, increased its revenues from media properties by more than $15 million in 1981 to $205.8 million, 99.7% of total revenues of $206.5 million, the company said. In 1980, Copley had estimated media revenues of $190.4 million out of total revenues of $191.6 million.

The private, family business is primarily involved in newspapers in California and Illinois. Recently, it moved into cable tv, and views electronic publishing for future diversification.

Copley lost a bid it placed last year for a cable franchise in Torrance, Cal., to Teleprompter. Undaunted, Copley has gone next door with its bidding partner, Colony Communications (owned by Providence Journal Co.), to try for a franchise in Lomita, Cal. The outcome on that bid is pending. Teleprompter is again one of the three competing bidders, according to a Copley spokesman. He added that the Copley/Colony bidding team will likely bid on at least two other cable franchises in California soon.

Copley's interest in electronic publishing is temporarily on hold while Time Inc. and Cox Broadcasting await the arrival of decoders by their backlogged suppliers. It is with these two organizations that Copley expects to venture into videotex.

There is a high probability, according to a Copley spokesman, that the company will be experimenting with Cox in its INDAX experiment in San Diego this coming August in a two-way signal system (Viewdata). Copley is slated to provide about 20% of the news, sports and other information the system will transmit.

Time Inc. may be hooked up in San Diego by October or November with its full channel teletext, a one-way distribution system, for which Copley will supply about one-half the news information.

Newspapers remain the principal source of Copley's profit. The *San Diego* (Cal.) *Tribune*, which has undergone significant changes in leadership, addition of staff and content, and a redesigning of face and format, grew slightly last year.

However, most growth continues to come from Copley's morning paper in that city, the *San Diego Union*.

Besides its California newspaper properties, Copley also is one of the largest suburban publishers in the Chicago metropolitan area, with total circulation of 140,000, according to Stuart Neffeler, director of marketing. The Copley papers in Illinois are situated near major regional shopping centers—havens for advertising revenue.

Extensive renovation of the *Springfield* (Ill.) *State Journal-Register* facilities is still in progress, and other papers are slated for capital improvement in what Mr. Neffeler described as a "continuing process".

The *Joliet* (Ill.) *Herald News* has a new publisher, George Fisk, who took over the reins on Jan. 1 of this year. He has been with the paper in other capacities.

While newspapers are likely to remain Copley's primary emphasis, the company continues to look for opportunities in cable television, and hopes to gain a significant role in the electronic experiments soon to be under way in its home market. Pursuit of these new areas will continue, "provided that the over-all economy recovers," Mr. Neffeler said.

The James S. Copley library was completed in La Jolla, Cal., in February, 1982. The facility houses American Revolutionary War material, including the collection of the late James S. Copley, as well as other items of historical significance. The library was built under the leadership of Helen K. Copley, who is Mr. Copley's widow and the company's current publisher.

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *San Diego Evening Tribune, San Diego Union, San Pedro News-Pilot, Daily Breeze* (Torrance). ILLINOIS: *Aurora Beacon-News, Elgin Courier-News, Joliet Herald-News, Springfield State Journal-Register, Wheaton Daily Journal.*

Newspapers (nondailies)

CALIFORNIA: *Borrego Sun.* Also, 16 nonpaid circulation weeklies and shoppers associated with the dailies.

OTHER OPERATIONS

Casa del Zorro (resort hotel), Copley Computer Services, Copley News Service, Copley Press.

Courier-Journal & Louisville Times Co.

Courier-Journal & Louisville Times Co. is the country's 76th largest media company, with Advertising Age-estimated revenues of $93.1 million from media operations in 1981. Media figures are for newspaper and broadcast properties and do not include those of Standard Gravure, a subsidiary.

Advertising Age has revised its 1980 revenues for the Bingham family-owned company, publisher of the *Louisville Courier-Journal* and the *Louisville Times*, to $86.7 million for the newspaper and the two broadcast properties, WEAS-TV and WHAS (am) in Louisville.

An executive committee formed in 1980 and headed by company president George Gill is proceeding with plans to seek new areas of development. Senior vp John L. Richards said two of these ventures involve the marriage of the newspapers with cable technology.

The company is currently on the air in a partnership with CPI of Louisville, a Times Mirror cable system with more than 46,000 subscribers. The papers have been broadcasting both news and classified advertising since April on a preset schedule 24 hours a day. The project is still "too young to know what type of action we are getting," although the service is generating inquiries, Mr. Richards said. "We are also having some success with selling classified from the papers onto the cable channel."

Initially the company is charging a "modest" extra fee for the ad to run both in print and on tv. Approximately 3,000 daily "pages" of classified ads are being broadcast. CPI sold the papers time for a set fee, plus a percentage of the ad sales.

Mr. Richards said the company is also gearing up for the start, later this year, of a teletext system. The project, in conjunction with Antiope Videotex Systems, will transmit an edition's contents to 150 homes during a six-month period. Mr. Richards said there will be 50 decoder sets, which will be moved every few weeks. "Our research department has chosen a representative sampling which will not only determine the success of this experiment but may influence other newspapers who are looking at this type of venture," he said.

In 1981, the afternoon *Times* underwent both an internal renovation and an external facelift, adding several sections and cleaning up the front page. Mr. Richards said these changes were put in effect in order "to battle the p.m. syndrome." He said both papers are improving their penetration in Louisville.

The broadcast arm of the company also has entered the cable field. Donna Zapata, WHAS-TV station manager, said Creative Associates has been formed to produce commercials for cable television.

On the radio side, Mike Krusham is the new station manager named for WHAS (am).

MEDIA PROPERTIES

Newspapers

KENTUCKY: Louisville Courier-Journal, Louisville Times.

Broadcasting

TELEVISION: WHAG-TV, Louisville, Ky.
RADIO: WHAS (am), Louisville, Ky.

Cowles Media Co.

Cowles Media Co., formerly the Minneapolis Star & Tribune Co., is the nation's 32nd largest media company with revenues of $238 million for the fiscal year ended last Feb. 28, up 11% from the previous fiscal year. All revenues were from media operations.

Net earnings plunged 89% from the previous year to $747,000 from $7 million, largely because of a number of one-time charges.

Some major developments have taken place at the privately held concern in recent months. The principal one was the closing of the afternoon *Minneapolis Star* and its merging with the morning *Minneapolis Tribune* to make an all-day paper. Along with the merger came a significant broadening of the paper's targeted geographical market. A pending significant move, a merger with the Des Moines Register & Tribune Co., did not materialize.

The main one-time charges against fiscal 1982 earnings were a $2.3 million pretax charge related to a voluntary retirement plan at the Minneapolis newspapers which resulted in the early retirement of 124 employes, and a loss of $647,000 from the sale of the company's 33% ownership in Harper & Row Publishers, which had contributed $2.1 million to the previous year's earnings. Fiscal 1981 earnings also had benefited from a $2.4 million credit stemming from the company's adoption of straight-line depreciation accounting.

Merger talks with Des Moines Register & Tribune Co. broke off in early February. The Register & Tribune owns 13% share of the Minneapolis concern and both organizations are controlled by factions of the Cowles family. The companies had been negotiating for about six months before terminating the talks. Industry sources say the merger collapsed, in part, because the companies could not reach agreement over the value of the Register & Tribune Co.'s newspaper and broadcast holdings.

The merger of the *Star* and *Tribune* was officially announced in March after nearly a year of rumor and speculation about the *Star's* imminent demise. In April, the 24-hour paper was on the stands along with a promise of being a better news and advertising vehicle not only for Minneapolis but also for St. Paul.

Charles Bailey, a 31-year newspaper veteran, is serving as interim editor of the new daily while an editor is being sought. Steve Isaacs, the controversial editor of the *Star*, left the company. Donald Dwight remains

publisher of the paper.

The new paper's expressed intention to serve St. Paul signals a marked increase in newspaper competition in the Twin Cities. The *Star and Tribune's* move across the Mississippi has prompted the management of the St. Paul Pioneer Press and *Dispatch*, owned by Knight-Ridder Newspapers, to consider merging its morning and afternoon papers into one and embarking on a strong counterattack against its Minneapolis neighbor.

While management of the *Minneapolis Star and Tribune* views the combination of the two papers positively, it has been harshly criticized by the company's own employes, local media and area retailers for the tactics used to announce the merger.

As talk of the merger accelerated, the newspaper's management repeatedly denied it would take place. It was learned later that amid these denials, management had hired a New York ad agency to film two-minute spots announcing the birth of the all-day paper. On the day the merger was made public, the commercials were aired during late-evening programs.

In addition, while retailers who had advertised in both the *Star* and *Tribune* received a 2% rate decrease on ads in the new combined paper, those who had advertised in only one of the former papers were bombarded with rate hikes of nearly 50% for space in the combined edition. Since retailers were not made aware of the impending merger, their ad budgets were fixed and some were forced to begin placing smaller ads.

Still, only one employe was laid off because of the merger, while an estimated 120 persons opted for the voluntary reduction plan (either early retirement or a negotiated settlement). Also, the consolidation is expected to improve the company's profit margins, which would be helpful if the company decides to go public, as has been speculated.

Cowles Media continues to lose money at the *Buffalo Courier-Express*, despite the paper's increase in ad share and a halt in its circulation decline in that highly competitive market.

The company also has a Buffalo cable outlet, which it describes as a "rapidly growing and profitable operation."

The company's shareholders recently approved changing the name to Cowles Media to reflect its other holdings in communications.

MEDIA PROPERTIES

Newspapers (dailies)

MINNESOTA: *Minneapolis Star and Tribune.* MONTANA: *Great Falls Tribune.* NEW YORK: *Buffalo Courier-Express.* SOUTH DAKOTA: *Rapid City Journal.*

Newspapers (nondailies)

COLORADO: *Sentinel* newspapers in Arapahoe, Arvada, Aurora, Commerce City, Englewood, Lakewood, Littleton, North Glen-Thornton, South Jefferson, Westminster, Wheat Ridge. IDAHO: *South Idaho Press*, Burley.

Broadcasting

TELEVISION: KTVH-TV, Wichita-Hutchinson, Kan.; WDRB-TV, Louisville, Ky.

Cable/video

CableScope Inc., including Buffalo, N.Y.

OTHER OPERATIONS

Information Publishers, a commercial printer and publisher of various community directories, and Community Publications Co.

Cox Communications

Cox Communications, formerly Cox Broadcasting Corp., is the country's 21st largest media company with media revenues of $370.2 million last year, or 92% of the company's total revenues of $403.5 million.

Total operating profits rose 23% to $109.9 million while total revenues rose 30%. In 1980, Cox had media revenues of $281 million out of total revenues of $309.2 million.

Media revenues of the publicly held company were split about equally between broadcasting and cable tv, with broadcasting contributing $181.7 million in revenues and cable tv $188.5 million. Net income in 1981 was $55.5 million, up 19% from the previous year. The broadcasting division posted a 17% gain in revenues and a 16% increase in operating income in 1981, while cable tv revenues shot up 50% and operating income rose 40%.

During 1981 Cox Cable, a wholly owned subsidiary, set subscriber records and won franchises in Tucson, Ariz., and Vancouver, Wash. Cox is now the fourth largest basic cable tv operator and the third largest in paid program subscriptions. At the end of 1981, the company had 1,100,000 basic subscribers and 980,000 paid program subscriptions.

Because of extensive research and intensive marketing of premium services, paid program subscriptions increased 81% last year while basic subscriber numbers increased 24%.

Counted among Cox's 62 cable systems in 23 states are the nation's oldest—in Astoria, Ore.—and the largest, in San Diego, with 210,000 subscribers. Most of the company's recent growth came from new and existing franchises, not from acquisition. The company said it continues to examine acquisition opportunities, but franchising has so far been the preferred method of expansion.

Spokesman David Andersen said Cox Cable had bid on the Tampa franchise and was expected to bid for franchises in Philadelphia and Baltimore.

But as the number of major franchises in this country dwindles, Cox is beginning to eye the international market. "We're always looking for new investments," said Mr. Andersen, "and with the use of satellites and microwave, the world gets smaller and smaller."

In fact, Cox already has taken one step into the international arena, with a 50% interest in a cable company in Denmark.

Cox's INDAX, touted as the industry's only two-way interactive communications operation, has been tested in San Diego and will be introduced commercially in Omaha and New Orleans later this year.

INDAX enables users to transfer bank funds, pay bills and purchase merchandise from a video catalog. Through an arrangement with The Source, a Reader's Digest Assn. subsidiary, INDAX offers updated news, and it can include local information such as restaurant guides.

In January, 1982, Cox Communications purchased its first uhf station, KDNL in St. Louis, from Evans Broadcasting for an estimated $3.2 million. On June 1, it put pay tv on the air there. Subscription tv (stv) was new to Cox and new to St. Louis, but the company said the market was ripe for such an innovation because of its size—17th in the country—and its low cable penetration.

Early in 1981, Cox also acquired 19% interest in the Robert Wold Co. of Los Angeles, which provides satellite distribution services.

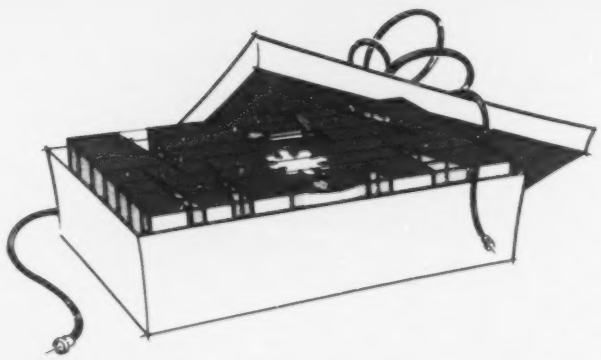
The company budgeted $200 million in capital expenditures for 1982. A portion of that was to go to developing the subscription tv service at the St. Louis station, and approximately $180 million was marked for expansion of existing cable systems, rebuilding older systems and developing franchises already granted.

Cox Communications president William A. Schwartz told stockholders in March that capital spending for cable expansion during the next few years would contribute to the company's long-term growth, but would slow short-term earnings growth.

In addition to its media properties, Cox Communications owns and operates 13 wholesale auto auctions in 10 states. These facilities have weekly auctions in which auto dealers regulate their inventories by selling and buying used cars.

The depressed new car industry led to greater interest in used cars in 1981, resulting in what the company called "a highly profitable business," with reve-

"GOOD THINGS COME IN SMALL PACKAGES..."



Modern Satellite Network offers your clients a better media mix through cable. Our unique package gives you more ways to advertise. With conventional :30 and :60 spots in a key daypart – at surprisingly reasonable rates. With unique and innovative *infomercial* programming like our nationally acclaimed "The Home Shopping Show," and "Viewpoint" – long-form advertising which can be created and produced at a fraction of the cost of traditional messages. And with program sponsorships within our magazine-format series – timely features dealing with consumerism, health, travel and finance.

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nues of $30.9 million.

About 43% of Cox Communications' stock is owned by the Cox family, and Garner Anthony, chairman of Cox Communications, is also chairman of Cox Enterprises, a newspaper publisher and a separate entity in ADVERTISING AGE'S media listing.

MEDIA PROPERTIES
Broadcasting

TELEVISION: KTVU-TV, San Francisco/Oakland; WSB-TV, Atlanta; WSOC-TV, Charlotte, N.C.; WHIO-TV, Dayton; WPXI-TV, Pittsburgh.
RADIO: KFI (am) and KOST (fm), Los Angeles; WIOD (am) and WAIA (fm), Miami; WSB (am, fm), Atlanta; WLIF (fm) Baltimore; WSOC (am, fm) Charlotte, N.C.; WHIO (am, fm) Dayton; WWSH (fm), Philadelphia.

Cable/video

INDAX. Also, cable locations (all Cox Cable except as noted). ARIZONA: Tucson. CALIFORNIA: Bakersfield, Eureka, Porterville, San Diego, Santa Barbara. CONNECTICUT: Greater Hartford. FLORIDA: Gainesville, Jacksonville Beach, Ocala, Pensacola, Sebring. GEORGIA: Macon, Warner Robins. ILLINOIS: Lake County, Maywood, Orland Park, Park Forest, Quint Cities, Robinson. IOWA: Cedar Rapids Cable Communications. INDIANA: Columbus, Fort Wayne Cablevision, Michigan City, Peru, Wabash. LOUISIANA: Jefferson Parish, New Orleans. MASSACHUSETTS: Berkshire. MICHIGAN: Iron Range, Munising, Owosso, Saginaw, St. Clair Shores. NEBRASKA: Omaha. NEW YORK: Cox Cable Resort, New York. OHIO: Cleveland Area TV. OKLAHOMA: Oklahoma City, Pan-Oklahoma Communication. OREGON: Astoria, The Dalles, Seaside. PENNSYLVANIA: Cranston/Johnstown, Lewistown, Lock Haven, Tyrone. RHODE ISLAND: Cranston (80% ownership). SOUTH CAROLINA: Myrtle Beach. TEXAS: Golden Triangle Communications, Lubbock. VERMONT: Green Mountain, Montpelier, Rutland. VIRGINIA: Norfolk, Portsmouth, Roanoke, Virginia Beach. WASHINGTON: Aberdeen, Long Beach, Spokane, Vancouver, Yakima.

OTHER OPERATIONS
Automobile Auctions, cable software, media sales representative companies, syndicated music.

Cox Enterprises

Cox Enterprises, Atlanta, is the nation's 21st largest media company, with 1981 revenues estimated by ADVERTISING AGE at $419.5 million, all from newspapers. Cox Enterprises had estimated media revenues in 1980 of $367.6 million.

The family-owned chain, anchored by the *Atlanta Constitution* and *Journal*, operates dailies in 13 markets and weeklies in suburban New Orleans and Delray Beach, Fla.

According to the company, the chain's daily circulation increased to 1.15 million for the six months ended March 31, up about 0.5% from a year earlier.

However, circulation declines at both the morning *Atlanta Constitution* and evening *Atlanta Journal* may have contributed to the company's recent decision to merge the news staffs of the two papers. Officials said the move wasn't made to cut costs but to expand the papers' "news capabilities."

The company several weeks earlier had merged the news staffs of its *Dayton* (Ohio) *Journal-Herald* and *Dayton Daily News*, laying off 40 fulltime employes and 50 parttimers. Cox said it plans no layoffs at the Atlanta papers.

For the six months ended last March 31, combined circulation of the *Atlanta Constitution* and *Atlanta Journal* averaged 392,526 daily, according to latest Audit Bureau of Circulation figures, down 4.2% from the year-earlier period. Combined circulation of the Dayton papers in the same period averaged 234,963 daily, down 2.4%.

The Dayton papers, as well as the Cox papers in Springfield, O., have suffered because of unemployment in the automobile and other industries, said David Easterly, vp-operations, of the newspaper group.

"But our papers in Texas—Austin, Waco, Longview, Lufkin and Port Arthur—are doing very well," he said. "You could look at them and you'd think there's no such thing as a recession." Atlanta and Palm Beach, normally strong Sunbelt markets, are "a little soft right now," he said.

The Atlanta papers also suffered heavy circulation losses last year because of distribution upheavals involving a switch to adult employe carriers from contract carriers. "We had a real mess on our hands during the conversion," Mr. Easterly said. The new carrier system is paying off, Mr. Easterly said. Service problems have been cut in half "and we have more control over employes than contract carriers," he said.

The Atlanta papers recently introduced a "marriage mail" system in which they offer preprint customers total market coverage through a combination of direct distribution to the papers' subscribers and direct mail to nonsubscribers.

In January, Cox hired a telecommunications director to oversee its plans for developing cable news programing in those markets where it owns papers.

Cox is already airing a channel of local news and classified advertising on cable in Waco in partnership with MetroVision, the cable operator there. Cox is working on developing similar ventures in Austin and Palm Beach, and it has had conversations with cable companies serving Atlanta, officials said.

"We're interested in taking the information-gathering resources we have in each of our 13 communities and trying to find ways to use that information in other media, especially electronic media, and particularly in partnership with cable tv operators," Mr. Easterly said.

John Morton, analyst with Lynch, Jones & Ryan, said Cox Enterprises seems well positioned for the future. "Atlanta may have had its problems, but it's still one of the best big-city markets in the country," he said. "It's a very good place to be the only daily publisher."

As for Cox's other dailies, Mr. Morton said, "I judge a chain by the kind of products it puts out, and in general, Cox papers are much better than average. The *Austin American-Statesman*, for example, has improved 1,000% since they took over."

Most of the Cox newspapers have circulations between 30,000 and 150,000, "which is the most profitable range for dailies," he added. The peril of the small-to-middle-size market, however, is that it often sits on a narrow economic base.

The *Grand Junction* (Colo.) *Daily Sentinel*, for example, has grown in advertising and circulation since Cox bought it in 1979. But Exxon's decision to pull out of a major shale oil project in the area could cripple the economy if the move puts 2,000 people out of work as expected.

The company's Palm Beach papers recently reduced staff by about 40 positions. "The Palm Beach market will be okay once the economy straightens out," said Mr. Easterly, "but for now the recession has finally hit Florida."

Other Cox dailies in Florida include the *Miami News* (which has a joint operating agreement with the *Miami Herald*) and 47% interest in the *Daytona Beach Journal* and *News*

Cox purchased several papers during the late 1970s, including its Texas and Arizona properties, but no new acquisitions are planned. An official said the company believes newspapers cannot be bought for a price that offers a reasonable rate of return.

Cox Communications (formerly Cox Broadcasting Corp.) is a publicly held broadcasting and cable tv concern treated as a separate entity in ADVERTISING AGE'S media company listing. Garner Anthony, who is married to Barbara Cox, is chairman of both companies and the Cox family owns about 43% of Cox Communications stock.

MEDIA PROPERTIES
Newspapers (dailies)

ARIZONA: *Mesa Tribune, Tempe Daily News.* COLORADO: *Grand Junction Daily Sentinel.* FLORIDA: *Daytona Beach Journal* (47% interest), *Daytona Beach News* (47% interest), *Miami News, Post* and *Evening Times* (West Palm Beach). GEORGIA: *Atlanta Constitution, Atlanta Journal.* OHIO: *Dayton Daily News, Dayton Journal Herald, Springfield News, Springfield Sun.* TEXAS: *Austin American-Statesman, Longview News, Lufkin News, Port Arthur News, Waco Tribune-Herald.*

Newspapers (nondailies)

COLORADO: *Opportunity Valley News.* LOUISIANA: *Jefferson Parish Cuide, Kenner Guide, Metairie Guide, Orleans Guide, St. Bernard Guide, St. Tammany Guide, West Bank Guide.* Also shoppers in Florida and Arizona.

'Just a country boy'

Roy Park, 71, calls himself a "country boy," and it has been said that he's never forgotten his rural upbringing in North Carolina.

In a way, that's the reason he's now the sole owner of several multi-million-dollar corporations that control dozens of newspapers and broadcast stations. Says Mr. Park: "I'm rather conservative; if you have a formula that works, use it."

Mr. Park's success has been based on acquiring smaller newspapers and broadcast outlets that serve local markets like Chattanooga, Tenn., or McAlester, Okla. Although in 1977 his company became the first to own the maximum number of am radio, fm radio and television stations the FCC allows—seven of each for a total of 21—he is making no plans to invest in cable. Cable, he thinks, is not his style: "It's highly capital intensive, and it's going to wind up in the hands of a few, large companies."

Mr. Park heads Park Newspapers, Park Broadcasting, Park Outdoor and RHP Inc., which controls other companies. All are headquartered in Ithaca, N.Y. His companies had total revenues of $80 million in 1981, a 14% increase from 1980 revenues.

But none of his newspapers has a circulation of more than 50,000. Mr. Park asks that they each devote more than 50% of their front-page space to local news, and make their editorials local: "We write on subjects people can do something about, rather than put in two columns of canned stuff from some [wire] service."

Mr. Park's most recently acquired property is the venerable *Robesonian*, a 112-year-old North Carolina daily. The former owners said they decided to do business with him partly because he understood that state so well.

Besides being born and educated there, Mr. Park found his first fulltime media job in North Carolina—as editor of the *North Carolina Cotton Grower* back in

Park: Formula that works.

1931.

At one time, Mr. Park had dabbled in a merchandising venture with Duncan Hines of cake-mix fame. In 1948, he and Mr. Hines formed Hines-Park Foods, which merged with Procter & Gamble Co. in the 1950s, yielding Mr. Park the capital to build his own business.

He decided to go back to his first love, and started buying broadcast stations and newspapers. Mr. Park acquired his first tv station in 1962, driving in his 1961 Lincoln Continental convertible from Ithaca to Greenville, N.C., to buy WNCT-TV. He still has the station, and still has the car, having become a rather accomplished collector of both classic automobiles and, it seems, lucrative radio and tv stations.

"Food was interesting," Mr. Park says of the industry he left in 1962 to start a new career at the age of 52, "but media work is exciting." AA

Des Moines Register & Tribune Co.

The Des Moines Register & Tribune Co., Des Moines, is the nation's 78th largest media company, with 1981 operating revenues of $89.5 million, compared with 1980's $86.1 million. All revenues are from media operations.

Primarily because of poor performance of its principal newspapers, hurt by the depressed Iowa economy, the company's earnings were down substantially last year, falling 84% to $1.1 million from $6.8 million in 1980. In the first quarter this year, the company lost $618,000 compared with a loss of $162,000 in the year-earlier period.

Newspapers contributed to the bulk of the Register & Tribune's revenues, with 1981 revenues of $70.5 million, up from $68 million in 1980. Broadcasting revenues were $18.8 million, compared with $18 million for 1980.

Growing doubts about the company's ability to continue to support two flagship newspapers, the *Des Moines Register* and the Des Moines Tribune, were confirmed when the company announced early this month that it will stop publishing the afternoon *Tribune* this fall. The move will result in the loss of 150 to 200 jobs out of the 1,030 who work at the two papers, the company said.

The *Tribune's* circulation is about 68,000, down from its high of 147,000 in 1947. The *Register* has a daily circulation of about 210,000. The combined paper resulting from the closing of the *Tribune* will have a circulation of 248,000, the company estimated.

The privately held company flirted this year with a corporate restructuring via a merger with its sister company, Cowles Media Co. (formerly Minneapolis Star & Tribune Co.), but talks broke off in February after six months of negotiations.

The Register & Tribune owns 13% of Cowles Media Co. Both companies are controlled by factions of the Cowles family, and members of the Cowles group sit on both company boards, helping to fuel speculation that inevitably the concerns will merge. Present indications are that both companies will remain independent for the near-term future.

An example of the Register & Tribune's continued independence was its refusal this year to be acquired by the Washington Post Co.

Register & Tribune officers rebuffed the Post after publisher Katharine Graham expressed an interest in purchasing the company.

The company added two weekly papers in Indianola, Ia., to its media operations this year and retained all of its broadcast properties.

MEDIA PROPERTIES

Newspapers (dailies)

IOWA: *Des Moines Register, Des Moines Tribune.* TENNESSEE: *Jackson Sun.* WISCONSIN: *Waukesha Freeman.*

Newspapers (nondailies)

IOWA: *Independence Conservative, Independence Independent, Indianola Record Herald, Indianola Tribune.* Also, shoppers in Independence and Indianola.

Broadcasting

TELEVISION: KAII-TV, Wailuku and KHON-TV, Honolulu, Hawaii; WQAD-TV, Moline, Ill.
RADIO: KLAK (am) and KPPL (fm), Lakewood, Colo.; KGON (fm), Portland, Ore.; WIBA (am, fm), Madison, Wis.

OTHER OPERATIONS

Thirteen per cent of the stock in the privately held Minneapolis Star & Tribune Co., Minneapolis.

Deseret Management Corp.

Deseret Management Corp., Salt Lake City, is the country's 90th largest media company, with net revenues from media operations under its Bonneville International flag of $71.9 million, about 85% of total revenues of $84.5 million, according to the company.

As the broadcasting arm of the Church of Jesus Christ of the Latter-Day Saints, Bonneville speaks to more than the faithful through two tv stations, four am and seven fm radio stations and an estimated 10,000-subscriber cable tv system it owns half of in Logan, Utah. Bonneville media revenues break down into 49.7% tv, 45.8% radio, 2.2% satellite broadcasting and 2.3% program syndication via Bonneville Broadcast Systems.

The church's media properties also take in the *Deseret News* with a circulation of 72,000. Although linked to Deseret Management through the church, the newspaper property does not fall under the Deseret Management umbrella.

Major excitement at Bonneville this year revolves around its plan to have its teletext system in operation over KIRO-TV on Aug. 1. KIRO is Bonneville's Seattle tv station. Its other tv outlet is KSL in Salt Lake City, where Bonneville plans to offer consumers a similar system "shortly after" KIRO goes to consumers. Teletext is a viewer-controlled data transmission system based on the British "Ceefax" system. Bonneville developed its teletext operation in cooperation with Zenith Radio Corp.

Company president Arch L. Madsen explained that teletext will contain the equivalent of a 50-page newspaper. Viewers reading from a printed index will be able to punch up any material in the electronic newspaper that they want to read. "It's a revolution in the distribution of printed information," Mr. Madsen said. "Except for illustrations, teletext can do everything a newspaper can do, including classifieds. And the costs for us are so low that we can set up the whole works for less than the cost of a single color tv camera."

Mr. Madsen said the cost to consumers will be no more than a one-time "about $150 cost" for the hardware "The whole thing will pay for itself through advertising," he said. "I see it becoming enormous." He predicted some "real action" for the system in 1982.

Bonneville already has established a working teletext relationship with Field Communications and Taft Broadcasting. Teletext will be transmitted to participating stations via satellite. With a new million dollar uplink transmitter at Salt Lake City, Bonneville has established two-way communication with Washington, D.C.

"We are planning a complete satellite communication service for the whole U.S.," Mr. Madsen said. "We have just signed a contract with the church for 500 satellite receiving stations."

MEDIA PROPERTIES

Broadcasting

TELEVISION: KSL-TV, Salt Lake City; KIRO-TV, Seattle.
RADIO: KBIG (fm), Los Angeles; WCLR (fm), Skokie, Ill.; WRFM (fm), New York; KAAM (am) and KAFM (fm), Dallas; KIRO (am), Seattle.

Cable/video

Bonneville Satellite Corp., Bonneville Broadcast Systems.

OTHER OPERATIONS

Bonneville Productions, Radio Data Services, Torbet Radio Representatives.

Donrey Media Group

Donrey Media Group, Fort Smith, Ark., is the nation's 63rd largest media company with media revenues estimated by Advertising Age of $125 million in 1981, all from media operations.

A privately held company, Donrey serves nearly 8 million people through its newspapers, television and radio properties.

The Des Moines Register

THATCHER SAYS FINAL BATTLE SEEMS CERTAIN

Convicted killer indicted in shooting of Jordan

British shells hit 3 miles from Stanley

Reagan arrives for NATO 'summits' without fanfare

Candidates agree on need for more money for roads

ISSUES

Yellow Jackets, Honey Bees hit D.C.

Turnaround is fair play: Now mosquitoes face bites

The Register & Tribune refused this year to be acquired by the Washington Post Co.

Donrey owns 45 dailies and 41 nondaily newspapers, one television station, seven radio stations, four cable television companies and 11 outdoor advertising plants. The group operates companies in 18 states and the District of Columbia.

Recent acquisitions by the group include a cable system, Rogers Cablevision, in Rogers, Ark., and the remaining 80% of a cable company in Bartlesville, Okla., Bartlesville Video. Donrey already owned 20% of that system.

"We think cable has a very bright future," said Fred Smith, Donrey's executive vp. "Of course, we've been in cable for quite some time," he said. "We think it offers a lot and we are definitely interested in looking for more cable properties.

"We are bullish on the whole media business—newspapers as well as cable tv—and are interested in acquisitions in all areas."

Donrey's most recent acquisition is the Valley Publishing Co., publishers of three daily newspapers in Kent, Renton and Auburn on the southern edge of metropolitan Seattle. The company was purchased by Donrey in January. The transaction became final Feb. 1 but the price was never disclosed. The three dailies have a combined circulation of 40,000. A twice-weekly controlled-distribution publication extends circulation to 100,000.

Donrey is committed to continued growth and to pioneering technology, according to its founder and president, Donald W. Reynolds. The group has contributed to research on a revolutionary laser platemaker, the first of its kind to be used successfully. It is now in operation at Donrey's largest newspaper, the *Las Vegas Review Journal*, in Las Vegas, Nev.

MEDIA PROPERTIES

Newspapers (dailies)

ARKANSAS: *Rogers Northwest Arkansas Morning News, Southwest Times Record* (Fort Smith), *Springdale News.* CALIFORNIA: *Lompoc Record, Ontario Daily Report, Pomona Progress Bulletin, Red Bluff Daily News, Redlands Daily Facts, Vallejo Times-Herald.* HAWAII: *Hawaii Tribune-Herald* (Hilo), *West Hawaii Today* (Kailua-Kona). INDIANA: *Washington Times-Herald.* IOWA: *Oskaloosa Herald.* KENTUCKY: *Glasgow Daily Times.* MISSISSIPPI: *Picayune Item.* MISSOURI: *Macon Chronicle, Moberly Monitor-Index.* NEVADA: *Carson City Nevada Appeal, Ely Daily Times, Las Vegas Review-Journal.* OKLAHOMA: *Bartlesville Examiner-Enterprise, Blackwell Journal-Tribune, Chickasha Daily Express, Durant Daily Democrat, Frederick Daily Leader, Guthrie Daily Leader, Guyman Daily Herald, Henryetta Daily Free-Lance, Holdenville Daily News, Okmulgee Daily Times, Paul's Valley Daily Democrat, Pawhauska Daily Journal-Capital, Wewoka Daily Times.* TEXAS: *Borger News-Herald, Clebourne Times Review, Gainesville Daily Register, Jacksonville Daily Progress, Kilgore News Herald, Sherman Democrat, Sweetwater Reporter, Weatherford Democrat.* WASHINGTON: *Aberdeen Daily World, Auburn Daily Globe News, Kent Daily News Journal, Renton Daily Record Chronicle.*

Newspapers (nondailies)

Forty-one nondailies in nine states, including Booneville (Ark.) *Democrat, Oskaloosa* (Ia.) *Shopper, Poplarville* (Miss.) *Democrat, Randolph County Times* (Huntsville, Mo.).

Broadcasting

TELEVISION: KOLO-TV, Reno, Nev.
RADIO: KBRS (am), Springdale, Ark; KOCM (am), Newport Beach, Cal.; KEXO (am), Grand Junction, Colo.; KORK (am, fm), Las Vegas, Nev.

Cable/video

North Bay Cable TV Co., serving Vallejo, Cal.; Bartlesville Video, serving Bartlesville and Dewey, Okla.; Kilgore Cable TV Co., serving Kilgore, Tex. (50% ownership); Rogers Cablevision, Rogers, Ark.

Dow Jones & Co.

Dow Jones & Co., New York, is the country's 14th largest media company, with media operation revenues of $600 million in 1981, or 93% of total revenues of $641 million. National publications and news services accounted for more than three-quarters of total revenues. Community newspapers and book publishing (not included in Advertising Age's media revenue figures) accounted for the remainder.

Media revenues rose 22% last year and total revenues 21%. Net income from all operations was $71.4 million, up 21% from 1980.

The company is moving to improve the already-solid U.S. position of its principal publication, the *Wall Street Journal*, and also to strengthen the publication abroad.

Dow Jones will increase its presence in Europe by introducing a European edition of the *Journal*. The paper, to be printed by Limburgs Dagbblad, in Heelen, a small mining town which is located in southern Holland, is expected to make its debut in 1983.

Initially, the publication will have a staff of 20 located in Brussels. Norman Pearlstine, formerly editor of the *Asian Wall Street Journal* and now the *Journal's* national news editor, will serve as publisher and editor of the European edition. *Journal* executives believe they can increase the current U.S. edition's circulation by 50% in Europe to about 12,000 soon after publishing begins on the Continent.

With advertisers finding themselves shut out of the domestic *Journal* because of limited space, Dow Jones has continued to expand the publication. Early in 1982, the southwestern edition was expanded to 56 pages from 48, bringing it to the level of the eastern edition. A similar expansion will take place in the midwestern and western editions. The company also is studying the possibility of

expanding the eastern edition to 64 pages. Eastern printing plants are being altered to allow for expansion if the move is approved.

Dow Jones also increased the *Journal's* printing capacity by opening three new plants, in Des Moines, Ia.; Sharon, Pa. and Bowling Green, O. The *Journal* now has 14 printing plants. Three other printing plants—in LaGrange, Ga.; Charlotte, N.C. and Beaumont, Tex.—are under construction and will open this year.

Not planning to be left behind in videotex development, Dow Jones has entered into agreements with nine of the country's top 15 multiple system cable tv operators to explore joint videotex operations. The company also has plans to establish its own interactive systems in 12 communities, the largest of which is Denver, according to William Dunn, Dow Jones vp-general manager. The experiments eventually will involve 550,000 homes. Mr. Dunn said that revenues should begin topping expenses by 1984, when 200,000 homes are expected to join the various videotex systems.

Dow Jones also introduced DowAlert, a private-frequency business news service in Boston and Philadelphia. The service allows subscribers to use fm stations to receive specific business information.

The company's traditional form of dispensing business news—the *Journal*—continued its steady circulation increases. In 1981, circulation was up 3.6% to slightly more than 2 million daily. Over the past five years, the *Journal's* circulation has grown by 523,000, or 35%. Total *Journal* circulation is three times that of the *Washington Post* and twice that of the *Los Angeles Times, New York Times* and *Business Week*. A recent study showed that the paper's potential audience (executives and white-collar workers) is growing twice as fast as the population as a whole.

Wall Street Journal ad linage was up 9.7% in 1981, besting the 9.1% and 9.4% gains of the preceding two years. In 1981, more than 8,400 advertisers bought display space in the *Journal*.

Dow Jones raised the cover price of the *Journal* to 40¢ from 35¢ and of *Barron's*, its business and financial weekly, to $1.25 from $1.

Barron's suffered its first decline in ad linage in 10 years last year. The company attributed the 3.8% drop to reduced spending by brokerage houses and investment advisory services, its major advertisers. Those groups, the company contended, are suffering from the weak stock market. Circulation was up slightly to 264,416 from 264,100.

In May, the company announced it will cease publication of *Book Digest* with this month's issue, absorbing a $1.2 million charge against earnings. Dow Jones bought the magazine in 1978 and made numerous unsuccessful efforts to reverse a subsequent decline in advertising and circulation. The company had put *Book Digest* on the block in April but failed to attract any buyers.

MEDIA PROPERTIES

Newspapers (dailies)

Asian Wall Street Journal, Wall Street Journal. Ottaway Newspapers—CONNECTICUT: *Danbury News-Times.* KENTUCKY: *Ashland Daily Independent.* MASSACHUSETTS: *Beverly Times, Cape Cod Times* (Hyannis), *Gloucester Daily Times, New Bedford Standard-Times, Newburyport Daily News, Peabody Daily Times.* MICHIGAN: *Traverse City Record-Eagle.* MINNESOTA: *Mankato Free Press, Owatonna Peoples Press.* MISSOURI: *Joplin Globe.* NEW YORK: *Middletown Times Herald-Record, Oneonta Daily Star, Plattsburgh Press-Republican, Port Jervis Union Gazette.* OREGON: *Medford Mail Tribune.* PENNSYLVANIA: *Pocono Record* (Stroudsburg), *Sharon Herald, Sunbury Daily Item.*

Newspapers (nondailies)

Far Eastern Economic Review (49% interest), *South China Morning Post,* (16% interest), Allied Newspapers in Grove City, Pa., *Hampton* (N.H.) *Union, Rockingham County Gazette* (Exeter and Derry, N.H).

Magazines

Barron's, Book Digest.

OTHER OPERATIONS

Dow Jones News Service; DowAlert; Richard D. Irwin, book publisher; a newsprint mill near Richmond, Va. (30% interest); Extel, a telecommunications equipment maker (35% interest).

Dun & Bradstreet

Dun & Bradstreet, New York, is the country's 16th largest media company, with 1981 media revenues of $553.4 million, or 42% of total operating revenues, which rose 13% to a record $1.33 billion.

In 1980, Dun & Bradstreet had media revenues of $492.3 million out of total revenues of $1.176 billion.

The company's net income last year rose 19% to $121.5 million, also a record.

In 1981, publishing contributed $458.5 million in media revenues, up 12% from 1980 and equal to 35% of total Dun & Bradstreet revenues. Publishing accounted for $132.1 in operating income, or 46% of the company's total operating income of $284.8 million.

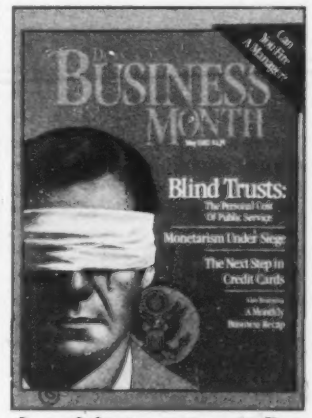
The broadcast division's operating revenues of $94.8 million accounted for 7.1% of D&B's total operating revenues. Broadcasting contributed $40.6 million in operating income, 14% of the total. The company said in its 1981 annual report that it is operating on four basic "dynamics of growth": Market segmentation, product differentiation, resource integration and computer technology application.

"They have been key to our progress in the past—and will be key to our future progress as well," a Dun & Bradstreet executive reported.

The company's progress for the past year in its publishing arm is attributed to new products and operating efficiencies.

At Reuben H. Donnelley, the company's operating revenue and income were up. In Chicago, the company hooked up with Illinois Bell and introduced the *Chicago Visitors Guide & Downtown Directory* and Bell's first *Health Care Industry Yellow Pages.*

The company also is planning to introduce its second edition of



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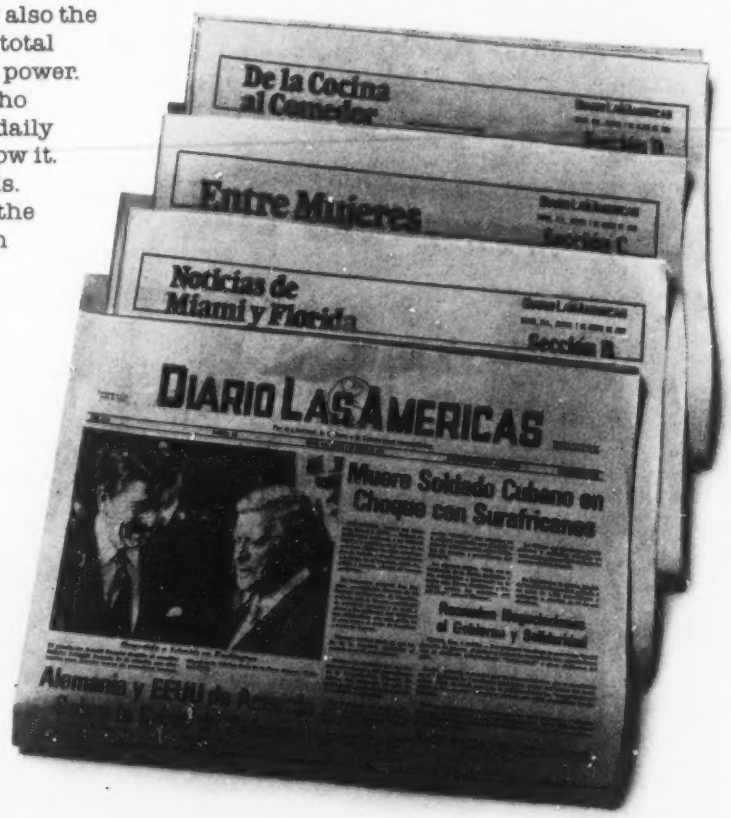
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the *New Neighbor Guide in Philadelphia* in 1982, and publish an edition for Pittsburgh as well. In its first full year of operation, Thomson Directories Ltd. was transformed from an ad sales agency to an independent publisher of local directories. Having successfully made inroads in the United Kingdom directory market, the company came out with 71 local directories in 1981 and is scheduled to bring out another 70 in early 1982.

Moody's Investors Service rang up a record year. The division set a new record in corporate bond issues rated, as well as commercial paper market ratings. Sales of the division's manuals and investment guides were ahead of 1980, while at the same time, the company launched Moody's "International Manual" and "Handbook of OTC Stocks" and is introducing a new publication, "The Stock Record" in the second quarter of 1982. "Complete Coverage," an addendum to Moody's Manuals, was brought out in 1980, while its other option, "Comprehensive Coverage," continued to show growth. Last year, the division also introduced electronic delivery of some of its information.

While the airline controllers' strike was disastrous for travelers, it turned out to be a boon for Dun & Bradstreet's Official Airlines Guides division. *Frequent Flyer* came out in September, 1980, and increased its rate base to 250,000 in March, 1981, at the same time it upped its ad rates. In April, 1982, OAG launched a Pacific area edition of its Pocket Flight Guide.

Technical Publishing enjoyed record revenues and income in 1981, while it kept working on refocusing its publications on markets with the greatest profitability. It sold *Pollution Engineering* and bought *Solid State Technology*. *Dun's Review* became *Dun's Business Month*, the same magazine but with a new format and new features.

Other Dun & Bradstreet publications coming in with record years were *Control Engineering* and *Graphic Arts Monthly*. Ad pages were also up for *Plant Engineering* and *Mining Equipment International*. *Datamation* is expanding its editorial coverage by adding a demographic edition for the original equipment manufacturer market and increasing the frequency of its international issue.

In 1981, the company also acquired Sentry Database Publishing, owner of *Software News* and *Software Search*.

Among nonmedia publishing divisions (according to AA's definition of media for this issue), the Funk & Wagnalls division fell on hard times last year with its operating income and revenues dropping below the 1980 levels. Two of its most successful products, "The Sesame Street Library" and "New Encyclopedia," neared the end of their cycles, while the "Big Bird Dictionary" and "Children's Bible Stories" began their debut.

In broadcasting, the company's Corinthian Broadcasting unit hit new highs in 1981. Stations in Houston and Hampton-Norfolk came in with the best records. Corinthian's stations also racked up better share figures and made several changes in their news programs. In Indianapolis, WISH-TV expanded its late-night news show from 45 minutes to one hour, while in Sacramento, KXTV added 30 minutes to its early evening news.

Corinthian also put in a Washington News Bureau last year to give Corinthian stations Washington news of local import. Corinthian Productions continued to develop programs for young people, with such ventures as "Historyland" and "Who, What, How Do You Know Show" series.

TVS Television Network's operating revenues and income hit new records in 1981. The network produced 68 regional and 18 national college basketball games that were aired by the NBC network.

In 1982, TVS is slated to produce 74 regional and 20 national college basketball games for NBC, as well as 23 regional Southeast Conference games that will be distributed independently to stations.

The company made several new personnel shifts in its media properties. John C. Holt was named executive vp of Technical Publishing as well as for Donnelley Marketing, Donnelley Marketing Information Service and D&B Business Education; Volney Taylor was named exec vp of Corinthian Broadcasting, including PGW (Peters Griffin Woodward, which represents tv stations in spot sales to national and local advertisers), TVS Network, and Official Airlines Guides as well as Plan Services and Sales-net. James J. Crenner was named executive vp at Reuben H. Donnelley and Moody's Investors Service, as well as for Dun & Bradstreet Commercial Collections and the Fantus Co.

MEDIA PROPERTIES

Magazines

American Journal of Cardiology, American Journal of Medicine, American Journal of Surgery, Consulting Engineer, Cutis, Datamation, Dun's Business Month, Electric Light & Power, Fire Engineering, Graphic Arts Monthly, Highway and Heavy Construction, Industrial Research and Development, Mining Equipment International, Plant Engineering, Power Engineering, Purchasing World, Solid State Technology, Software News and World Construction.

Broadcast

TELEVISION: KXTV. Sacramento, Cal; WISH-TV, Indianapolis; KOTV, Tulsa, Okla; KHOU-TV, Houston, and WANE, Fort Wayne, Tex; WVEC, Hampton-Norfolk, Va; TVS Television Network.

Cable/video

Pembroke Cable Corp., a division of Corinthian, a wholly owned subsidiary of D&B, has locations as follows—NORTH CAROLINA: Ahoskie, Murfreesboro. VIRGINIA: Emporia, Greensville County, Halifax, Halifax County, LaCrosse, Mecklenburg County, South Boston, South Hill.

Other media-related operations

Moody's Investors Service, Reuben H. Donnelley.

OTHER OPERATIONS

Dun & Bradstreet Business Education Services, Funk & Wagnalls, DBI Books, Sentry Data Base Publishing.

Newspapers: The Fat Ones
Part I

Top papers in total ad linage, 1981	lines (millions)
1. Los Angeles Times	157.3
2. Houston Chronicle	114.8
3. Chicago Tribune	104.8
4. Miami Herald	99.4
5. Washington Post	98.3
6. New York Times	91.2
7. Dallas News	89.9
8. Orange County Register	87.7
9. Fort Lauderdale Sun Sentinel*	86.7
10. San Jose Mercury*	81.7

All figures based on 8-column format.

*Includes estimated share of advertising in combined weekend papers, the San Jose Mercury-News and the Fort Lauderdale News & Sun-Sentinel.

Source: Compiled by Advertising Age from figures published in Editor & Publisher magazine, May 29, 1982.

Evening News Assn.

The Evening News Assn., Detroit, is the country's 31st largest media company with 1981 revenues of $250 million, all from media operations, according to the company. The company had estimated media revenues in 1980 of $235.7 million.

Profits fell 61% in 1981 to $5 million from $12.7 million in 1980.

Losses sustained by the *Detroit News*, Evening News' flagship, continue to plague the company. The newspaper war between the *News* and Knight-Ridder's *Detroit Free Press* is not likely to end soon, which means the company must keep pouring profits from Sunbelt properties into depressed Detroit.

That was the idea all along, according to Peter B. Clark, president and great-grandson of the founder of the company. "When this company started acquiring properties in other communities, the idea was to develop counter cyclicality to Detroit. We did that, and we're delighted we did, given the Detroit problems," Mr. Clark said.

Mr. Clark disagreed with analysts' predictions that Detroit will be a one-newspaper town within a decade. But should that happen, "We would be the survivor because we're the stronger by a substantial margin," he said. The margin of strength is great in ad linage but the circulation margin has narrowed and the *News* now leads by only 1,752 copies daily.

The company has been alternately embarrassed, puzzled and gratified by recent nonfinancial developments. Last Nov. 4, the paper carried a front-page story proclaiming the successful launch of the space shuttle. The shuttle did not take off for another eight days. About 30,000 copies containing the bogus story were printed. All but 300 were recovered.

In January, word spread through the city room that 75 shares in the closely held Evening News were available. All shares were quickly bought by reporters, photographers and other *News* employes at $175 a share. A contingent of the new shareholders attended the company annual meeting for the first time and saw financial figures for the Evening News, though not for the *News* itself. "I see very little meaning in it at all," said Mr. Clark of the newsroom stock rush.

There aiso has been a rush of awards for Evening News properties. The *News* won the Pulitzer gold medal for meritorious public service for a series of articles on deaths at sea of Navy personnel.

Announcement of the award was slipped into ads from new agency N W Ayer, which replaced McCann-Erickson on the $1 million account.

A company tv station, WDVM-TV, Washington, won a Peabody award and the station retained news leadership in the Washington market. Evening News management considers the Washington prominence important because of the market's relatively stable economy, and also because of the opportunity afforded to try to influence the thinking of political leaders.

"The basic flow of earning or publishing power in that community remains high and growing," said Mr. Clark. "Businessmen to some extent can predict that it will keep on growing and act accordingly."

ENA is satisfied with the performance of its television stations and hopes to buy another vhf and uhf station, though Mr. Clark would not say when. Closer at hand is the acquisition of other electronic media—possibly in cable. "We are analyzing all of that very closely and we will make investments in new communications fields," said Mr. Clark.

The company has been saying that for some years, but it is ready to move soon. "I would hope in 1982, certainly in 1983," said Mr. Clark.

MEDIA PROPERTIES

Newspapers

CALIFORNIA: *Indio Daily News, Palm Springs Desert Sun.*
MICHIGAN: *Detroit News.*
NEW JERSEY: *Atlantic County Record, Egg Harbor News, Hammonton News, Millville Daily, Vineland Times Journal.*

Broadcasting

TELEVISION: WALA-TV, Mobile, Ala.; KOLD-TV, Tuscon, Ariz.; KTVY-TV, Oklahoma City; KVUE-TV, Austin, Tex.; WDVM-TV, Washington.
RADIO: WWJ (am) and WJOI (fm), Detroit.

OTHER OPERATIONS

Times Graphics Printing.

Field Enterprises

Field Enterprises, Chicago, is the country's 22nd largest media company, with 1981 media property revenues estimated by Advertising Age at $368.7 million, or 87% of total revenues estimated by AA at $425 million.

Privately owned Field Enterprises includes the *Chicago Sun-Times* among its media properties and also has substantial real estate holdings.

In recent months Field has intensified its longstanding interest in new communications technologies.

However, a late 1981 plan to solidify its foothold in cable tv with the acquisition of Eugene, Ore.-based Liberty Communications failed when the companies broke off talks two weeks ago. Liberty claims about 210,000 subscribers to cable tv systems in Alabama, California, Georgia, Illinois, Michigan, Oregon, Pennsylvania, Texas and Washington.

These would have been added to Field's own cable holdings, which currently consist of six cable franchises in southern California, serving 12,000 basic and 11,000 pay subscribers.

Field said Liberty Communications was "considering alternative forms of transaction which may include participation by Field."

The companies did not elaborate. Field's originally proposed price for Liberty Communications was not disclosed.

Field Enterprises in April sold the assets of its new Field Electronic Publishing subsidiary to KEYCOM Electronic Publishing, a partnership formed by Field, Centel Corp. and Honeywell Inc.

The joint venture was created to develop, market and operate a videotex service called KEYTRAN, which enables home and business users to retrieve information and conduct business on a tv screen.

To begin operation in mid-1983, the venture is expecting to draw 25,000 videotex subscriptions and 50,000 teletext subscriptions, generating revenues of $15 million in the first year. Field has a 16% interest in KEYCOM.

KEYCOM also plans to make a national version of KEYFAX—the teletext system Field has been testing in the Chicago area—available to approximately 20 million homes through Southern

Satellite Systems. KEYFAX consists of a scrolling version of news, sports, business, weather and leisure information. Subscribers to the service will have set-top decoders and remote control keypads with which to obtain access to the information.

Also now a property of KEYTRAN is Field's Nite-Owl news and information teletext magazine, aired on Field-owned WFLD, a Chicago uhf station, from midnight to 6 a.m.

Field has its hand in another area of communications technology as a partner in Super TV with Subscription Television of America.

In mid-June, Field ceased publication of its string of suburban shoppers. The *Chicago Sun-Times*, one of the two daily newspapers left in the city, continues to show circulation gains in its hotly contested battle with the *Chicago Tribune*. According to the Audit Bureau of Circulations, in the six months ended March 31, *Sun-Times* weekday figures climbed to 663,500 from 681,400 for the same period a year earlier; *Tribune* circulation dropped 2.5% to 770,798. Sunday circulation slid for both papers, with the *Sun-Times* down approximately 15,000 from the same period a year earlier, and the *Tribune* off by 43,000.

MEDIA PROPERTIES
Newspapers (dailies)
Chicago Sun-Times.
Newspapers (nondailies)
Suburban Sun-Times.
Broadcasting
TELEVISION: KBHK-TV, San Francisco; WFLD-TV, Chicago; WLVI-TV, Cambridge, Mass.; WKBD-TV, Detroit; WKBS-TV, Philadelphia.
Cable/video
Field Cablevision, operator of California-based systems in March Air Force Base, Norton Air Force Base, Redlands, Riverside County, San Bernardino, San Bernardino County. Partner in both Washington-based Super TV pay tv operation and in KEYCOM Electronic Publishing.

OTHER OPERATIONS
Cabot, Cabot & Forbes, Field Realty division, Field Newspaper Syndicate, Field News Service.

Freedom Newspapers

Freedom Newspapers, Santa Ana, Cal., is the country's 43rd largest media company, with 1981 revenues estimated by ADVERTISING AGE at $194.1 million media operations.

Except for KTVL-TV, Medford, Ore., which was acquired in 1981, all of Freedom's revenues come from newspapers.

Its principal property is the Orange County Metro Group Newspapers, a trio of Southern California dailies: *Anaheim Bulletin, La Habra-Brea Star Progress* and the *Santa Ana Register*. Freedom also owns 29 other daily papers, mostly in the South and Midwest.

A major transition in Freedom's history began last January with the death of chairman Clarence Harrison Hoiles at 76. Mr. Hoiles had a 54-year newspaper career. He was publisher of Freedom's *Santa Ana Register* from 1970 to 1975, and co-chairman with his brother, Harry, from 1975 to 1979. Mr. Hoiles, a staunch advocate of freedom from government regulation, was named chairman of Freedom Newspapers in 1979.

Through May of this year, Freedom had acquired no new properties. However, according to president D.R. Segal, Freedom continues to look into acquisitions. "Right now," Mr. Segal said, "We are interested in a cable system and several tv stations." Mr. Segal declined to indicate in what parts of the country these prospective properties are located.

MEDIA PROPERTIES
Newspapers (dailies)
ALABAMA: *Dothan Progress.* CALIFORNIA: *Anaheim Bulletin, La Habra-Brea Daily Star-Progress, Marysville Appeal-Democrat, Porterville Recorder, Santa Ana Register, Turlock Daily Journal, Victorville Daily Press.* COLORADO: *Colorado Springs Gazette-Telegraph.* FLORIDA: *Fort Walton Beach Playground Daily News, Fort Pierce News Tribune, Panama City News-Herald.* INDIANA: *Crawfordsville Journal Review, Seymour Daily Tribune.* MISSISSIPPI: *Greenville Delta Democrat-Times.* NEBRASKA: *Columbus Telegram.* NEW MEXICO: *Clovis News Journal.* NEW YORK: *Hornell Evening Tribune, Wellsville Reporter.* NORTH CAROLINA: *Burlington Times-News, Gastonia Gazette, Jacksonville Daily News, Kinston Daily Free Press, New Bern Sun-Journal.* OHIO: *Bucyrus Telegraph-Forum, Lima News.* SOUTH DAKOTA: *Huron Daily Plainsman.* TEXAS: *Brownsville Herald, Harlingen Valley Morning Star, McAllen Monitor, Odessa American, Pampa Daily News.*
Broadcasting
TELEVISION: KTVL-TV, Medford, Ore.

Gannett Co.

Gannett Co., Rochester, N.Y., is the 6th largest U.S. media company, with media property revenues of $1.345 billion in 1981, or 98.2% of total revenues of $1.37 billion. Newspapers accounted for 77% of total revenues; outdoor advertising, 11%, and broadcasting, 10%.

Media property revenues were up 13% from $1.195 billion in

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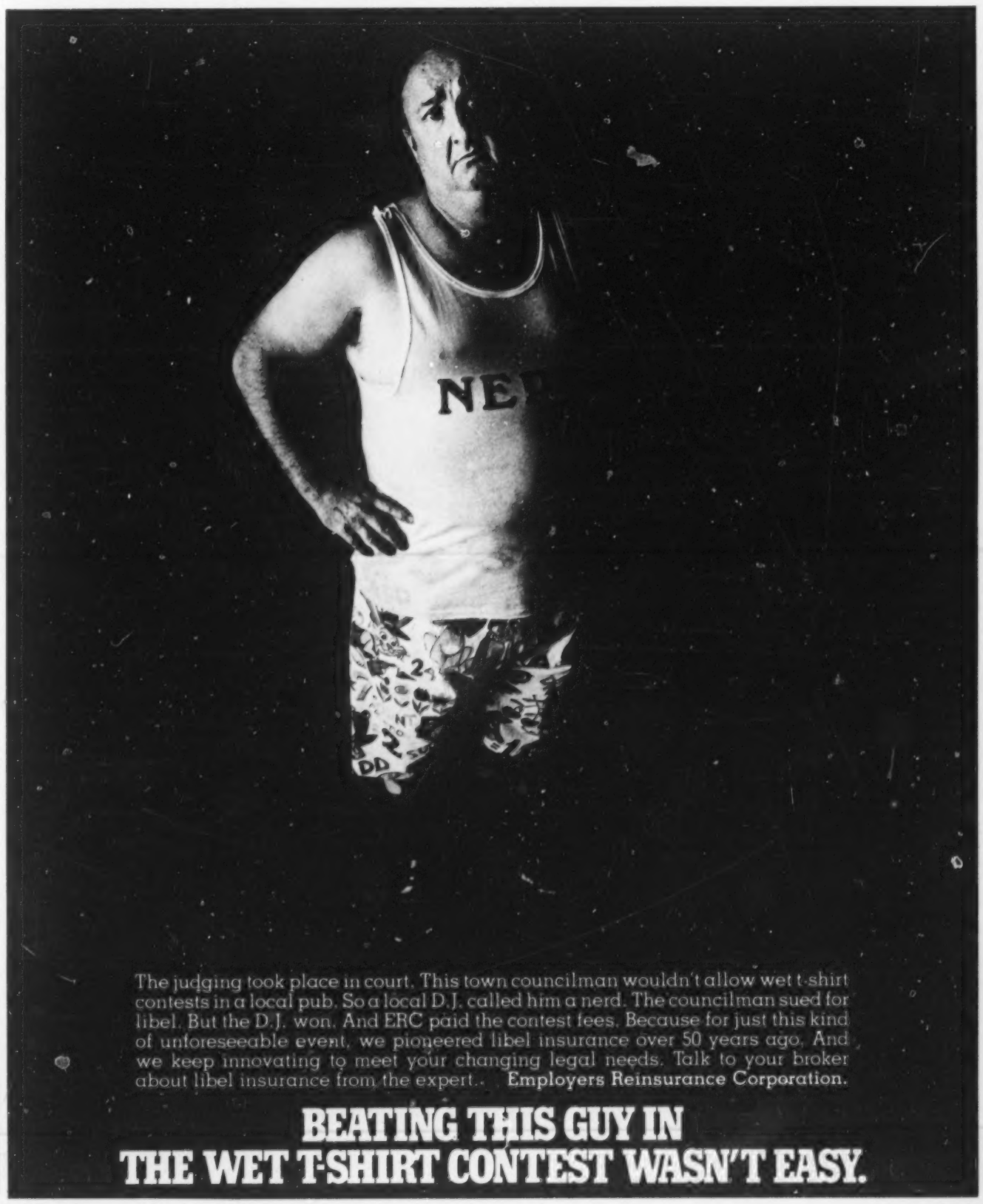

The judging took place in court. This town councilman wouldn't allow wet t-shirt contests in a local pub. So a local D.J. called him a nerd. The councilman sued for libel. But the D.J. won. And ERC paid the contest fees. Because for just this kind of unforeseeable event, we pioneered libel insurance over 50 years ago. And we keep innovating to meet your changing legal needs. Talk to your broker about libel insurance from the expert.. Employers Reinsurance Corporation.
BEATING THIS GUY IN THE WET T-SHIRT CONTEST WASN'T EASY.

1980. Total revenues also rose 13%, from $1.215 billion. Gannett's earnings last year set a record for the 14th straight year, rising 14% to $172.5 million from $152 million.

Allen Neuharth, chairman and president, told shareholders last month that Gannett expects record profits again this year. In the first quarter, the company's earnings rose 5% to $31.6 million from $30.2 million. That was the smallest quarterly earnings rise in the 58 quarters since Gannett became a publicly owned company in 1967. Mr. Neuharth blamed the small gain on the weak economy.

Late last year, Gannett, which has grown primarily through the rapid acquisition of newspapers in one-newspaper communities, approved the most ambitious project in its history, and one that will put it squarely in competition with the major newspapers it has avoided over the years. The undertaking is *USA Today*, a national daily newspaper that Gannett plans to introduce this September in Washington, in four other markets by the end of the year and in 15 markets in all by the first quarter of 1983.

Although Gannett believes it can continue to grow under its longstanding strategy, some company followers believe the company may be wondering how much more growth it can derive by acquiring existing, mostly small, newspapers, especially when the number of attractive independent papers continues to decline.

Much of Gannett's recent newspaper revenue growth, moreover, has come from price increases rather than increased circulation or ad linage. Circulation revenues rose 13% last year to $260.9 million, but total circulation of Gannett's dailies fell for the third straight year, by 1.3% to 3.63 million. Ad revenues climbed 9.4% to $788.3 million, but ad linage rose a modest 0.3% and remained 1.5% below that of the record level of 1979.

Some critics also charge that Gannett muffed a chance to be a major factor in cable tv. They say the company's monopoly newspaper status in many markets should have encouraged it to move promptly and aggressively into cable tv ownership in those communities; instead, they say, Gannett stood on the sidelines while others were bidding cable tv properties up to what the company now says are prohibitive prices.

In any case, whether by choice or because it simply did not move quickly enough, Gannett today owns no cable systems and thus may be seeking with *USA Today* the growth many of its fellow newspaper companies see in the burgeoning cable business.

A less tangible but nonetheless important additional reason for *USA Today*, company followers believe, is the desire of Gannett and Mr. Neuharth to become the important media voice that the company heretofore has not been, despite its size and impressive financial performance. "The Nation's Newspaper," as Gannett describes *USA Today*, could make the company the "indisputable leader in the media business for your lifetime and mine," Mr. Neuharth told shareholders at last month's annual meeting.

With *USA Today*, Gannett will be competing for national advertisers with the *Wall Street Journal*, the *New York Times* and the weekly news magazines. Gannett last month disclosed what it called a unique advertising program aimed at attracting big advertisers. The plan "will help refocus the thinking of major national advertisers on the daily print medium," Mr. Neuharth told shareholders.

"We're going to be talking about it as newspaper in format and magazine in concept," said Joseph Welty, *USA Today* vp-advertising. The ad program offers the kind of rate discounts and striking four-color graphics more commonly associated with the magazine industry. To get advertisers to try the new paper, Gannett also is offering them the possibility of free ads for the publication's first eight months if they commit themselves to advertising for 15 months.

Gannett is willing to sacrifice its traditional large earnings gains to launch *USA Today*. Mr. Neuharth told security analysts recently that the company could suffer its first quarterly earnings decline in the first quarter next year, when *USA Today* is in its early expansion stage. The company has incurred only minor costs in the two-year development of the paper, but could spend about $20 million on the paper this year and $55 million in 1983, a security analyst said. Gannett says it will be able to finance the paper without any additional borrowings.

Gannett is aiming the paper at relatively affluent and mobile readers. It believes it can sell *USA Today* to about 4% or 5% of current newspaper readers, eventually selling 2.5 million to three million copies a day, which would make the paper the largest-circulation daily in the country by a comfortable margin.

Advertiser and ad agency reaction to prototypes of the new paper has been mixed, although Gannett says prototypes have been received favorably by the agencies it has talked to. Gannett plans a carefully controlled rollout of the paper through 1987, with numerous checkpoints along the way to measure performance against projections. Gannett hasn't disclosed any financial projections for *USA Today*. One security analyst has projected that the paper will break even in 1984 and earn as much as $20 million before taxes as early as 1985.

Meanwhile, Gannett has continued to seek out acquisitions. Last year, it spent $60 million to acquire the daily newspapers the *Norwich* (Conn.) *Bulletin*, the *Knoxville* (Tenn.) *Journal*, the *Gainesville* (Ga.) *Times* and the Spanish-language *El Diario-La Prensa; Poultry & Egg News*, publisher of two national poultry trade papers, and a weekly in Salem, N.J. The 50,000-circulation *El Diario-La Prensa* is the largest Spanish-language daily on the U.S. mainland; the company said it plans to use the paper as the base for serving Hispanic readers throughout the country.

So far this year, Gannett has acquired the *Jackson* (Miss.) *Clarion-Ledger* and *Daily News* and the *Hattiesburg* (Miss.) *American*, all dailies, as well as six Mississippi weeklies. The company didn't disclose the cost of those acquisitions. It said earlier this year it had the ability to spend as much as $100 million on acquisitions in 1982. Also, Gannett papers in Fort Myers, Fla., and Santa Fe, N.M., began providing news and other programing to cable operators. The moves don't signal any intention to move into cable ownership, however, the company said.

MEDIA PROPERTIES

Newspapers (dailies)

ARIZONA: *Tucson Citizen*. CALIFORNIA: *Independent Journal* (Marin County), *Oakland Tribune*, *Eastbay Today* (Oakland), *Salinas Californian*, *San Bernardino Sun*, *Stockton Record*, *Visalia Times-Delta*. COLORADO: *Fort Collins Coloradoan*. CONNECTICUT: *Norwich Bulletin*. DELAWARE: *Wilmington Morning News*, *Wilmington Evening Journal*. FLORIDA: *Cocoa Today*, *Fort Myers News-Press*, *Pensacola Journal*, *Pensacola News-Journal*. GEORGIA: *Gainesville Times*. GUAM: *Pacific Daily News* (Agana). HAWAII: *Honolulu Star-Bulletin*. IDAHO: Idaho Statesman (Boise). ILLINOIS: *Danville Commercial-News*, *Rockford Register Star*. INDIANA: *Lafayette Journal and Courier*, *Marion Chronicle-Tribune*, *Richmond Palladium-Item*. IOWA: *Iowa City Press-Citizen*. KANSAS: *Coffeyville Journal*. LOUISIANA: *Monroe News-Star-World*, *Shreveport Times*. MICHIGAN: *Battle Creek Enquirer and News*, *Lansing State Journal*, *Port Huron Times Herald*, *Sturgis Journal*. MINNESOTA: *Little Falls Daily Transcript*, *St. Cloud Daily Times*. MISSISSIPPI: *Hattiesburg American*, *Jackson Clarion-Ledger*, *Jackson Daily News*. MISSOURI: *Springfield Daily News*, *Springfield Leader and Press*. NEBRASKA: *Fremont Tribune*. NEVADA: *Nevada State Journal* (Reno), *Reno Evening Gazette*. NEW JERSEY: *Bridgewater Courier-News*, *Camden Courier-Post*. NEW MEXICO: *New Mexican* (Sante Fe). NEW YORK: *Binghamton Evening Press*, *Binghamton Sun-Bulletin*, *Elmira Star-Gazette*, *Ithaca Journal*, *El Diario-La Prensa* (New York City), *Niagara Gazette*, *Poughkeepsie Journal*, *Rochester Democrat and Chronicle*, *Rochester Times-Union*, *Saratogian-Tri County News* (Saratoga Springs), *Utica Daily Press*, *Utica Observer-Dispatch*, Westchester Rockland Newspapers—*Mamaroneck Daily Times*, *Mount Vernon Daily Argus*, *New Rochelle Standard-Star*, *Nyack-Rockland Journal News*, *Ossining Citizen-Register*, *Port Chester Daily Item*, *Tarrytown Daily News*, *Westchester County Today*, *White Plains Reporter-Dispatch*, *Yonkers Herald Statesman*. OHIO: *Chillicothe Gazette*, *Cincinnati Enquirer*, *Fremont News-Messenger*, *Marietta Times*, *Port Clinton News Herald*. OKLAHOMA: *Muskogee Daily Phoenix and Times-Democrat*. OREGON: *Salem Statesman-Journal*. PENNSYLVANIA: *Chambersburg Public Opinion*, *Lansdale Reporter*, *New Kensington Valley News Dispatch*. SOUTH DAKOTA: *Sioux Falls Argus Leader*. TENNESSEE: *Knoxville Journal*, *Nashville Tennessean*. TEXAS: *El Paso Times*. VERMONT: *Burlington Free Press*. VIRGIN ISLANDS: *St. Thomas Daily News*. WASHINGTON: *Bellingham Herald*, *Olympian*, (Olympia). WEST VIRGINIA: *Huntington Herald-Dispatch*. WISCONSIN: *Green Bay Press-Gazette*, *Wausau/Merrill Daily Herald*.

Newspapers (nondailies)

CALIFORNIA: *Rohnert Park-Cotati Times*. CONNECTICUT: *Norwalk Fairpress*, *Windham County Transcript*, (Norwich). DISTRICT OF COLUMBIA: *Washington Pennywhistle Press*. FLORIDA: *Cocoa Tribune*, *Melbourne Times*, *Seminole Citizen News*, *Titusville Star-Advocate*. GEORGIA: *Poultry Times*, *Poultry Egg Marketing* (Gainesville monthlies). MISSISSIPPI: *Clinton News*, *Gautier Independent*, *Lumberton Headblock*, *Madison County Herald*, *Ocean Spring Record*, *Pearl Press Chronicle*. NEW JERSEY: Suburban Newspaper Group (nine weeklies in Cherry Hill), *Salem Sampler*. NEW YORK: *Bronxville Review Press-Reporter*, *Saratoga Commercial News*. PENNSYLVANIA: *Butler County News*, *North Hills News Record* (both semiweeklies in New Kensington), *New Kensington Herald*, *Pennsbury Town and Country*.

Broadcasting

TELEVISION: KPNX-TV, Phoenix, Ariz.; KARK-TV, Little Rock, Ark.; KBTV, Denver; WXIA-TV, Atlanta; WPTA-TV, Fort Wayne, Ind.; WLKY-TV, Louisville, Ky.; KOCO-TV, Oklahoma City.

RADIO: MUZAK (Arizona except Tucson); KPRZ (am) and KIIS (fm), Los Angeles; KSDO (am) and KEZL (fm), San Diego; WJYW (fm), Tampa, Fla.; WVON (am) and WGCI (fm), Chicago; WLQV (am) and WCZY (fm), Detroit; KSD (am, fm), St. Louis; WWWE (am) and WDOK (fm), Cleveland.

Outdoor

Gannett Outdoor Advertising Group, MEDIACOM (Canada).

Other media properties

Gannett Newspaper Advertising Sales, Gannett News Service, Gannett Satellite Information Network, Gateway Film Productions.

OTHER OPERATIONS

Louis Harris & Associates Research, Romo Screen Printing, PIA Merchandising.

General Electric Co.

General Electric Co., Fairfield, Conn., is the country's 46th largest media company, with 1981 media-property revenues estimated by AA at $175 million, out of total revenues of $27.2 billion.

In 1980, the company had estimated media revenues of $150 million out of total revenues of $24.96 billion.

The company operates two consolidated media affiliates within its Consumer Products and Services group: General Electric Broadcasting Co., with three tv stations and eight radio stations, and General Electric Cablevision Corp., with 296,227 subscribers as of May 4, 1982.

According to Winthrop Baker, president and ceo of the two operations, "both areas went up very nicely in 1981." GE Cablevision concentrated on signing more subscribers during the year, rather than laying new cable. Nearly 60% of the homes passed are basic subscribers, and almost half (48%) of those are pay tv customers as well.

"We've invested a lot in upgrading [adding more channels] and further tiering [adding more pay tv options] to our system," Mr. Baker said. "By mid-1983, we plan to bring all of our systems up to the latest state-of-the-art technology. This can be almost as expensive as installing the initial system."

Mr. Baker indicated that 11 of GE Cablevision's 13 systems gained sizable numbers of new subscribers in early 1982, while one, in Anderson, Ind., where the unemployment rate is 22%, was flat for the year. Another system, in Peoria, Ill., also hit hard by the current recession, showed only modest gains.

"It may say something about our society, but people don't seem to be giving up their cable systems, even in hard times," said Mr. Baker. "They may cut back on pay services, but they're keeping the basic cable." GE Cablevision had revenues estimated by AA at $70 million last year.

Mr. Baker, who took over the broadcasting and cablevision business at GE a little more than a year ago, said that many restructuring plans on the broadcast side are in full swing. Last year "could be termed a 'turn around' year for our broadcasting properties," he said.

"We split tv and radio into two groups. Randy Bongarten, who was a manager of one of the radio stations, is now vice-president for the radio group," he said.

On the tv side, new general managers have been hired in Denver and Nashville. "We've made significant changes in our programing," said Mr. Baker. "In Denver, I believe we have the most original live programing of any station in the country."

He said that the station, KOA-TV, an NBC affiliate, has added two hours of news a day and a half-hour local call-in show. At 12:30 a.m., when network broadcasting has ended, the station airs a five and one-half hour call-in show that is simulcast by the company's KOA (am) radio station, a 50,000 watt, clear channel station. The station now broadcasts 42 to 45 hours of live local programing a week, including the most news of any station in the Mountain Time Zone, he said.

"It's an aggressive, lively station," said Mr. Baker. "We've completely rebuilt the station's news product with a multi-million-dollar investment and by hiring the best news director in Denver from another station." He said that similar changes are under way at WNGE-TV in Nashville, with more emphasis on news and local college sports coverage.

WRGB, the company's television station in Albany, N.Y., switched affiliation from NBC to CBS in late September last year. The No. 1 station in its market, WRGB had been with NBC since the 1920s when it became that network's first independent affiliate.

"We're becoming more total-service oriented with our television stations," said Mr. Baker. AA-estimated revenues from GE's broadcasting operations were $105 million in 1981.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KOA-TV, Denver; WRGB, Albany, N.Y; WNGE-TV, Nashville.

RADIO: KFOG (fm), San Francisco; KOA (am) and KOAQ (fm), Denver; WJIB (fm), Boston; WGY (am) and WGFM (fm), Albany, N.Y.; WSIX (am, fm), Nashville.

Cable/video

General Electric Cablevision Corp. CALIFORNIA: Merced, Tracy, Vacaville, Walnut Creek. ILLINOIS: Decatur, Peoria. INDIANA: Anderson, Evansville (80% interest). MICHIGAN: Grand Rapids, Wyoming. MISSISSIPPI: Biloxi, Hattiesburg. NEW YORK: Watertown.

General Tire & Rubber Co.

General Tire & Rubber Co., Akron. O., through its wholly owned subsidiary RKO General, is the country's 50th largest media company.

Media revenues from New York-based RKO totaled $160.9 million out of General Tire's total revenues of nearly $2.2 billion.

The 30-year-old RKO entered the broadcasting field with the acquisition of a single radio network. Today, amid numerous legal problems, the company operates three television stations, 12 radio stations and three radio networks.

Last September RKO started up its second radio network, which now has 140 affiliates. In January it launched a third. RKO III leans heavily on long-form programing for specific time slots, including a midnight-to-6 a.m. talk show.

Also, last July, the company sold Cablecom-General, its cable-television arm to Capital Cities Communications for $105.7 million, which resulted in a gain of $45.1 million for RKO.

RKO's future as a broadcast company, however, is in jeopardy. In January, 1980, the Federal Communications Commission voted not to renew RKO licenses for KHJ-TV, Los Angeles, WOR-TV, New York, and WNAC-TV, Boston, because of evidence that General Tire had bribed foreign officials, kept a secret slush fund for illegal political contributions and engaged in other improper activities, described in a civil suit brought against the company by the Securities and Exchange Commission in 1976 (General Tire entered a consent decree as a result of that probe) and in a report prepared by General Tire's outside directors.

The FCC also found that RKO had been less than candid in presenting, or failing to present, the FCC with information about the SEC probe and the evidence of General Tire's wrongdoing.

General Tire appealed the FCC ruling to the U.S. court of appeals for the District of Columbia circuit. The court held, in December 1981, that RKO's "egregious lack of candor" during hearings over renewal of the Boston license disqualified the company from retaining that license. But that finding did not necessarily apply to the Los Angeles and New York stations, the court said, and it sent those cases back to the FCC for additional proceedings, which are progressing while RKO continues to operate the two stations.

The Boston station, however, is gone from the RKO fold. The U.S. Supreme Court in April refused the company's request that the high court review the FCC's decision, and last month New England Television Corp., a group of Boston investors, took over the station.

For its fiscal year ended Nov. 30, 1981, WNAC-TV had revenues of $28.2 million and net income of $4.7 million.

Once the proceedings involving the Los Angeles and New York stations are concluded, the FCC might challenge RKO's qualifications to hold licenses for all its broadcast properties. That could force the company out of broadcasting entirely.

The sale of Cablecom-General to Capital Cities arises, according to the company, from RKO's decision to move out of the capital intensive hardware end of the cable tv and into the area of software to provide programs for cable tv systems and other video markets.

To accomplish its new goal, RKO Pictures entered into a joint venture with a nationwide theatrical group and has, the annual report said, "become one of the larger independent producers of shows for pay television."

The three-year joint venture program, which began in 1980, requires RKO to contribute $25 million annually, and Universal City Studios to contribute $8.3 million for the same period.

The payoff to RKO will be 75% of the joint venture's revenues—after expenses and distribution fees—as well as additional payments.

As of Nov. 30, 1981, the venture had not released any pictures for distribution. The company's investment as of Nov. 30 was $38.6 million.

Earlier this year, RKO be-

To maintain credibility in these uncertain times, a newspaper must have a solid sense of its environment. An identity that feels exactly right to its readers and advertisers.

There is a natural partnership between our newspaper and the unique and healthy evolution of our Orlando market. . .a major U.S. metropolitan area in Central Florida flourishing in the midst of national economic confusion. Orlando and its newspaper are moving together toward a vibrant future, where change means growth in the best sense of the word.

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came a charter member of the Radio Network Assn. RKO Radio Network president Tom Burchill serves as vice-chairman.

In addition to RKO, other charter members include ABC, CBS, NBC and United Stations.

The aim of the association is to promote a better understanding of network radio on the part of advertising agencies and advertisers.

In addition to its broadcast properties, a soft drink bottling division and Frontier Airlines comes under RKO's ownership. The bottling division is one of the 10 largest Pepsi-Cola bottlers in the country. These operations, which are located in Ohio and Indiana, include eight soft drink bottling companies and a canning plant.

Frontier Airlines ranks as the 13th-largest airline in the country. Based in Denver, the airline serves 86 cities in 27 states, Mexico and Canada.

MEDIA PROPERTIES
Broadcasting
TELEVISION: WOR-TV, New York; KHJ-TV, Los Angeles; WHBQ-TV, Memphis.
RADIO: KHJ (am) and KRTH (fm), Los Angeles; KFRC (am), San Francisco; WGMS (am, fm), Bethesda, Md.-Washington; WAXY (fm), Fort Lauderdale; WFYR (fm), Chicago; WRKO (am) and WROR (fm), Boston; WOR (am) and WRKS (fm), New York; WHBQ (am), Memphis. Also, RKO Radio Networks, New York.

H&C Communications

H&C Communications, Houston, is the 44th largest U.S. media company, with 1981 revenues estimated by ADVERTISING AGE at $188.3 million, all from media properties. The largest of these is the *Houston Post*, which accounted for about 75% of the company's revenues. The remainder is broadcast.

In 1980, the company, then known as Houston Post Co., had estimated revenues of $165 million.

H&C Communications, which came into being this year with the acquisition of KVOA-TV in Tucson, is privately owned and will not discuss its operations. In a 1978 *Texas Monthly* article, the company's net worth was estimated at $200 million. But Oveta Culp Hobby, chairman and editor, reportedly characterized that estimate as being a little high.

The Hobby family has owned the company since 1939. From all accounts, Mrs. Hobby, now 76, remains actively involved in the newspaper's daily affairs.

Some observers have speculated that the newspaper remains at a standstill because of Mrs. Hobby's dominance, but others suggest that the company may be moving quietly to expand its broadcast operations, as evidenced by the Tucson acquisition.

The *Post* was also stirred this year to protect its morning franchise against the *Houston Chronicle*, which became an all-day newspaper in 1980, with an aggressive advertising and promotion campaign. Launched in mid-May, the campaign featured heavy use of tv and radio. Its theme was, "The *Post* puts the good in every morning."

The campaign's creative work was a collaboration of Bower O'Neill Advertising and Dallas-based Radio Ranch. One of the principals of Radio Ranch is Dick Smith, who was creative director at the Houston agency, Rives, Smith, Baldwin & Carlberg, when it created an award-winning campaign for the rival Chronicle.

In the six months ended March 31, the "all-day" *Chronicle's* circulation rose 7.1% to an average of 393,730 copies daily, while the morning *Post's* circulation rose 8.3% to 376,879 daily.

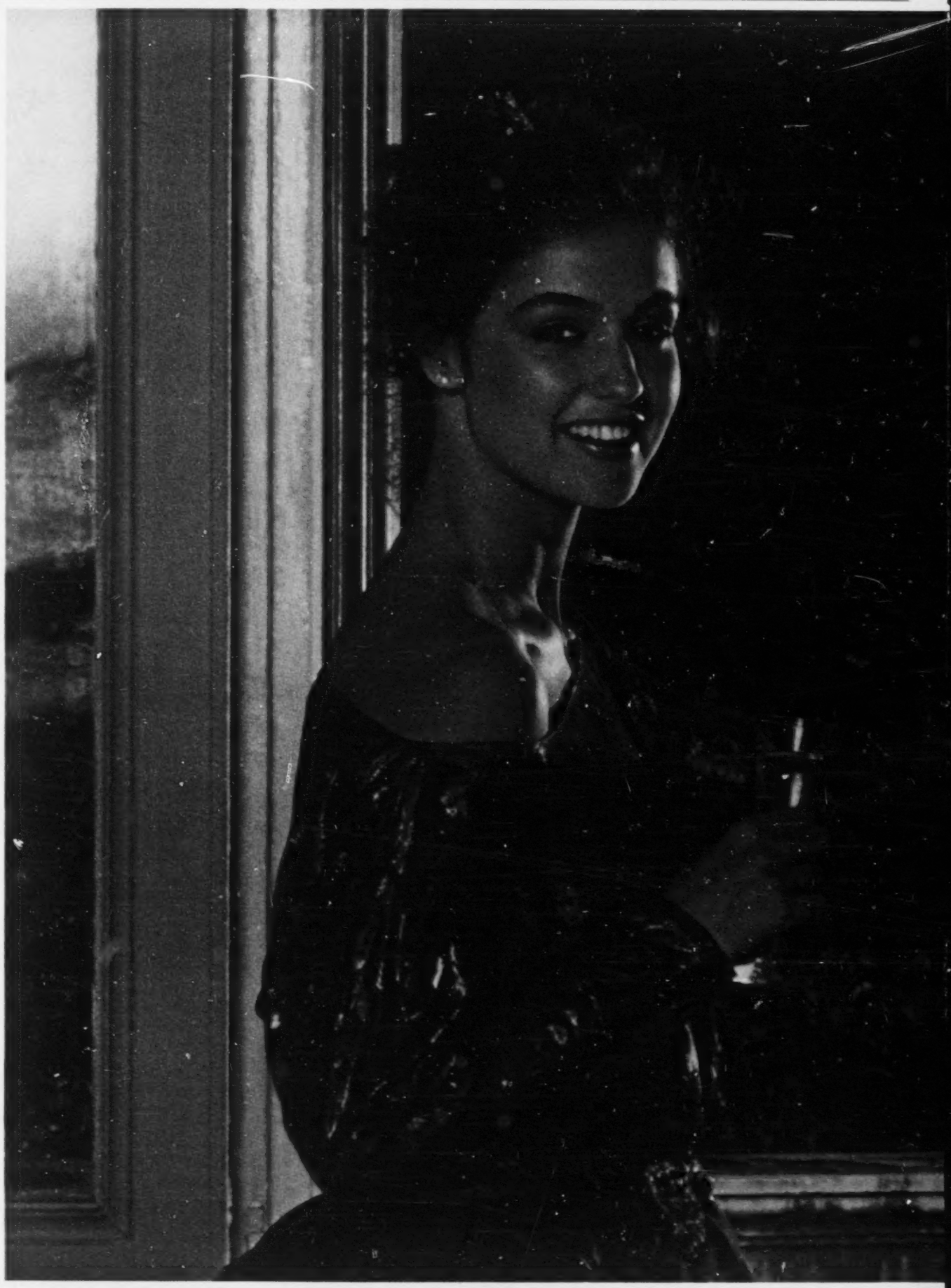
Both papers also have increased circulation on Sunday.

In addition to the Tucson tv station the company is acquiring, H&C also owns and operates KPRC-TV, an NBC affiliate in Houston, ranked third in the market in heated competition with KHOU, the CBS affiliate. In Nashville, WTVF-TV, is No. 2 in the market.

MEDIA PROPERTIES
Newspapers
TEXAS: *Houston Post.*
Broadcasting
TELEVISION: KVOA-TV, Tucson; WTVF-TV, Nashville, Tenn.; KPRC-TV, Houston.
RADIO: KPRC (am), Houston.

Harcourt Brace Jovanovich

Harcourt Brace Jovanovich, New York, is the country's 73rd largest media company, with media operation revenues estimated by ADVERTISING AGE of $107 million last year, or 19.4%



of revenues of $539.3 million.

The publicly owned company has three operating units: HBJ Publishers (books, academic journals and instruction courses); Sea World Enterprises (marine parks, food processing and services and land development), and its media group, HBJ Communications and Services (magazines, tv, insurance, book clubs and management consulting).

Revenues of the communications and services group were $113 million in 1981, with magazines and tv representing about 95% of the total, according to AA estimates.

Founded in 1919 as a pioneer in educational, general and professional books, HBJ has since made a practice of entrenching itself in strong educational markets, including elementary and secondary textbooks, tests and supplies; scientific books and journals; law, business and accounting publications and learning materials for college students.

The bulk of total HBJ operating profits—about 53% last year—comes from HBJ Publishers, but this division has been hurt more than the others by the recession. The division's operating profits fell 18% last year despite a 5.4% increase in sales.

In the company's 1981 annual report, William Jovanovich, chairman and chief executive officer, said the pinch was felt most acutely in research and instructional publications.

Mr. Jovanovich expressed hope, however, for a steady gain in market share over the next five years. He said he expects continued market growth for educational testing materials, as well as for fiction and general nonfiction books.

The need to brighten this division's profit picture led to HBJ's somewhat startling decision to head for the Sunbelt. Last February, the company announced that it would move corporate and certain divisional headquarters out of New York—the home office since HBJ was founded more than 60 years ago—to San Diego and Orlando.

Although the move surprised the publishing world and distressed New York's City Hall, HBJ said the decision came only after 20 months of intense study and analysis of ways to cut costs.

The move will not affect HBJ Communications and Services, which will remain in New York City in new headquarters—an HBJ-owned building at 111 Fifth Ave.

In 1981, HBJ Communications and Services sales rose 7%; earnings for this division rose 23% from last year. Robert Edgell, the division's chairman and ceo, said the versatility of HBJ Communications and Services has helped during the economic downturn. Some of the industries served by its publications—for example, oil—are booming, offsetting the effects of those—such as housing—that are not.

J. Kendrick Noble, publishing analyst with Paine, Webber, Jackson & Curtis, agrees that diversification has served HBJ well. "Its strategy of being a relatively big fish in lots of small ponds that the company knows very well has paid off," Mr. Noble said.

In April, HBJ Communications and Services made two major acquisitions that brought to 111 the number of the division's publications. The company first purchased *DVM: The Newsmagazine of Veterinary Medicine*, from Gridley Publications, reportedly satisfying a longstanding corporate interest in this branch of medicine. The company also publishes related magazines such as *Modern Medicine, Geriatrics, Physician's Management, Dental Management* and *Dental Laboratory*.

Shortly after acquiring *DVM*, HBJ bought Chicago-based Magazines for Industry, publisher of 16 magazines including *Beverage Industry, Candy & Snack Industry, Food & Drug Packaging* and *Paperboard Packaging*.

HBJ shows no signs of diversifying from its trade publishing base—either in magazines or books. Here history seems to have taught a lesson: In 1979, HBJ divested itself of two unsuccessful forays into the strictly consumer market: Jove Publications, publisher of mass-market paperbacks, and *Human Nature*, a highly publicized, glossy, popular magazine into which the company had plowed substantial sums.

MEDIA PROPERTIES

Magazines

HEALTH CARE: *Dental Industry News, Dental Laboratory Review, Dental Laboratory Review Buyer's Guide, Dental Management, Geriatrics, Hearing Instruments, Hospital Formulary, Modern Medicine, Modern Medicine Pocket Guides, Neurology, Physician's Management*. ENERGY: *Brown's Directory, Energy News, Energy Week, LP-Gas, Petroleum*

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Not surprising. When you earn more money, you can afford to have champagne taste.
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GQ
Adweek, February 22, 1982

Engineer International, Pipeline & Gas Journal, SGA Directory. FARM: *Action Pac, Colorado Farmer & Rancher, Florida Grower & Rancher, Kansas Farmer, Michigan Farmer, Missouri Ruralist, Nebraska Farmer, Ohio Farmer, Pennsylvania Farmer.* EDUCATION: *Instructor, Instructor Action Cards, Instructor Computer Directory for Schools, Instructor Education Service, Industrial Education, Industrial Education Product Sales Cards.* MERCHANDISING: *ASIA Show Daily, Body Fashions/Intimate Apparel, Body Fashions/Intimate Apparel Directory, Body Fashions/Intimate Apparel Market Maker, Flooring, Flooring Market Shoppers, Gourmet Today, Home & Auto, Home & Auto APAA Show Dailies, Home & Auto Buyer's Guide, Hosiery & Underwear, House-wares, Housewares Show Stoppers, Housewares USA, NEOCON Market Shopper, Pets/Supplies/Marketing, Rent All, Rent All Show Dailies, Selling Christmas Decorations, Toys, Hobbies & Crafts, Toys, Hobbies & Crafts Directory, Toy Trade News, Hobby Show News.* FOOD SERVICE & PROCESSING: *Food Management, Food Plant Ideas Idea File, Food Plant Ideas Post Cards, Quick Frozen Foods, Quick Frozen Foods Directory of Frozen Food Processors.* COMMUNICATIONS: *Communications News, Telephone Engineer & Management, Telephone Engineer & Management Directory, Telephone Engineer & Management Fast Action Post Cards.* TRAVEL & LODGING: *Directory of Incentive Travel International, Hotel & Motel Management, Hotel & Motel Management Buyer's Guide, Quick Order Product Directory, Worldwide Meetings & Incentives, Worldwide Meetings & Incentives Destination Guide.* MANUFACTURING, DISTRIBUTING & SERVICE: *Drug & Cosmetic Industry, Drug & Cosmetic Catalog, International Turfgrass Show Daily, Lawn Care Industry, Lawn Care Industry Show Daily, Paper Sales, Paper Sales Convention News, Paper Year Book, Pest Control, Pest Control Show Daily, Professional Remodeling, Roofing/Siding/Insulation, RSI Extra, Snack Food, Weeds, Trees & Turf.* Also, recent acquisitions, as follows: MAGAZINES FOR INDUSTRY: *Beverage Industry, Beverage Industry Annual Manual, Candy Marketer Quarterly, Candy & Snack Industry, Candy & Snack Industry Buying Guide, Dairy Field, Dairy Industry Catalog, Food & Drug Packaging, Food & Drug Packaging Post Cards, Paperboard Packaging, Official Board Markets, International Container Directory, Official Container Directory, Books For Industry, Inside Industry, Candy & Snack Industry Update.* GRIDLEY PUBLICATIONS *DVM, Newsmagazine of Veterinary Medicine.*

Newsletters

"Aviation Monthly," "Business Digest," "Cosmetic Insiders Report," "Homeowner's Advisory Letter," "Investing in Real Estate," "Managing: The Entrepreneur's Guide to Success," "Real Estate Investing Letter," "Rental House & Condo Investor."

Broadcasting

TELEVISION: WDIO-TV, Duluth, Minn.; WIRT-TV, Hibbing, Minn.

Harte-Hanks Communications

Harte-Hanks Communications, San Antonio, is the 26th largest media company in the nation, with media property revenues of $300.9 million in 1981, or 86% of total revenues of $348.5 million. Media revenues rose 12% from $268.6 million in 1980, while total revenues were up 15% from $303.7 million.

The publicly owned company said it derived 61% of last year's revenues from newspapers, including shoppers, and 20% from broadcasting.

Harte-Hanks' earnings last year rose 12% to a record $25.4 million from $22.7 million.

The first quarter this year, according to president and chief executive officer Robert G. Marbut, "was probably the toughest we've experienced since Harte-Hanks went public in 1972." Nevertheless, Harte-Hankes reported revenues of $86.7 million for the first quarter, an increase of 7.5% from the first quarter the previous year; earnings rose to $4.4 million from $4.2 million. It was the company's 41st consecutive quarter of earnings growth over the same quarter of the previous year.

The company had speculated in mid-1981 that the first quarter of 1982 might be tight because of "revenue softness" in several lines of business, including radio, the general national economic climate, increased interest expenses and other factors. However, at the company's annual meeting last month, Larry D. Franklin, executive vp, predicted record earnings for 1982.

Mr. Marbut recently told security analysts that the company "has selected four mainstream businesses and four new businesses to concentrate on in the next few years: Newspapers, Pennysavers, radio and tv [two print, two electronic] are the mainstream businesses that we will continue to nurture and support. The four new businesses that we will continue to expand are: Cable tv, selected entertainment software, electronic information systems and consumer distribution marketing" (targeted marketing of advertising products to the consumer's doorstep).

Harte-Hanks owns and operates daily newspapers and nondaily publications, including weekly newspapers, advertising publications produced by newspapers and a radio trade publication. In addition, HHC publishes Pennysavers and shoppers that reach 2.5 million households each week, owns four tv stations, five am and six fm radio stations, manages or owns several cable tv systems and owns and operates seven marketing services companies, 22 direct-mail systems and 14 alternative delivery systems.

During 1981 the company made changes in several business areas. Radio revenues in two markets went down, which triggered changing the formats of the two stations (WNIS-AM, Tampa and KMJK-FM, Portland).

Wayne Kearl, chairman and ceo of broadcasting and entertainment retired on Dec. 31, remaining in an advisory role as assistant to the president. William G. Moll was named president and ceo of the group and senior vp of Harte-Hanks. Mr. Moll is former president and ceo of the tv group.

While newspaper revenues increased 13% last year, the company indicated increasing concern for the effect of high interest rates on retailers, some of whom are turning to alternate, less costly sources of advertising. Retail ads have accounted for more than 60% of the company's newspaper revenues.

The company said newspapers are being hurt by advertiser shifts from r.o.p. advertising to inserts and "marriage mail," in which retailers send advertising directly to consumers. Concern for retail ad trends was not unfounded. Insert accounts lost during the year included a K mart insert (1.4 million per week) and a Fed Mart insert in Pennysavers, both to a marriage mailer.

The company last year acquired the *Post-Dispatch*, Dardanelle, Ark., and *News-Herald*, Del Rio, Tex. The company sold Show Case Publishing, publisher of *Fashion Showcase*, a Dallas-based publication for apparel buyers, to Taylor Communications.

In cable, Harte-Hanks signed option agreements to acquire UltraCom, Montgomeryville, Pa., from AEL Industries, and to acquire Southwestern Satellite. UltraCom operates 13 cable tv systems in eight states and has three systems under development. Southwestern Satellite operates a cable tv system in the Houston area adjacent to systems owned and managed by HHC. Both options are exercisable in 1984. The company said the acquisitions "would substantially increase Harte-Hanks' presence in the cable industry."

In December, the company handed its $1 million advertising account to Cunningham & Walsh, Dallas, from KCBN, Dallas, following the move of Harve Chapman from KCBN to president of C&W/Dallas.

Since the start of 1982 Harte-Hanks has reorganized its consumer distribution marketing group, integrating distribution and shopper publishing activities into two groups: CDM East and CDM West. The change was described by a company spokesperson as "more of an evolution rather than a revolution," caused by growth. In 1981 CDM completed a $6.6 million publishing/printing/distribution plant in Brea, Calif.

In April of this year Harte-Hanks acquired Tele-Research and TRIM, both of Los Angeles, for undisclosed amounts. With combined revenues estimated last year of approximately $3.8 million, plus the $8 million HHC's other two research companies, Urban Data Processing and RHM Research, reported last year, HHC becomes one of the top 20 research companies in the nation.

Harte-Hanks' *Middlesex News*, Framingham, Mass., is participating with 10 other newspapers in a CompuServe and Associated Press project testing electronic information dial-a-computer access to subscribers who own home computers.

In addition to Mr. Marbut's posts of president and ceo, he is also chairman of the telecommunications committee of the American Newspaper Publishers Assn.

In that capacity, Mr. Marbut spent much of his time in 1981 lobbying against American Telephone & Telegraph's proposed testing of its "electronic Yellow Pages" in Austin. His efforts resulted in the Texas Public Utilities Commission ordering a new hearing on the matter.

MEDIA PROPERTIES

Newspapers (dailies)

ARKANSAS: *Malvern Daily Record, Russellville Daily Courier-Democrat, Searcy Daily Citizen, Stuttgart Daily Leader.* GEORGIA: *Carrollton Daily Times Georgian.* MASSACHUSETTS: *Middlesex News* (Framingham). MICHIGAN: *Ypsilanti Press.* NEW JERSEY: *Gloucester County Times,* Woodbury. OHIO: *Hamilton Journal News.* SOUTH CAROLINA: *Anderson Daily Mail, Anderson Independent.* TEXAS: *Abilene Reporter-News, Big Spring Herald, Bryan-College Station Eagle, Corpus Christi Caller, Corpus Christi Times, Corsicana Daily Sun, Del Rio News-Herald, Denison Herald, Greenville Herald Banner, Huntsville Item, Marshall News Messenger, Paris News, San Angelo Standard, San Angelo Times, Wichita Falls Record News, Wichita Falls Times.* WASHINGTON: *Yakima Herald-Republic.*

Newspapers (nondailies)

ARKANSAS: *Dardanelle Post-Dispatch, Greenwood Democrat, Greenwood Advertiser, Malvern Advertiser, Malvern Meteor Journal, Paris Express-Progress, Russellville Greensheet, Searcy White County Citizen, Stuttgart Grand Prairie Shopper's Guide.* ARIZONA: *Tuscon Shopper.* CALIFORNIA:

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California Shopper (Los Angeles, Riverside and San Bernardino Counties.), *Coronado Journal, La Jolla Light, Potpourri* (Santa Clara County), *Sentinel, Simi Valley Pennysaver* (Los Angeles and Ventura Counties.), *Star-News, Star-News Advertiser* (San Diego County), *San Francisco Progress, Van/De Pennysaver* (Los Angeles and Orange Counties). GEORGIA: *Bremen Gateway, Haralson County Tribune* (Buchanan), *Carrollton Total, Douglas County Sentinel,* (Douglasville), *Tallapoosa Journal-Beacon, Walton Tribune* (Monroe). MASSACHUSETTS: *Tri-County TV Facts* (Framingham). MICHIGAN: *Ypsilanti Today.* NEW JERSEY: *Gloucester County Times Advertising* (Woodbury). OHIO: *Fairfield Echo, Hamilton Journal-News Green Sheet.* SOUTH CAROLINA: *Shopping Guide, Home Buyers Guide, Hometowner,* all in Anderson. TENNESSEE: *Gatlinburg Press, Mountain Visitor, Bert's Bargain Bonanza* (all in Gatlinburg), *Sevier Country News-Recorder* (Sevierville). TEXAS: *Big Spring Window Shopper, Brazos Valley Review,* (Bryan/College Station), *Commerce Journal, Commerce Advertiser, Cooper Review, Corpus Christi Pennysaver Plus, Corpus Christi Community Life, Corsicana Weekly Light, Corsicana Sunlight Shopper, El Paso Shopping Guide, Greenville Green Wave Advertiser, Huntsville Advertiser, Marshall Dollar Saver, Paris Merchandiser, Lamar County Echo* (Paris), *Shoppers Guide* (Dallas, Tarrant and Collins Counties), *TV Showcase, Super Saver, Monitor,* all in San Angelo. WASHINGTON: *Yakima Valley Scene, Yakima Valley View.*

Broadcasting

TELEVISION: WTLV-TV, Jacksonville, Fla.; KYTV-TV, Springfield, Mo., WFMY-TV, Greensboro, N.C., KENS-TV, San Antonio, Tex.

RADIO: WSGN (am), Birmingham, Ala.; KOY (am) and KQYT (fm), Phoenix; WNSI (am), St. Petersburg and WRBQ (fm). Tampa, Fla.; KMJK (fm), Lake Oswego, Ore.; WEZI (fm), Memphis; KULF (am) Houston and KYNW (fm) Pasadena, Tex.; WRVA (am) and WRVQ (fm) Richmond, Va.

Cable/video

COLORADO: Akron, Otis, Yuma (all National Telecommunications Services). TEXAS: Deer Park, La Porte, Morgan's Point (all Kip-Lee CATV); Houston (Southwestern Satellite), Pasadena (Pasadena CATV); South Houston (South Houston CATV). PENNSYLVANIA: Montgomeryville (UltraCom).

Magazines

Radio & Records.

OTHER OPERATIONS

AAA Direct Mail Advertising, Salt Lake City; Abilene Publishing, Abilene Tex.; Advertising Distributors of America, Chicago; Advertising Distributors of Maryland, Baltimore; American Advertising Service; Corpus Christi Commercial Printing; Greater Houston Mailing Service; Harte-Hanks Distribution; Jordan Dennis Co., Dorchester, Mass.; Media Research, Fair Lawn, N.J.; National WATS Service, Fair Lawn, N.J.; Nortex Offset Publications, Wichita Falls, Tex.; Publisher's Offset, San Diego County, Cal.; RMH Research, Fair Lawn, N.J.; R&R Entertainment, Los Angeles; TRIM, Los Angeles; Tele-Research, Los Angeles; Urban Data Processing, Burlington, Mass.

Hearst Corp.

Hearst Corp., New York, is the ninth largest U.S. media company, with 1981 media property revenues estimated by ADVERTISING AGE at $1.2 billion. Hearst's total revenues were not available.

Hearst had estimated media revenues in 1980 of $1.1 billion.

The company in recent months has been establishing itself as "a total communications" organization, with the new technologies of cable, videodiscs, videocassette recording and videotex coming in for particular attention. Hearst's *San Francisco Examiner* is participating in a videotex test and over-all the company is looking into all phases of electronic publishing. Still, Hearst believes that the new technologies generally may be getting a disproportionate amount of publicity to the neglect of the traditional media.

The thinking is that the growing new technologies provide Hearst with promising opportunities to extend already strong franchises in magazines (both consumer and trade), newspapers, books and broadcasting into additional uses. Yet the current recession has hit home. It has adversely affected some newspaper and book operations.

Hearst is strongest in the traditional areas of magazines and newspapers. The company publishes 21 magazines, including *Harper's Bazaar, House Beautiful, Town and Country, Cosmopolitan* and *Good Housekeeping.* It distributes them in 30 countries in eight languages.

Hearst publishes 13 newspapers coast to coast, ranging from the *Examiner* to Albany, N.Y.'s *Times Union* and *Knickerbocker News.*

The big news for Hearst last year in newspapers was the purchase, for more than $15 million, of 28 Southern California weeklies and two small dailies with an estimated total circulation of about 425,000 (compared with the 285,000 daily circulation of the company's *Los Angeles Herald Examiner*). They are combined once a week with the *Herald Examiner* and sold to advertisers as a package. The company's interest in smaller newspapers is a relatively recent development, and in Southern California is designed to bolster the *Herald Examiner* as an advertising force, particularly in the suburban areas, where the paper was weakest.

Some Hearst dailies, such as the *Los Angeles Herald Examiner* and *Boston Herald-American,* have been seeking to reposition themselves in the marketplace. The Los Angeles paper has switched from a p.m. to a.m. newspaper, now going head-to-head with the dominant *Los Angeles Times.* In Boston, the *Herald-American,* trying to tough it out with the *Boston Globe,* has been publishing as a tabloid since last Sept. 13. In Seattle, Hearst's *Post-Intelligencer* is involved in an attempt to merge the paper's production, advertising and printing operations with the competition daily, *Seattle Times.* Earlier in the year, a Justice Department law judge, in ruling that the *Post-Intelligencer* should be permitted to publish jointly with the *Seattle Times,* pointed out that the Hearst paper qualifies as a "failing newspaper" under antitrust law.

Hearst Cable Communications division was established in May, 1980, to acquire cable tv systems and to develop programing and other opportunities for Hearst print-related resources.

Hearst's broadcasting interests cover five tv stations and a total of seven am and fm radio stations in major markets such as Baltimore, Pittsburgh, Milwaukee and San Juan, Puerto Rico. One of the bigger tv stations, KMBC-TV in Kansas City, is a recent acquisition, approved May 18 by the Federal Communications Commission. Hearst bought the station from Metromedia Inc. for $79 million in cash.

The move to expand in broadcasting started last year with acquisition of WDTN-TV in Dayton, O., for $49.9 million. It was the first action by Hearst in 15 years to expand its tv-related holdings. This expansion has progressed to where Hearst now has its full complement of five vhf stations, four of them ABC-TV affiliates, and WBAL-TV in Baltimore, affiliated with CBS-TV.

Hearst/ABC Video Services, the joint venture formed with American Broadcasting Co. 18 months ago, is on track producing and supplying programing for two specialized cable network services, Alpha Repertory Television Service or ARTS and "Daytime." ARTS began its second year of programing in March. It's a nightly cable tv service devoted to the performing arts and is advertiser-supported. "Daytime," a four-hour weekday video magazine specializing in programing for women that is delivered by satellite and advertiser-supported, started on March 15.

The thrust of the joint venture is to create, own and operate these services as an independent subsidiary. The pivotal appointment in the venture was the installation of James N. Perkins as president and chief operating officer. He was recruited from Washburn Associates, the Chicago-based marketing and advertising agency he founded.

The strength Hearst brings to the venture is its sophisticated knowledge of the women's market. In addition to developing still other specialized cable network services, Hearst/ABC plan to explore ancillary uses for the programing they turn out together, including videocassette and videodisc applications.

Also new at Hearst is King Features Entertainment, earmarked to move aggressively into program production, distribution and licensing for all tv and home video media worldwide. Former Time-Life Films president Bruce L. Paisner heads the new Hearst subsidiary.

Hearst publishes numerous books (not counted among media properties). These include hard-cover best sellers such as "Come Pour The Wine" and "Portraits" under the Arbor House imprint, and "The Thorn Birds" and "Ashes in the Wind" from Avon in paperback. Hearst, too, is the operator of King Features, which is home of "Popeye" and "Blondie" comics strips. The company also is involved in such other industries as forest products, real estate and ranching.

Acquisition last year of the William Morrow & Co. book publishing company was aimed at strengthening the Hearst position in the general interest publishing field, allowing the company to better compete for the works of big-name authors. Morrow was acquired from SFN Co., Glenview, Ill., for more than $22 million.

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *Daily Southeast News* (South East Los Angeles), *Huntington Park Daily Signal, Los Angeles Herald Examiner, San Francisco Examiner.* ILLINOIS: *Edwardsville Intelligencer.* MARYLAND: *Baltimore News American.* MASSACHUSETTS: *Boston Herald-American.* MICHIGAN: *Huron Daily Tribune* (Bad Axe), *Midland Daily News.* NEW YORK: *Albany Knickerbocker News, Albany Times Union.* TEXAS: *Midland Reporter Telegram, Plainview Herald, San Antonio Light.* WASHINGTON: *Seattle Post-Intelligencer.*

Newspapers (nondailies)

28 weeklies in California.

Magazines

Colonial Homes, Connoisseur, Cosmopolitan, Country Living, Good Housekeeping, Harper's Bazaar, House Beautiful, Motor Boating & Sailing, Popular Mechanics, Science Digest, Sports Afield, Town & Country. Also United Technical Publications, which publishes the following: *Electronic Products, EEM—Electronic Engineers Master, I.C. Update, I.C. Master, Today's Office, Office World News, Lens, Lens On Campus, Floor Covering Weekly, Industrial Machinery News, Black Book Guides.*

Broadcasting

TELEVISION: WBAL, Baltimore; KMBC, Kansas City; WDTN, Dayton, O.; WTAE, Pittsburgh; WISN, Milwaukee.

RADIO: WTAE (am) and WXKX (fm), Pittsburgh; WAPA (am), San Juan, Puerto Rico; WBAL (am) and WLPX (fm), Milwaukee.

OTHER OPERATIONS

Arbor House Publishing, Avon Books, Cal Graphics, Eastern News Distributors, Hearst Advertising Service, Hearst Cable Communications, Hearst Metrotone News, Hearst Special News Service, International Circulation Distributors, King Features Entertainment, King Features Syndicate, William Morrow Publishing, National Magazines Ltd. (in the U.K.), Periodical Publishers Service Bureau, Pjepscot Paper, Puck-The Comic Weekly, Reader Mail, Arthur Schroeder Paper Co., Sunday Colorcomics.

Houston Chronicle Publishing Co.

Houston Chronicle Publishing Co., Houston, is the 51st largest U.S. media company, with 1981 revenues estimated by ADVERTISING AGE at $160.6 million, all from its sole business, the *Houston Chronicle.* The *Chronicle* last year edged out the *Chicago Tribune* for the No. 2 slot in total advertising linage in the nation, ranking second only to the *Los Angeles Times.*

Last year's revenues were up 20% from estimated revenues in 1980 of $133.7 million.

The all-day newspaper is part of the Houston Endowment, a private charitable foundation created upon the death of Houston businessman Jesse H. Jones in 1956. Mr. Jones left the newspaper, several banks, corporations and various other properties in the endowment.

A federal tax statute, the Tax Reform Act of 1969, requires that by 1989 the endowment can have no more than 50% interest in the *Chronicle,* but to date there have been no reports of serious negotiations of a possible sale of the paper. Industry analysts have said the paper could be sold for $200 million to $400 million.

For the fourth consecutive year the *Chronicle* was first in the nation in classified ad linage with 62.7 million lines, up 1.4 million from 1980. In both retail and general advertising the *Chronicle* ranked sixth in the country. Total advertising was 119 million lines, up 2.9 million from 1980.

For the six months ended March 31, the *Chronicle,* which became an all-day publication in 1980, had average daily circulation of 393,730, up 7% from the year-ago period. Sunday circulation rose 6.2% to 481,319. Daily and Sunday circulation of the rival *Houston Post* also increased.

As competition between the two papers continues to intensify, the *Chronicle* is shifting to a new phase of its award-winning ad campaign. For the last two years, the campaign created by Houston agency, Rives, Smith, Baldwin & Carlberg, has featured celebrities extolling the virtues of reading newspapers. But the campaign has sparked a competitive response from the *Houston Post,* and a new *Chronicle* campaign is in the offing.

Last December the paper opened two additional auxiliary printing plants and relocated another within the city, bringing the total of such satellite centers to six. The centers facilitate distribution in the increasingly congested city and also serve as advertising offices.

Three years ago the *Chronicle* began a sports information telephone line and has since added traffic, weather and the first business information service in

the country and major newspaper.

In February the newspaper added a sixth press, a nine-unit Rockwell-Goss Metroliner offset press.

Last November the newspaper purchased what is believed to be the second most-used computer-based terminal system in the world, System Integrator's System/55, to replace the paper's existing systems. While editorial and classified will be the heaviest users of the new system, eventually all advertising, publicity, promotion, information systems, credit, accounting and composing will use it.

MEDIA PROPERTIES
Newspapers(dailies)
TEXAS: *Houston Chronicle.*

Howard Publications

Howard Publications, Oceanside, Cal., is the nation's 74th largest media company. Robert S. Howard, founder and owner of the privately held company, declined to release any specific earnings figures, but estimated that revenues at his company in 1981 totaled $100 million, all from media revenues. This compares with revenues estimated by Advertising Age of $87 million in 1980.

Most of the revenues—$90,000,000, or 90% of the total—came from Howard's newspaper properties. Howard says this figure is a 15% increase from 1980 newspaper revenues, and that both advertising and circulation revenues were up, with circulation up also for all newspapers combined. Howard owns 18 newspapers, all dailies, with a total circulation of 334,028; they range in size from the *Northwest Colorado Press*, in Craig, Colo., with its circulation of 4,627, to the *Hammond* (Ind.) *Times*, which puts out 69,774 papers every evening.

The balance of Howard's 1981 revenues, an estimated $10,000,000, came from WIVB-TV, Buffalo, N.Y., the company's sole broadcast property. Howard acquired that station in 1977, and its earnings rose some 20% from 1980; Mr. Howard declares himself "very much satisfied" with its performance.

Last year was a memorable one for the company. Howard streamlined his operations in 1981 by selling One Systems, Oceanside, an electronics systems company, to Compugraphic Corp. of Wilmington, Mass., because "[One Systems] was outside our main line of business," Mr. Howard says. At the same time, the company picked up the *Pekin Daily Times*, a daily newspaper with a circulation of 21,000 readers in that central Illinois community.

But perhaps most significant, 1981 saw Howard enter a joint venture with Donrey Media Group, Fort Smith, Ark., to acquire his company's first interest in cable television. The property was Overthrust Cable TV, a franchise in Evanston, Wyo., with some 2,000 subscribers.

Since then, Howard's cable ventures have gained momentum. In April, 1982, the Howard-Donrey partnership acquired its second and most recent cable franchise: Falcon Communications, based in Los Angeles. Howard says there will "probably" be yet another cable purchase in 1982; he cites cable's "bright future" to explain his company's interest.

The expected completion date for Falcon's system, now under construction, is 1984; it would then pass about 300,000 Southern California homes. Howard expects to have 100,000 basic subscribers by that time. At present, Falcon reaches 10,000 subcribers in the Southern California towns of Norwalk, Huntington Park and Alhambra.

MEDIA PROPERTIES
Newspapers (dailies)
CALIFORNIA: *Oceanside Blade-Tribune, San Clemente Sun-Post.* COLORADO: *Northwest Colorado Press* (Craig). IDAHO: *Twin Falls Times-News.* ILLINOIS: *Charleston Times-Courier, Freeport Journal-Standard, Mattoon Journal-Gazette, Pekin Daily Times.* INDIANA: *Hammond Times, Logansport Pharos-Tribune & Press.* IOWA: *Sioux City Journal* (owned jointly with Hagadone Newspapers). KENTUCKY: *Maysville Ledger—Independent.* NEW YORK: *Auburn Citizen-Advertiser, Corning Leader, Glens Falls Post-Star.* PENNSYLVANIA: *Carlisle Sentinel.* SOUTH CAROLINA: *Orangeburg Times & Democrat.* WYOMING: *Casper Star-Tribune.*
Broadcasting
TELEVISION: WIVB-TV, Buffalo, N.Y.
Cable/video
CALIFORNIA: Alhambra, Huntington Park, Norwalk. WYOMING: Evanston.

Jefferson-Pilot Corp.

Jefferson-Pilot Corp., Greensboro, N.C., is the nation's 77th largest media company, with media property revenues in 1981 of $91.4 million, compared to 1980's $81.6 million. Earnings from media operations totaled $9.9 million in 1981, up from $7.9 million in 1980.

Media revenues of the publicly held company, whose primary business is insurance, accounted for 9.3% of total revenues of $978.7 million last year. Total revenues in 1980 were $885 million. Total profits last year were $100.4 million, up from $92.5 million.

The company's media holdings consist of two television and 11 radio stations and six daily and 10 nondaily newspapers and 18 shoppers. Broadcasting contributed about 54% of total media revenues, or $49.9 million in 1981. Publishing revenues in 1981 totaled $41.5 million. Net income from broadcasting was $6.9 million in 1981, up from 1980's $5.9 million, while net income from publishing rose to $3 million from $2 million.

It was a rebounding year for the 79-year-old corporation, which entered the media field in 1922, when it purchased CBS radio affiliate WBT in Charlotte, N.C. Net income for its media divisions not only recovered from 1980's disappointing showing but set a record, topping the record of 1979.

Stronger showings in the broadcasting properties were attributed to management restructuring and format changes brought about in 1980.

Wallace Jorgenson, president of Jefferson-Pilot Broadcasting, said format changes at its two Denver stations, KIMN (am) and KYGO (fm), from rock to country music resulted in a 48% profit increase for the two stations in 1981. The format change also helped the am station to jump to fifth place in the market from 13th.

While the company's flagship radio station, WBT (am), fell from first to second place in the fall Arbitron rankings in its market, the division president expressed confidence the station would reclaim the top spot in 1982. Only four of the company's 11 radio stations rank in the top five of their markets.

"We're looking at ways to improve the stations' profit margins, but I don't want to give away any plans we have in store just yet," Mr. Jorgenson said.

The company's biggest accomplishment in 1981 in its tv properties was fine-tuning its computerized news system, Electronic News Processing (ENP), which it hopes to lease to other stations, Mr. Jorgenson said. ENP was introduced at the National Assn. of Broadcasters conference in Dallas last April, and Mr. Jorgenson said the prospects for leasing the system to other stations was promising.

"Our Charlotte station [WBTV] was the guinea pig for this project," he said. "We wanted to get the kinks out of this system first before we went national with it." ENP will provide tv and radio news staffs with instant access via computer terminals to recorded news and can be used to help stations produce their own news programs electronically.

Installation of satellite earth stations at Jefferson-Pilot tv stations WBTV in Charlotte and WWBT in Richmond, Va., in 1980 and 1981 now enable the two stations to receive live programing from their own Washington news bureaus, as well as direct reception via satellite of syndicated programing and other transmissions, Mr. Jorgenson said.

Meanwhile, last year was one of fine-tuning for the publishing arm of Jefferson-Pilot. Acquisitions, a byword at the division in 1980, still had a strong presence in 1981 but so did termination and expansion.

Scott Trundle, executive vp of Jefferson-Pilot Publications and president and publisher of Clearwater (Fla.) Newspapers, said the division folded the *Duke* (Okla.) *Times* in 1981. "It was a small operation and simply was not making money," he said.

In August of last year, the company started a set of shoppers in Texas City, Tex., and in nearby Galveston. Across the southern part of the state, J-P Publications' second largest daily in Texas, the *Laredo Times*, went from an afternoon paper to publishing all day.

Mr. Trundle said the newspaper was at one time the only daily in the market. Several years ago a morning paper was started, which cut into the *Times* market share. Since going to an all-day publication, *Times* has grabbed 65% of the market share, Mr. Trundle said.

In Florida, another of the three J-P Publications newspaper markets, the division acquired the assets of the weekly *Palmetto Press* and two accompanying shoppers for an undisclosed sum.

The acquisition, which was completed last April, gives Jefferson-Pilot Publications a strong presence in the Tampa-St. Petersburg market, where Mr. Trundle said the division's daily *Clearwater Sun* competes head to head with the St. Petersburg papers. Also in the area are the Brandon and Plant City groups of weekly papers owned by the division.

The division continued its program to re-equip its newspapers operations with a new front-end system for news writing, editing and advertising production. Also, he said, staff reduction through attrition has helped the division improve its profit margin.

"I think we are positioned as we should be now. We continue to rely on the Beaumont, Tex., newspapers for leadership. Because of the competitive market in Clearwater, we are looking for ways to improve our advertising linage, and the acquisitions make us a strong contender in that market," Mr. Trundle said.

While the economies where some of its Texas properties are located are sluggish, Mr. Trundle said he was "optimistic at the recovery over the long-term."

MEDIA PROPERTIES
Newspapers (dailies)
FLORIDA: *Clearwater Sun.* OKLAHOMA: *Altus Times.* TEXAS: *Beaumont Enterprise, Beaumont Journal, Laredo Times, Texas City Daily Sun.*
Newspapers (nondailies)
FLORIDA: *Brandon News, Brandon News Weekender, Palmetto Press, Plant City Courier.* OKLAHOMA: *Blair Enterprise, Hollis News, Jackson County News* (Duke). TEXAS: *Granite Enterprise* (Granite City), *Hardin County News* (Lumberton); *Jasper News Boy.*
Broadcasting
TELEVISION: WBTV-TV, Charlotte, N.C.; WWBT-TV, Richmond, Va.
RADIO: KIMN (am) and KYGO (fm), Denver; WGBS (am) and WLYF (fm), Miami; WQXI (am), Atlanta; WQXI (fm), Smyrna, Ga.; WBT (am) and WBCY (fm), Charlotte, N.C.; WBIG (am), Greensboro, N.C.; WWIL (am) and WHSL (fm), Wilmington, N.C.

OTHER OPERATIONS
Insurance.

Journal Co.

The Journal Co., Milwaukee, is the nation's 54th largest media company, with media property revenues of $152.5 million in 1981, or 53% of total revenues of $290 million. Net income was $21.2 million, rising 24% from 1980's net earnings of $17.1 million.

Although the privately held company would not reveal dollar figures by division, it said that 1981's improved performanace was due to increases in both advertising and circulation revenues, with greatest increases coming from newspaper properties.

The company acknowledged, however, that the additional revenues came from price increases. Advertising unit sales were "definitely off," a spokesman said. Journal Co. said the price hikes were forced by increased newsprint costs.

While the morning *Milwaukee Sentinel* scored a slight gain in circulation for the six months ended March 31, to a daily average of 176,680 from 173,264 in the year-earlier period, the evening *Milwaukee Journal's* circulation in the same period fell 3% to an average of 308,764 from 318,203, and Sunday *Journal* circulation fell to 518,858 from 519,365.

Despite the loss in circulation, the company hasn't announced any plans to change either the *Journal* or the *Sentinel.*

Meanwhile, said the Journal Co. spokesman, broadcast properties (two television and two radio stations), are doing "reasonably well." An especially bright performer is the Journal's big out-of-state venture, KNTV in Las Vegas. An ABC affiliate, KNTV ranked last in that three-station market when bought by the Journal in 1979. In 1981, it had attained second place, with more growth expected.

As of May 10 this year, 22 of Milwaukee's western suburbs can view the city's first electronic newspaper—thanks to the Journal. NEWSLINE is a 24-hour, all-text news service offered by Journal subsidiary Teltron Inc.'s Electronic Information Services division. NEWSLINE is carried on Channel 5 of RVS Cablevision systems; the Journal also plans to offer a 24-hour classified advertising channel via RVS come fall. Teltron Inc. was formed last year to manage the Journal Co.'s cable ventures and develop new opportunities.

In print, the company also owns four weeklies published by Trumbull Newspapers in Connecticut and in January, 1981, it acquired Add Inc., a small publishing company in Waupaca, Wis., that puts out six shoppers in Wisconsin, two in Montana, and *Choice* magazine, a controlled-circulation publication in Fort Collins, Colo., aimed at a more affluent reader.

Total circulation for all Add Inc. publications last year was 196,000.

MEDIA PROPERTIES
Newspapers (dailies)
WISCONSIN: *Milwaukee Journal, Milwaukee Sentinel.*
Newspapers (nondailies)
CONNECTICUT: *Easton Courier, Huntington Herald, Monroe Courier, Trumbull Times.*

Broadcasting
TELEVISION: KNTV, Las Vegas, Nev.; WTMJ-TV, Milwaukee.
RADIO: WTMJ (am), WKTI (fm), Milwaukee.

Cable/video
Teletron Cable TV, serving Stevens Point, Wausau and Wisconsin Rapids.

OTHER OPERATIONS
MJE Corp., Midwestern Relay Co., Perry Printing, Waterloo, Wis.

Knapp Communications Corp.

Knapp Communications Corp., Los Angeles, is the country's 92nd largest media company with 1981 revenues from media operations of $64.5 million, all from consumer magazines, which provided 87% of Knapp's total revenues of $74.5 million.

The privately owned company expects total revenues of $103 million for the 1982 fiscal year ending next Jan. 31. In 1980, Knapp recorded media revenues of $44.9 million out of total revenues of $51.6 million. The 1980 media revenues were adjusted from estimates provided AA by Knapp prior to the company's closing of its books for the year.

Knapp has carefully positioned itself as a publisher that knows how to reach the upscale market. All of the company's properties, including *Architectural Digest, Bon Appetit, Geo* and its book publishing operations, as well as planned new ventures, are aimed at the well-heeled consumer.

That strategy is evident most recently in the launching of Knapp's version of *Geo* magazine, which it acquired for $5 million from German publisher Gruner & Jahr. The first *Geo* bearing the signature of Knapp and editor-in-chief Paige Rense appeared in April. The natural history, travel and photojournalism magazine has undergone a total redesign visually and a refocusing of editorial content to target it more accurately at affluent readers. *Geo* has a rate base of 200,000, and a subscription costs about $30.

Geo now is being promoted to advertisers in a package with *Bon Appetit* and *Architectural Digest*, two other Knapp properties with a combined circulation of about 2 million. This spring the company initiated both a direct mail circulation campaign and a trade advertising campaign for the new *Geo*.

In the works now at Knapp are two new publications aimed at the same affluent reader. *Collecting*, which was tested by direct mail earlier this year, is expected to make its debut next year.

Another project under discussion, though currently on the back burner, is a travel magazine with the tentative name entitled *Travel*. Knapp has entered the licensing business this year. In an arrangement with Oakland, Cal.-based Safeway Stores, the company has licensed the *Bon Appetit* name to a Safeway store in fashionable Tiburon, Cal. (Marin County).

In a test program, this store, which opened in February, will try to sell affluent Marin County consumers domestic and international specialty foods, wines and other products including tableware, cookware, aprons and books under the *Bon Appetit* label.

On the international front, Knapp will soon announce a French edition of *Architectural Digest* and is looking at South America and Japan for other editions to add to the Italian version that started last year.

The company also is eyeing electronic publishing, and has commissioned Communications Technology Management, McLean, Va., to explore cable tv versions of *Architectural Digest, Bon Appetit* and *Geo*.

Late last year Knapp was general partner in a partnership that acquired the 500,000-circulation *Home* magazine from International Thomson.

The publication has been integrated into the Knapp stable of magazines in that its publisher, Thomas Wolf, reports to Jack Decker, group publisher for Knapp. Editors, however, do not report to Knapp's editorial management, but at this time continue to function autonomously. The editorial focus, however, has been redirected under Knapp mandate, from a service orientation to more emphasis on redecorating and remodeling.

Executive changes this year have included the naming of T. Swift Lockard, publisher of *Geo* during the relaunch, vp-assistant to chairman Cleon (Bud) Knapp, and Harry Myers, formerly publisher of *Metropolitan Home*, publisher of *Geo*.

Combined 1981 advertising revenues of the Knapp magazines (excluding *Home*), were $26.5 million, up 39% from the previous year.

MEDIA PROPERTIES
Magazines
Architectural Digest, AD (Milan), *Bon Appetit, Geo, Home.*

TV gazing

U.S. households owning TVs	98%
U.S. households owning color TVs	86%
Homes with 10 channels or more	53%
Household TV viewing per day	6 hours 44 minutes

Pay cable household viewing per day	8 hours 34 minutes

Most popular viewing day	Sunday
Most popular viewing time	8PM-10PM
Most popular program category	Comedy
Top syndicated program	M*A*S*H
Top network program	60 Minutes
TV's most frequent viewer	adult female 55
TV's least frequent viewer	teen female 12-18

OTHER OPERATIONS
Knapp Press, Rosebud Books, Wilshire Marketing.

Knight-Ridder Newspapers

Knight-Ridder Newspapers, Miami, is the country's eighth largest media company, with 1981 revenues of $1.2 billion, 73% of which was derived from its newspaper properties.

Revenues from advertising and circulation in the newspaper sector were up over 11% to $1.1 billion. Total revenues were $1.24 billion.

The nonnewspaper revenue of this virtually pure media company came from its tv properties and financial newswires. KRN's Commodity News Services, in fact, turned out to be the company's fastest growing subsidiary, posting both record revenues and profits. Subscribers to CNS' various commodity and financial wire services topped 7,600 by year's end. KRN's 1981 net income exceeded $100 million, compared with net income of $93 million in 1980.

As the company sees it, 1981 was marked by a series of significant developments including: A strong move into the cable tv arena; the acquisition of a fourth vhf tv station; the decision to move its Viewtron experiment out of test into a full scale commercial operation, and gains in some of its most important newspaper markets, particularly Philadelphia and Detroit. In Miami, the *Herald* also produced another banner year.

John Shively Knight, company founder who had a long and distinguished career in journalism, died in 1981.

Knight-Ridder chairman Bernard Ridder Jr. resigned as chairman, but remained chairman of the executive committee. Alvah H. Chapman, 61, succeeded Mr. Ridder as chairman and continued as chief executive. Former senior vp James Batten, 46, became president. Mr. Batten comes from the news side of the business, but he also played a key role in development of KRN's videotex system, Viewtron.

One of the company's biggest 1981 ventures was a joint one with Tele-Communications Inc. Together the two formed TKR Cable Co. whose mandate is to buy, develop and operate cable tv systems.

Currently TKR is acquiring systems in northern New Jersey and the southern part of New York state, specifically in New York's Orange and Rockland counties. In the near term, TKR expects it will have over 100,000 subscribers by the end of 1982, with a five-year plan calling for 500,000 subscribers. Thus far, TKR systems range in channel capacity from 21 to 35, with franchises expiring from 1989 through 1994.

In other cable matters, KRN and Telecable Corp., a subsidiary of Landmark Communications, have formed a partnership with 20 Tampa residents to bid on the cable franchise in that city. A formal proposal had been submitted with the decision from town fathers expected shortly. In Long Beach, Cal., KRN has entered into a joint venture with Times Mirror Co. to construct a state-of-the-art cable system in the community.

On the broadcast side, KRN's major piece of business was the acquisition of tv station WTAR-TV, Richmond, Va. Subsequently its call letters were changed to WTKR-TV. Other KRN tv stations include WTEN-TV, Albany; WPRI-TV, Providence and WJRT-TV, Flint, Mich. Together these four stations generated $39 million in 1981 revenues, while operating profits soared almost 30%. In 1982, the company projects about a 12% gain in broadcast revenue.

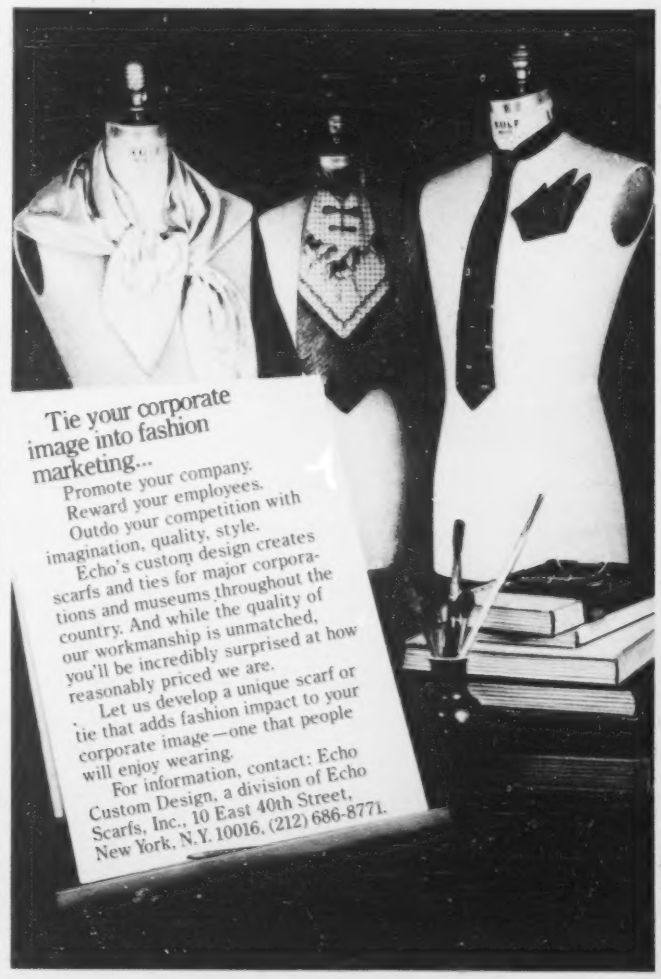
In 1981, KRN also took significant steps forward to establish its Viewtron videotex system as a national business.

From a local test begun in Coral Gables, Fla., in 1980, the system has moved ahead to the point that KRN is ready to introduce it as a full-fledged business operation in 1983. In cooperation with AT&T, KRN will bring Viewtron to 5,000 south Florida homes, and then via arrangements with Affiliated Publications, owner of the *Boston Globe*, and Capital Cities Communications, publisher of the *Kansas City Star/Times* and *Fort Worth Star-Telegram*, introduce Viewtron to those areas as well. For the 1983 market introduction, Viewtron's data base will be expanded from 18,000 pages of information to 75,000.

As KRN views it, advertisers, particularly banks and retailers, suggest they would strongly support the new videotex system, with its interactive nature lending itself to two-way banking and shopping. Moreover, KRN's research shows that those homes that participated in the test used the system from 30 to 60 times a day.

On the newspaper side, KRN made significant headway despite a faltering national economy. One reason was its successful REV UP 81 program, a concentrated program aimed at producing new advertising revenue through special selling opportunities. In 1981 it generated $16 million in additional ad revenues.

Another aid to the company, strong gains in circulation and advertising in Philadelphia,


Tie your corporate image into fashion marketing...
Promote your company.
Reward your employees.
Outdo your competition with imagination, quality, style.
Echo's custom design creates scarfs and ties for major corporations and museums throughout the country. And while the quality of our workmanship is unmatched, you'll be incredibly surprised at how reasonably priced we are.
Let us develop a unique scarf or tie that adds fashion impact to your corporate image—one that people will enjoy wearing.
For information, contact: Echo Custom Design, a division of Echo Scarfs, Inc., 10 East 40th Street, New York, N.Y. 10016. (212) 686-8771.

came at the expense, however, of the folding of another newspaper, this time the *Philadelphia Bulletin*. As owner of the *Philadelphia Inquirer* and the *Daily News*, KRN papers picked up the circulation and advertising that formerly went to its competitor. Meanwhile, in Detroit, the *Free Press* added an additional 14,000 in circulation for a total average of 619,000. Although it lost money in 1981, it is expected to lose considerably less in 1982.

The year 1981 also saw a continued expansion of KRN's supplement, "Business Monday." After a launch by the *Miami Herald* in late 1980, the Monday business news section has been introduced in a number of newspapers, the latest being the *Charlotte Observer* in early 1982.

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *Long Beach Independent Press Telegram, Pasadena Star-News, San Jose Mercury, San Jose News.* COLORADO: *Boulder Daily Camera.* FLORIDA: *Boca Raton News, Bradenton Herald, Miami Herald, Tallahassee Democrat.* GEORGIA: *Columbus Enquirer, Columbus Ledger, Macon News, Macon Telegraph.* INDIANA: *Fort Wayne News Sentinel, Gary Post Tribune.* KANSAS: *Wichita Eagle.* KENTUCKY: *Lexington Herald, Lexington Leader.* MICHIGAN: *Detroit Free Press.* MINNESOTA: *Duluth Herald, Duluth News Tribune, St. Paul Dispatch, St. Paul Pioneer Press.* NEW YORK: *Journal of Commerce.* NORTH CAROLINA: *Charlotte Observer, Charlotte News.* NORTH DAKOTA: *Grand Forks Herald.* OHIO: *Akron Beacon Journal.* PENNSYLVANIA: *Philadelphia Daily News, Philadelphia Inquirer, State College Centre Daily Times.* SOUTH DAKOTA: *Aberdeen News American.* WASHINGTON: *Seattle Times* (49.5% owned), *Walla Walla Union Bulletin.*

Newspapers (nondailies)

CALIFORNIA: *Anaheim Independent, Arcadia Tribune, Buena Park News, Huntington Beach Independent, La Mirada Lamplighter, Monrovia News Post, Orange County News, Temple City Times.* FLORIDA: *Florida Keys Keynoter.* GEORGIA: *Milledgeville Union-Recorder.*

Broadcasting

TELEVISION: WJRT-TV, Flint, Mich.; WPRI-TV, Providence, R.I.; WTEN-TV, Albany, N.Y.; WTKR-TV, Norfolk, Va.

Cable/video

Tampa Cable Associates, VIEWTRON, TKR Cable Co.

News service

Commodity News Service.

LIN Broadcasting Corp.

LIN Broadcasting Corp., New York, is the country's 91st largest media company, with revenues of $66.2 million from media operations in 1981, or 93.2% of total revenues of $71 million.

Broadcast contributed net revenues of about $64 million, 75.1% of that from television and 24.9% from radio; the newly acquired GuestInformant brought in another $2.2 million in the short time LIN had it in 1981. LIN's other business—radio common carrier (paging systems)—contributed the remaining revenues.

About 80% of LIN's operating income before depreciation and corporate expense is from television, 13% from radio and 7% from radio common carrier and specialty publishing. Approximately 77% of LIN's earnings are derived in Texas, where it operates the NBC affiliates in Dallas/Fort Worth and Austin, am/fm stations and a radio common carrier company in Houston.

The company has ambitious plans for entering the cellular radiotelephone business, recently opened up for licensing by the Federal Communications Commission.

A new technology, cellular radiotelephone promises for the first time to provide adequate spectrum for mobile and portable telephones. According to Morris Berkowitz, LIN vp-secretary-treasurer, the company will file for such permits to cover New York, Los Angeles, Dallas/Fort Worth, Houston and Philadelphia.

In addition, LIN has filed a low-power tv application for the Dallas/Fort Worth market. The company regularly looks at available cable systems but as yet has not found a suitable entry into that business, Mr. Berkowitz said.

Expansion plans also call for the acquisition of specialty publishing properties. The company entered this business last October with the $8 million purchase of GuestInformant, a hard cover magazine that is placed in hotels in major cities. A quarter of its yearend revenues of $9.05 million was included in 1981 media revenues.

Television revenues and operating profits were up in 1981; revenues were ahead at all stations, although only the Texas stations had gains in operating profits. Of its four tv stations, three are NBC affiliates and one, WAND in the Decatur/Champaign/Springfield/Danville, Ill., area, is an ABC affiliate.

Radio revenues and operating profits were down substantially during 1981, but LIN expects format changes to country music in several markets to improve the stations' performances this year. LIN purchased Milwaukee radio stations WEMP (am) and WMXY (fm) for about $3.3 million in 1981. Its radio properties are all am/fm combos in top markets.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WAND, Decatur/Champaign/Springfield/Danville, Ill.; KTVV, Austin, and KXAS, Dallas/Fort Worth, Tex.; WAVY, Portsmouth/Norfolk/Newport News/Hampton, Va.

RADIO: WIL (am, fm), St. Louis; WBBF (am) and WMJQ (fm), Rochester, N.Y.; WFIL (am) and WUSL (fm), Philadelphia; KILT (am, fm), Houston; WEMP (am) and WMYX (fm), Milwaukee.

Landmark Communications

Landmark Communications, Norfolk, Va., is the country's 39th largest media company, with revenues of $200 million in 1981, all from media operations. The company had $182 million in revenues in 1980. It projects revenues of $225 million in 1982.

According to the privately held company, about 65% of its revenues are derived from newspapers, 10% from tv and radio and 25% from cable tv.

These percentage breakdowns did not change from 1981, even though cable tv revenues are increasing, because Landmark's community newspapers are also growing at a healthy clip, the company said.

Landmark executives consider cable an attractive new business opportunity for several reasons, including its supposed resistance to recession as evidenced by the growth in subscribers to its TeleCable systems.

Total subscribers now stand at 315,000 in 15 states following the acquisition this year of the Broward County, Fla., cable system, called TeleCable of Broward County.

This system for Margate, Coconut Creek, Parkland and other parts of Broward County now has 8,000 subscribers, according to company new-ventures analyst Bahnson Stanley.

He said the number of subscribers is expected to triple in coming months.

TeleCable's expansion efforts in the last six months have boosted Landmark from the 15th-largest operator to the 14th. All TeleCable systems will be equipped to carry at least 21 channels by the end of 1982 and each will offer at least three pay networks.

Last year, Landmark applied for, but did not win, a cable franchise in Scottsdale, Ariz. It expects a decision on its current bid for a franchise in Tampa, Fla., around the end of the year. The Tampa franchise would be a joint venture with Knight-Ridder Broadcasting.

Last year Landmark sold WTAR-TV, Norfolk, Va., CBS affiliate, to Knight-Ridder for $48.3 million, which will be used for additional cable system acquisitions.

Another cable development is Landmark's current construction of a system in Arlington, Tex.

On May 2, the company also got its much-heralded Weather Channel off the ground. Hugh M. Eaton Jr., Landmark's corporate vp-personnel, was named vp-general manager and treasurer of the Weather Channel.

One minute out of every five is devoted to local weather reports and forecasts with remaining minutes reserved for local commercials, commercials originating from the Weather Channel network, plus regional as well as national reports and forecasts.

The Weather Channel now has 4.2 million subscribers and a staff of 21 meteorologists, with "Good Morning America" meteorologist John Coleman providing 24-hour weather forecasts locally and nationally. In all, about 120 staffers have been added to work for the Weather Channel, which is part of Landmark's Broadcasting & Video Enterprises division.

It represents $20 million in start-up costs for the division and is expected to break even by 1985.

Landmark now is readying proposals for a number of other programing ideas, Mr. Stanley said.

In newspapers, Mr. Stanley noted that Landmark's greatest volume increases have come through community papers. The *Westminster Carroll County Times*, Maryland, was converted from a bi-weekly to a daily in the last year.

However, some of the company's metro papers have experienced difficulties in the last year, and one executive noted that the recession "has affected both newspaper and broadcasting revenues."

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *El Cajon Daily Californian.* INDIANA: *Mount Vernon Democrat.* KENTUCKY: *Elizabethtown News Enterprise.* MARYLAND: Westminster Carroll County Times. NEW MEXICO: *Los Alamos Monitor.* NORTH CAROLINA: *Greensboro Daily News, Greensboro Record.* VIRGINIA: *Norfolk Virginian-Pilot, Norfolk Ledger-Star, Roanoke Times & World News.*

Newspapers (nondailies)

FLORIDA: *Beverly Hills Inquirer, Citrus County Chronicle* (Inverness), *Crystal River Sentinel, Sumter County Times* (Bushnell). ILLINOIS: *Vandalia Leader Union.* INDIANA: Rockport Journal & Democrat, Tell City News. IOWA: *Glenwood Opinion-Tribune, Red Oak Express.* KENTUCKY: *Anderson News* (Lawrenceburg), *Carrollton News-Democrat, Casey County News* (Liberty), *Central Kentucky News-Journal* (Campbellsville) *Cynthia Democrat, Lebanon Enterprise, Oldham Era* (La Grange), *Shelbyville Sentinel-News, Springfield Sun, Trimble Banner Democrat* (Bedford). MARYLAND: *Reistertown Community News, South Carroll Herald* (Sykesville). MISSISSIPPI: *New Albany Gazette.* VIRGINIA: *Galax Gazette.* Also, 16 free distribution publications and Capital-Gazette Newspapers, Annapolis, Md. (49.9% owned).

Broadcasting

TELEVISION: KLAS-TV, Las Vegas, Nev.; KNTV-TV, San Jose, Cal.

RADIO: WTAR (am) and WLTY (fm), Norfolk, Va.

Cable/video

TeleCable systems in ALABAMA: Auburn, Decatur, Selma. FLORIDA: Broward County. GEORGIA: Columbus. ILLINOIS: Bloomington. INDIANA: Kokomo. KANSAS: Overland Park. KENTUCKY: Lexington, Radcliffe. MISSOURI: Springfield. NORTH CAROLINA: Roanoke Rapids. SOUTH CAROLINA: Greenville, Spartanburg. TENNESSEE: Cleveland. TEXAS: Arlington. VIRGINIA: Wytheville. WEST VIRGINIA: Beckley, Princeton. WISCONSIN: Racine.

Lee Enterprises

Lee Enterprises, Davenport, Ia., is the country's 56th largest media company with media property revenues in 1981 of $149.8 million, or 98% of the company's total revenues of $153.1 million. Of the total media revenues, newspapers accounted for $110.7 million, or 72%, and broadcasting $39.1 million, or 26%.

Net income for the company in 1981 was $19.1 million, 26% more than in 1980. Total revenues were up 12% from 1980.

Lee Enterprises traces its history to the early 1890s, when A.W. Lee left New England to join his uncle's newspaper in Muscatine, Ia. From that single publication, Lee Enterprises media properties now include 18 papers dotting the Midwest and West, four tv stations—in Illinois, West Virginia, Oregon and Hawaii—and four am and fm radio stations in Illinois and Nebraska.

Lee also operates a two-channel cable tv service in Mason City, Ia.

In 1980, Lee Enterprises purchased the Lindsay-Schaub Newspapers for $64 million, borrowing $47 million to do it. Last year it sat back to digest that acquisition, the largest in its history, and enjoyed what was, according to Lloyd G. Schermer, Lee Enterprises president, one of the major accomplishments of the year—a balanced bank book.

Although no new properties were added in 1981, the search for new revenues continued just the same, just closer to home.

"The emphasis is on how to build revenue sources in Davenport," said Mr. Schermer. "We must change the attitude and skills within the company, develop new publications and new services."

Results of the entrepreneurial brainstorming in Davenport and other cities hosting company properties are varied, reflecting the markets served.

There is, for example, *TV Week*, one of three special interest magazines published by the *Muscatine* (Ia.) *Journal. TV Week*, which caters to cable tv subscribers, is sold by yearly subscription and can be bought on local newsstands.

Another new offering—distributed to all rural households in the seven counties of northern Iowa—is *RuraLife*, an offspring of the *Globe-Gazette* in Mason City, Ia. Last year, it doubled in size.

According to James Burgess, executive vp of the company, "Lee newspapers did a good job in a very tough year." He also mentioned that taking advantage of technological innovations was top priority.

Lee's joint ownership of NAPP Systems represents that philosophy. NAPP, owned jointly by Lee and Nippon Paint Co., Osaka, Japan, claims to be

the world's largest producer of photosensitive polymer printing plates for newspapers. In 1981, revenues for this graphic arts products operation was $2.8 million, up from $1.6 the year before.

Recent developments at NAPP include improved reproductive quality of plates, a new plate processor to make printing more cost-efficient and the completion of a $3 million plant to produce film and paper that can be processed without silver. After a $9 million expansion in late 1980, and the $3 million one in early 1981, NAPP was shaky economically early last year. But by yearend, operations had smoothed out, and by October, all debts had been paid off.

Technological improvements in the media properties include a computer system costing $6 million to $7 million so far, according to president Mr. Schermer. Started in 1973, the system is now on-line in seven cities, with two more to follow.

Mr. Schermer said the system will allow such sophisticated targeting of subscribers that subscribers weighing "over 200 lbs. in our market" could be segmented out, if that is what the advertiser needs. The next step, he said, will be the inclusion of nonsubscriber households so that advertisers may select either subscribers or nonsubscribers for inserts or direct-mail advertising, zoned according to route number, Zip code, or, eventually, census tract.

Taking some cues from prevailing squalls blowing through the industry, Lee Enterprises also has switched several of its papers to morning-only publication.

Another move, made to fight potential competition from two neighboring newspapers, has been to call on the services of a newspaper consultant to cure what supposedly ails the *Quad-City Times*, Lee's flagship paper in Davenport.

"You're good and you win all sorts of journalism awards, but what good are awards if people find you boring?" asked the consultant, Stuart H. Schwartz, assistant professor of journalism at Georgia State University who reportedly has suggested that the paper become a "sanitized version" of the *New York Post*.

The suggested changes are not viewed enthusiastically by Mr. Schermer, Lee Enterprises president. "I don't like what they are telling them to do," he said, "but they are running it, they do their own marketing. My taste might not be what this blue-collar market wants or needs."

Lee's future moves depend, in large part, on how successful the current administration is with its economic program. "We would be willing to buy [media properties] if it made sense to buy," he said, but he added that he is apprehensive about current inflated prices.

Lee has not yet acquired any cable tv properties, and Mr. Schermer admitted being cautious about cable. But "there is always that option," he said.

MEDIA PROPERTIES
Newspapers
IOWA: *Mason City Globe-Gazette, Muscatine Journal, Ottumwa Courier, Quad-City Times* (Davenport). ILLINOIS: *Decatur Herald, Kewanee Star Courier, Southern Illinoisan Review* (Carbondale). MINNESOTA: *Winona Daily News.* MONTANA: *Billings Gazette, Butte Montana Standard, Helena Independent Record, Missoula Missoulian.* NEBRASKA: *Lincoln Star.* NORTH DAKOTA: *Bismark Tribune.* OREGON: *Corvallis Gazette-Times.* WISCONSIN: *LaCrosse Tribune, Racine Journal, Wisconsin State Journal* (Madison).

Broadcasting
TELEVISION: KGMB-TV, Honolulu; KHQA-TV, Hannibal, Mo.; KOIN-TV, Portland, Ore.; WSAZ-TV, Huntington, W.Va. RADIO: WTAD (am) and WQCY (fm), Quincy, Ill.; KFAB (am) and KGOR (fm), Omaha, Neb. (partially owned by Journal-Star Printing Co.)

McCall Publishing Co.

McCall Publishing Co., New York, is the nation's 75th largest media company, with total net revenues estimated by Advertising Age of $97.2 million in 1981, all from *McCall's*, its special issues and *Working Mother*. *McCall's* brought in about 90% of total net revenues.

Revenues were restated by AA for 1981 to $93.2 million to reflect a net figure rather than gross revenues as supplied by the company for 1980. McCall Publishing reports gross revenues of $130 million for 1981.

A couple of decades ago, when Mom was more concerned with leaning over the back yard fence than with climbing the corporate ladder, American mothers were an easier target for advertisers. Daytime television, with its soap operas and game shows, was the perfect place for companies pitching their wares. Now, with the majority of young mothers in the working force, and with no end to that trend in sight, it's been harder for advertisers to get to this pivotal consumer.

Working Mother, with its format of food, fashion and "how-to" stories, was designed to meet the needs of the elusive American Mom—during her free time, which in these days, is sometimes both limited and unpredictable.

"The working mother is hard to reach and hard to find," noted Ray Eyes, president-publisher of McCall. "She's obviously gone all day."

Launched in 1979, *Working Mother* has already attracted a solid base of advertisers. About 79 of the 100 top advertisers in the country are showing up in the magazine, which has now gone monthly and is up to a circulation base of 400,000.

Working Mother is now breaking even, and will start turning a profit next year, the company said. McCall's believes that is a notable accomplishment in an economy that has not been kind to too many younger publications.

The soft economic climate has been harsher on *Working Mother's* older sister, *McCall's*, and on the entire category of women's service magazines. The housing slowdown has provoked a decline in the number of housing-related ads, for products like appliances, for instance. Mr. Eyes said, however, that the number of ad pages in *McCall's* this year will at least pull even with last year's figures. The package goods category, which continues to sell well, will help.

"Business is not bad, and not sensational," Mr. Eyes said.

Recently, *McCall's* raised the cost of its issues to $1.50. No advertising rate raises are currently in the works. *McCall's* circulation rate base remains at 6.2 million.

McCall Publishing doesn't plan any new projects for the balance of this year, Mr. Eyes said.

MEDIA PROPERTIES
Magazines
McCall's, Working Mother.

McClatchy Newspapers

McClatchy Newspapers, Sacramento, Cal., is the country's 52nd largest media company, with 1981 revenues estimated by Advertising Age at $160 million, all from media operations. Last year's revenues were up 17% from estimated 1980 revenues of $136.8 million.

The family-owned and operated business is active in newspaper, radio, tv and cable.

McClatchy recently announced the sale of radio stations KOH (am) and KNEV (fm) in Reno, Nev., and KBEE-AM and FM in Modesto, Cal. Once the sale is approved by the Federal Communications Commission, McClatchy plans to concentrate on upgrading its remaining radio properties in Sacramento and Fresno, a company exec said.

Last January, McClatchy acquired WCPT-TV, an independent station in Crossville, Tenn., for $600,000. Official transfer of that station also awaits approval by the Federal Communications Commission. A cross-filing for ownership by a competing station in the market for ownership is adding to the delay. No new cable holdings were added to the McClatchy fold in the past year, but the company is entrenching itself in the cable field. Its four cable holdings continue to add subscribers, and communities are being wired for future subscription sales. Norcal Cablevision, McClatchy's only mature cable system, now serves 37,800 subscribers in three communities north of Sacramento.

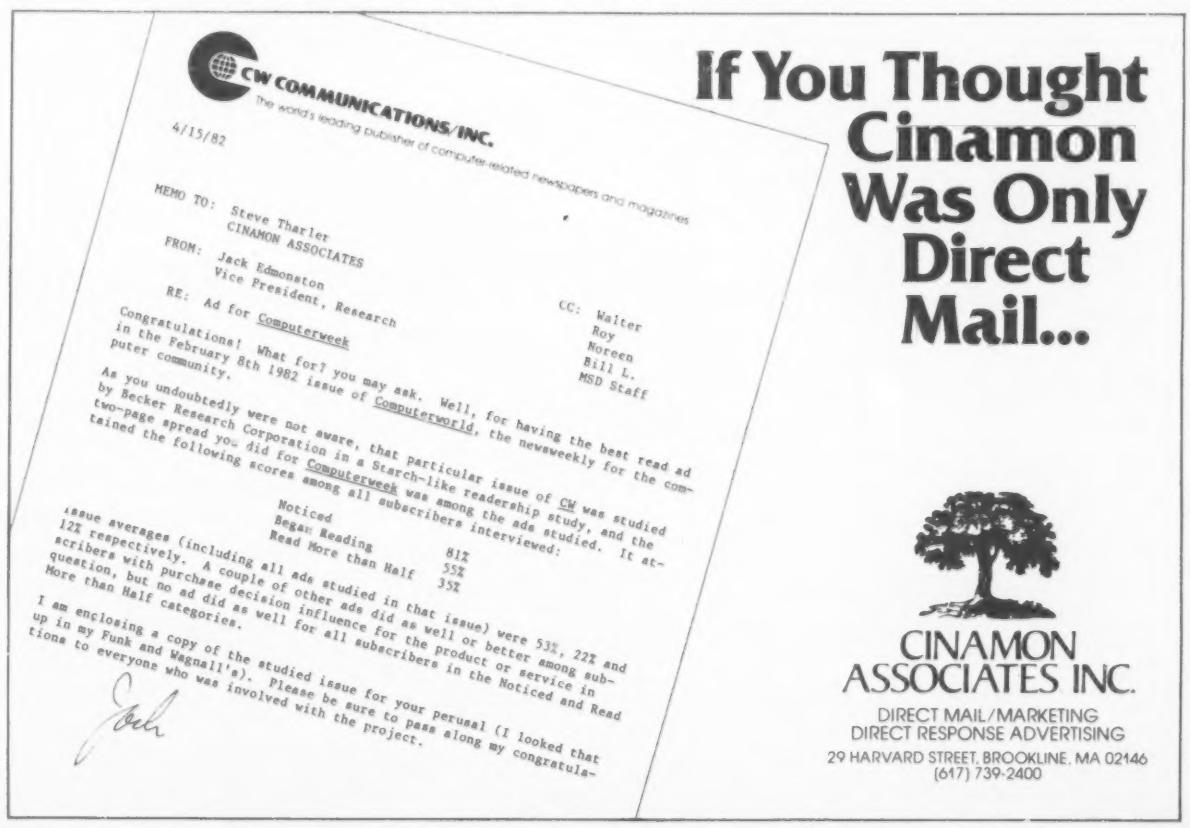
Fresno Cable TV Ltd., though a young system, reaches 28,600 homes. Tel-Cab Communications Cable, which has been operating for more than a year in Reno, lists 1,300 subscribers. The fourth system, Sequoia Cablevision, was just activated in May, and is actively selling subscriptions to the residents of Visalia-Tulare.

The company has created a new subsidiary and a new position to consolidate McClatchy's growing cable efforts and show what the company has called "a commitment to cable." The new subsidiary is Pacific Cablevision, headed by Marvin Dilbeck, recently appointed cable director and president, Pacific Cablevision. Mr. Dilbeck had worked for McClatchy's Fresno Cable TV Ltd.

In electronic publishing, on the other hand, McClatchy has stepped back a bit. Last year, McClatchy and Time Inc.'s cable subsidiary, American Television & Communications Corp. (ATC) jointly ventured into videotex experiments. The first step was to secure the cable franchise in Sacramento. But Time Inc. withdrew from the bidding, forcing McClatchy to reevaluate its own position. McClatchy also ultimately withdrew.

The company still plans to be active in the young field in the same way in which it acquired cable rights in Fresno—by buying existing franchises when opportunities arise. But for the present, "We want to see where electronic publishing's headed," Erwin Potts, McClatchy's corporate vice-president, said. "There are a lot of false starts in the business over-all, so no one really has a clear picture of it yet."

Newspapers have been, and continue to be, McClatchy's primary emphasis. The *Sacramento Bee* moved into its new $42 million facility last year, which houses, among other


CW COMMUNICATIONS/INC.
The world's leading publisher of computer-related newspapers and magazines
4/15/82
MEMO TO: Steve Tharler
CINAMON ASSOCIATES
FROM: Jack Edmonston
Vice President, Research
CC: Walter
Roy
Noreen
Bill L.
MSD Staff
RE: Ad for Computerweek
Congratulations! What for? you may ask. Well, for having the best read ad in the February 8th 1982 issue of Computerworld, the newsweekly for the computer community.
As you undoubtedly were not aware, that particular issue of CW was studied by Becker Research Corporation in a Starch-like readership study, and the two-page spread you did for Computerweek was among the ads studied. It attained the following scores among all subscribers interviewed:
Noticed 81%
Began Reading 55%
Read More than Half 35%
Issue averages (including all ads studied in that issue) were 53%, 22% and 12% respectively. A couple of other ads did as well or better among subscribers with purchase decision influence for the product or service in question, but no ad did as well for all subscribers in the Noticed and Read More than Half categories.
I am enclosing a copy of the studied issue for your perusal (I looked that up in my Funk and Wagnall's). Please be sure to pass along my congratulations to everyone who was involved with the project.

If You Thought Cinamon Was Only Direct Mail...

CINAMON ASSOCIATES INC.
DIRECT MAIL/MARKETING
DIRECT RESPONSE ADVERTISING
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(617) 739-2400

things, 27 new Goss metro offset presses, and a new mailroom.

The *Anchorage* (Alaska) *Daily News* continues to grow, with circulation now numbering in excess of 40,000, according to Mr. Potts. The paper is still operating in the red, but circulation for the first time has passed that of the main competitor, the *Anchorage Times*, a long-time Anchorage institution.

For two of McClatchy's smaller papers, however, the news is not as good. Although the *Gilroy Dispatch* began publishing five days a week last year (up from three times weekly), the financial results have not been spectacular. According to Mr. Potts, that's because the general recession has affected the market in this southern Santa Clara County community, particularly in real estate.

The *Tri-City Herald*, a daily paper in Richland, Wash., for which McClatchy had held great expectations, has taken a beating as expected growth of the nuclear industry, prominent in the paper's market, has not taken place. The short-term prospects, at least, remain unfavorable. Layoffs are expected to continue while the community slowly orients itself to a secondary industry. The area is increasing its involvement in agribusiness, which may become the community's, as well as the newspaper's, foothold for survival, Mr. Potts said.

MEDIA PROPERTIES

Newspapers(dailies)

ALASKA: *Anchorage Daily News* (80% owned). CALIFORNIA: *Fresno Bee, Modesto Bee, Sacramento Bee, Gilroy Dispatch, Hollister Freelance* (50% owned), *Lincoln News Messenger, Morgan Hill Times.* WASHINGTON: *Tri-City Herald* (Richland).

Newspapers (nondailies)

CALIFORNIA: *Clovis Independent.*

Broadcasting

TELEVISION: WCPT-TV Crossville, Tenn. (subject to FCC approval).
RADIO: KAER (fm) and KFBK (am), Sacramento, Cal.; KMJ (am, fm), Fresno, Calif.

Cable/video

Nor-cal Cablevision (60% owned), Yuma City, Cal.; Sequoia Cablevision, Visalia, Cal.; Fresno Cable TV Limited, Fresno, Cal.; Tel-Cab Communications, Reno, Nev. (80% owned).

OTHER OPERATIONS

San Joaquin Tv Services, (an MDS Co.).

McGraw-Hill

McGraw-Hill, New York, is the country's 13th largest media company, with revenues of $732.4 million from media operations in 1981, or 66% of total revenues of $1.11 billion.

Business magazines, trade magazines and newsletters, including such publications as *Business Week* and "Nuclearfuel," provided 30% of total revenues last year. A variety of information services including "Dodge Reports" for the construction industry, Standard & Poor's debt-rating service and computerized economic data bases provided another 31% of revenues. Broadcasting operations, consisting of four tv stations, contributed 5% to revenues.

Each business segment contributed operating profits somewhat in proportion to revenues: Publications, 30%; information services, 34%; broadcasting, 11%. Total operating profit in 1981 was $204.1 million. Net income totaled $98.1 million.

The company got off to a good start in 1982, extending its string of year-to-year quarterly increases to 28 consecutive quarters. However, according to the company, operating profits for the publications division failed to move ahead in the first quarter, due in part to the company's investment in electronic editing and circulation systems.

Last year, although revenues from McGraw-Hill's flagship publication *Business Week* grew 3% to $133.3 million, the business weekly slipped from fourth to sixth place among leading ad revenue producers. The two publications displacing *Business Week* were Time Inc.'s *Sports Illustrated* and *People.*

Early this month, McGraw-Hill named James R. Pierce publisher of *Business Week* and a vp of subsidiary McGraw-Hill Publications Co. Mr. Pierce had been publisher of McGraw-Hill's *Aviation Week & Space Technology.* He succeeds R. Bernard Alexander, who will be in charge of special projects for the publishing subsidiary until he retires later this year.

The company denied persistent reports of an internal power struggle over the naming of Mr. Alexander's successor. The reports indicated some serious differences within the company about the direction of the magazine. McGraw-Hill had said only weeks before the new publisher was named that Mr. Alexander had no plans to step down as publisher. The official who said that was Daniel A. McMillan III, a McGraw-Hill Publications executive vp who resigned a few days before Mr. Pierce's appointment was announced. Mr. Alexander had been scheduled to retire next March.

In seeking to attain the goal of being the "preeminent supplier of information to business and the professions through both print and electronic media," McGraw-Hill increased capital spending 81% last year to $37.9 million. This figure, the publisher said, does not even provide a full picture of the investment in the future it is making since product enhancement and development of new services can't be capitalized.

Management believes that technology holds tremendous promise not only for delivering information services electronically but also for enhancing traditional printed products through electronic editing and production systems. That effort prompted the company to purchase Edutronics Systems International, London, marketer of multimedia training programs in several fields.

Four years ago, M-H purchased the U.S. and Canadian subsidiary of Edutronics.

M-H also is planning to syndicate a weekly half-hour tv program based on *Business Week* magazine. The project is viewed as a first step in reaching specialized markets through tv for many of the company's publications. A second step could be the production of business news briefs to be inserted in local newscasts.

The publications division also launched several new ventures, "Federal Lands," "Biotechnology Newswatch," *Nikkei Computer, Nikkei Biotechnology* and two new daily wire services, Steelgram and Solventwire. *Medical World News* was sold to Hospital Equities Inc. The editorial content of eight magazines became available electronically through the NEXIS system of Mead Data Central, and by the end of this year, all magazines will be included.

To upgrade its broadcasting operations, M-H installed earth receiving stations at KGTV, San Diego; WRTV, Indianapolis, and KMGH-TV, Denver, enabling them to receive programing directly from satellites.

Among new information systems offerings was Datapro, a directory of microcomputer software for the personal computer market. Also made available to users of personal computers were Standard & Poor's stock reports and stock guide. The Data Resources Inc. subsidiary introduced a forecasters' package, consisting of daily on-line data, commentary and a monthly econometric model.

The big question at the company today is who will succeed Harold McGraw as chairman and chief executive officer when he retires early next year. Although Joseph L. Dionne's appointment as president and chief operating officer last year makes him the likely successor, there has been no official word from the company.

MEDIA PROPERTIES

Magazines

American Machinist, Architectural Record, Aviation Week & Space Technology, Business Week, Business Week International, Byte, Chemical Engineering, Chemical Week, Coal Age, Data Communications, Electrical Construction & Maintenance, Electrical Wholesaling, Electrical World, Electronics, Engineering & Mining Journal, Engineering News-Record, Fleet Owner, Fleet Owner/Small Fleet Edition, Graduating Engineer, Housing, Industry Mart, International Management, Modern Plastics, Modern Plastics International, NC Shopowner, The Physician & Sportsmedicine, Popular Computing, Postgraduate Medicine, Power, Textile Products & Processes, Textile World, 33 Metal Producing.

Magazines (joint-venture)

International Industrial Report, Medicina De Postgrado, Nikkei Architecture, Nikkei Business, Nikkei-Computer, Nikkei Electronics, Nikkei Mechanical, Nikkei Medical.

Newsletters

"Biotechnology Newswatch," "Coal Statistics International," "Coal Week," "Coal Week International," "Electrical Marketing," "Electrical Week," "E&MJ Mining Activity Digest," "Federal Lands," "Green Markets," "Inside Energy," "Inside FERC," "Inside NRC," "Inside USDA," "International Construction Week," "Keystone News-Bulletin," "Long Term Care," "Metals Week," "Metalworking Sales Leads/MSL," "Mine Regulation & Productivity Report," "Nucleonics Week," "Nucleonics Week," "Platt's Energy Litigation Report," "Platt's Oilgram News," "Platt's Oilgram Price Report," "Platt's Oil Marketing Bulletin," "Platt's Oil Policy & Regulation Report," "PSRO Letter," "Securities Week," "Synfuels," "Textile Week," "Washington Health Record," "Washington Report on Health Legislation," "Washington Report on Medicine & Health."

Broadcasting

TELEVISION: KERO-TV, Bakersfield and KGRV-TV, San Diego, Cal.; KMGH-TV, Denver; WRTV, Indianapolis.

Newswires and services

Chemical Week Newswire Service, Fuel Price Analysis, Metals Week Insider Report, Nikkei Datapro, Platt's L.P. Gaswire, Platt's Bunkerwire, Platt's Oilgram Marketscan, Platt's Oilgram News/Wire, Platt's Petrochemical Scan, Polymerscan, Solvent Wire, Steelgram, World News (international service only).

Information services

Dodge Reports, Sweet's Catalogs, Scan, Datapro Reports, Construction Analysis System, Product Information Network, Data Resources.

Financial services

Standard & Poor's Corp. Records, Blue List, Trendline, Outlook, Credit Week.

OTHER OPERATIONS

McGraw-Hill Book Co., International Book Co.

Media General

Media General, Richmond, Va., is the nation's 41st largest media company, with revenues of $197.1 million from media operations in 1981, up 18% from the previous year's $167.4 million.

Media revenues accounted for 53.8% of the publicly held company's total revenues of $366.5 million, which were up from the previous year's $332 million. Total earnings were $31.6 million for 1981, up from 1980's $28.3 million.

Alan S. Donnahoe, Media General chief executive officer, told shareholders at the annual meeting last month that the company "considers the chances very good" for another record year in earnings and revenues in 1982.

Last year, newspapers contributed $173.8 million in revenues, or 88% of total media revenues, and broadcast operations contributed $23.4 million in revenues, or 12%.

Acquisition remains the key word at Media General with attention now concentrated on broadcasting.

Earlier this month the company purchased William B. Tanner Co., Memphis, which buys and sells radio and tv commercial time and also places commercials. Tanner is said to be the country's largest barter/media placement company, with 450 employes in six offices and annual revenues of about $100 million.

In 1980 Media General purchased Highlander Publications and Herald Press Newspaper Group, both Los Angeles area newspaper chains, consolidating them into one group—Highlander Publications. It also purchased Southern California-based Golden West Publishing later that year. The two chains of weeklies publish some 30 newspapers.

In 1981 the company agreed to buy Ziff-Davis television station WJKS, Jacksonville, Fla., for $18 million. Completion of the purchase is expected mid-year, Mr. Donnahoe said. The purchase will give the company two tv stations, the other being WFLA-TV, an NBC affiliate in Tampa, Fla. Both were ranked third in their markets in the most recent A.C. Nielsen ratings.

In conjunction with the tv purchase, Media General is selling its two radio stations in Tampa, Fla.—WFLA (am, fm)—to John Blair & Co. for $14 million. Mr. Donnahoe described the pending sale and purchase agreements as a "kind of tradeoff even though it involves two different companies. It is just that we wanted to get into Florida's second-largest television market and the purchase of WJKS gives us that opportunity."

In cable tv, Media General is awaiting word on its application for the franchise in Fairfax County, Va., which would cover some 200,000 households. It currently holds a franchise for three cable tv systems in the Fredericksburg, Va., area.

On the print side, Media General is keeping a careful eye on the Southern California market where its newest properties, Highlander Publishing and Golden West Publishing, are located.

Mr. Donnahoe did not rule out the possibility of some of the weekly properties going semiweekly or daily.

"We're watching it [the Southern California market]. There are no immediate plans for turning any of the papers into semiweekly or daily. But there is always that possibility. A lot depends on population growth in that area," he said.

Primary contributors to Media General's newspaper operations are the *Richmond Times Dispatch*, a morning and Sunday edition paper; the *Richmond News Leader*, an evening paper; the *Tampa Tribune*, a morning and Sunday paper, and the Tampa Times, an evening paper.

Mr. Donnahoe said 80% of the revenues of Media General's newspaper division comes from advertising and 20% from circulation.

Personnel changes in 1981 included the appointment of Mr. Donnahoe vice-chairman and ceo and James S. Evans president, a position formerly held by Mr. Donnahoe. Mr. Evans was formerly executive vice presi-

dent and chief operating officer of the company.

MEDIA PROPERTIES

Newspapers (dailies)

FLORIDA: *Tampa Tribune, Tampa Times.* NORTH CAROLINA: *Winston-Salem Journal, Winston-Salem Sentinel.* VIRGINIA: *Richmond News Leader, Richmond Times-Dispatch.*

Newspapers (nondailies)

CALIFORNIA: Highlander Publications, publishing 17 weeklies in the Los Angeles area, and Golden West Publishing, including *Capistrano Valley News, Flight Jacket* (El Torro and Santa Ana Air Force Base), *Laguna-Miguel Dana Point News, Laguna News-Post, Leisure World News* (Laguna Hills), *Saddleback Valley News.* Also, a monthly newspaper, published in cooperation with the American Stock Exchange, *Amex Journal* (begun January, 1982).

Magazines

Cligott Publishing: *Consultant, Journal of Respiratory Diseases, Psychosomatics.* Technical Information Distribution Services: *Electronic Literature Review, Electronic Specifications Review, Precis.*

Broadcasting

TELEVISION: WFLA-TV, Tampa, and WJKS-TV, Jacksonville, Fla. (acquisition pending).

RADIO: WFLA (am, fm), Jacksonville, Fla. (sale pending).

Cable/video

Cablevision of Fredericksburg Inc. (Virginia), serving surrounding unincorporated areas in Stafford and Spotsylvania counties. One cable tv system in Fairfax Co., Va. (award of franchise pending).

OTHER OPERATIONS

Beacon Press (commercial printing), Garden State Paper Co., Media General Financial Services, Onduline USA (building materials), Technical Information Distribution Service.

Meredith Corp.

Meredith Corp., Des Moines, Ia. is the nation's 23rd largest media company, with revenues of $330.5 million from magazine publishing and broadcasting operations, out of total corporate revenues of $403.4 million for the fiscal year ended June 30, 1981.

Meredith, however, has already topped revenues of 1981 in the first nine months of fiscal 1982. Revenues in this period have risen 13% to $340.6 million from $302.6 million in the year-earlier period. Assuming that media operations contribute the same percentage of total revenues as last year, Meredith's media revenues this year would be about $372 million.

Net earnings for the nine months rose to $21.5 million from $20.5 million. Total profits last year were $25.6 million, with most of the 20% gain over fiscal 1980 coming from broadcasting and book publishing. Magazine earnings were down.

Magazine publishing accounted for about 65% of total revenues and broadcast properties for 17% in fiscal 1981. Book publishing, the largest nonmedia segment, contributed $66.5 million in revenues, or 16% of total revenues. The company also operates financial and real estate services.

Like other media companies, Meredith faced a sluggish economy and difficult operating environment during fiscal 1981 and through the first nine months of fiscal 1982. In addition, the company's exposure in the depressed real estate business via its real estate franchising arm has proven to be a continuing drag on revenues and profits. The company's third quarter report acknowledged the real estate problem and attributed the improved operating profits to the magazine publishing and broadcasting. It said magazine advertising and subscription revenues and broadcasting revenues had increased, despite some softness in ad pages.

Throughout the year, Meredith's operating strategy remained constant, centering its various publishing interests on its mainstay, *Better Homes and Gardens.* The company eschewed new ventures not closely related to its core businesses of publishing and broadcasting. In January, 1981, it started Meredith Video Publishing, a new unit formed to appraise ventures in cable and satellite programming. At press time, Meredith was negotiating the purchase of San Joaquin Communications Corp., owner of KSEE-TV, Fresno, Cal., an NBC affiliate.

Rather than acquire cable systems, Meredith Video has moved into the software end of the burgeoning cable industry. During its first year, the subsidiary co-produced "The Better Homes and Gardens Idea Notebook," a series of half-hour programs on home decorating, improvement and landscaping. The series is shown on the USA Network.

In another new media category, Meredith and VHD Programs are producing "Understanding Your Body: A Woman's Guide from *Better Homes and Gardens,*" for use on interactive videodiscs. The program was produced and scheduled to be introduced this June. Its release date is now "uncertain," according to a company spokesman, who said VHD Programs will determine the distribution of the program.

The industry verdict was still out on the company's most significant change in 1981: The conversion of *Apartment Life* to *Metropolitan Home* in April of last year. Meredith said the magazine broke ad page records in nine of the first 12 issues. The magazine's circulation rate base remained at its initial level of 700,000, but publisher Harry Myers said the magazine delivered "significant bonuses" during 1981.

MEDIA PROPERTIES

Newspapers

CALIFORNIA: Community newspapers serving Los Angeles

"Did you say Sweepstakes?" "Talk to Ventura."

From package goods to financial institutions aggressive marketers are finding that Ventura Associates has the unique skills required for innovative prize promotions. If you're tired of "me too" sweepstakes, that simply don't work anymore, you owe it to yourself or your client to call Ventura Associates.

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Magazines

Better Homes and Gardens, Metropolitan Home, Sail, Successful Farming, Better Homes and Gardens Special Interest Publications, *Australian Better Homes and Gardens.*

Broadcasting

TELEVISION: KPHO-TV, Phoenix, Ariz.; WOFL-TV, Orlando, Fla. (owned by Omega Communications, of which Meredith holds a 40% interest). WNEM-TV, Bay City, Mich.; KCMO-TV, Kansas City; WTVH-TV, Syracuse, N.Y.; WPGH-TV, Pittsburgh.
RADIO: WGST (am) and WPCH (fm), Atlanta; KCMO (am) and KCEZ (fm), Kansas City; WOW (am) and KEZO (fm), Omaha.

Cable/video

Meredith Video Publishing Corp.

OTHER OPERATIONS

Better Homes and Gardens Books, Better Homes and Gardens Crafts Club, Better Homes and Gardens Family Book Service, Better Homes and Gardens Real Estate Service, Better Homes and Gardens Insurance Services, Better Homes and Gardens Insurance Agency, Meredith Publishing Services, Meredith Financial Corp., Meredith International Ltd. and Meredith Relocation Corp.

Metromedia Inc.

Metromedia Inc., Secaucus, N.J., is the country's 20th largest media company, with revenues of $390.5 million from media operations in 1981, or 85% of total revenues of $461.8 million. Broadcasting accounted for 59% of total revenues, and outdoor advertising about 26%. Operating income for the media businesses last year was $132.2 million.

For some years, advertising revenues from tv, radio and outdoor divisions have contributed the lion's share of operating income. In fact, last year other Metromedia divisions showed losses. But management still maintains that other fields offer greater potential for the growth-minded company.

Part of that belief is reflected in the company's move into the mobile radio communications field. In May, Metromedia agreed to purchase Radiofone Corp. for about $55.8 million. This month, it agreed to pay $86.5 million for companies in Chicago, Boston and Philadelphia that provide radio paging service.

As in the past, Metromedia is expected to grow perhaps as much through acquisition as from within. Largely producing the funds to pay for this growth are the company's broadcast operations, consisting of seven tv stations and 14 radio stations.

As part of a program to improve its station holdings, Metromedia last month completed its purchase of WCVB-TV, Boston, an independent ABC affiliate, and sold KMBC-TV, Kansas City, to Hearst Corp. for $79 million in cash. Metromedia paid $220 million in cash and notes for the Boston station, a record for a tv station. It sold KMBC to comply with Federal Communications Commission regulations that limit the number of tv stations owned by one company to seven.

Robert Bennett, who is credited with making the Boston station No. 1 in ratings in its market, last month was named Metromedia senior vp-television broadcasting and production and the fourth member of Metromedia's office of the president. He will continue to be based in Boston, where he has been WCVB-TV general manager since leaving Metromedia's New York tv station, WNEW, in 1971.

With the consummation of these deals, the reach of Metromedia's tv stations increases to 25% of U.S. tv households from 20%. The company claims that the 1981 Nielsen Station Indexes show Metromedia stations third after those owned and operated by ABC and CBS in terms of net weekly circulation.

There were also some shifts in the radio station ownership as Metromedia acquired WWBA-FM, Tampa/St. Petersburg, for $7 million in an exchange transaction that also involved the sale of KSAN (fm), San Francisco. Metromedia also acquired KHOW (am), Denver, for about $15 million.

Metromedia expanded its Foster & Kleiser outdoor advertising business last year with the acquisition of outdoor companies in Atlanta and Savannah, Ga. The company owns and services over 42,000 structures in 18 U.S. markets.

The company completed its divestiture of its Figi's subsidiary, removing itself from the mail order business.

The company's strong performance in recent years has been attributed to the direction of chairman John W. Kluge, who owns 18% of the company. He and several associates gained control in 1959.

Reflecting the company's performance, Metromedia stock has grown by an average annual rate of 70% compounded since 1974, making it the fastest-growing stock on the New York Stock Exchange in that period.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KTTV-TV, Los Angeles; WCVB-TV, Boston; WTCN-TV, Minneapolis/St. Paul; WNEW-TV, New York; WXIX-TV, Cincinnati; KRIV-TV, Houston, WTTG-TV, Washington.
RADIO: KLAC (am) and KMET (fm), Los Angeles; KHOW (am), Denver; WWBA (fm), Tampa/St. Petersburg, Fla.; WMET (fm), Chicago; WCBM (am), Baltimore; WNEW (am, fm), New York; WOMC (fm), Detroit; WIP (am) and WMMR (fm), Philadelphia; KRLD (am), Dallas/Fort Worth; KJR (am), Seattle; WASH (fm), Washington.

Outdoor

Foster & Kleiser (42,000 boards in 18 markets).

OTHER OPERATIONS

Metromedia Producers Corp., Metrotape, Harlem Globetrotters, Ice Capades, Ice Capades Chalet.

Morris Communications Group

Morris Communications Group, Augusta, Ga., is the country's 69th largest media company, with ADVERTISING AGE-estimated media revenues of $115.8 million in 1981, nearly all from newspapers in the South and Southwest.

Total revenues for the company were an estimated $118.4 million, up from $89 million in 1980. The increase in revenues came primarily from increased circulation prices.

The privately held company publishes the *Amarillo Globe-Times, Amarillo Daily News* and *Lubbock Avalanche-Journal* through its Southwestern Newspaper Corp. Revenues from this operation account for nearly half of the company's total media revenues.

A second division, Southeast Newspaper Corp., also contributes almost 50% of total media revenues. Southeast Newspaper includes the nearly 200-year-old *Augusta* (Ga.) Chronicle and *Herald* and the *Sunday Chronicle-Herald*; the *Savannah* (Ga.) *Morning News* and *Evening Press*, and the *Juneau* (Alaska) *Empire.*

Athens Newspaper Inc., another subsidiary, owns the *Athens* (Ga.) *Banner Herald* and the *Athens Daily News.*

In the fall of 1981 Morris bought the *Quarter Horse News*, a bimonthly based in Fort Worth, Tex., with approximately 3,000 subscribers.

Morris is experiencing some softness in classified and retail advertising, according to president and publisher William S. (Billy) Morris III, a second-generation newspaperman in Augusta. "Business has always been cyclical," he said. "We're just going through a cycle now."

Mr. Morris said the company is in the midst of a long term project to update equipment in its newspapers.

Morris Communications publishes five weekly papers. The company also owns Southwest Publications, which is primarily a book and magazine printer.

MEDIA PROPERTIES

Newspapers (dailies)

Southeastern Newspapers Corp.—ALASKA: *Juneau Empire.* GEORGIA: Augusta Chronicle, Augusta Herald, Savannah Morning News, Savannah Evening Press. Southwestern Newspapers Corp.—TEXAS: *Amarillo Daily News, Amarillo Globe-Times, Lubbock Avalanche-Journal.* Athens Newspapers—GEORGIA: *Athens Banner-Herald, Athens Daily News.*

Newspapers (nondailies)

North American Publications—FLORIDA: *Tampa Neighbor.* GEORGIA: *Elbert Beacon, Elberton Star, Hartwell Sun, Royston News Leader.* SOUTH CAROLINA: *Hilton Head News.*

Magazines

Quarter Horse News.

OTHER OPERATIONS

Southwest Publications.

Multimedia Inc.

Multimedia Inc., Greenville, S.C., is the country's 42nd largest media company, with revenues of $195.3 million in 1981, all from media operations. That's up 19% from 1980's revenues of $163.6 million.

Broadcasting accounted for $97.4 million, or 50% of revenues, newspapers $78.5 million, or 40%, and cable tv $19.4 million, or 10%.

The company includes program production and distribution in its broadcast revenues.

In 1981, Multimedia completed 10 years as a public company. Revenues have increased more than five-fold from $36 million in 1971.

The company publishes 13 daily and 22 nondaily newspapers; owns and operates six television stations and 12 radio stations; operates over 60 cable tv franchises, and produces and syndicates tv programing.

With the population growth and trade influx to the Sunbelt markets, Multimedia's papers tend to be less recession-sensitive than other newspaper markets.

According to *Sales Management,* consumers in Multimedia daily newspaper markets spend an average of 14% more of their discretionary incomes on retail goods and services than consumers spend nationwide.

In February 1982, Multimedia started a service at the *Asheville Citizen-Times* on one leased cable channel, delivering local news and weather supported by both retail and class advertising. Encouraged by early results, the

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company plans to expand this service into other markets.

In the broadcasting division, Multimedia is still awaiting an FCC approval to trade WFBC-TV in Greenville and WXII-TV in Winston-Salem for Pulitzer Publishing Co.'s KSDK-TV in St. Louis. This exchange is expected to be official in the fall and will give Multimedia ownership of the NBC affiliate in the 14th largest market in the U.S.

This year is proving a busy one for Multimedia's WBIR-TV in Knoxville, Tenn., the site of the 1982 World's Fair. Along with airing live daily news programs and a weekly magazine program from the fair, WBIR-TV will be involved in a tv special produced for the fair by Multimedia Program Productions of Nashville (formerly Show Biz).

Multimedia became the largest producer/syndicator of country music programing in the world after acquiring Show Biz last year.

After only two years, Multimedia Cablevision is faring well in cable company rankings. It rose to 30th in *Television Digest*'s ranking of Oct. 1, 1981 and was ranked 29th by *Broadcasting* in Nov. 1981.

The division has grown to 160,000 subscribers from the 66,000 at the beginning of 1981 and now operates more than 60 franchises in Kansas, Oklahoma, Illinois and North Carolina.

In 1981, Multimedia bought 20% of Tar River Communications and has an agreement to acquire one-fifth of the company each year until 1985 when it will have full ownership. All of Tar River's cable operations are located in North Carolina. The company plans to increase its cable business through greater subscriber penetration and increased revenue per subscriber.

Multimedia will continue its basic reliance on its newspaper and broadcasting division, Walter E. Bartlett, president and chief operating officer, said. But, he added, Multimedia is positioned to take advantage of the program needs for both commercial tv and cable tv and the expanding possibilities in cable ownership.

"In the next five years, we expect our programing production division and cable division to develop a solid, profit base matching the profits now produced in our newspaper and broadcasting divisions," he said. "We believe this will structure Multimedia to meet most of the changing economic conditions in the next five years."

Mr. Bartlett was among a number of management changes last year following the death of chairman, J. Kelly Sisk, in November 1980. Wilson C. Wearn became chairman and chief executive officer, and Mr. Bartlett, former president of Multimedia Broadcasting, moved up to replace him as president and chief operating officer. Donald J. Barhyte, former vp finance and administration, was named vice chairman and chief financial officer.

Multimedia also named James T. Lynagh, former vp of the Post-Newsweek Co., as president of the broadcasting division, and E.B. Chester, a principal in Tar River Communications joined as vp for development.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Montgomery Advertiser, Alabama Journal* (Montgomery). FLORIDA: *Winter Haven Daily News-Chief*. GEORGIA: *Moultrie Observer*. NORTH CAROLINA: *Asheville Citizen-Times*. OHIO: *Gallipolis Daily Tribune, Pomeroy-Middleport Daily Sentinel*. SOUTH CAROLINA: *Greenville News, Greenville Piedmont*. TENNESSEE: *Clarksville Leaf-Chronicle*. VIRGINIA: *Staunton Leader*. WEST VIRGINIA: *Point Pleasant Register*.

Newspaper (nondailies)

ALABAMA: *Prattville Progress*. ARKANSAS: *Baxter Bulletin* (Mountain Home), FLORIDA: *Auburndale Star*. GEORGIA: *Weekly Moultrie Observer*. OHIO: *Tri-Country News* (Gallipolis). TENNESSEE: *Ashland City Times, Dickson Herald, Gallatin News-Examiner, Music City News* (Nashville), *Nashville Record, Stewart Houston Times*, (Dover-Erin), *Waverly News-Democrat*. Six shoppers in Arkansas, Florida, Tennessee and Virginia.

Broadcasting

TELEVISION: WMAZ-TV, Macon, Ga.; WXII-TV Winston-Salem, N.C.; WLWT-TV, Cincinnati; WFBC-TV, Greenville, S.C.; WBIR-TV, Knoxville, Tenn.; WZTV, Nashville, Tenn. RADIO:KAAY (am) and KLPQ (fm), Little Rock, Ark.; WMAZ (am, fm), Macon, Ga; WAKY (am) and WVEZ (fm), Louisville, Ky.; KEEL (am)and KMBQ (fm), Shreveport, La.; WWNC (am), Asheville, N.C.; WFBC (am, fm), Greenville, S.C.; WEZW (fm), Milwaukee.

Cable/video

Multimedia Cablevision, serving ILLINOIS: Batavia, Chicago Ridge, Evergreen Park, Hometown, Lisle, Oak Forest and Oak Lawn, Harvey, Markham, Phoenix (all 80% owned). KANSAS: Attica Township, Bel Aire, Crestview Estates, Delano Township, Eastborough, Gypsum Township, Herrington, Kechi Township, Lyons, McConnell Air Force Base, McPherson, Medicine Lodge, Minnegha Township, Oaklawn, Park City, Park Township, Payne Township, ShadyBrook, Springdale, Timber Lake, Riverside Township, Waco Township, Wichita. NORTH CAROLINA: Beaufort Cable, serving Chocowinity, Beaufort County, Washington, Washington Park; Clinton Cable, serving Sampson; Enfield Cable; Gaston Cable, serving Belmont, Mount Holly, Gaston County; Greenville Cable, serving Arden, Greenville, Pitt County, Winterville; Mecklenburg Cable, serving Pineville, Mint Hills; Monroe Cable, serving Monroe, Indian Trail, Union County, Marshville, Wingate; New Bern Cable, serving Bridgeton, Craven County, New Bern, River Bend, Trent Woods; Tar River Cable, serving Battleboro, Nash County, Nashville, Rocky Mount, Sharpsburg, Tarboro. OKLAHOMA: Bethany, Bixby, Chickasha, Crescent, Del City, Edmond, Elreno, Erin Springs, Guthrie, Lindsay, Logan County, Moore, Mustang, Nichols Hills, Perry Tinker Air Force Base, Valley Brook, The Village, Warr Acres, Yukon.

OTHER OPERATIONS

Multimedia Program Productions (tv productions and syndication).

National Enquirer

National Enquirer, Lantana, Fla., is the 57th largest U.S. media company, with 1981 revenues estimated by ADVERTISING AGE at $145 million, all from the company's two tabloids, the *National Enquirer* and *Weekly World News*.

In 1980, the company had estimated media revenues of $129 million.

The National Enquirer is the company's mainstay and remains the undisputed leader of the weekly tabloid market. Its most recent circulation figures—5.1 million—make it the "largest circulation newspaper" in America, the company says. The tabloid had experienced sharp declines in circulation between 1978 and mid-1981, when ABC figures showed a circulation of 4.8 million. The new figures suggest that the decline has been arrested.

The company's other publication, *Weekly World News*, had another disappointing year. Its total circulation hovers around 600,000 and the company's optimistic projection of a circulation of 1 million by mid-1982 will not be reached.

The *Enquirer* has raised its cover price to 65¢ from 45¢. However, that seems to have had little effect on circulation. "Not only didn't the price increase hurt circulation, but sales increased significantly," said Enquirer spokesman Martin O'Farrell.

Last year was a turbulent one for the *Enquirer*. It lost its first libel suit when a Los Angeles judge awarded actress Carol Burnett $1.6 million in damages—an award that was later halved in another court. Mr. O'Farrell claimed that the libel suit has had no material impact on the activities of the *Enquirer*. "We are just as careful and meticulous about our reporting and fact-checking as ever," he said.

The tabloid continues with its successful formula of celebrity gossip, medical and personal advice, cheesecake and cute kids. The multipicture cover, however, has been replaced by one dominant cover photo and smaller insets.

The *Enquirer* has launched a major network tv campaign through Compton Advertising, its new agency. It plans to spend $30 million for a total of 300 gross rating points, according to Neil Carey, senior vp, marketing.

Mr. Carey said the tv campaign follows the pattern of the highly successful *People* commercials—weekly spots that will highlight the current issue's feature articles and the week's psychic predictions. The commercials have been appearing on prime time hours and during daytime soap operas. Cable networks and satellite-distributed superstations such as WTBS, WOR and WGN also have been used.

The purpose of the campaign, according to publisher Generoso Pope, is to double circulation to 10 million in the near future. "We want to make the *Enquirer* a household name," Mr. Carey said. "We are trying to position ourselves against *TV Guide*, not the other tabloids," he added.

Within the *Enquirer* there is a growing belief that its readership has begun to change. Advertising director Ralph Gallagher said that two recent reports clearly indicate that the tabloid has developed a readership beyond its traditional middle-income, middle-aged woman. A Simmons study has found that the *Enquirer* has considerable following within the teen age group, while another study reported that the median income of the *Enquirer* reader has risen to $19,294 from $16,570.

The new ad campaign and the apparent change in demographics are aimed at helping the *Enquirer* break out of its current advertising mold—running mostly cigaret and mail-order ads—and luring some of the big advertisers not traditionally associated with tabloids, such as Procter & Gamble and Sears, Roebuck & Co.

In order to do so, Generoso Pope has assembled a veteran sales team and recruited Arthur Sloat, a former president of Liggett & Myers, to head it. Also joining the team were Richard Sears as vp, advertising sales, and Vince Robinson and Gibson McCable as consultants. Mr. Sears was a former vp, ad sales with CBS, Detroit. Mr. Gibson, a former publisher of *Newsweek*, and Mr. Robinson, a former marketing director with Johnson & Johnson.

The *Enquirer* also has been looking into the possibility of a video magazine, according to Mr. Carey, but none of the proposals have yet proved satisfactory.

Mr. Carey said the magazine hopes to move into video in the near future.

Amidst all the new approaches in advertising and marketing, the company's management structure remains firm. Owner-chairman Mr. Pope and editor-president Iain Calder remain atop the management structure and Michael Hoy continues as the *Enquirer*'s executive director.

MEDIA PROPERTIES

Newspapers

National Enquirer, Weekly World News.

National Geographic Society

The National Geographic Society, Washington, is the nation's 47th largest media organization, with advertising and circulation revenues of $170.7 million, or 66% of total revenues of $257.7 million. Media revenues increased 19% last year and total revenues 24%.

The society publishes the monthly *National Geographic*, and "National Geographic World," a children's magazine that doesn't carry ads.

The society also is a major book and map publisher, a marketer of globes, film strips and films for schools, and co-producer with WQED-TV, the public tv station in Pittsburgh, of the highly acclaimed "National Geographic Specials."

Despite its good 1981 performance, said National Geographic president Gilbert M. Grosvenor, the nonprofit society is feeling the pinch of the national recession this year. Ad volume in *National Geographic* dipped 2.2 pages last year, to 387.9, but has swooned in 1982's first half, running 24% behind the 1981 pace through June, with 138 pages of advertising vs. 181 in the year-ago period.

Society officials attribute at least part of the ad decline to fast changing ad tactics in the auto industry, a major category for the *Geographic*. As the auto companies fence with short-term rebate and extended warranty offers, publications with long lead times, such as the *Geographic*, which has an eight-week close, are said to be at a disadvantage compared with newsweeklies.

While renewals remain high (84.6% in 1981), Mr. Grosvenor said efforts to sell new memberships in the society are facing tough resistance this year. "I deliberately pulled back our direct mail promotions because the results we've been getting have been poor," he said.

The difficult economic conditions are postponing further experimentation with television to promote membership sales, Mr. Grosvenor said.

He said the society was pleased with a recent test of tv to promote "National Geographic World" and "we'll test it again."

But he predicted the society will be "cautious" about any major shift from its traditional direct mail sales program.

Likewise, changes to make the *Geographic* more attractive to advertisers are being made gradually. Mr. Grosvenor said the magazine is unlikely to change the longstanding policy that has kept its editorial sections free of ads, but that it has added "appropriate editorial-type copy" to its front "bank" of ads to draw more readers to that part of the magazine. The front ad section now features a "Members Forum" letters section and an "On Assignment" article about *Geographic* writers and photographers.

The magazine also continues to exclude ads for tobacco products, alcoholic beverages and proprietary drugs from its pages.

Whatever its present challenges, the *Geographic* remains one of the most successful magazines in modern publishing history. At the turn of the century, the society began developing a mass market for general interest magazines on science and geography. Alexander Graham Bell not only invented the telephone, but, as president of the society, also put together one of the most

successful magazine marketing strategies ever developed: Coupling subscription to the magazine with society "membership," giving customers a sense of participation in the stories being covered.

Over the years, the society's approach to magazine marketing has made the *Geographic* one of the biggest sellers in the entire publishing industry. Its worldwide circulation last year stood at 10.7 million; in the U.S., the society counted 8.8 million members.

Advertisers invested $29.1 million in the *Geographic* in 1981, up 10.2%. The society raised the magazine's 1982 page rates 9% to $95,575 for a four-color page in the full-run U.S. edition and 10.6%, to $73,520, for a b&w page. The U.S. rate base remained unchanged at 8.4 million. The 1983 rates are to be announced late this summer. The magazine offers seven regional and five metro editions within the U.S. and Atlantic, Pacific and Latin American English-language editions.

Circulation revenue from the *Geographic* last year was $129.7 million, up 22%. Circulation revenue from "National Geographic World" reached $11.9 million, up 9%.

The success of the *Geographic* has attracted many other publishers to the popular science, geography and culture field. Among the notable entrants is the Smithsonian Institution's *Smithsonian* magazine, which in 12 years has built circulation to 1.9 million and ad revenue to $23.8 million.

While rivals offer smaller, more upscale readership, Mr. Grosvenor said the society is committed to reaching a mass audience with the *Geographic*. "We don't feel that committed to a specific [readership] profile," he noted.

"National Geographic World," the society's entry in the children's magazine field, has developed circulation approaching 2 million since its 1975 debut. While the no-advertising policy remains in effect, Mr. Grosvenor said the society is "investigating the possibility of institutional type ads."

"If a manufacturer of space hardware wants to participate in some kind of special section on spacecraft, I could see where that might be appropriate," the society president said.

Mr. Grosvenor took over the presidency in 1980, the fifth in his family and the third carrying the Grosvenor name to hold that post. He had been editor of the *Geographic* for 10 years. He remains fascinated by the video revolution changing the face of tv, but said the society has yet to make firm plans on how it may benefit.

"It's exciting what's out there," he said, explaining that the society has a potential role as a supplier of programing for the new tv services that are popping up. Among the possibilities are participating as a program source for the new direct broadcast satellite networks envisioned by Comsat and others.

The society has an inventory of previously shown specials and educational films, Mr. Grosvenor said. And, he added, "I don't think you have to spend a bundle to make a program that's interesting to view."

MEDIA PROPERTIES

Magazines:

National Geographic, "National Geographic World."

New York Times Co.

New York Times Co., the country's 11th largest media company, had revenues from media operations—newspapers, magazines and broadcast facilities—of $796.6 million in 1981, up 17% from 1980 revenues of $679 million. Media accounted for 94% of the company's total 1981 revenues of $845.2 million. Remaining contributions came from the company's books, information and education division and interest income.

Over-all, the company had $61.9 million in operating income. The Times Co. newspaper group, which includes the *New York Times* and 18 regional papers, brought in revenues of $607.5 million last year, 71% of the company's total. Its operating income of $54.1 million represented 87% of the over-all company figure.

At a time when newspapers have been folding in Washington and Philadelphia, merging to stay alive in Atlanta and Minneapolis and struggling elsewhere, the New York Times Co. is almost indecently healthy. The company's flagship paper carried the most advertising in its 130-year history in 1981 and widened its share of the New York market to 60% from the 57% it pulled in the year before.

The *New York Times Magazine* once again ranked second behind *Business Week* in total ad pages among weekly magazines last year, increasing 3% to a record 4,512 pages.

Average weekday circulation at the *Times* climbed to 912,500 copies, while Sunday circulation grew to 1,485,000. What's more, these extra readers were paying more for their *Times*: The price of the daily paper went to 30 cents from 25 cents, making it the most expensive paper in the city; the Sunday $1 *Times* also continues to hold that distinction.

Despite its success—or perhaps because of it—the *Times* continues to evolve into more of a national newspaper. A second printing site for the paper's national edition was added in Florida last year and plans are to open one in California this year. They join the Chicago plant, which has been producing close to 75,000 weekday and 190,000 Sunday copies since 1980.

The *Times* also broadened its coverage in two key national areas in recent months. It added a page of Washington news and features soon after the *Washington Star* folded and also has redesigned its travel section.

The company's magazine group—consisting of *Family Circle*, *Golf Digest* and *Tennis*—reported an operating profit of $13.1 million in 1981, down 6% from 1980. *Family Circle* continued to dominate this group, with its average paid circulation of 7.4 million making it the fifth largest selling magazine in the country. Advertising also held up well last year, considering the problems plaguing most of the women's service magazines. Ad pages increased by almost 5% to 1,666, and revenues were up 5% to $95.4 million.

New York Times Co. entered the cable field in 1981 with the purchase of two cable tv systems in New Jersey, and many industry observers expect the company to continue expansion in this area. There have been reports of discussions between top-level Times Co. executives and their counterparts at RCA/NBC about the possibility of some joint venture between the two communications companies.

Profits of the broadcasting and cable group declined last year to $3.5 million from $3.8 million, a drop of 8% that the company attributed to costs associated with the cable operation's development.

MEDIA PROPERTIES

Newspapers

FLORIDA: *Anna Maria Islander, Avon Park Sun, Fernandina Beach News-Leader, Gainesville Sun, Golden Gate Eagle, Lake City Reporter, Lakeland Ledger, Leesburg Commercial, Marco Island Eagle, Ocala Star-Banner, Palatka Daily News, Sebring News, Zephyrhills News.* NEW YORK: *New York Times.* NORTH CAROLINA: *Hendersonville Times-News, Lexington Dispatch, Wilmington Star-News.* LOUISIANA: *Houma Daily Courier, Thibodaux Daily Comet.*

Magazines

Family Circle, Golf Digest, Golf World (Great Britain), *Tennis.*

Broadcasting

TELEVISION: WHNT-TV, Huntsville, Ala.; KFSM-TV, Fort Smith, Ark.; WREG-TV, Memphis, Tenn.

RADIO:WQXR (am, fm), New York.

Cable/video

NYT Cable TV, Southern New Jersey.

OTHER OPERATIONS

Books, information and education (a news service, features service syndicate, information retrieval services, micropublishing and the publication of books and education materials). Also, equity interests in Madison Paper Industries, three Canadian newsprint companies and the *International Herald Tribune.*

S.I. Newhouse & Sons

Advance Publication Company, the corporate umbrella for the company otherwise known as Samuel I. Newhouse & Sons, New York, is the country's seventh largest media company, with 1981 media property revenues estimated by Advertising Age at $1.25 billion, up from an estimated $1.1 billion in 1980.

Media revenues accounted for 89% of total revenues of $1.4 billion in 1981, with the non-media revenues coming from Random House books. Total company revenues in 1980 were $1.25 billion.

Conde Nast's GQ had a 44% increase in ad dollars.

About 75% of the company's media revenues came from newspapers and the remainder from magazines, radio stations and cable tv.

The country's largest privately owned media company currently is completing the divestiture of its broadcasting properties. It previously sold its tv properties in Syracuse, Elmira and Birmingham, N.Y., Harrisburg, Pa.; Portland and St. Louis to the Times Mirror Co. It now is awaiting Federal Communications Commisssion approval for the sale of all its existing radio stations.

Assuming approval is granted, WAPI (am, fm), Birmingham, Alabama, will be sold to Bernard Dittman, owner of WABB, Mobile; WSYR (am, fm), Syracuse, to Katz Communications and WTPA (fm), Harrisburg, Pa., to Foster Management.

Outsiders believe the company is forsaking traditional broadcasting properties, and will use the proceeds from their sale to fund expansion in other media operations, specifically cable. Management claims, however, the current divestitures do not preclude acquisitions of other broadcast concerns at a future date.

The company's cable operations are ranked as the eighth largest in the country and said to be among the fastest growing. But the company has publicly kept a low profile on its cable/video operations, purposely downplaying its cable involvement per orders of company head Samuel I. Newhouse Jr., some say.

Last year, the company was reported to have bought a system in Lake County, Fla. but that deal apparently was not consummated. Its Vision Cable Communications does have in place, however, a teletext operation with Dow Jones & Co. in Clearwater, Fla., that is considered one of the most advanced text and graphics systems in the country.

The company has anounced no major acquisitions since those of Vision Cable Co. and Danieis Properties—CATV Interests. But Mr. Newhouse is expected to continue to expand in cable and in time may use the company's magazines as a springboard into cable programing.

In the first six months this year, the Conde Nast Publications division has been actively promoting its coming revival of *Vanity Fair*, the repositioning of *House & Garden* and the makeover of *Mademoiselle.*

Conde Nast reportedly is investing $10 million in *Vanity Fair*, which will be relaunched next spring. Cultural coverage is the publication's focus, with culture broadly defined as anything from music to politics to sports. The magazine's prototype graphics seemed a blend of *Interview* and *Glamour*, designed to attract an upscale reader.

The high-income reader is also the target of Conde Nast's repositioned *House & Garden.* The 81-year-old magazine will now take on a more esoteric approach to decorating and design as well as the arts *a la Architectural Digest*, the presumed competition for the new *House & Garden.* Its cover price will be increased from $1.50 to $4 and the 1 million rate base will be cut.

Last year Conde Nast tested the waters for this repositioning when it made some visual and editorial changes in the publication. The changes appeared to help circulation, but *House & Garden's* advertising pages were down 11% in 1981 from 1980, while ad revenues rose only .3% to $26.6 million.

Other Conde Nast advertising results last year included increases for *GQ*, up 14% in pages and 44% in ad dollars to $7.3 million; *Vogue*, up 16% in pages and 31% in dollars to $40.4 million; *Glamour*, up 7.3% in pages and 26% in dollars to $36.1 million; *Mademoiselle*, up .9% in pages and 21% in dollars to $17.1 million.

Self pages increased 14% and its ad dollars rose 37% to $50.9 million. However, Conde Nast insiders still feel that *Self* is in need of more advertising categories. A survey commissioned by the publication may result in an aggressive effort to lure more advertisers.

Last February, *Self* said that liquor, beer and wine advertisers are ignoring women and reported that its survey showed that more than 90% of American women now drink some form of alcoholic beverage.

Because of Conde's current plans for *Vanity Fair*, *House & Garden* and *Mademoiselle*, which graphically now resembles *Self*, observers do not expect major developmens from the division in the next year.

If anything, they say, Conde Nast may buy a small publication along the lines of a *Gourmet*, if it came up, but would not start a new book from scratch nor invest in a large-circulation publication.

Conde Nast executives indicated there was some truth to the "smaller property" theory when they said they had never looked at Charter Co.'s *Redbook* when it was for sale, despite rumors that Conde Nast was a potential buyer.

The company's Random House division earlier this year bought part of Fawcett Publications book division from CBS Inc. The six lines purchased were: Crest, Gold Medal, Pre-

mier, Columbine, Coventry and Juniper.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Birmingham News, Huntsville Times, Huntsville News, Mobile Press, Mobile Register.* LOUISIANA: *New Orleans Times-Picayune, New Orleans States-Item.* MASSACHUSETTS: *Springfield Republican, Springfield Union News.* MICHIGAN: Booth Newspapers—*Ann Arbor News, Bay City Times, Flint Journal, Grand Rapids Press, Jackson Citizen Patriot, Kalamazoo Gazette, Muskegon Chronicle, Saginaw News. MISSISSIPPI: Pascagoula Mississippi Press, Pascagoula Chronicle.* MISSOURI: *St. Louis Globe-Democrat.* NEW JERSEY: *Jersey Journal* (Jersey City), *Newark Star Ledger.* NEW YORK: *Staten Island Advance, Syracuse Herald Journal, Syracuse Post Standard.* OHIO: *Cleveland Plain Dealer.* ORFGON: Portland Oregonian, Oregon Journal (Portland). PENNSYLVANIA: *Harrisbury Patriot News.*

Magazines

Conde Nast Publications: *Bride's, Glamour, GQ, House & Garden, Mademoiselle, Self, Vanity Fair.* Conde Nast Publications Ltd.—England. Les Editions Conde Nast SA—France. Edizioni Conde Nast SPA—Italy. *Parade,* the Sunday supplement.

Broadcasting

RADIO: WAPI (am, fm), Birmingham, Ala.; WSYR (am, fm) Syracuse, N.Y.; WTPA (fm), Harrisburg, Pa.

Cable/video

MetroVision Inc., serving LOUISIANA: St. John the Baptist Parish. NEBRASKA: Auburn, Crete, David City, Fairbury, Freemont, Humboldt, Lincoln, Nebraska City, Pawnee City, Seward, Superior, Table Rock, Tecumseh, Douglas County, York. OHIO: Green Township. ILLINOIS: Blue Island, Berwyn, Crestwood, Melrose Park, Midlothian, Northlake, Palos Hills, Posen, Stickney, Tinley Park, Westhaven, Hickory Hills (90% interest). INDIANA: Portage. KENTUCKY: Newport. TEXAS: Belton, Belmead, Beverly Hills, Greenville, Killeen, Lacey-Lakeview, Robinson, North Woodway, Temple and Waco. WISCONSIN: Menomonee Falls, Lannon (90% interest). WYOMING: Sheridan. Also, NewChannels Corp., serving ALABAMA: Anniston, Eufaula, Greenville, Wetumpka. NEW YORK: Binghamton, Carthage, Cooperstown, Corning, Delhi, Fulton, Malone, Massena, Ogdensburg, Oneonta, Potsdam, Rome, Sidney, Syracuse, Troy. PENNSYLVANIA: Canonsburg, Corapolis, Crescent Township, Moon Township, Neville Township. Also, Vision Cable Communications, serving FLORIDA: Clearwater (90% interest), Kenneth City, Pinellas Park. LOUISIANA: Alexandria and Houma. NEW JERSEY: Fort Lee. NORTH CAROLINA: Albemarle, Concord, Jacksonville, Morehead City, Salisbury, Shelby, Southport and Wilmington. PENNSYLVANIA: DuBois. SOUTH CAROLINA: Darlington, Florence and Sumter. Also, Eastern Microwave, a common carrier serving the northeast with cable tv voice and data, as well as superstation WOR to all 50 states.

News America Publishing

News America Publishing, New York, the U.S. branch of Rupert Murdoch's international publishing company, is the country's 36th largest media company, with estimated U.S. revenues of $210 million for the fiscal year ended June 30, all from print media.

In New York, the story brewing at the tabloids is now tabloid material itself, and, as can be expected, Rupert Murdoch is playing a leading role in the melodrama.

Mr. Murdoch's *Post* is in one corner, squared off against the *Daily News,* and the combatants claim they are fighting not just a sparring match but a gladiator's duel.

"Both of us are engaged in a dance of death which must end in the disappearance of one or both newspapers," Mr. Murdoch observed recently.

In April, Mr. Murdoch broke a longtime silence about the *Post's* financial ledger to reveal that the publication would lose some $20 million during a two-year period ending this year.

Previously, Mr. Murdoch had said only that the *Post's* losses would exceed the profits from the rest of his American media holdings, which, at this point at least, are in the black.

Mr. Murdoch's admissions about the Post's losses came under duress. The *News,* which could lose as much as $40 million to $50 million this year, was on the sales block and optioned off to media magnate Joe L. Allbritton. After a series of on-again, off-again negotiations between the *News'* 11 unions and the media executive, Mr. Murdoch entered the picture when the unions invited him to match his own bid for the paper. Later, Mr. Allbritton dropped out of negotiations.

Mr. Murdoch proved to be more than compliant. At a press conference, he talked openly about the faltering state of both dailies and he declared his intention of becoming the patriarch for both papers. His offer: He would buy the *News* and run it jointly with the *Post,* and, in doing so, he would try to preserve the integrity of both of them. He sweetened his proposal with the promise that he would build a $150 million, high technology plant in Queens capable of printing 2.5 million newspapers a day.

The response from the Tribune Co., the Chicago-based owner of the *Daily News,* was quite literally, "Drop dead," and the company made sure Mr. Murdoch knew it by printing it in headline-size type.

Yet it doesn't appear that the book is closed quite yet on this story of the battling tabloids. They still take potshots at each other, in news stories and in editorial columns, and the bitterness that has fueled the newspaper war is still there.

While the *Post* continues to get most of the attention, it is Mr.Murdoch's other American holdings that are bringing in the income. *New York* magazine, for instance, is now solidly in the black and is recording an all-time high this year in advertising pages and revenues. Ad pages will total about 2,600 this year, and will gross about $30 million for the fiscal year ending in June.

Automobile advertising, weak at the end of the year, is rebounding, with both domestic and foreign companies contributing to the till. Two other major growth categories are banking and retailing. Liquor and cigarets continue to hold up well, according to Martin Singerman, president of the News Group magazines subsidiary. "There is no real soft category," Mr. Singerman says.

The sturdy *Village Voice* is registering a record-breaking year in display and classified advertising. It will pull in about $14 million on 2,700 pages of advertising. At a time when the book publishing industry has been soft, the *Voice's* young literary supplement continues to grow. It is slated to appear in 10 issues of the *Voice* during its first year of existence. So far, there have been at least seven pages of advertising in each issue.

Circulation at the *Voice* remains at 145,000.

News America's most profitable publication is the weekly tabloid *The Star,* which is projected to bring in about $60 million in revenues. Mr. Singerman sees what he describes as a "healthy" move on the part of national advertisers into the tabloid, but he concedes the advertising community is "uncomfortable" with the "tabloid format."

"It's an image situation," he asserts, stressing that national advertisers will join the *Star's* fold in good time.

The Star offers 17 pages of ads 52 times a year, and usually books a full house.

MEDIA PROPERTIES

Newspapers (dailies)

NEW YORK: *New York Post.* TEXAS: *San Antonio Express, San Antonio News.*

Newspapers (nondailies)

NEW YORK: *Village Voice.* TEXAS: *The Star,* Houston Community Newspapers (all in Houston)—Community News, Humble Echo, Sentinel, Suburbia-Reporter, Sun, Sun Woodland.

Magazines

New York.

Oak Industries

Oak Industries, Rancho Bernardo, Cal., is the country's 60th largest media company, with estimated revenues of $130 million from media operations in 1981, or 26% of total revenues of $507.1 million, compared with media revenues of $76 million and total revenues of $386 million in 1980. Oak's subscription tv (stv) operations accounted for nearly all media revenues.

Oak's subscription tv operations—using the ON TV consumer trade name—are the over-the-air pay tv industry's largest, claiming 596,000 subscribers of the entire stv industry's 1.3 million homes as of February, 1982.

The publicly owned company's major business continues to be equipment manufacturing for electronic, cable tv and other industries, but Oak has been diversifying into tv media and software. Pay-per-view programing is one major thrust of Oak's tv software efforts.

In 1981, Oak had five ON TV stv operations: Los Angeles (388,000 subscribers as of February, 1982, the world's largest), Chicago (115,000 subscribers), Miami/Fort Lauderdale (38,000 subscribers), Phoenix (37,000 subscribers) and Dallas/Fort Worth (16,000 subscribers). Los Angeles and Miami/Fort Lauderdale are wholly owned while the others are joint ventures. In September, 1981, Oak bought out partner Chartwell Communications Group's 49% interest in ON TV Los Angeles for $55 million.

The Chicago operation has the distinction of being the industry's fastest growing, becoming profitable only eight months after its September, 1980, start. On the other hand, in Dallas/Ft. Worth, growth "has been less than expected" because ON TV competes with two other stv services, so Oak is considering a "combination with other parties" there, the company said.

Separately, Oak licenses the ON TV trade name to stv operations in Cincinnati, Portland and Philadelphia.

Oak has new stv starts, both joint ventures, planned for Houston and Baltimore/Washington in late 1982. The company also has said it may launch stv ventures in other, unspecified areas.

Consistent with industry practice, Oak markets ON TV using mass media advertising. About 85% of ON TV's estimated $11 million in ad spending (for five markets) is spent on tv commercials. Oak consolidated its entire consumer stv account at Admarketing, Beverly Hills, last January. The account previously had been split with Foote, Cone & Belding, Chicago.

Consumers pay about $23 monthly for ON TV service, which consists of uncut, commercial-free movies and special events. Delivery is via an ordinary, over-the-air uhf tv signal that is scrambled with Oak equipment.

ON TV offers local professional and collegiate sports events on an exclusive basis, a key local selling point that differentiates ON TV from national pay cable networks.

Oak's stv decoder equipment, with which its first stv operation was started in 1977 in Los Angeles, is addressable, *i.e.,* subscribers can be individually tuned in or out. That capability makes possible pay-per-view events in which subscribers are tuned into a special program when they pay an extra fee. Major such ON TV events include a September, 1981, Leonard-Hearns boxing match ($15 extra; 52% of the subscriber base participated) and a December, 1981, Rolling Stones rock concert ($10 extra; 10% of the subscriber base participated). Both were presented live via satellite.

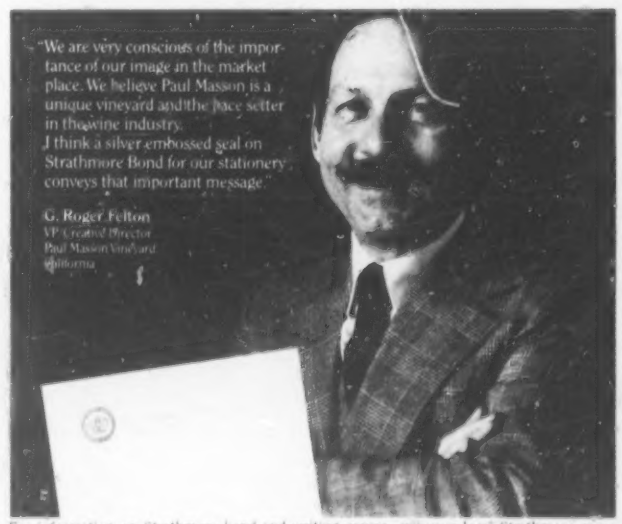
In another pay tv media venture, Oak hopes to operate in mid-1983 a direct broadcast satellite network reaching the northern part of the U.S. Consumers receive a dbs (direct broadcast satellite) signal directly from a satellite with a special antenna at their home. Oak plans to offer ON TV-like programing and in mid-1982 will file for Federal Communications Commission authorization to start the service.

In a joint venture, Oak plans to field test in 1982 a tv service bringing special programs to college campuses. Students will pay an admission fee to view the programs on large-screen tvs in theaters.

Program production activity, handled by the Oak Media Development subsidiary, includes a joint venture with Universal Pictures to make four movies for a total cost of $16 million. Oak

STRATHMORE

The quality people respond to.


"We are very conscious of the importance of our image in the market place. We believe Paul Masson is a unique vineyard and the pace setter in the wine industry.
I think a silver embossed seal on Strathmore Bond for our stationery conveys that important message."
G. Roger Felton
VP Creative Director
Paul Masson Vineyard
California

For information on Strathmore bond and writing papers, call your local Strathmore paper merchant or write to: Strathmore Paper Company, Dept. BW Westfield, MA 01085

Media Development is also producing pay tv pilots and programs, in some cases with partners sharing the risk.

In a short-lived media thrust, Oak acquired cable tv systems in Oxnard, Cal., and Castro Valley, Cal., in 1981. But in February, 1982, Oak said it will sell off the cable systems, which have 40,000 subscribers combined, apparently because the company is unwilling to enter the now-competitive cable system acquisition and franchising arena.

In 1981, Oak acquired 81% interest in VideoNet, a Woodland Hills, Cal., company that markets closed-circuit tv services.

Oak's 31% increase in revenue and 51% increase in operating profit in 1981 were due largely to growth in stv operations and tv communications equipment. Oak's communications equipment order backlog at the end of 1981 stood at $168.7 million.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KBSC-TV, Corona, Los Angeles (50% interest); WKID-TV, Fort Lauderdale, Fla.; WSNS-TV, Chicago (49% interest).

Cable/video

ON TV subscription tv (Phoenix, Los Angeles, Miami/Fort Lauderdale, Chicago and Dallas/Fort Worth); cable tv franchises in two California cities (being sold off in 1982).

OTHER OPERATIONS

Oak Communications (stv, cable tv and dbs equipment), Oak Media Development (tv programing), Oak Technology, Oak Satellite.

Oklahoma Publishing Co.

Oklahoma Publishing Co., a privately held enterprise owned by the Gaylord family in Oklahoma City, is the nation's 30th largest media company, with 1981 media property revenues estimated by Advertising Age at $266.8 million.

Last year's estimated revenues represent a 16% increase from 1980's estimate, which has been restated to $229 million to reflect the unusually large advertising-to-circulation revenue volume of about eight to one at the company's Oklahoma City newspaper operation. AA's original estimate of 1980 revenues was $170 million.

Oklahoma Publishing derives all of its revenues from media operations. The Gaylord family, however, has oil and gas and real estate interests as well.

Estimated 1981 revenues reflect normal revenue growth of about 15% in the seven tv markets of subsidiary Gaylord Broadcasting Co., and about 12% in Gaylord's two radio markets; a slight ad volume increase for *Farmer-Stockman* magazine, and revenue-increasing moves at the morning *Daily Oklahoman* and evening *Oklahoma City Times*, Gaylord's flagship papers in Oklahoma's capital city.

The Oklahoma City papers increased daily circulation prices from 20 cents to 25 cents and Sunday prices from 50 cents to 75 cents in April, 1981, and boosted retail linage rates several times during the year, resulting in rates at yearend that were 38% higher than at the end of 1980.

The company, which saw its morning, evening and combined Saturday editions lose circulation while the Sunday issue gained circulation, took steps to butt heads with competitors in the market that it has all but dominated for years.

The *Oklahoman* has beefed up editorial content in its two distribution zones—defined basically by U.S. 66—to combat territorial encroachment by suburban papers, particularly in the affluent northern part of Oklahoma City. The paper contains an interior r.o.p. broadside section of about 36 pages carrying part-run rates to attract smaller advertisers. The sections are off-limits to the bigger advertisers.

The rates, of course, are much cheaper than the full-run rates. A weakness of the special sections may be that they appear only on Monday and Thursday afternoons and Tuesday and Friday mornings. Only the special sections in the *Daily Oklahoman* Tuesday morning and the *Oklahoma City Times* Thursday evening are flagged as special editorial sections and given their own cover page along with more extensive coverage of social events.

These two editions have been distributed only in the north zone. Launched in April, they are slugged as the West and North sections of the north zone edition. The two sections carry the same advertising and editorial, although page one of each section is replated to designate West or North. Line rates are structured to encourage advertisers to buy all four sections appearing in the two morning and two evening papers.

Editorial in this north zone, especially in the Tuesday and Thursday papers, concentrates on parties and other items on the social calendar, an editorial thrust that has given the local competitor and suburban *Friday* newspaper a circulation of 14,448 in the city's far north region since founded by local entrepreneur Leland Gourley eight years ago.

"We call, the *Oklahoman*'s section *Friday Jr.*," chuckled Mr. Gourley, referring both to the sections' coverage and appearance. Mr. Gourley, who says *Friday* next to the *Oklahoman* is a "gnat on an elephant's rump," said the special sections "scared me a bit" when launched. "If they [the *Oklahoman*] do me dirt, it is to one of their good friends," he quipped, noting that *Oklahoman* news executives and families are a big part of the social register covered by *Friday* and like to read about themselves in his paper. Mr. Gourley said that *Friday* is running 32% ahead in dollar volume this year than last, but then "we were holding a 30% to 35% increase each month before the *Oklahoman* special sections came out."

The *Oklahoman* also faces increased editorial competition from *The Journal Record*, which has been transformed from a legal-notice broadsheet with a daily circulation of 600 several years ago into a full-fledged business daily with 4,500 subscribers. The paper offers themed sections on oil and gas (Tuesday), small business (Wednesday), executive living (Thursday) and real estate and construction (Friday). In an effort to improve its own business coverage, the *Oklahoman* this year hired the business daily's editor as the *Oklahoman's* business editor.

Observers said the *Oklahoman's* dominance of the local print media market has enabled it to retain the loyalty of advertisers, especially larger clients, even while levying higher-than-usual rate increases.

But "they've gotten loud cries from their advertisers," said a local advertising man, who noted that many advertisers have stayed put because there is no place else to go. He added that he expects a fallout if such increases continue: "They [the *Oklahoman*] have dipped their hand into the cookie jar and so far have come out with whole cookies. Sooner or later if rates continue to rise, they'll come out with broken ones."

The *Oklahoman* also does a thriving business in pre-print inserts, traditionally setting its prices just below postal rates and discounting for multiple contracts, a local adman said.

Oklahoma Publishing's lone venture in magazines, *Farmer-Stockman*, recorded a flat year for advertising with total ads nudging upwards from 82,848 to 82,856 for a slight linage gain, according to Agricom monitoring service. The subsidiary includes the *Texas Farmer-Stockman*, the *Oklahoma Farmer-Stockman* and their various territorial issues. The ad performance at the Dallas-based operation was a reflection of both the general economic climate and the 1980 drought that killed crops across the Midwest and Southwest, according to Hal Mayfield, ad director at the Dallas-based magazine. Mr. Mayfield noted that if interest rates would drop and commodity prices rise, so would ad linage at the *Farmer-Stockman*. Its monthly circulation in 1981 was 209,722, primarily in Texas, Oklahoma and New Mexico.

MEDIA PROPERTIES

Newspapers

COLORADO: *Colorado Springs Sun.* OKLAHOMA: *Oklahoma City Oklahoman, Oklahoma City Times.*

Magazines

Farmer-Stockman.

Broadcasting

TELEVISION: Gaylord Broadcasting Co.—WTVT, Tampa, Fla.; WVUE-TV, New Orleans; WUAB-TV, Lorain (Cleveland), O.; KTVT-TV, Dallas/Fort Worth; KHTV, Houston; KSTW-TV, Tacoma, Wash.; WVTV, Milwaukee.
RADIO: WKY (am), Oklahoma City, KYTE (am, fm) and KLLB (fm), Portland, Ore.

Outlet Co.

Outlet Co., Providence, R.I., is the country's 87th largest media company, with media property revenues of $75 million.

Revenues were roughly divided in a five-to-one ratio between Outlet's tv and radio stations. The company owns five television and seven radio stations. Each television station is in one of the nation's top 50 markets, and the radio stations, some observers believe, are "well placed." Total revenues for the company were $142.8 million.

Outlet began as a small retail store in Providence in 1894. By 1924, the company owned a radio station, WJAR, in Providence, also with a large retail store. That year, WJAR and WEAF, a radio station in New York, formed the beginnings of the National Broadcasting Co. radio network. In the early days of radio, many retail stores established radio stations to encourage sales of crystal sets and broadcast commercials about themselves.

A decade ago, Outlet owned a chain of retail stores and several tv and radio stations. But in the mid-'70s, Outlet began to withdraw from retail operations. In 1980, it sold most of its department stores to United Department Stores of Trenton, N.J.

Last year, Outlet was almost acquired by Columbia Pictures Industries, but the deal fell through early this year when Coca-Cola Co. and Columbia agreed to merge. Reports suggested that Coca-Cola first agreed to buy Outlet as part of the Columbia transaction, but had second thoughts because of Outlet's retailing operations (which lost $544,000 on net sales of $66.9 million in 1981), and possible contingent liabilities connected with the sale of its stores to United, which filed for Chapter 11 bankruptcy late in January.

Outlet's broadcasting operations have been and remain healthy. According to Howard Kay, the company's director for corporate affairs, 1981 was an excellent year. "We saw very significant growth in commercials," he said.

"KSAT-TV in San Antonio was a very strong performer, along with KOVR-TV in Sacramento and WDBO-TV in Orlando. Our radio stations WIOQ [fm] in Philadelphia and KIQQ [fm] in Los Angeles were also good. Some others have not performed at that level. It's a mixed bag, but on the whole, we've done very well," he added.

Mr. Kay said that, while Outlet has no immediate plans to purchase additional broadcasting properties, "our long-term objective is to acquire more stations." He also indicated that an agreement has been reached to sell the last 69 stores in its retail operations to the management of the stores. In addition, Outlet is selling its radio stations (WDBO fm and am) in Orlando to Katz Broadcasting in Florida for $9.5 million, of which $2.25 million is in cash, with the rest secured by a $7.25 million seven-year note. The sale is to be final today.

Other merger plans are not in the company's immediate future, "But if someone came along with a legitimate position, we would listen," said Mr. Kay.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KOVR, Stockton/Sacramento, Cal.; WDBO, Orlando, Fla.; WCMH, Columbus, O.; WJAR, Providence, R.I.; KSAT, San Antonio, Tex.
RADIO: KIQQ (fm), Los Angeles; WDBO (am, fm), Orlando, Fla.; WQRS (fm), Detroit; WIOQ (fm), Philadelphia; WSME (fm), Taiunton-Providence, R.I.; WTOP (am), Washington.

Park Broadcasting

Park Broadcasting, Ithaca, N.Y., is the country's 86th largest media company. Net operating revenues from media operations in calendar year 1981 were $75 million, a 15% increase from 1980 revenues of $65 million. Media operations represent 94% of total revenues in 1981 of $80 million.

Roy H. Park, 71, is sole owner of the company, which in 1962 bought its first broadcast station, WNCT-TV in Greenville, N.C., Mr. Park's home state. By 1977 the company owned seven television stations, seven am and seven fm radio stations, the maximum the Federal Communications Commission allows.

Mr. Park began buying newspapers in 1972. Today his company owns 53 dailies, weeklies and shoppers, many located in the South and Southeast. Combined circulation is 582,320, and no single paper reaches more than 50,000.

Park's most recent acquisition has been the *Robesonian*, a 112-year-old afternoon paper founded by a Baptist minister who served in the Civil War. It is based in Lumberton, N.C., and serves 16,000 readers. It dovetails nicely with Mr. Park's other properties; he has said he believes in sticking to what he knows best, and that means papers and broadcast stations that operate in smaller markets. It has also been his policy to promote growth by reinvesting all company earnings back into the company.

Mr. Park received degrees in business and journalism in 1931 from the University of North Carolina, and worked several short stints at editing and writing. But he got the capital he needed to found his own media company from a joint venture with Duncan Hines in the food business. Procter & Gamble acquired Hines-Park Foods in a 1956 merger. Mr. Park continued at P&G as an executive until he bought WNCT-TV in 1962.

Mr. Park's son, Roy Park Jr., runs another family venture, Park Outdoor Advertising, which operates in Ithaca, Jamestown, Binghamton and Utica, N.Y., and Scranton, Pa.

MEDIA PROPERTIES

Newspaper (dailies)

ARKANSAS: *Helena World.* FLORIDA: *Brooksville Sun Journal.* GEORGIA: *Warner Robins Daily Sun.* ILLINOIS: *Macomb Daily Journal.* INDIANA: *Plymouth Pilot News.* MICHIGAN: *Coldwater Daily Reporter.* NEBRASKA: *Nebraska City News Press.* NEW

YORK: *Lockport Union Sun & Journal, Norwich Evening Sun, Ogdensburg Journal.* NORTH CAROLINA: *Concord Tribune, Kannapolis Daily Independent, Morganton News Herald, Newton Observer-News-Enterprise, Robesonian* (Lumberton), *Statesville Record & Landmark.* OKLAHOMA: *Broken Arrow Daily Ledger, McAlester News-Capital & Democrat, Sapulpa Daily Herald.* VIRGINIA: *Manassas Journal Messenger.*

Newspapers (nondailies)

ARKANSAS: *West Helena Twin City Tribune.* GEORGIA: *Perry Houston Home Journal.* INDIANA: *Bremen Enquirer, Nappanee Advance News.* NEW YORK: *Canton-St. Lawrence Plaindealer, Potsdam Courier-Freeman, Massena Observer.* NORTH CAROLINA: *Maiden Times, Valdese News.* OKLAHOMA: *Bixby Bulletin, Hartshorne Sun, Jenks Journal, Quinton Times.* Also, shoppers in various locations.

Broadcasting

TELEVISION: WBMG-TV, Birmingham, Ala.; WUTR-TV, Utica, N.Y.; WNCT-TV, Greenville, N.C.; WDEF-TV, Chattanooga and WJHL-TV, Johnson City, Tenn.; WSLS-TV, Roanoke, and WTVR-TV, Richmond, Va.

RADIO: KRSI (am) and KJJO (fm), Eden Prairie, Minn.; WHEN (am) and WRRB (fm), Syracuse, N.Y.; WNCT (am, fm), Greenville, N.C.; KWJJ (am) and KJIB (fm), Portland, Ore.; WNAX (am), Yankton, S.D.; WDEF (am, fm), Chattanooga, Tenn.; WTVR (am, fm), Richmond, Va.; KEZX (fm), Seattle.

Outdoor

Park Outdoor Advertising, serving Binghamton, Ithaca, Jamestown and Utica, N.Y. and Scranton, Pa.

Penthouse International

Penthouse International, New York is the country's 55th largest media company with estimated 1981 media property revenues of $150 million, or 94% of total revenues of $160 million.

Since its founding in England in 1965 by Brooklyn-born Robert Guccione, 51, it has remained a private company. All the stock is owned by Guccione and Guccione family trusts. As chairman, president and chief editor, Mr. Guccione presides over every facet of his diverse holdings. Among them: Four magazines, two Atlantic City, N.J. properties, films, a syndicated television show, a mail order house for sexual aids, a heavy investment in a nuclear fusion research company and a meager book division. His ambition, stated repeatedly: "To own the largest privately held company in the world."

Toward this goal, he has continued to use profits from his highly successful *Penthouse* to fund various interests and support his litigious personality. The namesake magazine provides 80% of $124 million to the organization's yearly coffers. About 94% of *Penthouse*'s 4,051,969 monthly copies are sold on newsstands. This is in contrast to arch rival *Playboy* which sells 52% of its 5,013,941 copies on newsstands. *Playboy*, though, compensates for reduced subscription prices with extra ad pages.

In 1981, both *Penthouse* and *Playboy* sustained substantial drops in ad pages; *Penthouse* lost 51 pages, *Playboy*, 45. *Penthouse* also had a 6% drop in circulation. Industry sources attribute this to the economic crunch as well as a lessening interest in skin magazines. A high level former *Penthouse* insider, however, said he felt the *Penthouse* reductions were caused by a lack of promotional efforts by the company in view of the fact that the cover price increased from $2.50 to $3.

Three other media properties are money-makers. *Omni*, a newsstand science magazine, brought out in 1978, has recouped its $6 million start up costs and is now making a profit, with monthly circulation at a healthy 785,000. A syndicated spin-off television show, "Omni—The New Frontier" was shown in 68 markets (mostly on ABC affiliate stations) last season. The program may be extended into hour-long specials and children's shows, said Penthouse executive vice-president, David Myerson.

Forum, a digest-size monthly started in 1967 to handle the overflow of letters from *Penthouse*, has had a steady circulation of 620,000. And the harder core, *Variations*, has a steady following of 200,000.

Despite these successes, three other magazines started by Penthouse failed, taking millions with them. After five years and $14 million in losses, Guccione folded *Viva* in 1978. After only a year and reported losses of $1 million each, *Lords*, a men's fashion quarterly started in 1967, and *Photoworld*, published in 1970, folded.

The company was recently embroiled in a $522 million libel suit brought against it by the owners of Rancho La Costa, a California resort that *Penthouse* alleged in a 1975 article to have ties to organized crime. After a five-month trial, which yielded 23,000 pages of testimony and involved 100 witnesses, the magazine was exonerated on all counts by a Compton, Cal., superior court. The verdict was an expensive one for Penthouse, nonetheless, as it cost the company nearly $10 million to defend itself. Penthouse regularly spends nearly $8 million a year to defend and prosecute a host of other lawsuits, according to Mr. Myerson.

Last year, a Wyoming judge awarded Kimberli Jayne Pring $26.5 million (later reduced to $14 million) in damages. Ms. Pring, a former Miss Wyoming claimed she was libeled by a *Penthouse* story about a fictional holder of the same title. The case is on appeal. "An unfavorable judgement in either La Costa or Pring could bring the company down," said a Penthouse insider before the La Costa decision.

While Penthouse is deemed financially healthy, according to a Dun & Bradstreet credit report, new interests are threatening to strain its resources. Two Atlantic City properties bought in 1978 for about $50 million in cash have lain dormant awaiting $100 million in funds from private investors to finish what will be a hotel-casino. "They [Penthouse] are losing the earnings they could have made if they had invested properly," said a Penthouse financial source. Mr. Guccione himself has claimed in the press that the investment is troubling his company. Playboy has said it intends to appeal a decision that would terminate its own relationship with a New Jersey casino.

Penthouse also contributed at least $40 million to California-based INESCO, International Nuclear Systems Organization for research and development into an alternate energy source. The company plans to give INESCO $12 million this year even though it is not expected to produce any revenues for years to come.

What was expected to be a large asset for Penthouse, PET Network, has yet to get off the ground. The cable channel, which was to be a 12-hour, seven-day-a-week tv version of the magazine was billed to start last October. Playboy's "Playboy on Escapade," a similar idea but with monthly programing, started in January, 1982.

Still another draw on company funds is a $30 million film now in pre-production, "Catherine the Great," the second in a trilogy following "Caligula." Penthouse is considering the release of a film, "The Making of Caligula." "It's in a negative cash flow position. It can't sustain those interests," said the financial source.

All of these projects were supposed to be managed by the first reported president the company has ever had, other than Mr. Guccione, Mark Meagher. Mr. Meagher, former president of the Washington Post Co., signed on with Mr. Guccione in April, 1981, and left eight months later, giving weight to the company's reputation as a "revolving door." "I left because I didn't have the freedom to do what I was assured I'd have the freedom to do," says Mr. Meagher. David Myerson, an attorney, who is executive vp and who has had a 10-year relationship with Mr. Guccione has assumed day to day operations.

Frequent staff changes have led to an internally troubled organization. "Everyone lives in mortal fear they will be fired, every minute of the day," said a former editor who asked not to be named. However, several members of the Guccione family remain. Mr. Guccione's father is secretary-treasurer, his sister, Jeri Winston, is a senior vp and his daughter runs the West Coast ad sales office. His eldest son, most recently circulation director, periodically wafts in and out of the company.

Though no site has been selected, Penthouse plans to move from its mid-Manhattan headquarters when the rent doubles at the end of the year.

MEDIA PROPERTIES

Magazines

Penthouse, Forum, Omni, Variations.

OTHER OPERATIONS

Apex Properties, Boardwalk Properties, International Nuclear Systems Organization, "Omni—The New Frontier" syndicated tv show, Penthouse Entertainment Network, Penthouse Films, Penthouse International Books, Evelyn Rainbird Ltd. (mail order).

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***Front page reading from the* New York Times.**

Petersen Publishing Co.

Petersen Publishing Co., Los Angeles, is the country's 67th largest media company with media property revenues of $120 million, a 9.1% increase over media revenues of $110 million in 1980. Total corporate revenues are not available, although company officials say media operations account for something less than 90% of total revenues. Petersen said last year was the best in its history.

The company's media revenues come primarily from special-interest magazines.

The privately owned company, which has interests in real estate, restaurants and art galleries, as well as media, is seriously considering its first expansion into broadcasting and the new video technologies.

In 1981, Petersen formed a six-member corporate development committee to guide company expansion into broadcasting and the new video technologies. Included on the committee are company president Frederick Waingrow and several Petersen publishers and executives.

So far in 1982, Petersen is pursuing an expansion strategy of adding new titles in subject areas in which it is already entrenched. It is doing this through acquisition and internal development.

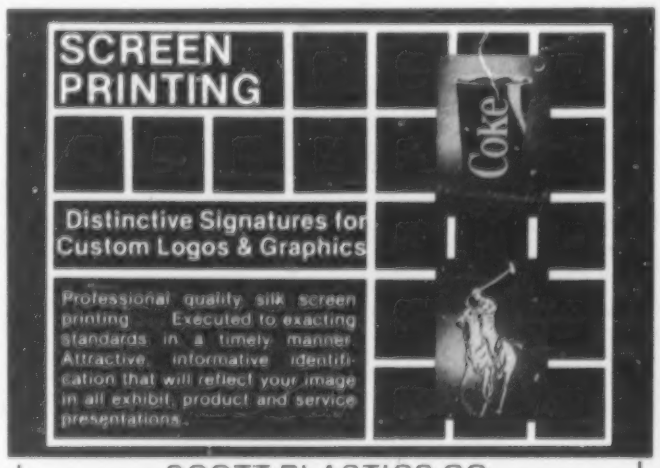
In January, Petersen acquired *Pick Up, Van & 4WD* from CBS Publications. The first issue under the Petersen banner was published in April.

In the fall, Petersen is slated to introduce two new monthly special-interest publications—*Petersen's Video World* and *Circle Track.*

Both magazines were conceived as one-shot magazines through Petersen's specialty publications division, but because of strong response the company decided to launch them as monthly publications.

Petersen's Video World is to cover a wide range of subjects within the home video field, including videocassette recorders, videodiscs, cameras, games, personal computers, software and accessories. The first issue is scheduled to have a December cover date, and should be on newsstands Oct. 26.

Circle Track is designed to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appeal to oval-track racers and enthusiasts. Its first issue is to feature an October cover date and be available Sept. 14.

In addition, Petersen plans to increase the number of one-time issues it publishes. New one-shots would include all areas of Petersen interest, plus others.

Mentioned in the past as possible subjects for single issues are audiovisual, home entertainment and home computers. Petersen is also interested in the sports field, particularly baseball, football and hockey, for possible one-time issues.

Petersen's Mr. Waingrow has indicated that the company has received numerous inquiries from public and cable tv operators concerning the possibility of using Petersen-generated material for programing.

While Detroit's troubles triggered a sales slump in 1980 for Petersen's two biggest titles, *Hot Rod* and *Motor Trend*, 1981 was different. Advertising sales for Petersen's auto group increased in 1981.

So far in 1982 Petersen has experienced a 20% increase in total advertising revenues over the strong 1981 figures.

There were several key personnel shifts among Petersen's top management over the past year.

Don Williams, former head of advertising at B.F. Goodrich's tire group, who became publisher of *Motor Trend* in 1981, left the company after only a few months to join Campbell-Ewald, Detroit, on the Chevrolet account. Brian Van Mols, former publisher of CBS Publications' *Cycle World*, succeeded Mr. Williams. Also moving at *Motor Trend* was former executive editor Tony Swan, who became editor. Mr. Swan took the place of John Dianna, who was promoted to publisher of Petersen's *Car Craft*.

Harry Hibler, former *Car Craft* publisher, became publisher of *Hot Rod*.

Dick Van Cleve, former *Hot Rod* publisher, moved to national ad director of Petersen's specialty publications division. Lee Kelley, former editor of *Hot Rod*, became publisher and editorial director of the specialty publications division.

Following the acquisition of *Pick Up, Van & 4WD*, Mike Anson, publisher of *Petersen's 4-Wheel & Off-Road*, was given the additional responsibilities of publisher of the acquired magazine.

Petersen is continuing efforts to build circulation of its automotive titles in 1982 with a sweepstakes in which the grand prize is a DeLorean sports car.

Despite the uncertain future of the U.S. auto industry, Petersen's automotive group is considered by some to be in a strong position if Detroit shifts from a mass-marketing strategy to a more targeted one. Some experts expect the U.S. auto makers to place more emphasis on wooing the hard-core auto enthusiast through special-interest media in the future.

MEDIA PROPERTIES

Magazines

Car Craft, Guns & Ammo, Hot Rod, Lakeland Boating, Motor Trend, Motorcyclist, Petersen's 4-Wheel & Off-Road, Petersen's Hunting, Petersen's Photographic, Pick Up, Van & 4WD (effective January, 1982), *Rudder, Sea & Pacific Skipper, Skin Diver, Teen.*

Pittway Corp.

Pittway Corp., Northbrook, Ill., is the country's 80th largest media company, with 1981 media property revenues of $86.3 million, all from the company's Penton/IPC subsidiary, headquartered in Cleveland.

Media accounted for 75.9% of Penton/IPC's total revenues of $113.7 million. The remainder comes from graphic services (5.2%), marketing and editorial services (18.9%).

Penton/IPC's revenues accounted for 28% of publicly owned Pittway's total revenues of $403.6 million in 1981. The subsidiary published 27 trade magazines in 1981.

Last year was the best ever for Penton/IPC, said Thomas L. Dempsey, Penton/IPC chairman and ceo and Pittway vp. "Twenty-six of our 27 magazines were up in advertising dollars and 25 were up in profits," he said. Mr. Dempsey's figures do not include the company's new *Computer-Aided Engineering*, which was launched last fall.

Mr. Dempsey added, "When business is off, companies must advertise to compete more effectively. Most of our magazines are the leaders in their fields. When advertising dollars are tight, most people will concentrate on the No. 1 publication."

Nineteen magazines recorded gains in ad pages and ad revenues in 1981. The best performers were *Used Equipment Directory, Machine Design, Material Handling Engineer, Progressive Architecture, Heating/Piping/Air Conditioning, Industry Week* and *Precision Metal.*

Advertising dollars continued up in the first quarter this year, but total ad pages were down by about 1%, Mr. Dempsey said. He said he sensed a further softening in ad pages for the rest of the year. "When the squeeze gets too tight, it affects everyone," he said.

In spite of slightly fewer ad pages, Penton/IPC anticipates a strong year in 1982, with the help of the new Computer-Aided Engineering, which began regular bimonthly publication in February, 1982.

"We expect an excellent year," Mr. Dempsey said. "But the economy is too mixed to predict specific results."

MEDIA PROPERTIES

Magazines

Air Conditioning & Refrigeration, Air Transport World, Chemical Engineering Catalog, Computer-Aided Engineering, Energy Management, Foundry, Government Product News, Handling & Shipping Management, Heating/Piping/Air Conditioning, Hydraulics & Pneumatics, Industry Week, Lodging Hospitality, Machine Design, Management Personal Time, Material Handling Engineering, Materials Engineering, Modern Office Procedures, New Equipment Digest, Occupational Hazards, Power Transmission Design, Precision Metal, Production Engineering, Progressive Architecture, Restaurant Hospitality, School Product News, Used Equipment Directory, Welding Design & Fabrication, Welding Distributor.

Other media

Direct-response cards, directories, annuals, special publications.

OTHER PROPERTIES

C&A Investments, Curtin & Pease (mail marketing), Fluid Power Show, list sales, market research, Mail-Tel Service, Penton/IPC Press (graphic service), Penton Learning Systems, Pittway Real Estate, Power Transmission Show, Rick Reinert Productions (motion pictures and animated films), Saddlebrook Resorts.

Playboy Enterprises

Playboy Enterprises, Chicago, is the 53rd largest U.S. media company, with media property revenues of $156 million in fiscal 1981, ended last June 30. This amounted to 41% of total revenues of $388.9 million. Nonmedia revenues came from gaming, clubs and hotels and other businesses. Total profits for the year were $14.34 million.

Media revenues for the 1980 fiscal year were $162 million out of total corporate revenues of $363.2 million.

Playboy is in a tumultuous period of transition. Once a "leisure time" company built around a successful magazine, in recent months it has been stripped of virtually all interests but that magazine.

Denied the revenues from its United Kingdom gaming operations (sold in November following a long licensing battle) and its application for licensing of its Atlantic City hotel and casino (though it is appealing this ruling) and currently divesting itself of a number of unprofitable properties (such as several resorts and its book division), Playboy is reshaping itself as a communications company.

Also gone from the company is former president and chief operating officer Derick J. Daniels, who a few months ago turned over the reins to chairman Hugh Hefner's 29-year old daughter, Christie. With the company in various capacities for seven years, most recently as corporate vp, Ms. Hefner is now president. Appointed to a newly created office of the president along with Ms. Hefner were executive vps Marvin Huston and Richard Rosensweig.

Now heavily dependent for cash on *Playboy* magazine, the company is expected in fiscal 1982 to report its first loss since 1962.

Earnings for the magazine division fell more than 50% in fiscal 1981 to $6.02 million, from $14.74 million in 1980. The company attributed the decline to $4 million in losses from *Games*, a decline in *Playboy's* newsstand sales, thanks to a lack of sell out covers, and losses from *Oui*, which was sold for a reported $2 million just before the end of the fiscal year.

The company has projected a 20% increase in earnings for the magazine division in fiscal 1982, which ends June 30.

In its new form, Playboy is focusing its attention on expanding its publishing base and pursuing the video industry with a stable, if mature, Playboy magazine as the core. On the lookout for acquisitions, magazine division group vp Nat Lehrman said he is interested in small "life style" magazines with loyal followings which could benefit from Playboy's distribution strengths and financial resources.

Mr. Lehrman pointed to *Games* as an example of the type of property he is interested in. *Games*, which had a circulation of 200,000 when it was acquired in 1978, now has newsstand distribution of 675,000. It will go from every other month to monthly in September, and is expected to become profitable in 1983.

The division also continues to experiment with the *Playboy Guides*, one-shot magazines with expanded coverage of topics of interest to *Playboy* magazine. Thus far the *Guides* have met with mixed success, but the company believes they are a good way of exploring publishing opportunities without heavy upfront investment.

Mr. Hefner's personal interest in the publishing business, as opposed to his relative lack of interest in nonpublishing ventures, is expected to help the magazine division.

In the video area, Playboy is an equal partner with Rainbow Programing Services Co. in an adult programing service called Escapade, slated to become the Playboy Channel when Playboy-produced material exceeds 50%.

The company so far has produced four one-hour video versions of *Playboy* magazine, complete with interviews, movie and music reviews and Playmate segments. It is planning to produce four hours of programing a month by the end of the year.

While even Hugh Hefner is said to be disappointed to date with the company's efforts to transfer the quality of *Playboy* magazine to the screen, Escapade, according to the newsletter, "Cable TV Programming," has an edge over competing adult-oriented cable ventures. Escapade has more than 200,000 subscribers, compared to 125,000 for Private Screenings and 100,000 for Eros.

Playboy also has an agreement with ON TV, through which the subscription television service will distribute one hour of Playboy programing a month beginning this month.

MEDIA PROPERTIES

Magazines

Playboy, Games, Playboy Guides.

OTHER OPERATIONS

Cable programing venture with Rainbow Programming Services, licensing, Playboy Clubs.

Post Corp.

Post Corp., Appleton, Wis., is the country's 88th largest media company, with revenues of $73.2 million in 1981 from its media properties. The company's commercial printing operation, which was its brightest performer in 1981 and in the first two quarters of 1982, accounted for an additional $9.98 million, bringing total corporate revenues to $83.2 million.

Revenues for the company were up slightly compared with 1980, but earnings in the first quarter of 1982 are below earnings in the first period of 1981. V.I. Minahan, president of the publicly held company, attributes the tough going to the sluggish economy.

In 1981, the broadcast division had a particularly difficult struggle as advertising revenues fell. Although the company doesn't break out revenues from each of the divisions, Mr. Minahan characterized the broadcasting division results as "sharply lower" than in 1980.

Selling of a 12-paper suburban newspaper chain outside Milwaukee in May, 1981, and the settlement of a 10-month strike at Transcript Newspapers in suburban Boston helped the earnings of the publishing division. The *Post-Crescent* of Appleton, Wis., was the lead performer in Post's stable of newspapers.

There was relatively little action in terms of acquisitions during the past year. As Mr. Minahan said, "we've adopted a wait and see attitude until something moves in the economy." Post Corp. has been cautious because of small profits during the past two years.

In the first quarter of 1982, the newspaper's operating profit dropped 20% below that of first-quarter, 1981, because of poor advertising revenues and stiff competition in a few key markets. Commercial printing played a critical part in maintaining the company's over-all financial health and stability. In the first quarter of 1982, the division posted a 164% increase over last year's first quarter.

The Post Corp. appointed three new general managers of company properties. Thomas L. Gagnon became the general manager at WLUK-TV, Green Bay, Wis; Guy Spitsberg joined WLUC-TV as general manager; and Roy F. Valitchka II was named general manager of the *Twin City News-Record*, Neenah-Menasha, Wis.

MEDIA PROPERTIES

Newspapers (dailies)

MASSACHUSETTS: *Dedham Daily Transcript, Waltham News-Tribune.* WISCONSIN: *Appleton Post-Crescent, Twin City News-Record* (Neenah/Menasha), *West Bend News.*

Newspapers (nondailies)

ILLINOIS: *Granite City Press Record.* MASSACHUSETTS: *Collinsville Herald, Newton Graphic, Parkway Transcript, West Roxbury Transcript.* OHIO: *Bedford Sun-Banner, Brunswick Sun Times, Chagrin Valley Herald Sun, Euclid Sun*

Journal, Garfield-Maple Heights Sun, Lakewood Sun Post, Medina Sun Sentinel and News Sun, Parma Sun Post, Solon Herald Sun, Strongsville-North Royalton Sun Star, Sun Courier, Sun Herald, Sun Leader Journal, Sun Messenger, Sun Press, Sun Scoop Journal, West Side Sun News.

Broadcasting

TELEVISION: WLUC-TV, Marquette, Mich.; WTVO-TV, Kirksville, Mo.; WOKR-TV, Rochester, New York; WEAU-TV, Eau Claire; and WLUK-TV, Green Bay, Wis.

RADIO: KBIZ (am), Ottumwa, Ia.; WAVY (am), Chippewa Falls, and WAXX (fm), Eau Claire, Wis.

Providence Journal Co.

The Providence Journal Co., Providence, R.I., is the nation's 66th largest media company, with estimated 1981 revenues from media operations of $121 million. The remaining operations of the company added $141 million for a total of $262 million.

The privately owned company publishes two daily newspapers and has substantial broadcasting and cable tv interests. Beginning in June, it plans to publish two electronic newspapers.

The combined circulation of the dailies—the morning *Providence Journal* and the *Evening Bulletin*—is 219,440, according to March, 1982, Audit Bureau of Circulations figures. The *Sunday Journal*, one of the oldest Sunday publications in the region, has a circulation of nearly 239,000. The total circulation of the three places them second only to the *Boston Globe* in the New England market.

The three newspapers employ a staff of 125 out of Providence, a Washington bureau and 12 other regional offices. During the last year they have been honored for their national as well as international reporting and have received numerous national and regional awards.

The broadcasting operations of the company are served by Providence Journal Broadcasting, a fully owned subsidiary. The company operates the all-news WEAN-AM as well as the top-40 WPJB-FM in Providence. WEAN employs the largest broadcasting news staff in southern New England and is one of the top-rated news stations in the country. The company also owns WPHL-TV, an independent tv station in Philadelphia that has the broadcast rights to the Philadelphia Phillies baseball games.

The Journal Co. has also established a firm presence in the cable tv field through its ownership of Colony Communications, the 29th-ranked multiple systems operator in the industry. Colony operates 52 franchises in seven states—Rhode Island, Massachusetts, Vermont, New York, Pennsylvania, Florida and California. It has 151,000 basic service subscribers and another 150,000 who subscribe to its pay offerings. Colony also operates a multipoint distribution system—over-the-air pay unit—which transmits Home Box Office programs to more than 21,000 subscribers in Boston, Springfield and Providence.

During the last year, Colony has increased the variety of entertainment and nonentertainment services offered through its systems. The most prominent addition has been "Movietime," a 24-hour, advertiser-supported movie channel that is offered free to cable subscribers in the Providence-New Bedford ADI. "Movietime" is also offered free to other cable operators in the area. The channel currently reaches 40,000 subscribers, reports Roger Turner, Colony's vp and director of operations. He expects nearly 200,000 subscribers to be receiving it by the yearend.

Many of Colony's cable systems produce their own news programs, including several in Spanish and Portuguese. A few have been nominated for and awarded the cable industry's ACE awards.

In the nonentertainment area, the Hialeah franchise has started to offer a security channel, while Play-Cable, a video games channel, is being offered in Beacon, N.Y. Play-Cable is received by nearly 40,000 subscribers.

Colony is making an aggressive attempt to develop additional revenue streams out of its experience with the new communications technologies, reports Mr. Turner. The company has begun to design institutional networks for clients such as IBM, Wang Laboratories and the Woods Hole Oceanographic Institute, including communications and teleconferencing systems.

Beginning in June, Colony Electronic Information Systems, a subsidiary of Colony Communications, will publish two 24-hour electronic newspapers, using the Telidon Videotext technology. The newspapers will be available on Colony cable systems as well as contiguous ones in the Providence-New Bedford area.

The company has also established a new division of broadcast sales to actively pursue cable advertising sales. The division sells local time on advertiser-supported channels such as CNN, ESPN, MTV and USA, as well as some of the locally produced channels, and received more than $1 million in revenues in 1981.

During 1981-82, Colony had a number of significant personnel changes. Donald M. Olson, formerly with Newhouse Broadcasting in Birmingham, Alabama, was appointed director of broadcast sales, while Dave Donnelly became director of Colony Electronic Information Systems. Another appointment was that of Doug Truckenmiller as director of engineering.

MEDIA PROPERTIES

Newspapers

RHODE ISLAND: *Providence Evening Bulletin, Providence Journal.*

Broadcasting

TELEVISION: WPHL-TV, Philadelphia.

RADIO: WEAN (am) and WJPB (fm), Providence, R.I.

Cable/video

CALIFORNIA: Harbor City, San Pedro, Wilmington. FLORIDA: Hialeah-Coral Gables (88.89%). MASSACHUSETTS: Fall River (84%), Falmouth (90%), Lowell, New Bedford (86%), Woburn. NEW YORK: Beacon, Hyde Park, Lloyd, Monroe, Poughkeepsie. PENNSYLVANIA: Homestead. RHODE ISLAND: Hopkinton, Westerly. VERMONT: Bennington. Multipoint distribution systems—MASSACHUSETTS: Boston, Springfield. RHODE ISLAND: Providence.

OTHER OPERATIONS

Providence Gravure.

Pulitzer Publishing Co.

Pulitzer Publishing Co., St. Louis, is the country's 40th largest media company, with 1981 revenues estimated by AA at $197.4 million, all from media sources. The company is privately owned, with the majority of stock held by the Pulitzer family.

Revenues from Pulitzer's two radio stations, five tv stations and two newspapers reportedly held steady in 1981.

Pulitzer Productions, a fledgling electronic information subsidiary, took a cautious step into video software. "Right now we're just dipping a toe in," a company official said.

The *St. Louis Post-Dispatch*, Pulitzer's largest revenue producer, is still the company centerpiece and seems destined to remain so, although it has been hurt financially by labor troubles and stiff competition from a thriving suburban press.

It leaped one of these hurdles in 1981 when the paper moved last fall to get its unions to sign 42-month contracts agreeing to an 18-month wage freeze followed by incremental raises for the remainder of the contract period.

In addition, it won a long-running battle with unions over mailroom staffing. As a result of the concessions gained and the need to compete more effectively with Suburban Newspapers of Greater St. Louis, a powerful free-weekly publisher that blankets most of the market, the *Post-Dispatch* recently rolled out the first phase of a blanket-coverage program that drops advertising supplements on 486,000 doorsteps on the Missouri side of the Mississippi River every Tuesday. Officials expect to distribute up to 600,000 supplements weekly on both sides of the river by yearend.

The supplement, called "Wednesday Bargain," is delivered with the *Globe-Democrat* to that paper's subscribers and separately to nonsubscribers. Currently, the *Post-Dispatch* offers 12 separate market segments to advertisers and plans to offer 40 to 50. A broadsheet usually carrying 16 pages and containing seven inserts, the supplement "has been a success, although marginally profitable," said Nicholas Penniman, Pulitzer assistant general manager.

The paper leaned hard on its unions to get the favorable settlements, but company officials claim the wage freeze and other cost-cutting measures have begun to put the paper on a more solid footing. Industry observers generally agree that the paper is in better health than it was a year ago.

Mr. Penniman called the guarantee of labor peace through early 1985 "an enormous benefit for a paper with the history of labor problems we've had." Strikes closed the paper for several weeks in 1973 and 1978-1979, resulting both times in substantial losses of circulation and advertising.

After the 1979 strike, the afternoon *Post-Dispatch* and morning *Globe-Democrat*, owned by Newhouse Newspapers, merged business functions. Editorial departments continue to operate separately, with the editorial pages often espousing opposite political views.

Pulitzer controls the operating agency and handles accounting, circulation and advertising for both papers. It also owns the presses on which the papers are printed. Advertising for the two papers often is sold in combination, and the papers split profits and losses equally.

The biggest problem facing the *Post-Dispatch*, as well as the *Globe-Democrat*, still festers: St. Louis' weak economy. "Our want ad index indicates the depth of the problem," Mr. Penniman said. At last count, he said, it was down to half of what it was in 1967, the steepest falloff outside Detroit.

In response to the economic problems in its home base, Pulitzer is trying to balance its St. Louis newspaper holdings with media properties in more prosperous locales. Several years ago, it swapped its St. Louis radio station for an am-fm combination in Phoenix.

Now it's trying to swap its St. Louis tv station for a couple of Sunbelt stations. Pending Federal Communications Commission approval, Pulitzer will trade KSDK-TV to Multimedia Inc. for WFBC-TV in Greenville, S.C., WXII in Winston-Salem, N.C. and $8.5 million in cash. Pulitzer would then own six tv stations and would have to divest one under current FCC rules.

The company's entry into video technology remains quite tentative. Pulitzer Productions is making the *Post-Dispatch's* classified ads available to subscribers with home computers, but demand so far is light.

In a joint venture, a Pulitzer Productions subsidiary and multifaceted Indian Head Inc., New York, acquired Washington-based States News Service, which produces stories from the capital for client newspapers, currently about 70 in 16 states. The *Post-Dispatch* is essentially the news arm of States News Service while Indian Head provides the technical expertise.

"We're not going to leap far beyond our traditional lines of business, but this is a logical evolutionary extension of the kind of thing we already do," Mr. Penniman said.

MEDIA PROPERTIES

Newspapers

ARIZONA: *Arizona Daily Star* (Tuscon). MISSOURI: *St. Louis Post-Dispatch.*

Broadcasting

TELEVISION: KSDK-TV, St. Louis; KETV, Omaha, Neb.; KOAT-TV, Albuquerque, N.M.; WGAL-TV, Lancaster, Pa.; WLNE-TV, Providence, R.I.

RADIO: KKLT (fm) and KTAR (am), Phoenix, Ariz.

News Service

States News Service, Washington.

Cable/video

Pulitzer Productions.

RCA Corp.

RCA Corp., New York, is the third largest media company, with media revenues of $1.62 billion in 1981—all from National Broadcasting Co.—out of total revenues of $8.004 billion. In 1980, RCA had media revenues of $1.52 billion and total revenues of $8.011 billion.

In the last year, there has been speculation that RCA isn't in the broadcasting businesss to stay, but Thornton Bradshaw, RCA chairman, assured NBC-TV affiliates at their annual convention in Los Angeles in May that NBC is "not for sale." Besides its tv network and owned-tv stations, NBC owns two radio networks and several radio outlets.

Speculation about RCA's possible move out of broadcasting has been fueled partly by the company's profit woes. Net income plummeted 83% last year to $54 million from $315.3 million. National Broadcasting Co.'s profits fell 36%. The NBC decline was blamed on write-offs of shows and made-for-tv movies from the Fred Silverman era, lower prices due to sluggish ratings, chiefly in prime time and daytime, and higher program production costs. In addition, news division expenditures were higher than usual because of coverage of the hostages' return from Iran, the attempted assassinations of President Reagan and the Pope and other unexpected events. The royal wedding in England was another costly event to cover, although one that posted higher ratings for NBC than for its rivals, NBC claimed.

Mr. Bradshaw told shareholders earlier this year that broadcasting was one of three company businesses suffering "major declines" in profits last year, along with picture tube production and transportation services. Despite the earnings slump, Mr. Bradshaw said that not only is NBC not on the block, but "I don't know how RCA could get on without NBC, or vice versa," as the parent sets out to become "the lead company in communications, entertainment and electronics" within the next few years. RCA, he added, plans to reach that goal by "staying on the main road" and avoiding "side roads," the latter referring to such diversifications as Hertz Corp. and Coronet Carpet Co., both of which Mr. Bradshaw now plans to "get rid of."

Past RCA management failed

to recognize that "RCA's future is right in our own backyard, the electronics, entertainment and communications business," he added.

Grant Tinker, NBC chairman, said that sports, news, late night, early morning and as of this past season Saturday morning children's fare are "not part of the problem," since "in all those areas, we are solid and competitive." NBC-TV's third-place prime time and daytime offerings, on the other hand, are not only "not competitive" but "just plain dismal."

Robert Mulholland, NBC president, added that NBC has "a long way to rebuild" in both of these time periods. Part of the network's problem has been the past policy of "jerking around the schedule," so Mr. Tinker promised affiliates and, indirectly, sponsors, "a stability of schedule" not seen at NBC for many years. Network president Raymond Timothy and NBC entertainment chief Brandon Tartikoff emphasized the small amount of time shifting there will be among series returning this September.

This stability also is meant to appeal to the creative community, since Mr. Tinker wants the best talent available. Toward that end, he already has expressed interest in any new series concepts from the creators of the series,"Taxi," canceled by ABC and picked up by NBC, and of the "Lou Grant" CBS series.

While describing NBC's report card as "not all straight A's" and the 1981-82 prime time season "less than dazzling," Mr. Timothy saw encouraging signs, including the fact that NBC finished second in the prime time Nielsens for Monday through Thursday, edging CBS (which then went on to clobber NBC the remaining nights). For the 28-week season ended April 18, NBC averaged a 15.2 homes rating versus frontrunner CBS' 19 and No. 2 ABC's 18.1.

With regular series as its "backbone," NBC also plans a steady, virtually once-monthly diet of miniseries in 1982-83, with Mr. Tartikoff having penciled in "Little Gloria" for October, "The Executioner's Song" for November, the repeat of "Shogun" for January (leading into the February sweeps, instead of into the fall season, as initially planned) and "Princess Daisy" for the May sweeps.

NBC's most popular program last season, "Real People," ranked 22nd with a 19.7 rating and 30 audience share, followed by longtime NBC leader "Little House on the Prairie" at 24th; "Little House" drew top dollar last fall on NBC, $135,000 for a 30-second spot, followed by "CHiPs" and "Diff'rent Strokes." The other big NBC prime-time hits in the just-ended season were "Facts of Life," the NBC Monday movie, "Strokes" and the freshman "Love, Sidney," all within the top 40. NBC's most popular newcomer, "Maverick," was not renewed because it was deemed too male-oriented, NBC said.

In daytime too, NBC faces quite an uphill battle to catch No. 2 CBS. "Days of Our Lives" remains NBC's top-rated show, now that "Search for Tomorrow" has lost some of its momentum since Procter & Gamble switched it to NBC from CBS earlier this year. Come fall, NBC will bank on "Fantasy," an escapist game show hosted by Peter ("Hollywood Squares") Marshall, bridging the 3 to 4 p.m. (ET) gap between the end of the network afternoon block and local stations' newscasts.

In evening news, NBC is closer to CBS than it has been in five years, according to Mr. Timothy, with the Tom Brokaw/Roger Mudd co-anchor team improving on John Chancellor's scores as CBS' Dan Rather dips. The network president hopes to keep that momentum going through the summer, aided by an 11-week promotional push, using $35 million in network air time in all dayparts as of June 1. That will be followed by another local/national news push in March/April.

The network's prime-time promotional surge, using the theme "Just Watch Us Now," will begin July 15, with NBC offering greater than ever localization of the national theme for affiliates.

Also in news, NBC News boss Reuven Frank indicated "a willingness to experiment" in both use of technology and show scheduling, since "our audience is changing." On July 5, NBC will begin "Early Today" as a lead-in to "Today" (with stations able to carry it either at 6 a.m. or, preferably, 6:30 a.m.), "NBC News Overnight" at 1:30 a.m., and also Affiliate News Service (or A-News) as a news capsule feed five days weekly starting in September (and seven days eventually). All this activity should make NBC more competitive vis a vis Cable News Network and CNN2, industry sources said. However, to help defray the costs involved in providing A-News, NBC is taking an additional 30-second spot in each evening newscast starting in September, something which the affiliates only grudgingly approved.

The network, moreover, has been notching gains among young adult viewers for "Today," "Tonight," daytime shows and "SportsWorld," which NBC described as the fastest-growing sports anthology. While "Today" is down slightly from a year ago, it still is attracting the second largest number of homes in its history, Mr. Timothy added.

NBC boasted that the local newscasts of its owned stations score highly with viewers with annual incomes of $30,000 and up. The tv stations division posted record sales and profits last year.

The company reported that its eight owned radio outlets scored ratings gains; in New York alone, WNBC (am) and WYNY (fm) are high on the ratings lists, quite a turnaround from their cellar-dwelling days of just a couple of years ago. The 369-affiliate NBC Radio Network outdelivered its competitors in listeners, NBC continued, and The Source, its young adult net, is scoring well among 18 to 34 year olds via 183 affiliates.

Like ABC and CBS, RCA and NBC are exploring the new technologies, with parent RCA most actively involved at present.

Mr. Tinker indicated that, as a matter of priorities, he is more interested in putting NBC-TV back on track than in being diverted by catv and home video ventures.

MEDIA PROPERTIES
Broadcasting

TELEVISION: NBC-TV Network. NBC-owned stations: KNBC-TV, Los Angeles; WMAQ-TV, Chicago; WKYC-TV, Cleveland; WNBC-TV, New York; WRC-TV, Washington.

RADIO: NBC Radio Network, The Source network. NBC-owned stations: KNBR (am) and KYUU (fm), San Francisco; WMAQ (am) and WKQX (fm), Chicago; WNBC (am) and WYNY (fm), New York; WRC (am) and WKYS (fm), Washington.

OTHER OPERATIONS

Entertainment Channel (catv) with Rockefeller Center TV, RCA/Columbia Pictures International Video (home video), SelectaVision videodiscs and videocassette recorders, consumer electronics division, RCA Americom (satellites), RCA Records, Hertz. CIT Financial Services.

Reader's Digest Assn.

Reader's Digest Assn., Pleasantville, N.Y., is the country's 27th largest media company, with 1981 media property revenues estimated by ADVERTISING AGE at $300 million, or 25% of estimated total revenues of $1.2 billion. U.S. media revenues came from the U.S. edition of *Reader's Digest* and from the company's short-lived *Families* magazine.

RDA also derives revenues from foreign editions of the *Digest*, book publishing and mail order sales of records and other products.

The company, whose voting stock is controlled entirely by Lila Wallace, widow of founder DeWitt Wallace, had estimated media revenues of $270 million in 1980 out of total estimated revenues of $1.1 billion.

In its sole media business of magazine publishing, RDA once again finds itself with only one product, the *Reader's Digest*, started by Mr. Wallace and his wife in a Greenwich Village basement in 1922. *Families*, the company's first new magazine, started as a monthly amid high hopes and enthusiasm last October. It was called by RDA officials the most-tested new magazine the industry had seen and was considered by company insiders as well as many outsiders to have very little chance of failing.

But after running an average of 53 pages of advertising for the first three issues, Families managed only 14 pages of advertising in the January, 1982, issue, giving stunned RDA officials the first solid indication that the new magazine wasn't a sure winner after all. Advertising rebounded from January, and the February through May issues averaged 35 pages of ads, well down from the late 1981 showing and below expectations.

The greatest problem, however, was attracting readers. The magazine consistently fell short of its guaranteed circulation of 600,000, with single-copy sales, a key early barometer of the magazine's chances, running at half of RDA projections. The poor readership reflected, in the view of some industry followers, *Families*' too-broad target audience and the resulting wide range in editorial matter. In any case, RDA pulled the plug on *Families* with this month's edition.

The experiment with applying the old *Digest* formula—called a "fail safe formula for success" by Richard McLoughlin, publisher of both the *Digest* and *Families*, —cost the company about $15 million, industry sources believe. The failure also helped raise anew doubts about RDA's ability to publish a successful magazine other than the *Digest*, which remains something of an anomaly in an industry where many general-interest magazines give way to specialized magazines with narrower target audiences.

Company followers had speculated that the post-Wallace era (Mr. Wallace died at the age of 91 in April, 1981) at RDA would be characterized by greater willingness to launch new publications. Mr. McLoughlin said last year that the company had a number of new magazines in addition to *Families* under consideration. Now, however, shaken by its *Families* experience, RDA will become even more cautious on expansion, some observers believe. RDA officials have refused to discuss *Families* or their current thoughts on new publications.

The *Digest* itself appears to have peaked in U.S. circulation. Though a company official in 1980 predicted circulation would average 18.5 million copies a month in 1981, circulation is averaging about 17.9 million a month, according to Audit Bureau of Circulations figures for the second half of 1981. Advertising pages in the *Digest* rose 3.5% to 1,271 last year, but thanks to a 9% increase in rates, total ad revenues rose 13% to $112.9 million, placing the *Digest* seventh among all magazines in ad revenues, according to the Publishers Information Bureau.

Through May of this year, the *Digest's* ad pages were down 8.6% to 418.

Last month, RDA named Lynn C. Mapes ad sales manager of the *Digest*, replacing James T. Sheridan, who is taking early retirement as ad sales director July 1. Mr. Mapes had been ad sales director of *Families*.

How much growth the magazine can continue to derive from ad rate increases is debatable, according to some industry analysts. The *Digest's* current rate of $97,700 for a four-color page is already the highest in the industry, and there is speculation that some advertisers might balk at *Digest* attempts to break the $100,000 barrier for an ad page.

RDA recently has made some minor moves into other media forms. With Telecom Entertainment, production arm of Benton & Bowles, it has agreed to produce "The *Reader's Digest* Do-It-Yourself" show for the USA Cable Network. In late 1980, RDA acquired 51% of The Source, a computer software company that transmits information by telephone lines to home computer owners. In the middle of last year, the company also formed Syndicated Newspaper Services to syndicate newspaper features based on *Digest* material.

Earlier this year, the company made news in court when the Supreme Court refused to review lower court findings that the *Digest* had broken a 1971 agreement with the Federal Trade Commission not to use simulations of checks or other items of value in sweepstakes promotions. The Supreme Court's refusal to consider the case means that the company must pay a $1.75 million fine assessed by a U.S. District Court. The fine reportedly is the largest ever assessed stemming from an FTC civil action.

MEDIA PROPERTIES
Magazines

Reader's Digest.

OTHER OPERATIONS

Book publishing; The Source (51% interest), a computer software company.

Rogers UA Cablesystems

Rogers UA Cablesystems, Westport, Conn., is the nation's 85th largest media company, with 1981 revenues of $77.8 million and operating profit of $26.7 million, all in cable operations, compared with revenues of $54.9 million and operating profit of $14.3 million in 1980. With 569,000 pay subscribers, Rogers-UA ranks as the ninth largest multiple systems operator in the U.S.

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Rogers UA, formerly UA-Columbia Cablevision, was acquired Nov. 19 by a joint venture of Rogers Cablesystems of Toronto (51%) and United Artist Theater Circuit (UATC), the latter buying 49%. Rogers Cablesystems had total revenues of $109.6 million in 1981. Revenues from Rogers UA-Columbia were not absorbed into Rogers Cablesystems because the U.S. company closed its fiscal year before its purchase.

The Rogers and UA-Columbia merger followed a bitter battle in which UATC (UA Columbia's largest shareholder—27.6%) fought repeated takeover attempts by a group led by Dow Jones & Co. and the Knight-Ridder Newspapers. Initially, UA-Columbia had approved a Dow Jones-Knight Ridder $265 million offer to purchase all of the company's stock at $85 a share. In June, however, the offer was terminated and replaced by another merger agreement with a joint venture of UATC and Rogers Cablesystems. UATC contributed another $63 million to bring its holdings in the company to 49%. Rogers paid a total of $152 million for its stake of 51%. The price paid for all outstanding stock was $90 per share.

Before its acquisition, UA-Columbia was a leading cable program supplier. Its USA Network, a joint venture with Madison Square Garden Production, broadcast more than 400 sports events as well as "Calliope," an offering of children's programs, and the "English Channel," a potpourri of British programing. USA Network was available on more than 1,400 cable systems serving 8 million cable subscribers. On Aug. 27, 1981, UA-Columbia entered into an agreement with Time Inc. to sell its joint venture interest for $15 million.

UA-Columbia, at the time of its purchase, also was preparing to spend $5 million to $7 million over the next five years to upgrade all its systems to accommodate at least 35 channels.

The UA-Columbia acquisition comes at an appropriate time for the Canadian parent, Rogers Cablesystems. Even though it is the largest mso in Canada, with 1.4 million basic subscribers, its growth in that country has slowed. Cable in Canada has reached a saturation point, and the potential for rapid subscriber or revenue growth is considered minimal. "The potential revenue per subscriber in the U.S. is far higher than in Canada," explains Bob Francis, senior vp-finance with Rogers. The company has no pay tv license in Canada, which has just opened up to pay tv. Rogers, in fact, lost out in its bid to win the first pay tv license when the Canadian Radio-television and Telecommunications Commission (CRTC) awarded the license to another Canadian company, appropriately named First Choice Canadian.

Rogers, initially known as Canadian Cablesystems, had been active stateside before its purchase of UA-Columbia. Its name was changed when trade relations between the U.S. and Canada began to sour in the later 1970s, adversely affecting the company's hunt for franchises stateside. Another Canadian mso, Maclean-Hunter Cable TV, has faced similar hostility in the U.S. The name change has quelled some of the unfavorable gut reaction attracted by its Canadian base.

The past few years have seen successful franchise expansion on the part of the Canadian parent. In 1979, it acquired a 50% interest in three unbuilt franchises (105,000 households in Southern California). In October, 1980, a partnership in which Rogers had a 50% share was named the winner of the 126,000 home Portland, Ore., franchise. Recently, another partnership with 75% Rogers interest won the 60,000 household, southwest suburbs of Minneapolis.

The company has also bid successfully for a 12,000 household franchise in Orange County. In June, 1981, a subsidiary of Rogers, US Cablesystems, was designated as the successful franchisee in a six-county Southern California franchise. The six cities are contiguous and contain 90,000 households.

The Canadian operation has a wholly owned engineering subsidiary, Cablesystems Engineering, which, among other things, engages in basic research and development on behalf of the company and the cable industry. Another company, Cableshare Ltd., in which Rogers has a 50% interest, provides cable-related data-processing service to Rogers and others.

Rogers Cablesystems also operates several operations peripheral to cable. It provides closed circuit pay tv to approximately 13,500 hotel rooms in Toronto and 1,450 hotel rooms in Vancouver. It also has an ownership interest in a number of noncable pay tv systems in the western U.S.

Graham Savage, vp/investment planning, expects Rogers-UA Cablesystems' revenues to exceed $125 million in 1982. Of this the UA-Columbia systems is expected to have contributed $100 million and the Rogers' U.S. systems another $25 million. The $25 million revenue estimate for the Rogers' cable franchises represents a sharp increase over the revenues from that same segment in 1981 of $10 million. "The reason is that we were still building systems in 1981 and they were not contributing to revenues," says Mr. Savage. Many of the systems under construction are expected to come on line in 1982.

MEDIA PROPERTIES

Rogers Cablesystems, serving Canada in Calgary, British Columbia (Abbotsford, 45%; Coquitlam; New Westminster, 45%; Vancouver; Victoria); also, in Ireland, serving Dublin (Marlin Communal Aerials Ltd., 75%), Waterford (Waterford Cablevision Ltd., 68%).
U.S. Cablesystems, serving CALIFORNIA: Huntington Beach (50%), La Mirada, Rossmoor. MINNESOTA: Minneapolis (southwest suburbs, 75%). NEW YORK: Syracuse (67%). OREGON: Portland (50%).
UA-Columbia Cablevision, serving ARIZONA: Summerton, Yuma, Yuma Proving Ground. ARKANSAS: Bay, Bonanza, Fort Smith, Greenwood, Hackett, Jonesboro, Lake City, Sebastian County. CALIFORNIA: Brawley, Calexico, El Centro, Holtville, Imperial, Westmoreland. COLORADO: Aspen, Basalt, Rifle, Snowmass. FLORIDA: Fort Pierce, Vero Beach. KANSAS: Crawford County, Marysville, Pittsburg. MASSACHUSETTS: North Attleboro, Taunton. NEBRASKA: Beatrice. NEW JERSEY: Allendale, Bloomingdale, Bogota, Butler, Cedar Grove, Clifton, Elmwood Park, Garfield, Glen Rock, Hackensack, Haledon, Hasbrouck Heights, Hawthorne, Hillsdale, Hohokus, Kinnelon, Lincoln Park, Little Falls, Lodi, Maywood, Midland Park, Montville, North Caldwell, North Haledon, Nutley, Oakland, Paramus, Park Ridge, Passaic, Pequannuck, Pompton Lakes, Prospect Park, Ramsey, Ridgewood, Ringwood, Riverdale, River Edge, Rochelle Park, Saddle Brook, South Hackensack, Teaneck, Totowa, Upper Saddle River, Waldwick, Wanaque, Wayne, Washington, West Paterson, Westwood, Woodridge, Wyckoff. NEW YORK: Ardsley, Bellport, Bronxville, Brookhaven, Dobbs Ferry, Eastchester, Greenburg, Lake Grove, New Rochelle, Patchogue, Pelham, Pelham Manor, Scarsdale, Tuckahoe, White Plains. OKLAHOMA: Arkoma, Krebs, McAlester, Muldrow, Ronald, Sallisaw. OREGON: Hermiston, Pendleton, Pilot Rock. TENNESSEE: Fayetteville, Giles County, Lawrenceburg, Pulaski. TEXAS: Balcones Heights, Balinger, Bexar County, Cibolo, Converse, Fort Sam Houston, Gainesville, Hill Country Village, Hollywood Park, Kirby, Laredo, Leon Valley, Live Oak, Mount Pleasant, Mount Vernon, Miles, Pittsburg, Randolph Air Force Base, San Angelo, San Antonio, Schertz, Selma, Universal City, Windcrest, Winters. WASHINGTON: Kennewick, Pasco.

Rollins Inc.

Rollins Inc. of Atlanta, whose primary business is in termite and pest control and oil and gas servicing, is the nation's 95th largest media company with operating revenues in 1981 of $62.1 million derived from outdoor advertising, tv, radio and cable.

Total operating revenues of the publicly held, family-controlled company were $455 million. Net income was $44.4 million. Although Rollins' media group represents only 13.7% of total operating revenues, it generates 24% of the corporation's operating income. Media also has the highest profit margin at 29% of Rollins' business segments.

Growth in catv contributed largely to the media segments' own growth in revenues of 13.4% from $55 million in 1980 and the division's increase of 13% in operating income.

Until 1981 Rollins cable activities had been concentrated in Connecticut and in Delaware where the Rollins CableVision system in Wilmington ranked 17th largest in the nation with 61,237 subscribers serviced, according to the National Cable Television Assn.'s October, 1981, statistics.

But during 1981 and early 1982, Rollins won franchises in the smaller cities of Northeast Massachusetts, and in the border region of Southeast Massachusetts and Rhode Island. Under construction in Massachusetts are cable operations in Andover, Dracut, Franklin, Plainville Somerset and Swansea.

In Rhode Island construction is under way at Central Falls, Cumberland, Lincoln, North Smithfield, Smithfield and Woonsocket.

Construction has yet to begin on contracts awarded by city governments in Danvers, Millis, North Reading and Norton in Massachusetts, and in Narragansett, North Kingstown and South Kingstown in Rhode Island.

As these systems mature in Rhode Island/Southeast Massachusetts corridor and in northeast Massachusetts, another 110,000 homes passed will be added to Rollins' 170,000 homes passed in its more mature Delaware and Connecticut markets, says H. Tim Crow, vp-secretary.

The *modus operandi* at Rollins is to solicit franchises in small contiguous markets. This economizes in systems construction because only one head-in is needed per market cluster. Smaller markets also have "more reasonable entry requirements" than the larger cities, says Mr. Crow.

Rollins, unlike many cable operators, has steered clear of joint ventures which often are marriages of necessity, putting expertise with capital. "As a company, our growth philosophy has been to strike a balance between cash users and generators," says Mr. Crow. This philosophy, however, does not rule out any joint ventures that market conditions might require in the future, he said.

However, small markets can be as thorough in their disclosure demands as their larger counterparts. Last year, Rollins came under scrutiny when a local lawyer attempted to bribe a Danvers city official to vote for the Rollins franchise package. The lawyer and a local car dealer

Where are they now?
(Or, is there life after CBS and NBC?)

	Then	Now
John D. Backe	President, CBS Inc., 1976-77; ceo 1977-80.	President, Tomorrow Entertainment
Jane Cahill Pfeiffer	Chairman, NBC, 1978-80.	Independent communications consultant.
Herbert S. Schlosser	President, NBC, 1974-77; ceo 1977-78.	Executive vp, RCA Corp.
Fred Silverman	President-ceo, NBC, 1978-81.	President, InterMedia Entertainment Co.
Frank Stanton	President, CBS Inc., 1949-71; vice chairman 1971-73.	CBS consultant; director of several companies.
Arthur R. Taylor	President, CBS Inc., 1972-76.	Chairman, president, ceo, The Entertainment Channel.

Winners of the network endurance award:

Leonard H. Goldenson	Chairman, American Broadcasting Cos. since 1972.
Elton H. Rule	President, American Broadcasting Cos. since 1972.

Tenure uncertain:

Thomas H. Wyman	President, CBS Inc., since June 1980.

Reason:

Bill Paley	Chairman, CBS Inc., since September 1927.

were subsequently convicted in a trial late last year in a Boston federal court. Rollins has maintained its innocence all along, claiming the attorney operated independently of company designs. The company had hired a broadcast consultant to represent it in the Danvers bidding, but the broadcast consultant had procured the services of a cable consultant who then hired the lawyer.

"The people of Danvers know us better than that," says Mr. Crow, noting that even with the "bad publicity" accompanying the trial, the Danvers city leaders voted unanimously (in late April, 1982) for the Rollins package. North Reading and Millis, other Massachusetts cities, also gave the nod to Rollins when the case was still fresh in the public mind.

The Danvers package is typical of Rollins services: 52-channel capability, including four cultural channels, three family-oriented channels, distant signal capabilities to bring in independent stations from New York City and Atlanta, three sports channels, five movie services, 12 information channels and 15 local channels. One unusual offering in the package is a channel from Canada for the large number of French-speaking residents who have moved to the area from Quebec.

Cable, because of its rapid growth, is quickly pressing other media groups within the Rollins Media division for leading revenue segment honors. However, outdoor advertising remains the leader in media group revenues.

Plants are located in Delmarva Peninsula area of Delaware and Maryland, Philadelphia, Washington, Wilmington, Del., Austin, Corpus Christi, Laredo, San Antonio and Victoria, all in Texas. The television group, composed of three vhf stations in major markets, is Rollins' next breadwinner.

Cable holds down the third rung in media revenues followed by radio, with five am stations and one fm station.

A number of Rollins' radio stations underwent format changes in 1981. WAMS (am), Wilmington, changed from top 40 to country; and WCHS (am), Santa Monica/Los Angeles, fine-tuned its programing to reach a more upscale audience. "Our philosophy is to meet the single greatest unmet need in each of our radio markets, and that need is in constant change," says Mr. Crow, justifying the modifications.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WEAR-TV, Mobile, Ala./Pensacola, Fla.; WPTZ-TV, Plattsburgh, N.Y.; WCHS-TV, Charleston, W. Va.
RADIO: KDAY (am), Santa Monica/Los Angeles; WAMS (am), Wilmington, Del.; WBEE (am), Harvey/Chicago; WRAP (am), Norfolk/Portsmouth, Va.; WBES (fm), Charleston, W. Va.

Cable/video

Rollins Cable Vue CONNECTICUT: (80% interest) Branford, Guilford, Madison, New Haven, North Branford, North Haven, Wallingford. DELAWARE: (100% interest) Elsmere, Newark, Newcastle, Newcastle County, Newport, Wilmington. MASSACHUSETTS: (80% interest) Andover, Danvers, Dracut, Franklin, Plainville, Millis, North Reading, Norton, Somerset, Swansea. RHODE ISLAND: (100% interest) Central Falls, Cumberland, Lincoln, Narrangansett,North Kingstown, North Smithfield, Smithfield, South Kingstown, Woonsocket.

Sammons Communications

Sammons Communications, Dallas, is the nation's 98th largest media company, with 1981 revenues of $59.9 million. The company is a fully owned subsidiary of the privately owned Sammons Enterprise.

Virtually all of Sammons revenues are generated by income from cable system ownership. However, the company also operates Sammons Information Service, to sell Dow Jones' information service to cable subscribers, and Sammons Productions, for the creation of programing for pay-per-view cable.

Sammons is the nation's 13th-largest multiple systems operator and operates 54 cable systems in 21 states. With 462,022 basic subscribers out of 647,823 homes passed, it has the highest basic penetration—71.3%—of any cable company in the country. The majority of Sammons systems, however, are 12 channels and in urgent need of technological upgrading. The company also has 240,475 pay subscribers.

Last year, a joint venture of Sammons (60%) and 14 local investors (40%) was awarded the 160,000 home Fort Worth franchise. The 15-year contract for Fort Worth could be worth $500 million.

Winning Fort Worth wasn't easy. Sammons had to compete against six other applicants and fight off charges of its "rent-a-citizen" strategy. Competitors and critics charged that the company had recruited some of Fort Worth's most powerful citizens, white and black, for leverage in the franchise contest. None of the local partners had any expertise to offer in the field of cable tv, nor did they make any financial investments, claimed the critics.

The system will cost more than $50 million to build and will not become profitable until the sixth year of its operation. It will consist of 61 channels, of which seven will be reserved for institutional use.

The Fort Worth victory was a welcome one for Sammons, a company that has few major urban franchises to its credit. "We have had to pull our horns in," explained Jim Polk, vp-marketing. "Franchising has gone out of control and the returns are just not enough to be really attractive for us."

But Tony Hoffman, a media analyst at Warburg Pribas Becker, had a different explanation. "Sammons Communications is part of a company that doesn't see cable as anything but another source of revenue," he said. "They have been unsuccessful at winning franchises because their bids have been unrealistic. They are looking at high rates of return and are offering fewer services than their competitors."

Undoubtedly, the company has a rather conservative and stodgy image in the cable industry—an image that has prevented it from being innovative or aggressive. Nonetheless, Mr. Polk contended, the company is making strides in the development of software.

Through Sammons Information Service it currently offers the Dow Jones Information Service to a few of its system subscribers. If the response is encouraging, it will begin offering the service on more systems and add other information sources as well.

Sammons Productions plans to continue to develop and produce programing for pay-per view, one of cable's major directions in the next decade. Currently, the programing includes special sports events, concerts and dramatic productions. It will gradually be expanded to include other premium events, said Mr. Polk.

Amidst the mad scramble for franchising and the high costs of construction, Sammons is not abandoning the idea of expansion, said Bill Strange, vp-corporate development. It will continue to expand through acquisition rather than new construction. Recently, Sammons acquired the Morristown, N.J., system—a 12-channel operation that has 7,431 subscribers.

MEDIA PROPERTIES

Cable/video

ALABAMA: Moulton, Russellville. CALIFORNIA: Ceres, Glendale, La Crescenta, Sylmar, Turlock, Whittier. CONNECTICUT: Waterbury. FLORIDA: Live Oak. GEORGIA: West Point. ILLINOIS: Dwight, Jacksonville, Ottawa, Pontiac, Streator. INDIANA: Logansport. IOWA: Estherville, Graettinger. KENTUCKY: Middlesboro. LOUISIANA: Vidalia. MISSISSIPPI: Brookhaven, McComb, Natchez. MISSOURI: Neosho. NEW JERSEY: Dover, Morristown, Pleasantville. NEW YORK: Cortland, East Hampton, Gloversville, Penn Yan, Wellsville. NORTH CAROLINA: Black Mountain, Canton, Clyde, Montreat, Waynesville. OKLAHOMA: Clinton, Elk City. PENNSYLVANIA: Easton, Emmaus, Falls Township, Harrisburg, Oil City. TENNESSEE: Bristol, Elizabethton, Johnson City, Morristown, Newport. TEXAS: Benbrook, Fort Worth (under construction, 60% interest), Highland Park, Pampa, University Park. VIRGINIA: Covington, Petersburg. WASHINGTON: Ephrata, Moses Lake, Othello.

OTHER OPERATIONS

Sammons Information Service, Sammons Productions.

Schurz Communications

Schurz Communications, South Bend, Ind., is the nation's 97th largest media company, with 1981 revenues estimated by Advertising Age at $60 million, all from media. Schurz estimated 1980 revenues at $52 million.

Schurz listens to merger opportunities "that come our way," said Franklin D. Schurz Jr., chairman. Offers to buy out Schurz come along every few months but Schurz hasn't been interested, preferring to remain independent and grow internally, he said.

Nor is Schurz interested in becoming publicly owned. Mr. Schurz noted the company has a management and employe stock option plan.

"We're fairly happy with our current mix of newspapers, radio and tv and we have no shifts in mind," Mr. Schurz said. But profits in the recession haven't been up to expectations, he said, adding that electronic media have shown more strength than print. Revenues are running ahead of last year but "inflation might be a factor there," Mr. Schurz said.

There have been job freezes at some operations and others have been trimmed through attrition.

Jack McGann was promoted to become editor and publisher of the flagship *South Bend Tribune*. He had been vp and general manager.

An expansion of the mailroom and press facilities at the *Bloomington* (Ind.) *Herald-Telephone* and *Bloomington Herald Times* neared completion. Also, the transfer of WAGT-TV operations from the outskirts of Augusta, Ga., into the city was completed.

Schurz is still studying electronic information systems in tandem with the newspapers but that and other expansions hinge on economy, Mr. Schurz said. "We had thought the economy would have turned around by now. Now, our forecasts are cautious or conservative," he said.

MEDIA PROPERTIES

Newspapers (dailies)

CALIFORNIA: *Brawley News, Imperial Valley Press* (El Centro). INDIANA: Bedford Times-Mail, Bloomington Herald-Telephone, Bloomington Herald Times, South Bend Tribune. KENTUCKY: *Danville Advocate-Messenger*. MARYLAND: *Hagerstown Herald, Hagerstown Mail*.

Broadcasting

TELEVISION: WAGT, Augusta, Ga.; WSBT, South Bend, Ind.; WDBJ, Roanoke, Va.
RADIO: WSBT (am) and WTHO (fm), South Bend, Ind.

Cable/video

FLORIDA: Cable TV of Coral Springs, serving Coral Springs. MARYLAND: Antietam Cable TV, serving Hagerstown.

E.W. Scripps Co.

E.W. Scripps Co., Cincinnati, is the 18th largest U.S. media company, with media property revenues of $500 million in 1981, 91% of total revenues. Media revenues rose 5% from $475 million estimated by Advertising Age for 1980. Total revenues for 1981 and 1980, respectively, were $550 million and $525 million.

The privately held company is owned largely by the Scripps family trust. It has some 40 subsidiaries, including Scripps-Howard newspapers.

In addition to daily newspapers, the company has among its holdings community weekly newspapers, area business publications and Media Enterprises feature services.

The company also owns 75% of Scripps-Howard Broadcasting Co., a publicly held company in Cincinnati. *(See separate listing.)*

The biggest news for Scripps this year is the sale of its UPI wire service to a newly formed company, Media News Corp. UPI, the nation's second largest wire service, was owned 95% by Scripps and 5% by Hearst Corp.

Talk of selling the financially troubled wire service was reported for the last year. Then on June 3 it was announced that UPI had been sold to Media News for an undisclosed sum.

Media News Corp. has interests in cable and subscription television and newspapers. UPI's new owners said they intended to accelerate the news service's changeover to satellite delivery of news reports and improve services to customers.

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Forum Personnel Inc.

In the last fiscal year, UPI reversed a trend of growing losses, lowering its deficit by 30%. *Editor and Publisher* reported UPI had reduced its operating losses by $3.7 million in 1981 and expected to trim more than an additional $1 million in 1982.

In March, 1982, UPI and Dialcom Inc. of Silver Spring, Md., announced that they were forming a new computerized information service called Newstrack. The service would scan millions of words of copy from the full UPI national and international news files seven days a week, 24 hours a day, for items of interest to each subscriber. At the start, Newstrack would be available only in the Washington area.

Scripps-Howard entered into area business publishing in February, 1980, when it acquired the Cordovan Corp., Houston. At the time, Cordovan had four regional business weeklies and four monthly magazines. It now has 12 business weeklies, including the recently launched *Washington Business Journal*, and its latest acquisition, the Rocky Mountain Business Journal. The 12 weeklies have an approximate circulation of 111,000.

In February Cordovan withdrew 11 of its 12 business journals from the Assn. of Area Business Publications (AABP). According to Dexter Hutchins, editorial director for Cordovan Business Journals, the decision was made because of a rule change requiring all associate members to have circulation figures audited. He said "we don't feel a trade association should dictate the timing of important business decisions. Most of our papers are new and we're in the middle of a change in our accounting system. We're not in a position to set up for an audit." However, Mr. Hutchins said that ultimately all the publications will be audited. Cordovan's oldest publication, the *Houston Business Journal*, has been audited and will remain in the association.

E.W. Scripps has 15 daily newspapers. The five morning papers have a combined average circulation of 750,000 and the 10 evening papers have a combined average circulation of 800,000. The seven Sunday editions put out by the dailies have a combined average circulation of 1.6 million.

Competition between Scripps' *Rocky Mountain News* and Times Mirror's *Denver Post* remains heated. The *Post*, once an afternoon paper that began publishing as an all-day paper last September and recently announced that it will soon be morning only, has a daily circulation of 258,376 and Sunday circulation of 356,372. *News* circulation figures show that it remained ahead of the *Post*—a feat it achieved for the first time in its history last year. Daily circulation at the *News* stands at 312,873, with Sunday circulation at 335,665.

In the nondaily area, the company in early March acquired the *Jupiter* (Fla.) *Journal* from Hammel Newspapers and merged it with its *Jupiter Courier* creating the *Jupiter Courier-Journal*. Published three times a week, the newspaper now has a combined circulation of 16,500. James L. Overton, formerly business manager of Scripps' *Stuart News* in Florida is general manager of the *Courier-Journal*.

TV Watch/DIP, the Atlanta-based affiliate of Scripps' United Media Enterprises, has entered into an agreement with Chattanooga, Tenn.-based Commercial Cable to expand "Shopper's Guide of the Air," a format of local advertising, public service and promotional announcements, to program local advertising on network cut-ins. As a result of this agreement, subscribers will be provided with a combination of local shopping and cable programing information.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Birmingham Post Herald*. CALIFORNIA: *Fullerton Daily News Tribune*. COLORADO: *Rocky Mountain News* (Denver). FLORIDA: *Hollywood Sun-Tattler, Stuart News*. INDIANA: Evansville Press. OHIO: *Cincinnati Post, Columbus Citizen-Journal*. PENNSYLVANIA: *Pittsburgh Press*. PUERTO RICO: *San Juan Star*. NEW MEXICO: *Albequerque Tribune*. TENNESSEE: *Knoxville New-Sentinel, Memphis Commercial Appeal, Memphis Press-Scimitar*. TEXAS: *El Paso Herald-Post*.

Newspapers (nondailies)

Cordovan Corp. (publisher of area business newspapers)—*Atlanta Business Chronicle, Dallas-Fort Worth Business, Houston Business Journal, Los Angeles Business Journal, Miami Business Journal, Phoenix Business Journal, Pittsburgh Business Journal, Rocky Mountain Business Journal, San Diego Business Journal, San Francisco Business Journal, Seattle Business Journal, Washington Business Journal*. Also, papers in the following locations—CALIFORNIA: (all part of Southern California Publishing Co., southern or northern group) *Alhambra Post Advocate, Anaheim Hills Journal, Brea Advocate, Commerce Tribune, East Los Angeles Gazette, East Los Angeles Tribune, Fullerton Forum, La Habra Advocate, Montebello News, Monterey Park Progress, Pico Rivera News, Placentia Journal, Santa Fe Springs News, South San Gabriel Rosemead Progress, West Whittier Independent, Yorba Linda Journal*. FLORIDA: *Jupiter Courier-Journal*. KENTUCKY: *Grant County News* (Williamstown), *Kentucky Standard* (Bardstown). Also, Scripps-Howard Press: *St. Matthews-Highland Herald, Jeffersonian, Mirror, Reporter, Southwest News, Voice*, all serving the greater Louisville, Ky., area.

OTHER OPERATIONS

Berkley-Small, a circulation supply company; SCW, an advertising art and feature service; Scripps-Howard Supply, a purchasing company; United Media Enterprises, parent of United Features Syndicate and Newspaper Enterprise Assn. news features syndicate (subsidiaries of United Features include TV Data and TV Watch).

Scripps-Howard Broadcasting Co.

Scripps-Howard Broadcasting Co., Cincinnati, is the nation's 79th largest media company with revenues of $87.3 million in 1981, representing a 13.4% increase from 1980. Net income before the cumulative effect of a change in depreciation method increased 6.3% to $17.5 million.

Television broadcasting services contributed 90% of the publicly owned company's revenues in 1981, down from 93% in 1980 and 95% in 1979. A company official explained this trend is the result of the company's growth in other areas, particularly cable.

In the first quarter of 1982, Scripps-Howard had revenues of $20.8 million, up 15.6% from 1981. Net income was $4.4 million.

Inflationary cost increases, endeavors to enhance the quality of programing and services to communities and the costs associated with building its cable television operations were responsible, the company said, for the modest increase in 1981 net income.

Beginning in 1935 with a Cincinnati radio station (no longer part of its operations), Scripps-Howard became a public company in 1963 and is the only public subsidiary of E.W. Scripps Co. (*See separate listing.*) Scripps-Howard Broadcasting Co. is 75% owned by E.W. Scripps Co.

A new am and fm radio station combination, KUPL in Portland, Ore., was acquired by Scripps-Howard from Tracy Broadcasting Co. for $4.8 million in September, 1981. This marked the company's expansion into still another geographical area.

Effective March 31, 1982, Scripps-Howard sold its WNOX station, Knoxville, Tenn., to Mac Sanders, owner of several radio stations, including WJRB, Nashville, Tenn., and WVOK, Birmingham, Ala., for $1.2 million. The company said the sale was made to facilitate the investment of both funds and management into its newly acquired radio markets.

Altogether, the company has six tv stations, four am and four fm radio stations and four cable television systems.

As part of its rapid expansion in cable, the company established a subsidiary, Scripps-Howard Cable Services, Wellesley, Mass., in early 1981.

Scripps-Howard said the most significant event in developing its cable tv operation in 1981 was the award of the cable franchise for an area of 120,000 homes in Fairfield County, Conn., to Cablevision of Connecticut, a partnership in which Scripps-Howard has 49% ownership. The efforts of four competing applicants to appeal the franchise were rejected by the Connecticut Department of Utilities Control. The case is now in the superior court of Connecticut. However, construction of the system is under way and Scripps-Howard expects its first subscribers to be enjoying cable tv by early this summer.

Also during 1981 Scripps-Howard acquired from TOTAL TV of Janesville, Wis., systems with 12,500 subscribers in Lake County, Fla. The company anticipates a total subscriber count of 17,000 from these systems in 1982. Construction in the company cable system in Volusia, Fla., is near completion and construction of a new system in Tulare County, Cal., has begun.

Directly or through companies in which it has holdings, Scripps-Howard Cable now serves approximately 70,000 subscribers. Plans are to continue to examine application and acquisition possibilities in the cable field.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WPTV, West Palm Beach, Fla.; KSHB, Kansas City, Mo.; WCPO, Cincinnati; WEWS, Cleveland; KJRH, Tulsa; WMC-TV, Memphis.
RADIO: KMEO (am, fm), Phoenix, Ariz.; WBSB (fm), Baltimore; KUPL (am, fm), Portland, Ore.; WNOX (am), Knoxville, and WMC (am, fm), Memphis, Tenn.

Cable/video

CALIFORNIA: Tulare Communications Corp., serving Tulare County. COLORADO: Longmont Communications Corp., serving Longmont. FLORIDA: Scripps-Howard Cable Services, with T and W Cable Co., serving De Bary, Lake County, Leesburg. MICHIGAN: Scripps-Howard Cablevision Corp., a limited partner in Ann Arbor Cablevision, serving Ann Arbor.

Seattle Times Co.

The Seattle Times Co., is the nation's 68th largest media company, with 1981 revenues estimated by Advertising Age at $118.3 million. All of the company's revenues are generated by two media properties: The *Seattle Times* and the *Walla Walla* (Wash.) *Union-Bulletin*. The company is owned by Seattle's Blethen family (50.5%) and the Knight-Ridder Newspaper chain (49.5%).

Revenues in 1981 are up from total 1980 revenues of about $93.5 million for two reasons: Circulation improved somewhat at the *Seattle Times* (climbing to 261,432 daily and 344,724 Sunday for slight increases of 0.6% and 0.8%, respectively, from September to September Audit Bureau of Circulations reporting periods). In addition, unit prices rose from 20 cents to 25 cents daily and 60 cents to 75 cents on Sundays for the Seattle paper, which accounts for 97% of the company's total revenues.

The Times Co.'s 1982 position is unclear at this moment, pending a decision by the U.S. Attorney General on the company's proposed merger of the all-day *Seattle Times* with that city's other daily, the morning *Seattle Post-Intelligencer*. At presstime, the government's decision was expected "at any moment."

The merger plan was announced early last year, when Hearst Corp., owner of the *Post-Intelligencer* (or *P-I*), declared that the morning paper was in "probable danger of financial failure."

Hearst presented evidence to the Justice Department indicating that over the previous dozen years the *P-I* had lost $14 million, and future projections indicated an even greater rate of loss. Thus, said *Times* and Hearst officials, the papers should be allowed to merge under provisions of the 1970 Newspaper Preservation Act.

Under terms of the agreement, the two papers would combine essentially all operations except editorial functions under the *Seattle Times* banner. The Times Co. would get 6% of the joint operation's profits as a management fee. Of the remaining profits, *Times* would get 60% and the *P-I* 34%.

Strong, vocal opposition to the merger has come from area advertisers (who fear a unified rate structure), other local publishers (suburban and alternative press) and the two papers' staffs, particularly in the noneditorial "back shop" unions that stand to lose positions if the merger takes place.

Perhaps the most significant opposition comes from within the Justice Department, where antitrust chief William Baxter criticized the merger by saying, "It would grant an unnecessary windfall to the applicants, and

Newspapers: Getting Fatter
Part II

Top increases in total ad linage	1981 increase over 1980 (000 omitted)	% increase
1. New York Times	8,252	9.2%
2. Cleveland Press*	4,522	19.3%
3. Washington Post	4,354	4.3%
4. Philadelphia Inquirer	4,039	8.3%
5. Dallas News	3,545	3.9%
6. Rocky Mountain News	3,440	5.1%
7. Boston Globe	3,057	4.7%
8. Houston Chronicle	2,915	2.5%
9. Miami Herald	2,907	3.6%
10. West Palm Beach Post	2,445	4.6%

*Started Sunday edition August 2, 1981.

Source: Compiled by Advertising Age from measured linage figures published by *Editor & Publisher*.

impose an unnecessary burden upon newspaper readers and advertisers." He also suggested that the merger is tantamout to "price-fixing."

In addition Justice Department antitrust attorneys filed a 40-page report with U.S. Attorney General William French Smith asserting that the *P-I* is making money, not losing, as Hearst contends.

However, after public hearings were held, administrative law judge Daniel H. Hanscom (who was appointed by Mr. Smith) came to the conclusion that the merger did not violate the provisions of the Newspaper Preservation Act.

At this time much hangs on Mr. Smith's decision. One highly placed source said it is inconceivable that he will not agree to the merger. Still, the longer he takes, the more anxious everyone involved becomes. One *P-I* staff member summed up the situation by saying, "If I had a nickel for every time I've heard, 'We'll get a decision this week,' I'd be rich."

MEDIA OPERATIONS

Newspapers

WASHINGTON: *Seattle Times, Walla Walla Union-Bulletin.*

Southern Progress Corp.

Southern Progress Corp., Birmingham, Ala., is the country's 83th largest media company. Its 1981 media property revenues were estimated by ADVERTISING AGE at $80 million. Total corporate revenues were not available, although corporate officials say revenue contributions of other properties are minimal compared to media.

The company's two major breadwinners are the *Progressive Farmer*, a monthly magazine published since 1886 and the leading farm publication in 16 southern states from Texas to the Carolinas; and *Southern Living*, a slick monthly that offers readers a melange of recipes, travel notes, home decorating tips, gardening advice and profiles of southern cities and towns.

Southern Progress also publishes *Decorating and Craft Ideas*, a how-to magazine distributed nationally, and *Delta Report*, a monthly newsletter aimed at farm suppliers and others in farm-related businesses. Two smaller magazines are directed at specialized audiences: *Destinations* is targeted at travel agents in the South, and *Southern Supermarketing* is a regional trade publication. Oxmoor House, the company's book publishing division, also is included in media. It primarily offers special publications on a subscription basis to subscribers of *Southern Living*.

In 1981, the privately owned Southern Progress had the best year in its history, according to Emory O. Cunningham, president. The company's three major magazines, *Southern Living, Progressive Farmer* and *Decorating and Craft Ideas*, increased ad pages and circulation. *Southern Living*, according to Publishers Information Bureau, increased its gross advertising revenues (prior to agency commissions) to $35.3 million, up 15% from 1980 when it hit $30.6 million. "Subscriber income is the best it's been," said Mr. Cunningham. "Revenues are up mainly because of increased circulation."

In spite of the shaky economy that has hurt many farmers, "we project 1982 to be a very good year," he said. *Southern Living* and *Progressive Farmer* were up in ad pages for the first six months. *Progressive Farmer* added 12 ad pages. "That's on top of 1981, which was an all-time record high," said Mr. Cunningham.

Mr. Cunningham believes that *Progressive Farmer's* strong showing stems from the magazine's policy of publishing separate issues for farmers producing different crops. Advertisers are able to target soybean, cotton, peanut, beef, pork and tobacco products, and subscribers also seem to prefer the specialized treatment.

In a recent management change, Jerry Vehle was promoted to publisher in April. He was the magazine's advertising director and has been with *Progressive Farmer* for 20 years. Mr. Cunningham, who had been publisher, retains his role as president of the magazine.

Southern Progress also owns the Progressive Farmer Radio Network, a syndicated radio program offering farm market news on 40 southern stations. Revenues from the Starkville, Miss.-based network make up only a small part of the corporation's total.

The company's book publishing division, Oxmoor House, had the best year in its history in 1981, publishing 10 titles of general interest to southern readers. The corporation also operates the "Southern Living Cooking School," classes devoted to southern-style cooking held in approximately 50 cities and towns in the Southeast and Texas each year. Southern Progress is diversified into several other areas related to its publishing business.

MEDIA PROPERTIES

Magazines

Decorating and Craft Ideas, Progressive Farmer, Southern Living, Southern Supermarketing.

Newsletters

"Delta Report."

Broadcasting

Progressive Farmer Radio Network.

OTHER OPERATIONS

Agresponse, Akra Data, Oxmoor House book publishing, Progressive Farmer Insurance, Publishers Service division, Sunland Plans.

Stauffer Communications

Stauffer Communications, Topeka, Kan., is the country's 100th largest media company, with media property revenues of $59.2 million in 1981, or 90% of total revenues of $66.1 million.

Media revenues in 1980 were $55.6 million and total revenues that year were $60.4 million.

Newspapers accounted for 73% of the media revenues and 65% of total revenues last year. Net profits were $3.8 million, the same as in 1980.

Stanley Stauffer, president, said the publicly held company suffered from high interest rates on corporate debt and the generally soft economy.

The *Topeka Capital-Journal*, which had combined its morning and evening editions to form a single all-day paper in 1980, last year dropped the late editions and became a morning-only paper.

From March, 1981, to March, 1982, the *Capital-Journal's* average daily circulation increased less than 1% to 69,600, and Sunday circulation rose slightly more than 1% to 75,200.

Stauffer publishes 18 other daily newspapers in midwest markets extending from Michigan to Oklahoma and ranging in circulation from 6,000 to 30,000.

Circulation for Stauffer's 19 dailies was flat in 1981. The 12-month average totaled 250,738 at the end of March, up just 20 papers from the previous year.

The papers in Shawnee, Okla.; Pittsburg, Kan.; Holland, Mich., and Beatrice, Neb., reported good profits for the year, as did radio stations in Amarillo, Tex., and Shawnee, Okla.

WIBW-TV in Topeka did well, too, largely because it commands a big share of the market. But Mr. Stauffer said both WIBW and the *Capital-Journal* would be performing better if Topeka's economy weren't in such bad shape.

The city's two primary employers, Santa Fe Railway and Goodyear Tire and Rubber Co., have reduced their work forces. The agricultural economy of northeast Kansas is also depressed. "All three factors are adversely affecting our Topeka operations," Mr. Stauffer said.

The company's last acquisition was the CBS tv affiliate in Santa Maria/Santa Barbara, Cal., in 1980. Stauffer apparently plans to continue to expand in both publishing and broadcasting.

"There are no plans to add a seventh am radio station," said Mr. Stauffer, "but we'll be looking in the future for good tv stations and cable delivery systems."

While Stauffer would be more aggressive if interest rates were lower, "we're not exactly in a holding pattern," an official said. "In fact, we're looking at two target acquisitions right now."

He refused to disclose details, but said the properties were in markets smaller than Topeka.

Several Stauffer newspapers have total market coverage programs in various stages of development, and two papers—in Shawnee, Okla., and York, Neb.—have started electronic newspaper operations in their communities, providing news and advertising on cable tv.

Stauffer owns 50% interest in Total Television of Amarillo, Tex., and its *Capper's Weekly*, a regional newspaper, has 420,000 circulation in six midwest states.

The founder of the company, Oscar Stauffer, died in February at the age of 96. His sons, Stanley, president, and John, senior vp, now head the company. Oscar Stauffer incorporated the company in 1930 with six small newspapers and a radio station.

MEDIA PROPERTIES

Newspapers

COLORADO: *Glenwood Springs Post.* KANSAS: *Arkansas City Traveler, Newton Kansan, Pittsburg Morning Sun, Topeka Capital-Journal.* MICHIGAN: *Hillsdale Daily News, Holland Sentinel.* MISSOURI: *Blue Springs Examiner, Hannibal Courier Post, Independence Examiner, Marshall Democrat News, Maryville Forum, Nevada Daily Mail.* NEBRASKA: *Beatrice Sun, Grand Island Independent, York Daily News-Times.* OKLAHOMA: *Shawnee News Star.* SOUTH DAKOTA: *Brookings Register, Yankton Daily Press & Dakotan.* Also *Capper's Weekly.*

Broadcast

TELEVISION: KCOY-TV, Santa Maria/Santa Barbara, Cal.; WIBW-TV, Topeka, Kan. RADIO: KARZ (am), Phoenix; KRNT (am) and KRNQ (fm), Des Moines, Ia.; WIBW(am, fm), Topeka, Kan.; KGBX (am), Springfield, Mo.; KGFF (am), Shawnee, Okla.; KGNC (am, fm), Amarillo, Tex. Also, Kansas City Royals Baseball Radio Network.

Cable/video

Total Television of Amarillo (50% interest), serving Amarillo, Tex.

OTHER OPERATIONS

Capper's Insurance Service, a travel tour service and computer software.

Storer Broadcasting Co.

Storer Broadcasting Co., Miami Beach, Fla., is the 29th largest U.S. media company. Revenues in 1981 were $276.4 million, all generated by media operations. This total marks an increase of 40.1% over last year.

Broadcast stations accounted for $143,673,000 or 52% of 1981's total revenue. Cable communications systems revenues were $132,764,000 or 48%. On March 1, Storer divested itself of its last radio station—WLAK-FM, Chicago—when the station was sold to Viacom International for $8 million. Storer has now committed all of its resources to its tv and cable operations.

Storer owns and operates seven tv stations. The tv broadcasting division as a whole turned in a record year of revenue and operating profit, although economic conditions in several of the company's markets dependent on the auto industry—Detroit and Toledo—have been less than favorable.

The company placed continued emphasis on improving local news and information programming in reaction to the public's dependence on tv as a primary source of news and information. Storer continues to invest in the latest technology to enhance its newsgathering capabilities. For example, STORSAT, the Storer satellite uplink, was placed in full service in the Washington area. It is used by Storer's stations to provide news coverage from the capital instantaneously on an exclusive basis.

Storer vowed to become a leader in the cable field in 1978 and its growth has been spectacular. It is currently the fifth largest cable operator in the world and owns in excess of 104 operating cable systems serving 930,000 basic subscribers in 20 states. As of March 31 it had more premium subscribers—1,033,300—than basic subscribers. As of that date it counted 1,860,800 homes passed by cable; 3,143,000 homes are in Storer's franchised areas. Statistical projections by the company through the end of 1982 call for a total of 1,282,800 basic subscribers, 1,663,800 premium subscribers and 3,231,984 households in the franchised areas.

Communities in which new franchises were obtained during 1981 and early 1982 are located in Arizona, California, Colorado, Florida, Kentucky, Maryland, Minnesota, Oregon, South Carolina and West Virginia.

Storer Metro Communications was awarded the franchise for Washington County, Oregon, in December, 1981. It executed a contract with Metro-West Cablevision to merge into Storer Metro. (Metro-West holds additional franchises in the suburban Portland area.) Also in 1981, Storer joined with other major cable operators as joint venturers in Spotlight, a premium entertainment service.

In January and March, 1982, the company purchased cable communications systems in the suburban Dallas-Fort Worth area and in Phoenix, with approximately 7,800 current subscribers. It also sold a small system in Illinois.

Storer has cable communications subsidiaries in which local investors own not more than 20%. The company's policy is to continue to investigate areas of potentially profitable cable communications operations, even in light of the current economy. As one company executive said, "Storer plans on meeting all of its commitments this year" and into the future.

On April 5, 1982, Storer officials announced the completion of a $460 million financing program with the signing of a $325 million revolving credit and term loan facility arranged through a consortium of 13 banks with Chase Manhattan Bank as agent. Prior to this, in February, 1982, the company had announced the signing of a $125 million 10-year term loan with Continental Illinois National Bank and the Mellon Bank, N.A.

The funds provided by the Chase consortium were used to repay $126 million outstanding under the company's 1980 revolving credit agreement which was terminated. The remainder is available for continued expansion of Storer's cable operations.

According to Terry H. Lee, president and chief operating officer, "if construction of cable

communications systems for which the company holds franchises is completed on schedule, the cost of such construction programs is estimated to be $230 million in 1982; $163 million in 1983 and $94 million in 1984.

An important change in the company's hierarchy took effect April 27, 1982, when Peter Storer, formerly vice-chairman of Storer, succeeded to the position of chairman and chief executive officer. He replaced William Michaels, who is now chairman of the executive committee.

Another change that will be taking place this December will be a change in the company's name, from Storer Broadcasting to Storer Communications, to reflect the company's belief that the cable system will be used in ways far beyond tv programing, for uses not yet on the drawing board.

It will also move its headquarters from Miami Beach to North Miami.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KCST-TV, San Diego; WAGA-TV, Atlanta; WSBK-TV, Boston; WJBK-TV, Detroit; WJKW-TV, Cleveland; WTVG-TV, Toledo; WITI-TV, Milwaukee.

Cable/video

Storer Cable Communications. ALABAMA: Montgomery, Prattville (includes Clanton and Sylacauga), Troy. ARIZONA: Ahwatukee (80% interest), Buckeye (80% interest), Glendale (80% interest), Mesa, Paradise Valley, Peoria, Phoenix, Surprise. ARKANSAS: Little Rock (80% interest, includes Cammack Village). CALIFORNIA: Anaheim, Banning (includes Hermosa Beach, El Porta, Manhattan Beach), Camarillo (80% interest), Fairfield (includes Solano County, Suisun), Fillmore (includes Santa Paula, Frazier Park, Moor Park), Laguna Beach (includes Orange County, San Clemente, San Juan Capistrano), Norcal (includes Sonoma, Napa Valley, Rohnert Park), Ojai, Redwood, Roseville, San Mateo, Sunset (Placer County) Thousand Oaks, Union City, Villa Park. COLORADO: Battlement Mesa, Fort Lupton, Louisville, Loveland. CONNECTICUT: Clinton (includes Old Saybrook, Durham, Hadcam, Killingworth, Chester, Deep River, Essex, Westbrook), Groton, New Haven (includes West Haven, Hamden). DELAWARE: Dover (includes Camden, Dover Air Force Base, Smyrna, Wyoming, Kent County), Rehobeth (includes Lewes, Rehobeth Beach). FLORIDA: Altamonte Springs (80% interest, includes Seminole County, Lake Mary), Bartow (includes Fort Meade, Frostproof, Lake Placid, Lake Wales, Wauchula, Williston, Highlands County), Dade/Broward (includes Biscayne Park, El Portal, Miami Shores, Miramar, North Miami, North Miami Beach, Pembroke Park, Pembroke Pines), Dunedin (80% interest, includes Oldsmar, Tarpon Springs), Hollywood (75% interest), Lehigh Acres, Pasco County, Port Charlotte (includes Arcadia, North Port, Charlotte County, Punta Gorda), Sarasota (includes Long-boat Key, Sarasota County). GEORGIA: Georgia Systems (includes Albany, Americus, Ashburn, Bainbridge, Camilla, Pelham, Cordele, Vienna, Dawson, Donalsonville, Moultrie, Nashville, Adel, Cook County, Dougherty County, Sparks, Sylvester, Tifton, Tift County). ILLINOIS: Glendale Heights (80% interest), Minonk, Toluca. KENTUCKY: Boone County, Bowling Green, Campbell County, Jefferson County (80% interest), Kenton County. MARYLAND: Howard County (80% interest, includes Ellicott City), Northern Prince George's County (80% interest), Pocomoke (includes Princess Anne, Snow Hill, Somerset County, Worcester County), Prince George's County (80% interest), Salisbury. MINNESOTA: Bloomington, Fridley, Northwest suburbs of Minneapolis (80% interest), St. Cloud (includes Sartell, Sauk Rapids, Sterns County, Waite Park), St. Louis Park. MISSOURI: Florissant (80% interest). NEW JERSEY: Cinnaminson (80% interest, includes Delanco, Palymyra, Riverside, Riverton), East Brunswick, East Windsor, Eatontown (includes Allenhurst, Deal, Fair Haven, Fort Monmouth, Freehold Borough, Hazlet, Little Silver, Loch Arbour, Long Branch, Monmouth Beach, Oceanport, Red Bank, Rumson, Sea Bright, Shrewsbury Borough and Township, Tinton Falls, West Long Branch), Gloucester (80% interest, includes Woodbury, Clayton, Deptford Township, East Greenwich, Glassboro, Greenwich, Mantua National Park, Paulsboro, Wenonah, Westville, West Deptford, Woodbury Heights), Hackettstown, Monmouth, Plainfield, Princeton area (80% interest, includes Plainsboro Township, Monroe Township, Spotswood, Cranbury Township, Helmetta, Jamesburg, South Brunswick Township), Willingboro. OREGON: Clackamas County, Washington County. PENNSYLVANIA: Radnor. SOUTH CAROLINA: Charleston (includes Berkeley County, Charleston Air Force Base, Charleston County, Colleton County, Goose Creek, Hanahan, Isle of Palms, Mount Pleasant, Naval Weapons Station, North Charleston, Sullivan's Island, Summerville Marine Corps Air Station, Walterboro). TEXAS: Alvin (includes Friendswood, Hillcrest Village), Balch Springs (includes Seagoville, Dallas County), Bedford (80% interest —includes Blue Mound, Colleyville, Buless, Kennedale, Lake Worth, Richland Hills, Saginaw, Wautaugra), Clearlake, Cleburne (includes Crowley, Edgecliff Village, Burleson), Colleville, Copperfield, Forest Hill, Garland (includes Rowlett, Buckingham, Sunnyvale, Terrell), Grand Prairie (includes Cockrell Hill), Houston-Northeast (80% interest), Houston-Southeast, Lamarque (includes Texas City, Hitchcock, Bayou Vista Santa Fe, Omega Bay), Lancaster (includes Ovilla), League City (includes Dickinson, Baycliff, Kemah), Nassau Bay (includes Webster, Taylor, Lake Village, El Lago, Seabrook, Taylor Lake), Saginaw, Terrell (includes Oak Ridge), Tomball, Weatherford, White Settlement (includes Lakeside Village). VIRGINIA: Chesterfield County (80% interest), Fort Belvoir, Leesburg (80% interest), Prince William County (75% interest).

Playboy turns from smut to smarts

By Jennifer Alter

The November, 1975, cover of *Playboy* was graced by a fetching young lady with her hand stuck deep into her bikini panties.

It was, one might say, the lowest point *Playboy* had reached in what now is seen as its panicky reaction to the pubic wars launched by aggressive competitors like *Penthouse*. Hugh Hefner, the magazine's founder, saw the "popcorn" cover—so described at Playboy Enterprises because the young lady had a box of popcorn in her other hand—and decided that enough was enough. From then on the mandate was clear: The 23-year-old magazine that had created a genre with great flair, and then watched its franchise disintegrate as competitors rushed in, had to clean up its act.

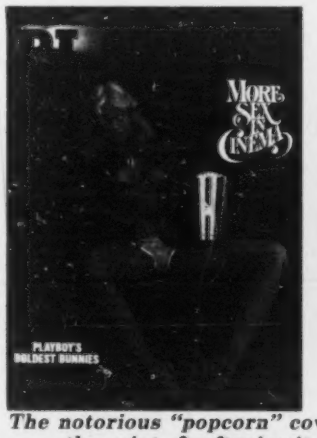
Today *Playboy* is light years away from such graphic titilation, having opted instead for a more tasteful approach to sex. And what may have been an instinctive reaction on Mr. Hefner's part has turned out to be a sound business decision as well. *Playboy* has reversed its circulation erosion, bolstered its advertising volume and, with annual earnings in the range of $20 million, is far and away the largest profit maker for the troubled Playboy Enterprises, as well as one of the healthiest of the men's magazines.

"We've become a magazine people are not embarrassed to keep on the coffee table," says Nat Lehrman, who was appointed associate publisher in mid-1976.

One of the tasks assigned Mr. Lehrman was to help pull *Playboy* out of a long period of misguided attempts to outraunch *Penthouse*, launched in 1969 by Robert Guccione.

Terrified as its rate base began to drop (from a high of 7 million in 1972 to an alltime low of 4.5 million in late 1977), *Playboy's* first instinct was to fight smut with smut.

Meanwhile, *Playboy* launched *Oui* in 1972 to "come up behind *Penthouse*" and attract the readers making a mass exodus from *Playboy*. But Mr. Hefner and other company officials felt uneasy with the extent of sexual overtness necessary to make a go of *Oui*. As a result, *Oui* was positioned hazily, and wound up competing for readers with *Playboy*, which simultaneously



The notorious "popcorn" cover (left) pushed* Playboy *to the point of softening its approach today (right).

was becoming increasingly explicit. When the "popcorn" *Playboy* cover appeared, the company finally sounded its retreat.

"We became uncomfortable with the explicit level of sex," recalls Mr. Lehrman.

Mr. Lehrman had been associate publisher of *Oui*. His appointment as associate publisher of *Playboy* was one of the first indications that Playboy Enterprises was willing to invest in independent management for its flagship magazine. "Previously the magazine was serviced by the corporate apparatus," explains Mr. Lehrman. "We brought unity and teamwork to an outfit that was kind of splintered."

By renewing its focus on "tasteful sex" and "literary quality," the magazine consciously sacrificed a sizable chunk of newsstand sales; as a tamer book, it took itself off the impulse buy list of an established audience segment.

But positioned as "the gray-haired old man of the crowd," as one observer has labeled it, *Playboy* came into certain privileges.

Significantly, it won access to a whole different world of advertisers. Under new management, the ad sales staff was able to sell a more conservative magazine.

Indeed, it is now sold against the newsweeklies, playing on its strength as a vehicle with which to reach men.

In the past five years, it has made headway into nearly every corporate category outside of Detroit (which it continues to woo). At the same time it has raised its standards on the so-called "back of the book" ads, refusing to accept material it feels is of "sexual ghetto" definition.

Aware of the new approach's possible impact on newsstand sales, *Playboy* executives also launched an organized plan to "manage" circulation. The magazine increased subscription solicitation activities and stepped up discount offers.

It now maintains what it considers an optimum 50-50 balance between subscription and single copy sales, (subscriptions previously accounted for only 30%). The present mix, executives contend, makes it easier to maintain the rate base, now fairly steady at 5 million.

Penthouse circulation, meanwhile, has fallen to 4.1 million from a peak of 4.7 million in 1979, and the magazine last July lowered its rate base to 4 million from 4.5 million.

Playboy's increased percentage of subscriptions also leaves circulation less vulnerable to the appeal (or lack thereof) of blockbuster covers—which Mr. Lehrman claims are unpredictable anyhow.

For example, he notes, it would have been impossible to know in advance that Ace Hardware Corp. would fire spokesperson Suzanne Somers for appearing in *Playboy*, an incident that generated enough excitement and publicity to rate a sell-out cover.

Despite the emphasis on subscriptions, the magazine didn't ignore the need for single-copy sales.

During the "turnaround" period, *Playboy* formalized various promotional programs, assigning one staff member fulltime responsibility for booking playmates on tours and another to capitalize on promoting the hard news angles of the magazine's editorial material.

As *Playboy* has settled into its more conservative form, its circulation has leveled off at approximately 5 million, its contents fat with some 1,400 ad pages a year.

"Its maturing strategy is not a bad one," says J. Kendrick Noble, a publishing analyst at Paine Webber Mitchell Hutchins. "It's become the sedate conservative member of the group."

Nevertheless, the magazine has much to fear from complacency, industry analysts believe. Undeniably past its prime, they say, *Playboy* should be viewed a a mature product in a flat, if not declining, field.

Its best bet, confides one *Playboy* executive, is to focus on market share. To bank on growth in the total men's magazine field in the 1980s would be as naive as trying to outsmut the smut books was in the 1970s, he says. AA

Jennifer Alter is an Advertising Age *reporter in Chicago.*

Taft Broadcasting Co.

Taft Broadcasting Co., Cincinnati, is the nation's 62nd largest media company with media property revenues of $125.1 million for the year ended March 31. Television stations generated a total of $95.7 million—up 12% from last year—and radio produced $29.4 million, a 9% increase.

Broadcasting accounted for all of the media revenues, or 34.9% of the company's total revenues of $358.2 million. Taft's net earnings for the fiscal year were $38.8 million.

Taft's entertainment group, which produces and distributes tv and theater programing, contributed revenues of $102.3 million or 28.6% of total revenues.

The company has three divisions—broadcasting properties, entertainment group and amusement parks. All of them posted record gains within the fiscal year, but the amusement parks showed the most dramatic growth.

Taft got into the cable market last year by hooking up with Tele-Communications Inc., Denver, to buy several cable systems in Michigan and New England.

The partnership, TCI-Taft Cablevision Associates, now has 88,000 subscribers in 32 communities, and the company says it will continue to focus on the acquisition of existing systems in those two geographic areas. Its goal is to have 200,000 subscribers by 1984.

A second partnership between Taft and TCI was formed to develop programing for both basic and pay cable, and Taft-TCI Programs recently purchased 20% equity in Black Entertainment Television, the satellite-delivered cable service that reaches 9 million subscribers.

In addition, Taft-TCI Programs is producing pilots of children's and public affairs programs for sale to cable operators.

Taft owns its full complement of five vhf stations—in Birmingham, Buffalo, Cincinnati, Columbus and Kansas City—along with independents in Washington and Philadelphia.

It has six fm stations and six am stations, which are located in Buffalo, Cincinnati, Columbus, Kansas City, Pittsburgh and Tampa.

The company said its independent stations and fm radio showed "excellent performance" in recent months, while am stations and some of the network affiliates reported only modest revenue gains.

Taft tv stations tend to put local programing in high priority. For example, four of them have one-hour local evening news shows, and WBRC in Birmingham telecasts 29 hours of locally-produced programs each week.

In December, Taft purchased 47.5% interest in the Philadelphia Phillies baseball team, and with the acquisition came rights to broadcast the team's games for nine years beginning in 1984.

WDAF in Kansas City and WBRC in Birmingham soon will begin to provide regional news feeds for Satellite News Channels, the cable news service of ABC-Westinghouse. Satellite uplinks are being installed at both stations.

This summer Taft plans to begin conducting a teletext experiment using the British Context system at WKRC-TV in Cincinnati.

It would place decoder-equipped televisions in 40 homes and at several public locations. The system allows viewers to call up information to see alone or with other programing on a split screen.

Taft would be the first to experiment with teletext in its markets. It hopes to determine the kinds of information viewers want and how much they will use it.

Taft has been in radio since 1939 and tv since 1949, and it got into the programing business much earlier than most competitors. In 1966 it acquired Hanna-Barbera Productions, its first step to becoming a supplier of software for the video industries.

Taft's entertainment group owns several production companies, as well as Worldvision Enterprises, an international distributor of tv programing.

With 70% of all Saturday morning children's programs now coming from Taft enterprises, the company has become the world's largest producer of animated tv programing.

Hanna-Barbera is the largest maker of animated programs, and Ruby-Spears, another Taft subsidiary, is the third largest. Last season's top-rated Smurfs were a Hanna-Barbera creation, and the company now is creating a Pac-Man special for ABC that it hopes may eventually become an animated series.

"Heidi's Song," an animated movie by Hanna-Barbera, is scheduled to be released in December.

Taft's entertainment group also produces live-action tv programing, which last season included "Skokie," starring Danny Kaye, and "My Body, My Child," starring Vanessa Redgrave.

Worldvision Enterprises has domestic and foreign distribution rights to several television series. It has sold reruns of "Little House on the Prairie" in 110 domestic markets and 100 foreign markets.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WBRC-TV, Birmingham, Ala.; WDAF-TV, Kansas City, Mo.; WGR-TV, Buffalo, N.Y.; WKRC-TV, Cincinnati, and WTVN-TV, Columbus, O.; WTAF-TV, Philadelphia; WDCA-TV, Washington.

RADIO: WGR (am) and WGRQ (fm), Buffalo, N.Y.; WKRC (am) and WKRQ (fm), Cincinnati; WTVN (am) and WLQV (fm), Columbus, O.; WDAF (am) and KYYS (fm), Kansas City, Mo.; KQV (am) and WDVE (fm), Pittsburgh; WDAE (am) and WYNF (fm), Tampa, Fla.

Cable/video

Through TCI-Taft Cablevision, Taft owns 50% interest in the following systems—CONNECTICUT: Haystack Cablevision. NEW HAMPSHIRE: Twin State Cablevision of Lebanon. MASSACHUSETTS: Cape Cod Cablevision. MICHIGAN: American Microwave Co., Great Lakes Cable (Harbor Springs, Petoskey), Lake Charlevois Cable (Boyne City, Gaylord), Plains Cablevision (Muskegon, Niles, St. Joseph), Six Star Cable (Brighton, Howell, Ypsilanti), Sun Cablevision in Cheboygan.

OTHER PROPERTIES

Four amusement parks, Black Entertainment TV, Philadelphia Phillies baseball team (47.5%), Taft Entertainment Co., Worldvision Enterprises.

Tele-Communications Inc.

Tele-Communications Inc., the nation's 48th largest media company, is playing its own version of Pac-Man. The publicly owned Denver-based cable tv and microwave common carrier company recently jumped from third place to the No. 1 multiple systems operator in the country, gobbling up cable systems or parts of them, at such a rate that the company itself sometimes has trouble keeping records of its properties up to date.

Total revenues for the company are up 46%, from $124.4 million in 1980 to $181.4 million in 1981. Of that total, revenues from media properties—all cable tv—amounted to $167.7 million, or 92% of the total. Revenues from microwave operations were up 7.6% from 1980, to $13.7 million. Net income in 1981 was $12.8 million, compared with $8.2 million the year before.

TCI's cable tv business is handled through its subsidiary, Community Tele-Communications Inc. (CTCI). Its microwave division is operated though another wholly owned subsidiary, Western Tele-Communications Inc. (WTCI).

A major accomplishment during 1981 was the quantum leap in subscribers. During the year, cable subscribers increased from 1,100,000 for basic to 1,594,000, and pay subcribers went from 469,000 in 1980 to a 1981 yearend total of 921,000, a leap of 96.6%. The combined growth of both basic and pay subscribers went up more than 58% in 12 months. TCI, at the end of 1981, represented some 249 systems in 45 states, systems either owned, partially owned or managed by TCI.

And a postscript on yearend statistics shows that there has been no lull in the company's momentum. According to the National Cable TV Assn., in a special *TV Digest* publication—*Cable Business*, as of March 22, 1982, TCI broke the 2 million mark for basic subscribers served. With that number, the company swept past its major competitors of the last few years to become the nation's cable king. In that same special publication, Time Inc.'s American Television & Communications Corp., previously the No. 1 mso in the U.S., is listed as having 1.9 million subscribers and Westinghouse Electric Corp.'s Group W Cable (formerly Teleprompter Corp. and No. 2 mso) is listed with 1.7 million, now coming in as No. 3.

From its beginnings in 1963, when Salt Lake City-based Bob Magness (now chairman of TCI), Kearns-Tribune Corp. and KUTV merged their cable systems in Utah, Nevada, Montana and Texas, TCI has pursued its philosophy of going after the "mom and pop" operations rather than the larger franchises in major cities. TCI has zeroed in on rural communities, winning subscribers in such locations as Horse Cave, Ky.; Knob Noster, Mo.; Ypsilanti, Mich., and Jal, N.M.

"TCI is a small systems operator and we're proud of it," says J.C. Sparkman, executive vp of CTCI, who praises the "cluster" approach of the company—buying systems located near existing properties—as effective both from a financial and management point of view.

Despite the success the company has enjoyed, certain cable industry analysts (and critics) have reacted to the company's quick growth with a certain wariness.

For one, there has been criticism about sluggish development of certain franchises, notably in Boulder, Colo., a city currently engaged in a legal franchise tussle with TCI and often mentioned when the company is criticized for apathy in upgrading its systems. In a *Business Week* article (Nov. 23, 1981), Richard S. Varnes, the city's director of media and programing, was quoted as saying, "They have done nothing in 13 years."

According to CTCI's Mr. Sparkman, however, the sluggish growth of the Boulder franchise was a result, he said, of Federal Communications Commission restrictions, not any lack of enthusiasm of TCI's part.

Another source of speculation revolves around the "minimal capability" of many of TCI's systems. Because many are older—offering only 12-channel capability—subscribers, say analysts, will eventually want the multi-channel (up to 108-channel) capability of the more sophisticated systems. This would have a real impact when TCI's franchises, granted for 10- and 15-year increments, come up for renewal.

But, counters Mr. Sparkman, only 20% of TCI's holdings have 12-channel systems. The remaining 80% have capability for 30 channels and more. In addition, with more than 850 franchises in its system, TCI is constantly renewing franchises. And, according to David Humphrey, director of corporate reporting for TCI, the company—to date—has not lost one.

Meanwhile, some of the major developments in 1981 include the purchase of Horizon Communications Corp. (previously based in Evansville, Ind.) for $70.5 million. Horizon was only one of 17 acquisitions, whose total purchase price came to $145.1 million. In addition, TCI reached a joint venture agreement with Knight-Ridder Newspapers to form TKR Cable Co. to "acquire, develop and operate cable tv systems." As a result of the TKR partnership, TCI gained control of Cross Country Cable, Bound Brook, N.J., serving 43,000 of a potential 116,000 subscribers.

Also in early 1981, TCI joined Cincinnati-based Taft Broadcasting Co. in another joint venture. Its agreement to buy 100% of Cape Cod Cablevision in Barnstable, Mass., was completed in early 1982. So the additional 28,000 Massachusetts subscribers are now on the TCI roster.

Also during the year, additional stock was purchased in Athena Communications Corp. As of early 1982, more than 80% of the company is now owned by TCI.

More recent acquisitions include Six Star, a cable group in Pomona, Cal. (36,000 subscribers), and Key West, Fla. (27,000 subscribers). In April of this year, TCI acquired the Plains Cable Group, including systems in Michigan, Indiana, Pennsylvania, Wisconsin and New York, bringing in an additional 100,000 cable customers.

One final major accomplishment for TCI this past year was the development of a satellite service package—through the efforts of TCI president John C. Malone and Mr. Sparkman. The package, when it becomes available, would enable any TCI subcriber to choose from a "menu" of services and be charged for only what they see.

As to the future of TCI, what happens once you have made it to the top?

Keep on going, say company executives.

"We are the only pure cable tv company left," says Mr. Sparkman, who says TCI will continue its acquisition strategy. "Size gives you strength in negotiating power."

MEDIA PROPERTIES

Cable/video

ALABAMA: Arab, Boaz, Birmingham, Centre, Hartselle, Homewood (80% interest), Jacksonville, Piedmont. ARIZONA: Tucson suburbs. CALIFORNIA: Berkeley, Brisbane, Carson, Daly City (86.66% interest), Fremont (92% interest), Grass Valley, Millibrae, Oceanside, Pacifica, Penn Valley, Richmond, San Carlos, San Mateo, South Lake Tahoe, Sunnyvale Trails, Vista Grande, Woodside. COLORADO: Alamosa, Boulder, Brush, Cortez, Delta, Durango, Fort Morgan, Glenwood Springs, Golden, Jefferson County (southern portion), Lakewood, Leadville, Littleton, Monte Vista, Montrose, New Castle, Pueblo, Salida, Sterling. CONNECTICUT: Lakeside, Sharon. FLORIDA: Daytona Beach, Titusville. GEORGIA: Carrollton, Columbus. IDAHO: Burley, Idaho Falls, Preston. ILLINOIS: Carbondale, Chicago Heights, Dickson, Fulton, Marion, Mattoon, Mokena, Morris. INDIANA: Booneville, Carmel, Chanute, Eaton, Elmwood, Fairmont, Franklin, Gary, Greenfield, Greencastle,

Greensburg, Hartford City, Jaspar, Lebanon, Linton, Martinsville, Mount Vernon, New Castle, Princeton, Salem, Tell City, Upland. IOWA: Milford. KANSAS: Augusta, Caney, Cherryville, Coffeyville, Derby (83% interest), Dodge City, El Dorado, Garden City, Garnet, Goddard, Heston, Iola, Leavenworth, Newton, Ottawa, Peabody, Topeka. KENTUCKY: Barbourville, Bardstown, Campbellsville, Cumberland Valley, Dawson Springs, Elizabethtown, Fulton, Glasgow, Greenville, Henderson, Hodgenville, Horse Cave, Leitchfield, Pineville, Princeton, Providence, Winchester. MARYLAND: Elkton. MASSACHUSETTS: Cape Cod, Natick. MICHIGAN: Alpena, Brighton, Cheboygan, Howell, Lake Charlevoix, Muskegon, Petoskey, Ypsilanti. MINNESOTA: Albany, Albert Lea, Alexandria, Austin, Browerville, Clarissa, Faribault, Glenwood, Long Prairie, Melrose, Moorhead, Osakis, Ortonville, Sauk Centre, Staples, Wadena. MISSOURI: Cape Girardeau, Centralia, Clinton, Hannibal, Hazelwood, Hermann, Jackson, Jefferson City, Knob Noster, Mexico, Moberly. MONTANA: Anaconda, Billings, Bozeman, Butte, Deer Lodge, Dillon, Glenview, Glendive (50% interest), Helena, Lewiston, Livingston, Miles City. NEBRASKA: Alliance, Broken Bow, Douglas County, Grand Island, Hastings, Kearny, Kimball, Lexington, McCook, North Platte, Ogallala, O'Neal, Scottsbluff, Sidney. NEVADA: Battle Mountain, Carson City, Elko, Hawthorne, Lake Tahoe. NEW HAMPSHIRE: Hampton, Lebanon. NEW JERSEY: Elizabeth, Gloucester City, Parlin, Wanen. NEW MEXICO: Artesia, Carlsbad, Hobbs, Jal. NEW YORK: Fredonia, Orangetown, Poughkeepsie, Rockland County, Schenectady. NORTH CAROLINA: Elkin, Marion, Morganton, Mount Airy. NORTH DAKOTA: Grand Forks, Minot. OHIO: Barnesville, Bethesda, Bridgeport, Brookside, Cadiz, Chester, Dillonvale, Duncan, East Liverpool, Enid, Hamilton, Mahoning, Martins Ferry, Marlow, Middletown, Mingo Junction, Moundsville, Muskagee, Newell, Warren, Wheeling Township. PENNSYLVANIA: Allegheny, Ambridge, Carnegie, Castle Shannon, Clarion, Columbia, Dormont, East Hills, Etna, Gettysburg, Glassport, Kane, McKeesport, McKees Rocks, Monessen, Mount Wolf, North Hills, Penn Hills Township, Quarryville, Red Lion, South Hills, State College, Stowe, Towanda, Westside, Westview. SOUTH CAROLINA: Bennettsville, Columbia, Forest Acre. SOUTH DAKOTA: Mitchell, Rapid City, Sioux Falls (50% interest). TENNESSEE: Bolivar, Brownsville, Knox County, Knoxville, La Follette, Lake City, Livingston, Memphis (44½% interest), Shelbyville, Soddy-Daisy. TEXAS: Bishop, Brazoria, Corpus Christi, Clifton, DeLeon, Eastland, Freeport, Houston (50% interest), Huntsville, Mathis, Mineral Wells, Needville, Odem, Padre Island, Premont, Port Arthur, Refugio, Robstown, Woodsboro. UTAH: Carbon City, Davis County, Farmington, Grantsville, Nephi, Ogden, Park City, Price, Provo, Roosevelt, Roy, Salt Lake City, Smithfield, Toole, West Valley.VERMONT: St. Albans. VIRGINIA: Culpepper, Orange. WASHINGTON: Anacortes, Bellingham, Bremerton, Burlington, Olympia, Raymond. WEST VIRGINIA: Chester, Logan, Moundsville, New Cumberland, Parkersburg, Wellsburg, Weston, Wheeling. WISCONSIN: Madison (33⅓% interest), Rockland. WYOMING: Powell, Lander, Laramie, Riverton, Thermopolis, Worland. Also, Centre Video Corp., Western-Tele Communication, Community Tele-Communications, TCI Growth, TCI Development Corp. [which consists of TCI-Taft Cablevision (50%-50% split), TKR Cable Co. (50%-50% split), Horizon Communications Corp. (91% interest), Athena Communications Corp. (81% interest)], Tennessee-Kentucky Cable TV Co. (50% owned by Athena).

OTHER OPERATIONS

Tele-Communications Inc. owns a 50% interest in Taft-TCI, which in turn holds interest in Black Entertainment TV. Also, it operates National Telefilm Associates (74% interest).

Thomson Newspapers Ltd.

Thomson Newspapers Ltd., Toronto, Ont., is the 34th largest media company in the country, with operating revenue from U.S. newspaper properties of $232.4 million in the fiscal year ended Dec. 31. The company's only business in the U.S. is newspaper publishing and printing. Operating income from that business, headquartered in Des Plaines, Ill., last year totaled $90.5 million.

At the end of its fiscal year, Thomson Newspapers' U.S. holdings included 83 newspapers. The company also owns 54 Canadian daily and weekly newspapers, bringing total revenues of $303.8 million and income of $75.9 million. Consolidated revenues from U.S. and Canadian properties were $536.2 million; net income, $83.7 million.

At yearend 1981, total daily circulation in the U.S. was 1,181,200; in Canada, total circulation was 1,171,100. The company's sole U.S. purchase in 1982 (to date) has been the *Daily Mining Gazette* in Houghton, Mich.

At the company's annual meeting in May, Kenneth Thomson, chairman and president, told shareholders the company is expecting continued earnings growth in 1982, but at levels "well below" last year. The company said it will not acquire additional Canadian properties, and is continuing with its U.S. acquisition program. "Additional acquisitions are in prospect," Lord Thomson told the meeting.

Thomson Newspapers Ltd. is a part of a vast worldwide conglomerate controlled by the Thomson family, which owns 71% of the Canadian newspaper company. International Thomson Organisation Ltd., Toronto, is a separate, 81% family-owned company with interests in business publications and book publishing in the U.S., United Kingdom and the Continent; national and regional newspapers in the U.K.; U.K. consumer magazines; package tour operations and travel agencies in the U.S. and U.K.; and substantial operations in North Sea oil fields and other petroleum-related businesses.

Both Thomson Newspapers and the International Thomson Organisation are headed by Lord Thomson, who holds the title of Lord Thomson of Fleet. Mr. Thomson's father, Roy H. Thomson, started the Canadian newspaper company in 1934 with the acquisition of the *Daily Press* in Timmons, Ont. He first migrated into the U.S. market in 1952, when he bought the *St. Petersburg* (Fla.) *Independent* (subsequently sold). Since its founding, Thomson Newspapers has been unflagging in its business goals: It purchases noncompetitive newspapers in small- and medium-size communities.

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While Thomson Newspapers and ITO operate separately, the Thomson family's control links the two companies. Industry analysts believe the fate of the larger ITO in 1981—a year in which oil profits dropped and the U.K. economy worsened—could ultimately affect Thomson Newspapers' U.S. growth plans this year. In 1981, for instance, the company purchased six newspapers: *Tifton* (Ga.) *Gazette, Sikeston* (Mo.) *Daily Standard, Thomasville* (Ga.) *Times-Enterprise, Florence* (S.C.) *Morning News, Enterprise* (Ala.) *Ledger* and *Kokomo* (Ind.) *Tribune.*

Though the company had purchased only the *Houghton Daily Mining Gazette* through the first five months of 1982, last year it said it was setting a goal of six to eight U.S. acquisitions annually for the next several years.

In its shareholders report, the company predicted soft consumer spending in both Canada and the U.S. in 1982, but said, "We are confident that the results . . . will continue to be satisfactory." The ongoing recession in both the U.S. and Canada could hit Thomson particularly hard because of its concentration of newspapers in the industrial northern states of Ohio, Pennsylvania and Michigan and throughout Canada.

Robert Duncan, communications analyst, Wood Gundy, Toronto, said the general state of the economy may hamper the company's expansion plans. But, he added, "They have been extremely careful in their bidding. I have a feeling that Thomson is riding out the slump now and looking for papers affected by the economy that might be available at a lower price."

At presstime, Thomson was still embroiled in Canadian government antitrust actions resulting from its acquisition of Southam Inc.'s F.P. Publications. In May, 1981, the company was charged under the Combines Investigation Act with respect to its closing of the *Ottawa Journal.* Alleged improprieties surfaced during a government investigation of the acquisition and, in May, 1982, both companies were ordered to stand trial on seven counts of violating competition laws.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Dothan Eagle, Enterprise Ledger, Opelika-Auburn News.* ARIZONA: *Douglas Daily Dispatch.* ARKANSAS: *Northwest Arkansas Times* (Fayetteville). CALIFORNIA: *Antelope Valley Daily Ledger-Gazette* (Lancaster), *Barstow Desert Dispatch, Eureka Times-Standard, Oxnard Press-Courier, San Gabriel Valley Tribune* (West Covina), *Siskiyou Daily News* (Yreka). CONNECTICUT: *Ansonia Evening Sentinel.* FLORIDA: *Clay Today* (Orange Park), *Jackson County Floridan* (Marianna), *Key West Citizen, Punta Gorda Daily Herald-News.* GEORGIA: *Cordele Dispatch, Dalton Daily Citizen-News, Thomasville Times-Enterprise, Tifton Gazette, Valdosta Daily Times.* ILLINOIS: *Mount Vernon Register-News.* INDIANA: *Kokomo Tribune, New Albany Tribune.* IOWA: *Council Bluffs Nonpareil, Oelwein Daily Register.* KANSAS: *Atchison Daily Globe, Leavenworth Times.* KENTUCKY: *Corbin Times-Tribune.* LOUISIANA: *Lafayette Daily Advertiser.* MARYLAND: *Salisbury Daily Times.* MASSACHUSETTS: *Fitchburg Daily Sentinel and Leominster Enterprise* (Fitchburg), *Taunton Daily Gazette.* MICHIGAN: *Adrian Daily Telegram, Escanaba Daily Press, Houghton Daily Mining Gazette, Iron Mountain Daily News, Marquette Mining Journal.* MINNESOTA: *Albert Lea Evening Tribune, Austin Daily Herald.* MISSISSIPPI: *Laurel Leader-Call.* MISSOURI: *Cape Girardeau Southeast Missourian, Carthage Press, Sikeston Daily Standard.* NEW HAMPSHIRE: *Portsmouth Herald.* NEW YORK: *Herkimer Evening Telegram, Newburgh Evening News, Oswego Palladium-Times.* NORTH CAROLINA: *Rocky Mount Evening Telegram.* OHIO: *Canton Repository, Coshocton Tribune, East Liverpool Evening Review, Greenville Daily Advocate, Lancaster Eagle-Gazette, Marion Star, Middletown Journal, Newark Advocate, Piqua Daily Call, Portsmouth Times, Salem News, Steubenville Herald-Star, Xenia Daily Gazette, Zanesville Times Recorder.* OKLAHOMA: *Ada Daily News.* PENNSYLVANIA: *Connellsville Daily Courier, Greenville Record-Argus* (Kittanning), *Hanover Evening Sun, Kittanning Leader-Times, Lock Haven Express, Meadville Tribune, Monessen Valley Independent.* SOUTH CAROLINA: *Florence Morning News.* SOUTH DAKOTA: *Mitchell Daily Republic.* VIRGINIA: *Petersburg Progress-Index.* WEST VIRGINIA: *Fairmont Times-West Virginian, Weirton Daily Times.* WISCONSIN: *Fond du Lac Reporter, Manitowoc Herald-Times Reporter.*

Newspapers (nondailies)

ALABAMA: *Phenix City Citizen.* FLORIDA: *Englewood Herald.* ILLINOIS: *McLeansboro Times-Leader.* INDIANA: *Howard County News.* OHIO: *Greentown-Franklin Chronicle.* PENNSYLVANIA: *Midland News.*

Time Inc.

Time Inc., New York, is the country's fourth largest media company, with $1.51 billion in revenues from media operations in 1981, a 28% increase from 1980. Media operations—made up of the company's extensive magazine and video holdings—represented 45.8% of Time Inc.'s total 1981 revenues of $3.3 billion. The company earned $297 million in 1981, a 12% increase from 1980.

Magazines contributed $870 million in revenues, video $618 million and Pioneer Press about $25.4 million.

Magazines and video accounted for $102 million and $123 million, respectively, in earnings. Pioneer Press earnings are not broken out.

Other income came from its book publishing operations, its forest products division and a variety of smaller enterprises.

Magazines performed spectacularly in 1981, as three of the company's weeklies—*Time, Sports Illustrated* and *People*—dramatically increased their revenues and dominated the industry's top 10.

Time elbowed *TV Guide* out of the No. 1 spot in ad revenues, with a 13% increase to $253 million while *TV Guide* ad revenues were flat at $239 million.

Sports Illustrated and *People* both moved up a notch in the rankings, to Nos. 4 and 5 respectively, displacing McGraw-Hill's *Business Week.*

Time's other magazines also performed well. *Fortune* ad revenues were up 27% to $70.4 million, Life was up 20% to $23.2 million, *Money* was up 48% to $22.9 million and *Discover,* Time Inc.'s newest publication, was up 333% to $5.2 million.

While magazines were contributing record-high revenues, Time Inc. video operations were also setting impressive records. That fast-growing division,

SBJ STANDARD AD UNIT

of Houston's leading Citizens.

IT!

Houston Chronicle

Houston's Family Newspaper

daily newspaper, 62% choose The Chronicle. So don't say we didn't warn you.
Walker. Source: Scarborough Report, 1982.

which includes American Television Communications, Home Box Office, Cinemax and a one-third ownership in USA Cable Network, last year matched the earnings—but not the revenues—of all of Time Inc.'s publishing operations, including its magazine and book holdings. It is expected to surpass the publishing earnings in 1982.

"Not bad for a business that barely showed a profit only five years ago," president J. Richard Munro told the stockholders.

In a move that joins the two growing branches of magazine and video operations, Time Inc. is close to deciding whether it will go ahead with its planned cable magazine. In the testing stages for the last year, the magazine seemed close to the go-ahead point when Time Inc. announced in February that Dan Zucchi, formerly ad sales director at *Money*, would take over the newly created post of publishing director of the task force in charge of the cable magazine project.

Insiders say the proposed magazine is still a likely possibility, but a decision may have been delayed when a prototype reportedly got a mixed reception at this May's convention of the National Cable TV Assn.

Mr. Munro said in a recent interview that Time Inc. executives "very much want" to go ahead with the new magazine, but added that starting a new publication would not be an easy task. Alluding to the problems of producing a national cable magazine encompassing the almost mind-boggling number of cable systems around the country, Mr. Munro said: "It is a very, very difficult thing to pull off. If it wasn't, *TV Guide* would have already done it."

The cable magazine project neatly summarizes what many

'It was the death of a family'

By Nancy Tait

August 7, 1981: The final edition of the *Washington Star* is published. One hundred twenty-nine years of newspaper tradition ends. Washington, the nation's capital, is now a one-newspaper town. And 1,830 employes of the *Star*, some of whom have spent their entire working lives at the paper, find themselves out of work.

It was worse than a death in the family, Mary McGory, 1975 Pulitzer prize winner and 34-year employe of the *Star*, wrote in her farewell column: "It was the death of a family."

There was no formal funeral for the *Star*. People who wanted to say a final farewell did so in the Aug. 7 paper. Some chose the opportunity to advertise a 25%-off merchandise sale—in memory of the *Star*.

The end had come swiftly and painfully. The paper's owner, Time Inc., made its announcement July 23, 1981. The *Star*'s last day of publishing was just 15 days later.

The noble cause that had been their consuming passion and had dominated their daily routine of many at the *Star* was gone. What now faced them was a mundane, but overwhelming question: Where would the next paycheck come from?

The *Star* employed many talented writers and reporters. Ten were Pulitzer prize winners. For these people the transition was quick, although not necessarily easy.

A Time Inc. spokesman says the company isn't able to offer any insights into what happened to the *Star*'s 1,830 employes: No numbers on how many had landed new jobs and where, no idea of how many might still be looking for work.

No matter what its financial condition may have been, it had been inconceivable to many *Star* employes that the paper would close, and that "the family" would have to scatter. Here are the thoughts and circumstances of some of them:

George Beveridge was at the *Star* for 40 years. He was, at the end, the paper's ombudsman and associate editor. In 1958, he won the Pulitzer Prize, the first *Star* writer to do so.

"I was shocked when I heard the *Star* was closing," Mr. Beveridge recalls. "I didn't expect it. The *Star* was in deep financial trouble, but the timing shocked me.

"It's tragic that Washington is now a one-paper town."

Of Time Inc.'s handling of the closing, Mr. Beveridge would make no comment. Of the *Washington Times*, Washington's new paper, which is financed by businesses of Sun Myung Moon's Unification Church, he also had no comment.

Mr. Beveridge today is an assistant to Joe Allbritton, the banker and newspaper publisher who sold the *Star* to Time in 1978.

Mary Lou Forbes was at the *Star* for 37 years, at the end as associate editor of the Commentary section. She won the Pulitzer Prize in 1959, a year after Mr. Beveridge won his. She was the first female editor at the *Star*.

"At the end," Ms. Forbes said, "working at the *Star* was a labor of love. The financial erosion was so evident, all you had to do was to pick up the paper to see how few ads were there.

"I wasn't surprised the *Star* folded, although I admit I harbored an inkling of hope that someone would rescue us at the last minute.

"The only thing that wasn't done that might have been the answer was to go with the *Star* as a morning paper," she said. "But that would have been a very expensive commitment."

Of Washington's new paper, the *Washington Times*, she says, "It's a bright, readable paper. So many of my friends are there."

Ms. Forbes today is the executive editor of The Source, a telecommunications company in West Virginia.

Sidney Epstein was associate publisher of the *Star* when it closed.

"In the last year," Mr. Epstein says, "it was obvious the *Star* was in terrible financial trouble. There was no reassuring Time that things could be turned around. The $60 million they had given the paper had been used up. Still, the paper closed a little faster than I thought it would."

This was the second time Mr. Epstein had lived through a major newspaper's closing. He had been city editor at the *Washington Times-Herald* when the *Washington Post* bought it in 1954.

"The *Star*'s closing was a personal disaster for a lot of people," he said. "A lot of them are working at Moon's paper—thank God, 'cause they need jobs. They have to eat."

Mr. Epstein is now vp-electronic newspaper publishing for Malarkey-Taylor Associates, a telecommunications company in Washington.

Stephen Aug, a 13-year *Star* employe, was the paper's business editor.

He says today of the paper's closing the same thing he was saying in those bitter days nearly a year ago: "The merchants of the District wouldn't support us, and now they're getting what they deserve [a reference to *Post* advertising rate increases]. Personally, I'm delighted. If I had been a substantial retailer in Washington, I would have wanted to keep an advertising alternative."

Mr. Aug had nothing to say about Time Inc.'s handling of the paper's closing. By his estimate 60% of editorial staff had new positions the same day the paper announced it was folding.

Mr. Aug is now a Washington correspondent for ABC radio and television.

John Heyd was a relative newcomer at the *Star*, having been there only 2½ years when it closed. He was the paper's marketing ad director. The news to him was perhaps more shocking than it was to others.

"The first time I realized we weren't going to make it was when Time made the announcement we were closing on July 23," he recalls.

To suggestions that it was perhaps Time's lack of expertise in the newspaper business that significantly contributed to the *Star*'s demise, Mr. Heyd replies: "The things we did may have been unusual to the newspaper industry, but we were facing an unusual situation."

Mr. Heyd is now sales promotion director with *Sports Illustrated*, a Time Inc. publication.

Carol Khan was another latecomer. She was at the paper for 1½ years and was its retail ad manager.

Ms. Khan still clings to the belief that the *Star* had a chance."Just before the paper closed, Hecht's department store was seriously considering committing one-third of its advertising linage to the *Star*," she said. "Right up to the end, the *Star* was making plans to increase its share of the advertising market. We had begun SuperStar, a weekly ad listing that was sent out to all nonsubscribers, and plans for a marriage mail program [a direct mail marketing program for advertisers] was in the works. But they didn't have a chance to really work. "We had terrific plans, but it was all too late."

She remembers the last day, starting from the sterile modern plant—but an extremely efficient one, everyone was reminded at the time—in Southeast Washington that the paper had moved to in 1959:

"I'll never forget watching people as they lined up on the street. I was on the fourth floor. They were waiting to collect their final paycheck. People from editorial were putting their arms around and hugging people in circulation, trying to comfort each other. It was a very sad day."

Ms. Khan is now general manager for Donnelly Publications in St. Louis.

Other *Star* employes and where they now are working:

- George Hoyt, *Star* publisher during Time's tenure, from 1978 to 1981, is now corporate production manager for monthly magazines, Time Inc.
- Mary McGory, columnist, now writes a syndicated political column for the Washington Post three times a week.
- Edwin Yoder Jr., editor of the editorial page and Pulitzer Prize winner, is a syndicated columnist for the Washington Post Writers Group.
- Jeremiah O'Leary, most senior employe—he had worked at the *Star* for 44 years—and the paper's White House correspondent, is White House correspondent for the *Washington Times*.
- Harry J. Kelly, associate managing editor, is a national writer for Time Inc.
- Pat Oliphant, Pulitzer Prize-winning cartoonist, is a syndicated cartoonist for Universal Press Syndicate group. His cartoons appear in 400 papers nationwide, including the *Washington Post*.
- Phil Evans, managing editor, is assistant managing editor at the Washington Times.
- John McKelway, writer of the paper's "Rambler" column, is a reporter on the *Washington Times*' national staff.
- Anne Crutcher, editorial writer, critic and columnist, is editorial page editor at the *Washington Times*. AA

The Staff of The Washington Star

Pulitzer Prize Winners

FULL-TIME EMPLOYEES

The Star's staff: The noble cause that had been their consuming passion was gone.

observers see as the direction of Time Inc. in the 1980s. The company will keep its historic commitment to print operations, but much of its growth will probably come from the video business. One Wall Street analyst has estimated that by the middle of the decade, video operations will account for 50% of the company's operating income. Its contribution jumped to 41% from 35% over the last two years.

American Television & Communications is expected to sign up its two millionth subscriber this year and the Time Inc. division recently won a coveted cable franchise in Denver.

MEDIA PROPERTIES

Newspapers

Pioneer Press, 28 nondaily newspapers serving suburban Chicago: *Citizen*, (serving Edison Park, Harwood Heights, Norridge, northwest Chicago, Norwood Park), *Deerfield Review, Des Plaines Highlander, Elm Leaves, Evanston Review, Forest Leaves, Franklin Park Herald, Franklin Park Journal, Glencoe News, Glenview Annoucements, Herald* (Northlake, Leyden Township, Stone Park, Melrose Park), *Highland Park News, Lake Forester, Maywood Herald, Morton Grove Champion, Niles Spectator, Northbrook Star, Oak Leaves, Park Ridge Advocate, River Grove Messenger, Rosemont Progress, Schiller Park Independent, Skokie Review, Vernon Review, Weekend World* (Oak Park), *West Proviso Herald, Wilmette Life, Winnetka Talk.*

Magazines

Discover, Fortune, Life, Money, People, Sports Illustrated, Time.

Broadcasting

WOTV, Grand Rapids, Mich.

Cable/Video

Cinemax, Home Box Office, USA Cable Network. Also, American Television & Communications Corp., serving the following—ALABAMA: Birmingham (87% interest). ARKANSAS: El Dorado, West Memphis. CALIFORNIA: Arvin, Canyon County, Lamont, Morago, Orange, Rancho Bernardo, San Diego, San Marino (80% interest), South Pasadena, Tehachapi. COLORADO: Canon City, Colorado Springs, Littleton, Highland Ranch, Thornton. CONNECTICUT: Torrington (97% interest). FLORIDA: Cocoa/Melbourne, Jacksonville, Kissimmee, Orlando, Ormond Beach, Perry. GEORGIA: Savannah. HAWAII: Honolulu (84% interest). ILLINOIS: Champaign-Urbana (80% interest). INDIANA: Indianapolis (80% interest), Marion, Terre Haute. IOWA: Council Bluffs (50% interest), Fort Madison, Iowa City(80% interest), Mount Pleasant, Muscatine. KANSAS: Chanute, Emporia, Independence, Neodesha, Parsons. KENTUCKY: Hartford/Beaver Dam, Madisonville, Mayfield, Murray. LOUISIANA: Monroe/West Monroe, Shreveport. MAINE: Portland, Sanford. MICHIGAN: Battle Creek (50% interest), Oscoda, Tawas. MINNESOTA: Mankato, Marshall, Montevideo. MISSISSIPPI: Jackson. MISSOURI: Boonville, Chillicothe, Kansas City (50% interest), Kennett, Marshall, Maryville, St. Louis County (unincorporated areas 80% interest and north area 80% interest). NEBRASKA: Columbus, Falls City. NEVADA: Fallon/Yerrington. NEW JERSEY: Salem. NEW YORK: Albany, Ithaca, Manhattan, Rochester, Webster. NORTH CAROLINA: Asheboro, Burlington, Charlotte, Durham, Fayetteville/Dunn, Gastonia, Greensboro, High Point, Lumberton, Raleigh, Rockingham, Southern Pines (80% interest), Whiteville/Chadbourne. OHIO: Columbus, Delaware. OKLAHOMA: Blackwell, Cushing, Guymon, Midwest City (83% interest), Norman (80% interest), Stillwater (80% interest), Woodward. OREGON: Baker, LaGrande, Union. PENNSYLVANIA: Erie (52.65% interest), Franklin, Levittown (80% interest), Reading, South Delaware Co. TENNESSEE: Henderson, Lexington, Memphis (44% interest), Milan, Savannah, Union City. TEXAS: Austin, Wichita Falls. VIRGINIA: Lynchburg, Richmond (40% interest). WEST VIRGINIA: Charleston. WISCONSIN: Appleton, Beloit, Eau Claire, Fond du Lac (50% interest), Green Bay, New Berlin, Sheboygan (50% interest), Two Rivers (40% interest), West Allis (49% interest). In addition, American Television & Communications owns multipoint distribution systems in Denver and Miami, and subscriber TV services in Boston, Cleveland and Dallas.

OTHER OPERATIONS

Book-of-the-Month Club, Inland Container Corp., Little, Brown, New York Graphic Society, Selling Areas-Marketing Inc., Temple Eastex, Time-Life Books.

Times Mirror Co.

Times Mirror Co., Los Angeles, is the country's fifth largest media company with media operations accounting for $1.37 billion in revenues out of total 1981 revenues of $2.16 billion.

Media revenues rose 21% from last year's $1.13 billion. Total revenues were up 16% from 1980, while net income rose 8% to $150.3 million.

Newspapers accounted for $1.07 billion in revenues, broadcast and cable for $190.6 million and magazines $112.3 million. Newspapers, which represent 51% of total company revenues, recorded a 22% increase in revenues from 1980's $874.3 million. Broadcast and cable revenues increased 36% from $139.9 million, but magazine revenues dropped 1.6% from $114.1 million.

In 1981, Times Mirror stuck with its long-time strategy of expansion within the communications area in which it has developed expertise. The publicly held company continued efforts to upgrade newspaper properties and also made major steps into cable tv and electronic information services.

The *Los Angeles Times* marked its 100th anniversary in 1981 with revenues of $580 million, its best ever. For the 26th straight year, the *Times* recorded more total ad linage than any other newspaper in the world—164.2 million lines. Daily circulation for the six months ended last March 31 averaged 1,062,707 copies, up 3.6% from the same period a year earlier. Sunday circulation also rose 3.6%, to an average of 1,317,817.

During the year, the *Times* made several editorial and technological advances. It opened a foreign bureau in Warsaw, Poland, and a financial bureau in Detroit. In a drive to strengthen the paper's presence in markets where *Times* penetration is low, the paper expanded business coverage in both the Orange County and San Diego County editions.

The *Times* continued its $215 million expansion program. Included in that is the expansion of its Orange County plant, the installation of two new offset presses and the conversion of existing presses to offset. Construction of a second satellite plant in the San Fernando Valley is under way and expected to be completed by 1984.

Times Mirror's *Newsday* on Long Island became the U.S.' largest evening newspaper in 1981—a distinction of note, given the rate at which evening newspapers are folding these days. It also made circulation gains and increased its total ad linage by 8% to 72.1 million lines.

While in 1981 *Newsday* achieved the position of the country's largest p.m. paper, it made moves that may indicate a conversion to a.m. delivery is under consideration. During the year *Newsday* experimented with morning home delivery in the Queens community of Bayside. In July, it introduced a morning newsstand edition which was available two hours earlier than previously.

The *Denver Post*, which completed its first year as a Times Mirror newspaper in 1981, also made moves in the a.m. direction in 1981. It started an a.m. street sales edition in September and later converted subscriber areas to a.m. home delivery on weekdays.

During the year, the *Post* was overhauled graphically and editorially as part of a drive to reverse a trend of declining circulation and ad linage. In addition to making design changes and reorganizing sections, the *Post* added new local news, fashion, automotive, travel and daily business sections. It also introduced a separate tv guide.

The *Dallas Times-Herald* became an all-day newspaper in 1981. The conversion was completed under Thomas R. McCartin, named publisher and chief operating officer in March 1981. Readers in Dallas County now have the option of subscribing to either a morning or afternoon edition. Following the switch, the paper's morning circulation increased to 50% of its total circulation. Circulation averaged 251,003 daily and 341,787 on Sunday.

At Connecticut Newspapers, Times Mirror introduced Sunday editions of the *Advocate* in Stamford and the *Greenwich Time*, plus the first zoned editions of the newspapers, in an attempt to provide readers with local coverage and pull in local retail advertisers.

Times Mirror continued efforts to reach the Los Angeles-adjacent Orange County market by upgrading the *Orange Coast Daily Pilot* technologically and editorially (this is in addition to expansion of the Orange County edition of the *Los Angeles Times*). The Orange Coast Publishing operating unit also introduced a new weekly free newspaper in the area, the *Irvine Mirror*, in October. In March, 1982, it started the *Mission Viejo Mirror*.

Times Mirror's broadcast and cable tv group's 36% increase in revenues was matched by an increase in operating profit for 1981 to $64.2 million. Much of the improvement is attributed to the tv operations, including five tv stations acquired in 1980.

Broadcasting president John McCrory has said that the seven-station tv group may at some time consider starting a cooperative programing venture, probably in the news area.

Times Mirror expanded its cable operations in 1981 beyond traditional cable tv services to include a 24-hour-a-day premium movie service, Spotlight. Times Mirror has entered into an agreement with other multiple system operators who have become partners. The company's hope is that Spotlight will eventually become one of the nation's major premium services.

Times Mirror's regular cable operations grew, too. In 1981 its basic subscribers grew to 641,000, while pay tv subscribers increased to 343,000. At the same time, there were 26,000 basic subscribers and 33,500 pay tv subscribers in systems in which the company has a minority interest.

In May, Times Mirror Satellite Programming made plans to purchase two satellite transponders on Hughes Galaxy I satellite, scheduled to start operation in 1983.

In addition to growing in cable tv, Times Mirror spun off a new subsidiary to conduct a field trial of a two-way home information delivery system, Times Mirror Videotex Services. The trial started in early 1982 in 350 Southern California households in Mission Viejo and Palos Verdes, Cal., two affluent Los Angeles suburbs.

Long-range plans call for expansion into teleshopping, home banking, ticket reservations, airline schedules and delivery of information from newspapers and magazines. If the Southern California test is successful, Times Mirror will probably introduce the service in other American markets.

The company's ski magazines contributed to the magazine group's revenue decline in 1981. They recorded circulation and ad linage drops, which Times Mirror attributed to poor snow conditions.

Advertising increased, however, in *Golf*. Elsewhere, *Popular Science* joined Diamond Publishing in producing *Diamond Popular Science* for the Japanese market.

There were no major management shifts at Times Mirror in 1981. Five senior operating officers were elected corporate vps.

They are the following: Lee J. Guittar, president, publisher and ceo of the *Denver Post* and chairman of the *Dallas Times Herald*, who now also oversees the *Orange Coast Daily Pilot*; Tom Johnson, publisher and ceo of the *Los Angeles Times*; David Laventhol, publisher and ceo of *Newsday*, who is also responsible for the *Hartford Courant* and Connecticut Newspapers; John J. McCrory, president of Times Mirror Broadcasting, and Ralph J. Swett, president of Times Mirror Cable Television.

MEDIA PROPERTIES

Newspapers

CALIFORNIA: *Los Angeles Times, Orange Coast Daily Pilot* (Costa Mesa). COLORADO: *Denver Post*. CONNECTICUT: *Greenwich Time, Hartford Courant, Stamford Advocate*. NEW YORK: *Newsday* (Melville).

Magazines

Cross Country Ski, Golf, Homeowners How-To, Outdoor Life, Popular Science, Ski, Ski Business, Sporting News.

Broadcasting

TELEVISION: WVTM-TV, Birmingham, Ala.; KTVI-TV, St. Louis; WETM-TV, Elmira, and WSTM-TV, Syracuse, N.Y.; WHTM-TV, Harrisburg, Pa.; KTBC-TV, Austin, and KDFW-TV, Dallas, Tex.

Cable/video

Times Mirror Cable Television owns 62 cable properties, serving the following areas—ARKANSAS: Jacksonville, North Little Rock. ARIZONA: Bullhead City, Casa Grande, Chandler, Eloy, Fountain Hills, Heber, Lake Havasu, Nogales, Paradise Valley, Phoenix, Rio Verde, Superior, Tempe. CALIFORNIA: Escondido, Long Beach, Palos Verdes, Perris, Victorville. CONNECTICUT: Hartford, Meriden. ILLINOIS: Springfield. INDIANA: Lafayette. KENTUCKY: Ashland, Hopkinsville, Louisville. MASSACHUSETTS: Amherst, Brewster (95%), Brookline, Greenfield, Longmeadow, Palmer, Weymouth (90%). NEVADA: Las Vegas. NEW JERSEY: Point Pleasant Branch. NEW YORK: Riverhead. OHIO: Caldwell, Cambridge, Coshocton, Defiance, Greenfield, Ironton, Logan, Newark, Newcomerston, New Philadelphia/Urichsville, Toronto, Waverly. PENNSYLVANIA: Washington, Williamsport.RHODE ISLAND: Providence, West Warwick. TEXAS: Del Rio, Kerrville, Marlin, Midland, Texarkana, Uvalde. WEST VIRGINIA: Weirton.

Times Publishing Co.

Times Publishing Co., St. Petersburg, Fla., the 72nd largest media company in the U.S., had revenues estimated by ADVERTISING AGE at $110 million in 1981, all from media operations.

Revenues increased by 35% from an estimated $81.9 million in 1980. The increase stemmed largely from continued circula-

tion and advertising growth of the increasingly regional *St. Petersburg Times* and *Evening Independent*, in addition to growth in the company's other media operations, *Florida Trend* magazine and "Congressional Quarterly."

The privately held company said an increase in 1981 in part-run advertising, continued penetration of regions north of St. Petersburg and continued editorial innovation contributed to a 10% to 12% increase in advertising linage, despite an across-the-board 9% increase in ad rates.

For the six months ended last March 31, circulation of the morning *Times* averaged 259,715 daily, up 6.3% from the year-earlier period, while Sunday *Times* circulation rose 5.9% to 321,935. Circulation of the *Evening Independent* fell 9.3% to 37,985 copies daily.

Times Publishing Co. outpaced all other Florida papers for the reporting period in morning circulation growth, combined circulation growth for a.m. and p.m. and Sunday circulation growth. Leo L. Kubiet, Times Publishing ad director, said the *Evening Independent*, which has increased circulation every year since the company bought it 19 years ago from Thomson Newspaper Group, would have achieved circulation gains as well had the company not increased its price from 10 cents to 15 cents, and cut back circulation by 4,000 in the Largo, Clearwater and Seminole area north of St. Petersburg to concentrate on city zones.

Times Publishing has been harvesting part-run advertising for years via market segmentation to the north. "Advertisers encouraged us several years ago to publish city-zoned and regional editions," Mr. Kubiet said, "and this has led to extensive rate breakdown for part-runs based on contract size and amount of circulation on a cost per thousand basis."

The company splits St. Petersburg into zones at 49th St., which runs through the center of the peninsular city. The eastern edition, City Plus Bay, takes in the downtown area and some sizable shopping districts and fronts Tampa Bay. The western zone edition, City Plus Gulf, abuts the Gulf of Mexico. These zoned editions are published Thursdays and Sundays and were responsible in 1981 for more than 2.2 million lines of part-run retail advertising, or 50% of the newspaper's total part-run retail linage.

The remaining part-run linage is generated by the five daily regional editions reaching into counties north of Pinellas County (St. Petersburg) and bordering the Gulf. Selling part-run linage allows the paper to compete with the myriad of weeklies and several dailies in those counties.

These editions include, in order northward, the *Largo-Seminole Times* with circulation of 54,060 and *Clearwater Times* with circulation of 47,202, which together contributed 16.5 million retail ad lines in 1981. Continuing north are the *Pasco Times* with 40,477 circulation, *Hernando Times*, 7,206 circulation, and *Citrus Times*, 6,635 circulation. The latter three contributed 4.9 million retail lines in 1981.

In 1981, the company moved into its first satellite printing plant, a $6 million facility housing an eight-unit Urbanite press, in New Port Richey north of St. Petersburg. The plant is expected to minimize distribution problems associated with circulating editions up to 100 miles north of the city.

Penetration in those markets already is heavy. The company has achieved a 45% penetration of the 80,900 households in Pasco County, bordering Pinellas County to the north; 36% penetration of the 15,700 households in Hernando County, and 23% penetration of 23,100 households in Citrus County to the far north.

Times Publishing's *Tv Dial* quarterfold magazine, appearing each Sunday, introduced a coated stock wraparound cover last year and offered three four-color ad positions. Only a few of the cover spots have not been booked for the remainder of 1982. The product offers 72 pages (newsprint) of advertising, tv listings and editorial inside the slick cover.

Florida Trend executives were pleased with the magazine's 823 paid ad pages in 1981, but have greater expectations for 1982. In the first five months this year, the magazine sold 387 pages, up 19% from 324 pages in the year-earlier period.

MEDIA PROPERTIES

Newspapers

FLORIDA: *St. Petersburg Times, St. Petersburg Evening Independent.*

Magazines

Florida Trend.

Other publications

"Congressional Quarterly," publication of the Congressional Monitor.

OTHER OPERATIONS

Modern Graphic Arts.

Triangle Publications

Triangle Publications, Radnor, Pa., is the nation's 17th largest media company, with 1981 revenues estimated by ADVERTISING AGE at $502.2 million, all from print media. Triangle had estimated revenues of $461.6 million in 1980, an AA revision of company estimates supplied in 1980.

The privately held company publishes *TV Guide, Seventeen* and the *Daily Racing Form.* The company folded its 16-month-old *Panorama* magazine in June of last year.

Reports circulated last month that Triangle was selling *TV Guide*, the company's dominant property. Triangle president Walter Annenberg denied the reports, saying that the company "was not open to any offers —certainly not at this time."

At that time, ADVERTISING AGE quoted sources as saying Mr. Annenberg had begun talks with potential buyers, possibly including Getty Oil, about selling the magazine for $750 million to $1 billion. Getty also denied the speculation.

The company considers continued growth in cable and electronic media the most promising aspect of its future. During March, *TV Guide* expanded its New York metropolitan edition with five additional cable listings; similar expansion was said to be planned for other regional editions as demand grows. All 108 editions of *TV Guide* now carry cable and pay tv listings. The company said that *TV Guide* now reaches 28% of all cable tv households—an even higher percentage than regular tv households.

Nonetheless, with increased competition in cable listings from both new cable magazines and local newspapers, *TV Guide* ad revenues remained flat last year at $239 million, allowing *Time* to edge it out of its three-year position as the No. 1 magazine in ad revenues, according to Publisher's Information Bureau. *TV Guide* ended the year with a circulation of 17.7 million, according to the Audit Bureau of Circulations, representing a 2% drop in the last half of 1981.

The static ad sales were said to be partially responsible for a series of high-level personnel changes that took place during the first half of the year, including the appointment in late January of former national advertising director, Eric Larson, as *TV Guide's* first publisher in 13 years.

Brian Bradfield, general manager, took early retirement, along with several other executives, and Thomas McDonough, previously advertising manager, was named to succeed Mr. Larson as ad director; Robert G. Baumler, formerly eastern regional advertising manager, was promoted to advertising manager. C. Robert Brooks, previously Los Angeles ad manager, was named in December to succeed Richard Cook as West Coast advertising manager when Mr. Cook retired.

Mr. Larson said that certain managers were let go in order to eliminate "redundancy" of some positions that had resulted when the publication combined the national and local sales staff into one force to increase efficiency.

At Triangle's *Seventeen*, ad revenue was up during 1981, despite a slight falloff (0.2%) in advertising pages. Advertising revenue jumped to $22.4 million, up 9.1% from 1980; the magazine's total revenue reached slightly more than $40 million.

Though *Seventeen* has suffered in recent years from a decline in the numbers of its teen age audience, magazine officials said the audience has become "more affluent" and fashion-conscious than teens of the recent past.

Victoria Peslak, formerly editorial art director at *Brides*, was named to the same post at *Seventeen*, succeeding Tamara Schneider, now art director at *Ladies Home Journal.*

MEDIA PROPERTIES

Newspapers

Daily Racing Form.

Magazines

TV Guide, Seventeen.

Tribune Co.

Tribune Co., Chicago, is the nation's 10th largest media company with revenues of $1.17 billion from media operations in 1981, up from $1.05 billion in 1980. Newspapers accounted for $1.02 billion in revenues and radio and tv operations $154 million.

Total operating revenues for 1981 were a record $1.41 billion, a 14% increase over the previous year's $1.2 billion. Net income was $89 million in 1981, compared to 1980's $78 million.

In the first quarter this year, Tribune Co. profits plummeted 97% to just $468,000 from $14.6 million in the year-earlier quarter. The company blamed higher interest expense, reduced interest income and earnings declines in most operations. It said full-year earnings should be "well below" those of 1981.

Late last month, the U.S. Justice Department sued Tribune Co. and its Sentinel Star Co. subsidiary to force them to divest five weeklies serving the Orlando, Fla., area. The action is believed to be the first Justice Department challenge of a daily newspaper's purchase of weeklies in its market. The government said the purchase lessened competition for advertising in the market.

A Tribune Co. attorney called the suit "a test case in terms of shoppers" and said the company will contest the suit "with vigor." Sentinel Star Co., publisher of the daily *Orlando Sentinel*, bought the five weeklies for $4.1 million two years ago. According to the Justice Department the daily and weekly papers of Sentinel Star Co. accounted for 100% of all print advertising in Osceola County in 1979, with the weeklies accounting for 36% and the daily 64%. The papers as a group accounted for 60% of all advertising in the market, according to the suit.

Tribune Co., a privately held company, continues to chisel out new corporate directions as it inches away from newspapers and moves more toward broadcast and cable operations.

This year witnessed an unsuccessful, at times embarassing, attempt to sell the ailing *New York Daily News*—and then a recanted decision to keep it; an ongoing struggle to improve profits at the flagship *Chicago Tribune*, and a bolstering of broadcast operations by forming Tribune Co. Broadcasting Inc., a new subsidiary.

As these changes take shape the Tribune Co. is increasing its grip on cable-tv and other diversification ventures—including baseball via last year's purchase of the Chicago Cubs.

The troubled *News* had a $12.6 million operating loss last year, and Tribune Co. has said the paper will lose up to $30 million this year.

Throughout the winter the company attempted to sell the *News* to Texas finanacier Joe Allbritton, former owner of the *Washington Star* and present owner of smaller newspapers. Yet, that sale was thwarted when the newspaper's 11 unions could not reach contract agreements with the potential buyer. As negotiations sputtered Tribune Co. president Stanton Cook labeled Mr. Allbritton the "buyer of last resort" and warned unions the *News* would fold if the impasse was not broken.

Nevertheless, talks between the unions and Mr. Allbritton broke off in April and the Tribune Co.'s hardline position was reversed when it reclaimed the *News.*

Still, Chicago-based Tribune Co.'s commitment to keeping the paper viable is being questioned by the unions and local advertisers. Some contend the company's credibility has been destroyed because of the *News* episode, and they suspect the Tribune Co. braintrust's only plan is to buy out the various labor contracts and lower operating costs to make the paper more attractive to potential buyers.

Tribune executives contend a plan is on tap that will keep the *News* afloat well into the 1990s. Last month it said it plans a two-year staff reduction of 1,340 jobs—a fourth of the payroll—and that it will spend $44 million to improve printing facilities and $48 million in early retirement pay to union workers. *News* publisher Robert Hunt said the moves would reduce costs by $55 million a year by 1984.

The flagship *Chicago Tribune* continues to lose circulation despite spending heavily on its "Zingo Bingo" game to attract customers. Daily circulation for the six months ended March 31 averaged 770,798, down from 790,475 for the year-ago period, according to most recent figures from the Audit Bureau of Circulations. *Tribune* operating profit last year was higher than in 1980, however, because of an in-house austerity program and increases in both circulation and advertising rates.

Changes are also under way at Tribune Co.'s *Fort Lauderdale* (Fla.) *News* and *Sun-Sentinel*, where a merger of the editorial staffs is near completion. Fort Lauderdale management recently stated it will soon have to confront the possibility of merging both papers into a single 24-hour daily.

The *Orlando Sentinel*, with a daily circulation of 200,000, is in the thick of a central Florida circulation war and appears to be holding its own.

Attempting to cash in on the lucrative video programing market, Tribune Co. created a broadcasting subsidiary to acquire, produce and distribute tv programing for tv stations, cable tv systems and other video technologies.

Sheldon Cooper, former president and general manager of Tribune-owned WGN-TV, has been named president of the subsidiary.

In broadcasting, WGN-TV and WGN-AM in Chicago have received the bulk of the media concern's attention lately. WGN-TV has pumped up its coverage of local news and has added the Tribune Co.'s Independent Network News show to the roster. Also, it has added popular local sportscaster Harry

Caray to the Cubs broadcast team and has accelerated its already extensive sports coverage. It has also hired film critics Gene Siskel and Roger Ebert away from the Chicago PBS station and will feature them in a movie review show similar to their syndicated "Sneak Previews," shown on PBS stations.

WGN-AM has also undergone some on-air changes. It has added talk show host Eddie "Chicago" Schwartz to the all-night program, potentially giving the talk-news station a powerful one-two punch in the form of Mr. Schwartz in the late night and the Chicago ratings leader Wally Phillips during morning drivetime.

Even the Chicago Cubs—considered by many to be the company's future cable draw—have undergone a facelift. For the first time in the club's existence a marketing plan is emerging. Tribune Co. hired former Philadelphia Phillies manager Dallas Green to be the Cubs' general manager and he has installed the slogan, "Building a new tradition," for the team that has not won a pennant in more than 30 years.

MEDIA PROPERTIES

Newspapers

CALIFORNIA: *Daily News* (Van Nuys), *Escondido Times-Advocate, Palo-Alto Peninsula Times Tribune.* FLORIDA: *Fort Lauderdale News, Fort Lauderdale Sun-Sentinel, Orlando Sentinel.* ILLINOIS: *Chicago Tribune.* NEW YORK: *New York Daily News.*

Broadcasting

TELEVISION: KWGN-TV, Denver; WGN-TV, Chicago; WPIX-TV, New York.
RADIO: KNGR (am) and WCTC (fm), Sacramento, Cal.; WICC (am), Bridgeport, Conn.; WGN (am), Chicago; KDAL (am), Duluth, Minn.; WPIX (fm), New York.

Cable/video

Tribune Co. Cable, serving CALIFORNIA: Palmdale/Lancaster. LOUISIANA: Slidell. MARYLAND: Gaithersburg (88%). MICHIGAN: Houghton. MINNESOTA: Glencoe. NEW MEXICO: Albuquerque. NEW YORK: Glen Falls, Oneida, Fredonia. TENNESSEE: Jackson.

OTHER OPERATIONS

Chicago Cubs baseball team, Ontario Paper Co., QNS Paper Co., Quebec & Ontario Transportion Co., Tribune Syndicate.

Turner Broadcasting System

Turner Broadcasting System, Atlanta, is the nation's 82nd largest media company with 1981 revenues from media operations of $83 million out of total revenues of $95 million. In 1980, it had media revenues of $42.7 million out of total revenues of $54.6 million.

Turner is a public company made of several separate but interrelated operating segments. The operations include broadcasting as well as a cable production company.

The broadcasting operations consist solely of WTBS-TV (Channel 17), a UHF station in Atlanta. Even though the station broadcasts out of Atlanta, most of its viewers are located outside. WTBS is known as a "superstation"—one of the few tv stations in the country whose signals are transmitted across the country by satellite and received through cable systems.

The company estimates that WTBS was available in approximately 19 million cable tv households and an additional 1 million households at night. The total represents 66% of the nation's cable households and approximately 25% of broadcast tv homes. Ted Turner, president of Turner Broadcasting, estimates that WTBS will reach 30% of all tv homes by the end of 1982.

WTBS' audience has not gone unnoticed by national advertisers. In 1981, the station earned $55.3 million from ad revenues—an increase of nearly 59% over the 1980 revenues.

The prospects look even better for 1982. According to BAR Cable Advertising Service, national advertisers spent $16.2 million on WTBS, in the first quarter of 1982. Local ad spending was not counted.

WTBS' success has led other tv stations to attempt a similar satellite-transmitted distribution service. Among the imitators are Chicago's WGN-TV and New York's WOR-TV.

Turner Broadcasting's cable production segment is composed of CNN and CNN 2—two 24-hour news channels available to cable tv systems throughout the nation.

CNN commenced operations in June, 1980, to approximately 1.7 million cable subscribers. Since then it has grown rapidly. As of Dec. 31, 1981, it was reaching 10.6 million cable tv households in all 50 states. CNN's programing consists of comprehensive and up-to-date reporting of domestic and international news, sports, business and weather, plus analysis, commentary and reports by a staff of experts and reporters. The network has established its own news bureaus in New York, Washington, Chicago, Los Angeles, San Francisco, Dallas, Rome, London and Atlanta.

On Jan. 1, 1982, Turner Broadcasting launched CNN 2, a second all-news network. The new network is already available in 1.1 million cable homes. However, it is not expected to reach its projected yearend goal of 4 million.

CNN receives its revenues from monthly fees per subscriber household as well as the sale of national advertising. CNN 2 is provided to subscribers free of charge and will receive its revenues primarily from advertisers and the sale of syndicated programs to over-the-air television and radio stations.

Advertising for WTBS and CNN is sold by the company's own advertising sales force located in New York, Chicago, Detroit, Los Angeles and Atlanta. At the end of 1981, the company also signed an advertising agreement with Warner-Amex Satellite Entertainment Co. (WASEC). Under the agreement, WASEC will sell advertising on CNN and CNN 2 and receive 10% of the net sales.

Cable revenues for the company increased to $27.7 million in 1981 from the 1980 figure of $7.2 million. However, it continued to show an operating loss. The 1980 losses for the cable operations amounted to $16 million. In 1981, the amount had been reduced to $11 million.

Starting June 21, CNN and CNN 2 will have a new competitor—Satellite News Channels. The service is a joint venture of Westinghouse and ABC and will initially reach about 1.5 million cable subscribers.

Within a very short span of time, Ted Turner and his Turner Broadcasting have acquired the reputation of media mavericks. Turner pioneered the idea of a satellite-transmitted tv station and transformed a lowly-rated uhf station into one of the nation's most visible.

The idea of an all-news cable network also went against the grain of expert advice. Nonetheless, CNN and CNN 2 are in operation and highly competitive with network newsgathering operations.

Soon, Turner plans to broadcast 17 hours of daily CNN programing to the Far East via a Pacific satellite.

The year has seen some major personnel changes at Turner Broadcasting. CNN president Reese Schonefeld has resigned and will be replaced by vp Burt Reinhardt and another CNN vp, Ed Turner.

In addition, a number of the network's experts—psychologist Joyce Brothers, movie reviewer Christian Williams, satirist Mark Shields and gossip reporter Rudy Maxa—have not renewed contracts.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WTBS-TV, Atlanta.

Cable/video

Cable News Network: CNN and CNN 2.

OTHER OPERATIONS

Atlanta National League Baseball (ANLBC) owns the Atlanta Braves baseball team and operates farm clubs in Savannah, Ga.; Anderson, S.C., and Richmond, Va.; The Atlanta Hawks Ltd. (AHL) controls the Atlanta Hawks basketball team.

United Cable Television Corp.

United Cable Television Corp., Denver, the nation's — 94th largest media company, reported revenues of $62.8 million and operating income of $24.9 million in fiscal 1981, all in media. This financial performance was outstripped by the first three quarters of fiscal 1982, which closed May 31.

Through the first nine months of the new year, the publicly held United Cable had amassed revenues of $68 million and operating income of $25.5 million. At an annualized rate, year-end figures will be in excess of $95 million and operating income more than $35 million, the company estimates.

During the nine-month period, United Cable increased its homes passed from 752,820 in fiscal 1981 to 860,000. Another 340,000 homes passed are expected to be added in the final quarter bringing yearend 1982 homes passed under franchise to about 1.2 million.

Much of the increase in homes passed came from hookups in the Denver suburbs and Boise, Ida., area. More will come online in the next fiscal year through new franchises awarded by Alameda (28,000 new subscribers expected) and Hacienda Heights, Cal. (40,000); Scottsdale, Ariz. (51,000); Oakland County, Mich. (a joint venture with the Tribune Co. of Chicago that is expected to bring in 105,000 subscribers), and Chaska and Shakopee, Minn. (8,000). The company is pursuing hotly contested franchises in Sacramento, Cal., and Montgomery County, Md. The Alameda, Hacienda Heights and Oakland County franchises each will have more than 100 channels. (Although 54 channels is the state of the art, many of the newer-bid systems double that by running dual cable to get 108 channels.) Scottsdale will have 54 channels.

Fiscal 1982 includes a quarter's result from Home Entertainment, a subscription operation United Cable purchased Feb. 12 from Buford Television of Tyler, Tex., which retains a minority position. The stv operation, which services Cincinnati, Dayton and Chicago, and is to begin servicing Minneapolis-St. Paul in the fall, has more than 110,000 current subscribers. With subscribers paying an average of $21, the service was expected to add $7 million to total revenues by the end of the fiscal year. United Cable owns 80% of the stv service through its infusion of $20 million, a financial package of debt and equity.

Capital spending, a byword for active cable operators, totaled $52.5 million in the first nine months, with contributions coming from the $26 million in cash flow from subscribers during the period.

Last year, the company had $60 million in capital expenditures, a good part of that coming from two common stock offerings generating $53.5 million for equity investment, and much of it going toward outfitting the Denver suburban area for cable. The company had hoped to add the city of Denver franchise to its suburban service this past

Entrepreneurship: It's in the blood

At an age when many executives at the top would be enjoying the view, Monroe M. Rifkin, 51, has abandoned the corporate suite to launch his own business.

Not that Mr. Rifkin, former head of Time Inc.'s cable television operations, is stepping out into unknown territory. He founded American Television & Communications Corp. in 1968, and had helped build ATC into one of the largest cable systems in the country when Time acquired it 10 years later.

But Mr. Rifkin grew restless, and not because he's a lover of the unstable life—he's a director at two different Colorado banks, has holdings in real estate and is an "avid, but not crazy, skier."

Rather, he has joined millionaire oilman Marvin Davis to form Rifkin-Fox Communications, Denver, because "I'm an entrepreneur by nature." That, he says, is the basic difference: "Ownership—the fact that I'm a partner—makes it very personal.

"An entrepreneur craves ownership," he adds. "At Time or some other large corporation, you can't have that."

Like Marvin Davis, Mr. Rifkin enjoys working with his enterprises, but doesn't like to talk about them.

Rifkin: Another venture

"I don't like a lot of visibility," he says. "Let the companies speak for themselves."

He will say that he first started working with cable as an executive vp at Teleprompter Corp. (now Group W Cable) in 1959. He was in charge of closed-circuit prize fights, and a contact of his led to Teleprompter's first cable buy—three small systems.

These days, Mr. Rifkin is staging other kinds of battles. As vice-chairman of the National Cable Television Assn., Washington, he has been a strong backer of a House bill that would protect cable's interests in sports from such things as the contention by powers in professional sports, especially baseball, that any kindred game in a community should be blacked out when the local professional team is playing at home.

At Rifkin-Fox Communications, Mr. Rifkin is the managing partner and will make the key decisions along with Mr. Davis, who bought Twentieth Century-Fox Film Corp. for $725 million last June and made it a privately owned company. Mr. Rifkin says he and Mr. Davis are longtime acquaintances. AA

year, but lost out in the bidding to Mile High Cablevision, a joint venture of Daniels & Associates and Time Inc.'s American Television & Communications Corp.

United Cable continued to experiment with pay-per-view and cable advertising in the 1982 fiscal year. United Cable sees the addressable converter as the "real boon" to pay-per-view, according to treasurer Bill Elsner, who says the company's use of the disposable filter in the past is an inconvenience to the customer, compared with the converter. With the disposable filter, the customer must pick up the filter at the cable headquarters and install it for the one-time telecast. The company is investigating different types of addressable converters. The converters can be activated at the cable head-in for the market. Such converters are to be made available in construction of the Scottsdale system.

Meanwhile, United Cable generated $250,000 in advertising during fiscal 1981 from its Tulsa franchise and was expected to top $660,000 for fiscal 1982 there. The company was also expected to gain $400,000 more through franchises in Carpentersville, Ill.; Hammond, Ind.; Plainville, Conn., and Bellevue, Neb., says Dave Walstrom, director of ad sales, who was hired away from General Electric's broadcast division during the year.

"The business is changing so rapidly that it is hard to get a fix on advertising. Advertising on cable has started out like tv, but cable is beyond tv, having the segmentation and target ability like radio and magazines," Mr. Walstrom says.

Mr. Walstrom notes United Cable is building a prototype for cable advertising in Tyler, Tex., which will be "up and running in a couple of months." The prototype would help determine station equipment needed for advertising insertions, trafficking and marketing and promotion of cable advertising. Advertising in Tulsa and elsewhere is based on rather traditional tv-type sales, although "considerable creative mixing and matching is required to support satellite nets," he says.

Once the Tyler experiment is completed, Mr. Walstrom expects advertising to be initiated into systems, among others, in Tyler; Boise; Abilene, Tex.; Casper, Wyo.; the Denver suburbs, the Bay Area of California; Bossier City, La.; Ocean City, Md., and Grand Junction, Colo.

MEDIA PROPERTIES
Cable/video
Systems in 17 states. ARIZONA: Scottsdale. CALIFORNIA: Alameda, Cupertino, Foster City, Hacienda Heights, Hayward (80.5% interest), San Leandro (80.15%), San Lorenzo (80.5%). COLORADO: Arvada, Denver (suburbs), Grand Junction. CONNECTICUT: Bristol, New Britain (50%), Plainville. IDAHO: Boise. ILLINOIS: Carpentersville (80%), Effingham, Galesburg (50%), Mendota, Monmouth (50%), Peru-La-Salle. INDIANA: Hammond. LOUISIANA: Bossier City. MARYLAND: Berlin-Ocean City (50%). MICHIGAN: East Lansing (96.5%), Gibraltar, Lincoln Park, Meridan, Oakland County (50%), Woodhaven. MINNESOTA: Chaska, Shakopee. NEBRASKA: Bellevue (40%). NEW MEXICO: Gallup, Santa Fe (80%). OKLAHOMA: Tulsa (91%). TEXAS: Abilene, Anson, Hamlin, Jacksonville, Perryton, Rotan, Sweetwater, Tyler. UTAH: Moab. WYOMING: Casper.

U.S. News & World Report

U.S. News & World Report, Washington, is the 61st largest media company in the country, with revenues from media properties of $127 million, 94% of total revenues of $135 million, according to the company.

The weekly news magazine accounts for $115 million total revenues. The remaining media revenues come from newsletters, interests in radio programing and electronic publishing services. A book division is not included in media.

Company president James McIlhenny said 1981 brought two pleasant surprises and a disappointment. The first success comes from the company's newly created subsidiary, Publishers Services International (PSI). According to Mr. McIlhenny, after six months in operation PSI is operating as a network. The division has sales commitments of more than $10 million annually, offices in three states and contracts for transmission services and computer typesetting with more than 50 publishers.

Mr. McIlhenny said the company is "proceeding optimistically" with the venture, but can't be expected to come full-blown into such a costly business.

The other area of strength came from the "Washington Newsletter," the four-page weekly circulated to business and professional people with investment interests. Circulation increased by 18% between 1980 and 1981 and editor Paul Hencke said the reason is threefold: The company increased the newsletter's direct-mail promotion, it enjoys a ruboff from *U.S. News & World Report* and "in times of uncertainty people look for information to dispel that uncertainty." However, Mr. Hencke said the newsletter still has some distance to go before reaching its circulation goal of 100,000 to 150,000.

The company's book division provides the soft spot. Mr McIlhenny said there has been a slack in all book business and U.S. News has slowed down its movement in this division, with only seven titles released in 1981.

There is also a new face in the chairman's seat, former vp of circulation, Samuel Kecker. He replaced John Sweet, who retired after serving as the guiding force at U.S. News for more than 35 years.

While *U.S. News* still trails *Time* and *Newsweek* in circulation, the company continues to solidify its image among both readers and the advertising community. Since moving its advertising account to North Castle Partners in 1981 the company has "significantly increased its advertising outlays," said Mr. McIlhenny.

The first part of the campaign aims to get readers to understand the personal side of the magazine by profiling editors who are "news buffs." Mr. McIlhenny said the second part is directed toward the ad community and deals with efficiency and cost-per-thousands. He also said the magazine has a "vast" special advertising and promotional budget targeted for specific industries.

In an earlier interview, publisher William G. Dunn touched upon some of the challenges that are facing the magazine industry today. He said the competition posed by the cable industry should not be viewed as a threat, but turned into a collaboration; with cable benefiting from a magazine's ability "to get stories and get the news," and magazines taking advantage of cable's immediacy.

Dunn's parent company has done just that through its association with Parkway Communications Corp., a major producer and distributor of fine arts radio programing. *U.S. News* hired Nat Kingsley prior to purchasing Parkway to develop the magazine's resources on a cable format.

Neil Currie, president of Parkway, said *U.S. News* was looking for a partner with the same image and demographics as the magazine. Parkway's ventures into network and satellite technology will allow *U.S. News* to develop "thoughtful interviews," Mr. Currie said, drawing upon the magazine's imprint. Currie said Parkway has experienced a 20% annual growth over the past six years and hopes the relationship with *U.S. News* will strengthen that number.

The company also broke ground in June on the development of some of its downtown Washington land. The site will be used for a major hotel, office building and high-rise condominium complex. The center is expected to be completed in 1983, at an estimated cost of $2 million.

MEDIA PROPERTIES
Magazines
U.S. News & World Report.
Newsletters
"Washington Newsletter" (weekly), "Washington Business Report" (monthly), news syndication service.
Broadcasting
Parkway Communications (radio programing).

OTHER OPERATIONS
Book division, Publishers Service International (electronic publisher services).

Viacom International

Viacom International, New York, is the country's 49th largest media company with media revenues of $164.5 million, 78.2% of total revenues of $210.4 million.

The company increased total revenues 31% from $160.2 million in 1980. Its earnings increased from $28.3 million in 1980 to $31.3 million in 1981 for a 10.6% increase.

Cable tv contributed the largest share of revenues, with $85.2 million gleaned from basic and pay subscribers in 548,632 homes.

Adding $83.5 million were the company's broadcast services, which include 50% interest in Showtime Entertainment, the nation's second-largest pay-tv network, owned jointly with Westinghouse's Group W Cable (formerly Teleprompter). Viacom consolidates 50% of Showtime's revenues.

Broadcast also includes revenues from two tv and four am and four fm stations in five major markets—New York, Washington, Memphis, Houston and Oakland/San Francisco.

Amid the tempest at the *Daily News*

When Robert Hunt left his position as president-chief executive officer of Chicago Tribune Co. in 1979 to become president and publisher of the *New York Daily News*, also owned by the Tribune Co., associates said the former ad salesman was attracted to the challenges offered by the New York paper.

It now appears, as Tribune Co.'s embarrassing, suddenly retracted, attempt to sell the *News* suggests, that Mr. Hunt walked into a problem whose dimensions neither he nor the Chicago braintrust fully appreciated.

According to Tribune Co. sources, other company executives had argued that the "challenges" posed by the *News* might be too complex and difficult for anyone to meet and warned that they were clearly beyond the ken of Mr. Hunt.

"Bob Hunt is an amiable, jolly man, but I don't think anyone who knows him well would call him very intelligent or deep," says one former Tribune Co. executive, who claims he was among those asking if the company was sending the right fireman to New York.

But even those who doubted Mr. Hunt's—or anyone's—ability to reverse the slide of what was at the time the country's largest daily newspaper give him credit for realizing that something drastic had to be done, and doing it. In an attempt to capture the "upscale" audience so beloved by advertisers, Mr. Hunt in 1980 started *Tonight*, a magazine-style afternoon edition that folded a year later and cost the company an estimated $11 million.

"Bob Hunt's answer was to start *Tonight*," says the former Tribune Co. executive. "It wasn't a good plan, but at least it was a plan, which was more than other people had."

The failure of *Tonight*, regarded by some as an impossibly schizophrenic attempt to capture an elite readership at the same time the *News* hoped to hold on to its traditional work-

Hunt: An image problem?

ing class clientele, apparently triggered the Tribune Co.'s later decision to sell the paper. That decision was reversed when a buyer could not be found.

Many *Daily News* insiders, even those who admire Mr. Hunt, believe that the 54-year-old publisher has an image problem that has contributed to the *News*' difficulties, particularly in the months after the folding of *Tonight* and during and after the five months when the *News* was on the block.

His penchant for privacy—surprising for a man remembered by some as a glib backslapper—during a period when the media world, New York community leaders, advertisers and, indeed, the very public that the *News* was courting were keenly interested in the paper's fate, was particularly nettlesome to some. He adamantly shunned interviews and contact with the media, even going so far as to refuse to hold a press conference when the Tribune Co. decided it was going to keep the paper, leading to increased speculation about his control of the situation. Was he still around? Was he about to be fired? Had he become overwhelmed by it all and given up the fight?

When the inevitable stories did leak out, they tended to be unflattering. One told of a meeting that Mr. Hunt called with *News* staffers at which, apparently in response to internal mutterings about the "turkeys from Chicago" who had screwed things up, he staged a flustered and awkward defense of himself.

But despite his image problems, the still-real financial woes of the *Daily News* and the numerous predictions that his days at the *News* were numbered, Mr. Hunt remains as publisher. And from all reports—he continues to avoid the press—he remains optimistic both about the paper and his future there.

In May, he and other *News* executives outlined a plan to make changes at the paper that Mr. Hunt called a "workable, realistic blueprint" to assure the survival of the *Daily News*. AA

Showtime, formerly a CBS-owned entity, was forced to spin off in 1971 after the Washington regulators ruled domestic syndication and cable systems ownership out of bounds for the Big Three conventional tv networks. (Now CBS has taken the lead to muscle the major networks back into part of this field, having established a new foothold in cable ownership through a Federal Communications Commission waiver for 90,000 cable homes.)

Not counted by AA as media was tv programing and distribution with $45.9 million in revenues. Sales of $4.2 million between Viacom units also were recorded and appear as an "elimination" on the balance sheet.

The last decade has been a period of steady growth for Viacom, where top management has remained constant. The company has increased its holdings in cable systems, expanded in network and syndication programing and moved into broadcast station ownership. Like all the other major multiple systems operators, this company has won some and lost some in the franchise infighting at city halls around the country.

Victories have come in Wisconsin, California and Ohio. In San Francisco the mso was awarded a 20-year contract extension on the basis of an ambitious plan for modernization and improved services. Currently, Viacom systems scattered across the country list about 600,000 basic subscribers, nearly 70% of whom buy at least one premium pay service. Pay-per-view has been tested in Nashville, Tenn., and San Francisco.

In the Seattle-Everett area, all the Seattle SuperSonics professional basketball games are being offered live to Viacom subscribers. Fans are charged a flat fee of $120 for the season.

Meanwhile, Viacom has not been putting its name in as many franchise pots as, say, Warner Amex, but there were several applications pending in 1982, enough to almost double the company's homes list, according to the annual report, which promised "to continue to seek new franchises in economically sound areas and maintain the growth of our present systems through a constant program of innovation and improvement."

Viacom has been in the vanguard of pioneers who are organized and staffed to sell local advertising for its largest systems. In some cases reps help with this assignment, and on-the-wire ads are sold in combination with print ads in the local cable guides.

There was speculation after Westinghouse Electric Corp. bought Teleprompter Corp. that either Westinghouse or Viacom would try to acquire the other's half of Showtime. But so far neither seems inclined to bow out as a partner in an in-the-black, growing network.

Showtime reaches more than 3 million homes via 1,500 systems. It is the only profitable national cable network, other than Time Inc.'s Home Box Office. Showtime is talking an additional service, presumably to counter HBO's Cinemax.

Chairman Ralph Baruch and president Terrence Elkes obviously are bullish on cable programing. As one example, Viacom owns a big chunk of the new advertiser-supported Cable Health Network.

Viacom Enterprises reported revenues of $45.9 million in 1981 from sales to network tv, pay cable and local tv. Viacom claims this makes it "the world's leading independent distributor of tv programing." The syndication vault includes such durable off-network favorites as "All in the Family," "The Mary Tyler Moore Show," "I Love Lucy" and the "Bob Newhart Show." Among the latest additions: "Hawaii Five-O" and Clint Eastwood in a 1982 rerelease of "Rawhide."

The company seems to do well with syndication and other ancillary rights to more than 100 feature films. Merchandising rights to Mighty Mouse and other Terrytoons characters date back to the CBS-ownership era.

In the broadcast ownership division, the Viacom sales curve has been up for tv and radio. WVIT-TV, an NBC affiliate in New Britain-Hartford, Conn., reported its best year ever, despite the network's rating troubles.

WNYT-TV, Albany-Syracuse, another NBC affilate, put up an earth station to take shows off the satellites, as did WVIT, and enlarged its studios and newsroom, hoping to attract more viewers and advertisers.

WLAK, an fm radio station in Chicago, joined the Viacom group through acquisition early in 1982, and, like the other three fm and four am stations, is being programed to appeal to the 25- to 49-year-old market. Some of the stations are skewed toward blacks; others, including WKHK, New York, run country and western music.

Viacom gave WWRL, New York, to the United Negro College Fund.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WVIT, New Britain/Hartford, Conn.; WNYT, Albany, N. Y.

RADIO: KDIA (am), Oakland, Cal.; WLAK (fm), Chicago; WKHK (fm), New York; WDIA (am) and WRVR (fm), Memphis, Tenn.; KIKK (am) Pasadena and KIKK (fm) Houston, Tex.; WMZQ (fm), Washington.

Cable/video

CALIFORNIA: Diablo, Mountain View, North Bay, Nor Cal Cablevision (40% owned, serving Biggs, Colusa, Gridley, Marysville, Oroville, Paradise, Wheatland), San Francisco. NEW YORK: Suffolk County. OHIO: Cleveland, Dayton, Shaker Heights. OREGON: Salem. TENNESSEE: Nashville. WASHINGTON: Bellevue, Seattle, Snohomish. WISCONSIN: Milwaukee. In addition, Showtime (50% interest), Cable Health Network (majority share). Also, Viacom Enterprises, movie, tv, cable distribution and production.

NEEDABLE.

THE MOST COLORFUL NEWSPAPER IN THE #1 SMSA

The Record introduces a major advance in spot and process color capability on newsprint.

'*Sensational*' is the at-first-sight reaction of all who have seen The Record's new offset color reproduction. **See it and you'll agree.**

It captivates eyes, glorifies products, and should animate your sales in a $9.6 billion market, Bergen County, New Jersey — with additional EBI in adjacent Passaic and Rockland Counties. And, no other newspaper reaches Bergen like The Record — it tops The New York Times 3 to 1.

Give your ads the visual magnetism, the quality, and the selling power which they deserve. Special sale on full color from July 12 to Sept. 30...from $75.00.

Additional information is available from Bernard Schraer, advertising director, (201) 646-4259 — or from The Record's national representative, The Sawyer-Ferguson-Walker Company.

The Record

NEW JERSEY'S LARGEST EVENING NEWSPAPER

NY/NJ SMSA INCLUDES THE FIVE BOROUGHS OF NEW YORK CITY, AND THE SUBURBAN COUNTIES OF WESTCHESTER, ROCKLAND, AND PUTNAM, N.Y., AND BERGEN COUNTY, N.J.

SOURCE: S&MM Survey of Buying Power, 1981 • The Scarborough Report, 1982

Warner Communications

Warner Communications, New York, is the country's 71st largest media company, with media property revenues estimated by ADVERTISING AGE at $110.5 million, or 3.4% of total revenues of $3.24 billion in 1981. Warner had estimated media revenues of $76.5 million in 1980, or 3.8% of total revenues of $2.06 billion.

The worldwide communications and entertainment conglomerate drew media revenues from its 50% share in Warner Amex (a joint cable venture with American Express Co.), and from E.C. Publications ("Mad" magazine) and DC Comics in its publishing division.

The joint venture, which consists of Warner Amex Cable Communications and Warner Amex Satellite Entertainment Co., produced total revenues of $177.2 million last year (half of which is allocated by AA to Warner's media revenues).The company said heavy development costs caused the joint venture, formed in December, 1979, to lose money. The number of Warner Amex cable system subscribers increased by 17% to 863,000, while total pay subscriptions nearly doubled to 545,000. Warner Amex expects "well over" 1 million subscribers by the end of this year.

The number of homes under Warner Amex franchise grew by 675,000 with the addition of 26 franchise awards during the year, bringing total homes under franchise to 3.4 million, a 91% increase in the past two years. The system got its biggest boost during the year when New York City's Board of Estimate voted to grant Warner Amex franchises including about 580,000 homes in the boroughs of Queens and Brooklyn. The 50/50 partnership also was awarded franchises for more than 50,000 homes in five suburban Chicago communities.

Revenues from tv series and theatrical films in tv distribution, not included in media revenues, rose 5% in 1981 to $315.3 million. Licensing feature films to tv showed gains in all markets, with revenues hitting $160.3 million, up 12% from 1980. Tv series and other programs decreased from $156 million to $155 million. Revenues from films in theatrical distribution were $439.9 million, bring-

A window to Knight's empire

By John Sugg

After the largest marriage in newspaper history, the 1974 union between Knight Newspapers and Ridder Publications, executives of both companies began jockeying for office space on the sixth floor of the *Miami Herald* building.

The only sure way to tell who was important in the new bureaucracy, it was said, was to count the number of windows an executive had facing Biscayne Bay. Someone with an inside office and no bayside windows was an underling. Prestige and power could be reckoned as the horizontal expanse of glass overlooking the water increased.

James K. Batten has three windows on the bay, which is quite good. His title, since last April, is president of Knight-Ridder Newspapers. He has become that by taking the proverbial trip up through the ranks, from foot-sore reporter on the Charlotte Observer, to harried editor and then through the Knight-Ridder corporate ranks.

Mr. Batten still has a way to go. There are other offices on the sixth floor with more windows.

There also is the person of Alvah Chapman, 61, the almost legendary media business wiz who inherited the mantle of power from John and James Knight, and who has guided Knight-Ridder to its position as an industry superpower, with revenues more than tripling in the last decade to $1.24 billion last year while profits soared to $100.4 million from $27 million in the same period.

Since becoming executive vp of Knight Newspapers in 1967, Mr. Chapman has been the company's pivotal figure. Upon assuming the chairmanship in April, he transformed the position from a largely honorary sinecure to an active command post. Illustrating that, he retained the title of chief executive officer he had held as president; in addition, several key vps will bypass Mr. Batten in the new corporate structure and report directly to Mr. Chapman.

"Jim's role is very much that of the understudy," says another Knight-Ridder executive. "His promotion [to president from senior vp] confirms him as the Prince of Wales. It does not make him king."

But Jim Batten, a rolled-up-shirtsleeve executive whose informal manner contrasts with and balances the austere formality of Mr. Chapman and other Knight-Ridder executives, has emerged as the clear successor to the throne, and already commands a regal amount of respect in Knight-Ridder's far-flung empire. Reporters and editors in several newsrooms express admiration, loyalty and occasionally affection toward their new president. Newspeople perceive him as one of their own in the perpetual intramural warfare between newspapers' editorial and business operations.

But executives in the company's business operations are no less reluctant to praise him, invariably noting that he has been the point man in the development of Knight-Ridder's technological marvel, the Viewtron project.

"I still have a strong interest and responsibility on the news side," Mr. Batten says. "But I have many other responsibilities. News is only part of this new job."

Despite his gray hair, Mr. Batten looks years younger than his age of 46. His manner remains that of an editor accustomed to making on-the-spot decisions, with quick, forthright answers to questions. His management objective, he says in an interview, is to "stay on the right side of the line between stupidity and wisdom."

In his southern-bred manner, Mr. Batten laces his conversation with a string of anecdotes. In explaining why he feels the company's newspapers need more "mini-news," he recalls that for him the most important story in the *Herald* one recent morning was about a filling station being torn down to make room for a fast-food restaurant.

"That garage was where I took my car," he says with a smile. "It had taken me a long time to find a good mechanic."

From that personal experience, Mr. Batten builds some observations on newspapers in general. "Newspapers 20 or 30 years ago got away from small-bore news," he says. But "people really live in their kitchens and at PTA meetings. We have gravitated away from readers at our own peril."

Historically, when Knight-Ridder has perceived a threat, it has chosen to absorb it. That is most evident at the *Herald*, which contributed 19% of Knight-Ridder's $1.23 billion in revenues last year.

For example, while its editorial functions remain independent, the business operations of the *Miami News*, owned by Cox Newspapers, are controlled by the *Herald* through an agency agreement.

Moreover, despite the *News'* astounding circulation slide—perhaps one of the longest in American newspaper history—

Batten: A VIP at K-R

the *Herald* helps maintain distribution of the *News* at a level of 60,905 copies daily for the six months ended March 31—sufficient to keep another afternoon newspaper such as the *Fort Lauderdale News* from entering the market.

Knight-Ridder management has attempted to protect its newspaper franchises partly by delivering a quality editorial product featuring, in many cases, innovative sections that attract specific audiences, enabling advertisers to make more efficient buys.

One problem facing newspapers, Mr. Batten notes, has been their "horizontal" distribution—they measure "success" by the amount of circulation. However, the ailing and failing newspapers have not lacked large circulations. What the weak papers have starved for is "vertical" appeal to a specific audience.

Mr. Batten points to the *Herald's* highly successful Business/Monday section as an example of the company's attempt to appeal to a definite, affluent readership. The company has since launched similar business sections in Detroit; St. Paul, Minn.; San Jose, Cal., and Charlotte, N.C.

Mr. Batten says such sections will become increasingly important, and increasingly refined. He cites, as another example of "demographic zoning," *El Herald*, the Spanish-language section inserted into the regular *Herald*. "*El Herald* is an interesting precedent," he says. "We may well build on it."

Indeed, there has been talk at the *Herald* for years—as well as at other newspaper companies—of a newspaper that would expand on the philosophy of El Herald and the separate business sections to produce a "newspaper" with sections that are bought separately by readers.

In some of its markets, Knight-Ridder has consolidated operations. A case in point is Wichita, where the two company papers have been combined into one. "We felt we could do a better job with one very good paper in that market," Mr. Batten says, "than with one fairly good paper and one paper that no one really cared about.

In Charlotte, where Knight-Ridder publishes the *News* and the *Observer*, the company shut down the Saturday *News*. "What we have now is a better five-day paper," Mr. Batten asserts. "These things are not a sign of weakness, but of a need to adjust."

All this, says Mr. Batten, who admits to regarding newspapering as akin to a religion, underscores his and Knight-Ridder's faith in the business. "Newspapers overwhelmingly are very successful," he says. "Their fundamental health is good. You ought not to confuse problems of a few big city papers with the industry as a whole."

Knight-Ridder most assuredly will not relax its vigilant stance toward competition, present or prospective, however. As it has done in some cases with rival print media, the company has reacted to the threat from electronic media by joining it. Although newspapers continue to account for nearly three-fourths of its revenues, the company now owns four tv stations and, probably more important, has invested more than $100 million in cable tv operations.

The largest threat to newspapers looming on the horizon, Knight-Ridder and others believe, is the possible loss of retail and classified advertising to developing telecommunications technology. The newspaper industry is battling to keep giant American Telephone & Telegraph from offering an electronic version of its Yellow Pages.

Knight-Ridder has joined the fight. But it also has joined with AT&T in one of the most advanced video information ventures, Viewtron, a two-way videotex system personally directed from the Knight-Ridder side by Mr. Batten until his promotion to president.

Last year, Knight-Ridder decided to move Viewtron out of test and into a full-scale commercial development in Southeast Florida. By the middle of next year, when it is scheduled to become generally available, the company will have invested about $18.5 million in the project, 70% of which will have been expended as the project develops and the remainder of which is in hardware that could be sold or reused by Knight-Ridder if Viewtron is scrapped.

Its long-range thinking notwithstanding, Knight-Ridder hasn't hesitated to respond to its current problems. A 26% decline in first quarter profits this year, to $15 million from $20.1 million in the year-earlier period, did not sit well with company executives unaccustomed to dips in corporate profit. They ordered up hiring freezes and other cost-cutting measures almost as fast as the computers tallied the profit decline. About 35% of the decrease was attributable to Philadelphia, where the Knight-Ridder papers, the *Daily News* and the *Inquirer*, spent heavily to expand following the demise of the *Bulletin*.

Recession explains much of the rest of the decline, Mr. Batten says. The *Detroit Free-Press* has been the hardest hit of the company's papers, losing as much as $1 million monthly, according to industry speculation. Mr. Batten says the figure isn't that high, but acknowledges that it is "substantial."

Over-all, classified advertising, a sensitive barometer of the economy, fell 6.6% in revenues and 15% in linage at Knight-Ridder newspapers last year. "The economic waters have been choppy for a couple of years," Mr. Batten says. "We've had to tighten down hard on costs."

That tightening has not been universally popular in the rank and file. One section editor of a medium-size daily complains, "Knight-Ridder is like working for a strip mine. It's not that our productivity is cut 25% because our staff is 25% smaller. Our productivity is off more than that because people are demoralized."

The cuts are being made "sanely and humanely," Mr. Batten responds. "As the economy gets worse," he adds, "people will see a plus in being with a company that is economically strong." AA

John F. Sugg is an ADVERTISING AGE correspondent in Miami.

ing the filmed entertainment division's total revenues to $755.2 million, up 13% from 1980. However, operating income from filmed entertainment plunged 59% to $24.7 million from $60.8 million. A slowdown in box office attendance, increased expenses in motion picture making and a decline in tv syndication brought about the decline.

The company, however, is taking heart in its projection that revenues from the pay tv market by 1984 or 1985 could exceed total domestic theatrical rentals in its traditional aftermarket of tv syndication.

E.C. Publications and DC Comics ("Mad" magazine and "Mad" specials), part of the publishing division that as a whole generated $84.2 million in revenues in 1981, contributed an estimated 30% of total publishing revenues. Of the total operating income of $14.9 million, DC Comics' operating income increased substantially during 1981 as a result of licensing fees from the worldwide release of Warner's "Superman II."

MEDIA PROPERTIES

Cable/video

Franchises of Warner Amex Cable Communications. ARIZONA: Flagstaff, Parker, Sedona. ARKANSAS: Booneville, Clarksville, Fayetteville, Paris, Russellville. CALIFORNIA: Avenal, Bakersfield, Barstow, Big Bear Lake, Blythe, Lake Arrowhead, Malibu, Palm Springs, Taft, Victorville and Wrightwood. FLORIDA: Crestview, Fort Walton Beach, Lake City, Niceville, Winter Haven. GEORGIA: Cedartown, Elberton, Homerville. ILLINOIS: Altamont, Chicago (suburbs), Danville, DeKalb, Rochelle. INDIANA: Union City. IOWA: Albia, Denison, Guthrie Center, Sac City. KANSAS: Hiawatha, Russell. MAINE: Island Falls, Patten. MASSACHUSETTS: Athol, Chelsea, Dalton, Everett, Lynn, Malden, Medford, Melrose, Peabody, Pittsfield, Salem, Somerville, Winthrop. MINNESOTA: Babbitt, Ely, Fergus Falls, Little Falls. MISSISSIPPI: Batesville, Cleveland, Houston, Lambert, Louisville, Marks, Pontotoc, Water Valley, Yazoo City. MISSOURI: St. Louis (suburbs). NEBRASKA: West Point. NEW HAMPSHIRE: Berlin, Claremont, Lancaster, Nashua. NEW JERSEY: Avalon. NEW YORK: Olean. OHIO: Akron, Canton, Cincinnati, Columbus, Delphos, Fort Shawnee, Kenton, Norward, St. Mary's, Sidney, Wapakoneta. OREGON: Coos Bay, Hood River, Myrtle Point, Sandy, Wemme. PENNSYLVANIA: Altoona, Bradford, Chambersburg, Clearfield, Marietta, Morrison Cove, Newport, Pittsburgh, Pottsville, Reedsville, Warren. TENNESSEE: Erwin, Greeneville, Kingsport, Parsons, Waynesboro. TEXAS: Burnet, Crockett, Dallas, Dumas, Fairfield, Hico, Houston, Mexia, Navasota, Pecos, Rosebud, Stephenville. VERMONT: Bellows Falls, Brattleboro, Bristol. VIRGINIA: Hampton, Harrisonburg, Reston, Williamsburg. WEST VIRGINIA: Martinsburg. WISCONSIN: Marinette (80% interest), Marshfield Menasha (80% interest), Merrill, Neenah (80% interest), Oshkosh (80% interest). Also, joint venturer in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV: Music Television, and one pay service, The Movie Channel.

Other properties

D.C. Comics, "Mad" magazine, "Mad Specials."

OTHER OPERATIONS

Consumer electronics and toys, recorded music and music publishing, direct-response marketing, filmed entertainment.

Washington Post Co.

Washington Post Co., Washington, is the country's 12th largest media company, with 1981 revenues estimated by ADVERTISING AGE of $753 million from media properties, more than 99% of total revenues of $753.4 million for the publicly held company. Media revenues were up 14% from 1980's $659 million.

Net income fell 4.7% to $32.7 million from $34.3 million.

Newspaper publishing and related operations, primarily the *Washington Post*, accounted for 49% of total revenues; magazine publishing and related operations, primarily *Newsweek*, 39%, and broadcasting, consisting of the four Post-Newsweek tv stations, 12%.

Included in total revenues are small revenue contributions by nonmedia units, including Newsweek Books and Newsweek Video. The company does not break out revenue figures for these subsidiaries.

The question for Post company executives is where to move next. It has built the *Post* newspaper into one of the most influential publications in the nation and a robustly successful advertising vehicle. *Newsweek*, though being pinched in ad sales by the recession, is a respected and solidly entrenched weekly. Its four tv stations, despite lagging profits at Detroit's WDIV-TV, are solid money makers.

But some of its biggest new ventures have gone sour. In a brutal pruning, the *Trenton* (N.J.) *Times*, a money loser since 1978, and *Inside Sports*, the well written but loss-plagued monthly launched by *Newsweek* in 1980, were sold last year. Other sales disposed of Top Market Television, its advertising sales agency, and its 24% interest in Publishers Phototype.

With the balance sheet cleared up, and major investments in new plant and equipment for the *Post* largely complete, company president Richard D. Simmons has the cash flow to plot some major new moves. Since joining the Post last September from Dun & Bradstreet, where he had been vice-chairman, Mr. Simmons has assembled a new business team. Allan Spoon, a vp and partner at the Boston Consulting Group, was brought in to coordinate new business planning. With an eye on electronic publishing and information products, Mr. Simmons recruited as Post company vp-information systems Ed Van Gombos, who is credited with being the architect of Dun & Bradstreet's successful effort to automate its information resources.

Two weeks ago, the new management team announced its first significant diversification move. Along with several other media companies, the company applied to the Federal Communications Commission for licenses to operate cellular radio telephone services, a new technology that permits wireless telephones to be widely available for the first time. The Post filed for licenses in five markets, estimating that it would spend $170 million to establish the new service in those markets.

At the *Post*, former *Trenton Times* editor Lawrence C. Kramer was named assistant to publisher Donald Graham and executive editor Ben Bradlee and assigned to explore electronic publishing.

Post company chairman Katharine Graham pledged this year that the company will be "actively involved" with any electronic publishing ventures in the Washington market, but she is less certain about taking the company into cable tv or expanded tv station ownership. Mrs. Graham told stockholders this spring that the Post company is ready to move only "at the right price and in the right geographic area."

Tv station prices are "high" and "may be high for some time," according to Mrs. Graham, who suggested she is willing to wait and see if cable penetration brings costs down.

In print media, a bid to acquire the Des Moines Register & Tribune Co., though unsuccessful, showed that Post company executives are not wary of big-ticket investments despite their costly disappointments in Trenton and with *Inside Sports*. But the Des Moines move appears to confirm that the focus of Post company attention has shifted from small- or medium-size papers to well established, larger publications. The company's last newspaper acquisition, in 1978, was the *Everett* (Wash.) *Herald*, with circulation of 60,000 daily and Sunday.

"These opportunities are rare," chairman Graham said of the prospects for a major newspaper buy. "But we are prepared to seize an opportunity when it is presented."

At *Newsweek*, division president Mark Edmiston, appointed last year, was joined in January by exec vp-general manager, Steve Price, formerly a corporate vp at General Foods. This month William D. Broyles Jr. was hired to replace Lester Bernstein as editor-in-chief, assuming the post when Bernstein resigns Sept. 7. Mr. Broyles is the editor of *Texas Monthly* and *California*.

Without serious competition in the Washington newspaper market since Time Inc. closed the *Washington Star* last August, management at the *Washington Post* nevertheless added new opinion features, 30 additional reporters and $3.5 million to the budget. At the close of last year, more than 400 reporters, editors, correspondents and photographers were employed by the paper.

The *Star* closing sent Post daily circulation soaring 23% to 760,950 daily and 17% Sunday to 986,024. The company purchased the former *Star* printing plant to handle the extra load, triggering an unexpected side effect: Federal Trade Commission questions about the effect of the acquisition on potential newspaper competition in the Washington market. Since the sale of the *Star* plant, a new a.m. daily, the *Washington Times*, published by an affiliate of the Rev. Sun Myung Moon's Unification Church, has begun publishing at its own plant.

Months of inaction by the *Post* have dampened speculation that it might move into the *Star's* p.m. time slot with an afternoon edition of its own. But *Post* editors are testing a prototype *Washington Post Weekly*, a tabloid concentrating on the best of the paper's Washington political and governmental reporting and meant for nationwide subscription sales.

At *Newsweek*, refinements included a new demographic edition, *Newsweek Executive Plus*, which started in January and is aimed at top business executives. In the fall, a new college edition will be added. *Newsweek* this spring also boasted that it had sold the largest single ad in its 49-year history: A 34-page insert that will be Waldenbooks' four-color catalog for the Christmas selling season.

Post-Newsweek Stations, which brought in 12% of the company's total operating revenue last year but 32% of its operating income, remained the company's most profitable operation.

The outlook for the company's major media properties in 1982 was mixed: Early results for the *Washington Post* and the tv stations were promising, but *Newsweek* was suffering.

Ad volume in *Newsweek's* key domestic edition was off 12 pages in the first quarter of 1982, and executives predicted a down second quarter as well. The 1981 ad page total for the domestic edition, 3,106, was up only eight pages over 1980's depressed level. Ad volume in Newsweek's international edition fell last year to 2,529 pages from 2,555.

The *Washington Post* turned in a strong fourth quarter last year, and first-quarter ad linage in 1982 was reported up 2%. Revenues climbed 21% as strong travel and real estate advertising offset declines in classified volume. The company predicted an "excellent" second quarter.

Likewise, the Post-Newsweek tv stations—in Miami and Jacksonville, Fla., Hartford and Detroit—turned in a 13% revenue increase in the first quarter with predictions for a good second quarter.

For 1981, the company reported *Washington Post* ad revenues (after commissions) of $263.5 million, up 22%. Ad linage climbed 4% for the year to 100.8 million lines. At *Newsweek*, estimated gross ad revenues were up 13% (before commissions and other discounts) to $237 million.

MEDIA PROPERTIES

Newspapers

DISTRICT OF COLUMBIA: *Washington Post*. WASHINGTON: *Everett Herald*.

Magazines

Newsweek, *Newsweek International*.

Broadcasting

TELEVISION: WFSB-TV, Hartford, Conn.; WXJT-TV, Jacksonville and WPLG-TV, Miami, Fla.; WDIV-TV, Detroit.

OTHER OPERATIONS

Newsweek Books, International Herald Tribune (30% owned), Los Angeles Times-Washington Post News Service (50% owned), Washington Post Writers Group (features syndication), Bear Island Paper Co. (30% owned), Bowater Mersey Paper Co. (49% owned), Robinson Terminal Warehouse (newsprint warehousing, 92% owned).

Westinghouse Electric Corp.

Westinghouse Electric Corp., Pittsburgh, is the country's 24th largest media company, with revenues of $319 million from its Westinghouse Broadcasting and Cable Inc. operations in 1981. Total operating profits from media operations were $78 million. Media represented 3% of total Westinghouse sales of $9.37 billion.

In 1980, Westinghouse had media revenues of $266.5 million, or 3.1% of total revenues of $8.51 billion.

Last year was one of significant growth for the company's media business. In July, it completed the acquisition of Teleprompter Corp., the second biggest U.S. cable tv company, for $646 million. That, and the formation of Group W Satellite Communications, led to name changes for the company. Westinghouse Broadcasting Company became Westinghouse Broadcasting and Cable Inc. and Teleprompter became Group W Cable.

Westinghouse is expected to sink at least $300 million into its Group W Cable operation this year, much of it for upgrading Teleprompter systems.

This month, Group W Satellite Communications and ABC Video Enterprises launched the Satellite NewsChannels, a 24-hour all-news cable tv service. The channel, which will battle Ted Turner's Cable News Network for subscribers, is designed to provide news updates every 18 minutes. The service says it also will provide in-depth looks at the news.

Group W Satellite has taken over advertising sales and affiliate representation of Black Entertainment Television (BET). The agreement marked the division's fourth arrangement with a programing unit, placing Group W Cable behind only Warner Amex Satellite Entertainment Co., which owns or represents a total of five cable networks. Under the terms of the agree-

ment, Group W, in conjunction with BET's own sales effort, will represent BET in the placement of programing on cable systems around the country. It will also be responsible for representing BET in the sale of advertising.

Group W Satellite will also be the marketing arm for the Nashville Network. The network's programing will be produced by Opryland Productions from the Grand Ole Opry House in Nashville.

Group W Cable named a new president, Chris Derrick, who moved into the position when William Bresnan was elevated to chairman.

Mr. Derrick, who came from Pennsylvania-based Comcast, said he was "the luckiest" man in cable because he was at the helm of a progressive company that will be spending heavily to expand.

Daniel L. Ritchie, chairman and chief executive officer of Westinghouse Broadcasting and Cable, said the company will strive to provide its audience with a wide variety of programing.

"Other developmental efforts now underway will keep Group W on the leading edge of technology, programing and marketing," he said.

In its traditional broadcasting business, Westinghouse last year purchased KOSI, a Denver fm station, and sold WBZ-FM, Boston.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KPIX, San Francisco; WJZ-TV, Baltimore; WBZ-TV, Boston; WPCQ-TV, Charlotte, N.C.; KYW-TV, Philadelphia; KDKA-TV, Pittsburg.
RADIO: KJQY (fm), San Diego; KFWB (am), Los Angeles; KOSI (fm) Denver; WIND (am), Chicago; WOWO (am), Fort Wayne, Ind.; WBZ (am), Boston; WINS (am), New York; KYW (am), Philadelphia; KDKA (am) and WPNT (am, fm), Pittsburgh; KOAX (fm), Dallas; KODA (fm), Houston.

Cable/video

All designated Group W Cable unless otherwise indicated. ALABAMA: Dothan, Florence, Gadsden, Huntsville, Mobile and Tuscaloosa. ARIZONA: Prescott. CALIFORNIA: Brush Park, Buena Park, Camarillo, Fontana, Fort Bragg, Fullerton, Gardena, Kings Beach, Lompoc, Loma Linda, Los Angeles, Los Gatos, Milpitas, Newark, Newport Beach, Oakland (80% interest), Piedmont (80% interest), Reedley, San Bernardino, Santa Clara, Santa Cruz, Santa Maria, Seal Beach, Sierra Madre, Simi, Simi Valley, Tahoe, Torrance, Ukiah, Willits, Yucca Valley. COLORADO: Trinidad. CONNECTICUT: Danbury, Middletown. FLORIDA: Boca Raton, De Land, Haines City, Hillsborough County, Holly Hill, Lakeland, Manatee County, Marianna, New Port Richey, New Smyrna Beach, Palm Beach County, Panama City, Plantation, Quincy, St. Petersburg, Tallahassee, West Palm Beach, Winter Garden. GEORGIA: Dublin, Milledgeville, Swainsboro, Thomasville, Valdosta. HAWAII: Honolulu (50% interest). IDAHO: Lewiston, Pocatello. ILLINOIS: Galena, Rock Island. IOWA: Dubuque. KANSAS: Liberal. LOUISIANA: Baker/Zachary, Leesville, St. Bernard Parish. MAINE: Caribou. MASSACHUSETTS: Worcester (80% interest). MICHIGAN: Calumet, Dearborn, Escanaba, Iron Mountain, Ironwood, Sault Ste. Marie, Grosse Point, Wayne. MINNESOTA: Brainerd, Columbia Heights/Hilltop, Duluth, Rochester, Winona City. MISSOURI: Columbia, Cut Bank, St. Charles, St. Louis Co., St. Louis Telecom. MONTANA: Great Falls, Kalispell, Missoula. NEVADA: Reno. NEW HAMPSHIRE: Keene. NEW JERSEY: Birdston, Bridgeton, Ocean City, Ramapo, Ventnor, Vineland, Wildewood. NEW MEXICO: Farmington, Lovington, Portales, Silver City, Tucumcari. NEW YORK: Brockport, Elmira, Ilion, Islip, Jamestown, Mount Vernon, Newburgh, Manhattan, Oswego, Ramapo, Warwick. OHIO: Portsmouth, Ridgeville. OREGON: Coquille, Eugene, Portland. PENNSYLVANIA: Johnstown. SOUTH CAROLINA: Greenwood. TEXAS: Baytown, Commerce, El Paso (74% interest), Galveston, Graham, Grapevine, Irving, Palestine. VIRGINIA: Richlands. WASHINGTON: Richland, Seattle, Tacoma, Walla Walla, Wenatchee. WEST VIRGINIA: Clarksburg, Fairmont, Morgantown. WISCONSIN: LaCrosse. WYOMING: Rawlins.

MY FRIEND BAILEY

To my friend Bailey Anderson, life was a supremely welcomed and beautiful mystery.

One way Bailey tried to find answers to that beautiful mystery was to argue. I even heard him tell a man once that he'd come to talk, not to listen.

He and I used to argue a lot. Mostly about anything that came to mind.

Neither one of us ever won one of those arguments but we kept on, time after time. Both loved it.

One subject that came up occasionally was the nature and existence of miracles.

I was reading a book by the poet e. e. cummings today and realized that my friend Bailey was a miracle . . .

To quote Mr. cummings:

"With you i leave a remembrance of miracles: they are by somebody who can love and who shall be continually reborn, a human being; somebody who said to those near him, when his fingers would not hold a brush — tie it to my hand —."

My friend Bailey is now a citizen of immortality.

I will miss him very deeply.

Tom Worrell

Mr. Worrell is chairman of Worrell Newspapers. Bailey Anderson was a Worrell vp and had been publisher of a number of Worrell newspapers, which ran this tribute upon his death from cancer last November.

Wometco Enterprises

Wometco Enterprises, Miami, is the country's 64th largest media company, with revenues of $122.7 million from media operations in 1981, or 28% of total revenues of $434.2 million. Media revenues increased 29% from 1980 media revenues of $95.4 million.

Broadcasting accounted for $65 million in revenues, or 15% of total revenues, while cable and subscription tv combined for revenues of $57.7 million, or 13% of the total.

Net income rose 17% last year to $24.4 million and, like total revenues, was the highest in Wometco's 57-year history. Aside from media operations, the publicly held company's other divisions include soft drink bottling, vending and entertainment.

Wometco plans to continue serving the leisure-time market, an approach that has enabled the company to do well despite the general economic slump. While people may cut back on expenditures of higher-priced leisure items, the company contends that its newest ventures, cable and subscription tv, fall into the category of economical leisure-time spending.

Wometco owns 85% of Wometco Cable TV, its formerly wholly owned subsidiary that began trading independently after a public offering of a portion of its stock in May, 1981. At year-end, Wometco Cable TV operated or had under construction 42 cable systems in 135 franchised communities and served 195,000 basic subscribers, an increase of 53,000, or 37%, from 1980.

Premium/pay subscriptions totaled 162,000, an increase of 62,000, or 62%, while homes passed jumped 83,000 to approximately 357,000, a 30% increase. (These figures don't include the 6,000-subscriber Freeport cable system, which is 75% owned by Wometco.)

Wometco Home Theatre (WHT) is a subscription television service that has been providing over-the-air pay tv since 1977. At the end of 1981, WHT operations had a combined total of about 106,000 subscribers.

Although WHT did not show a profit for the year, losses were below those of 1980, the company said. To combat the losses, Wometco hired new management which has since cleared up some operating problems, lowered costs and improved the subscriber connection rate.

In the broadcasting division, Wometco owns and operates six tv stations, including four vhf outlets. The company said it expects revenues and profits for the division to improve over their record 1981 levels.

Wometco is especially optimistic about its tv business. "If present trends continue, as we expect they will, the use of the tv set—already an almost indispensable part of life in the American home—will witness a dramatic expansion," said Mitchell Wolfson, president and chairman of the board.

Mr. Wolfson, 81-year-old founder of the company, suffered a mild heart attack in February but was back on the job in May, the company said.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WTVJ-TV, Miami/West Palm Beach, Fla.; WZZM-TV, Grand Rapids/Kalamazoo/Muskegon, Mich.; WLOS-TV, Greenville/Spartanburg/Asheville, N.C.; WWHT-TV, Newark, N.J.; WSNL-TV, Smithtown, N.Y.; KVOS-TV, Bellingham, Wash.
RADIO: WLOS (fm), Greenville/Spartanburg/Asheville, N.C.

Cable/video

ALABAMA: Clayhatchee, Daleville, Dothan, Fort Rucker, Grimes, Level Plains, Midland City, Napier Fields, Newton, Pinckard and unincorporated portions of Dale and Houston Counties. GEORGIA: Alert Cable TV, including Fort Benning; Clayton County System, including Forest Park, Jonesboro, Lake City, Morrow, Riverdale and unincorporated portions of Clayton County; Cobb County System, including Austell, Marietta and unincorporated portions of Cobb County; Douglas County System: Fayette County System, including Tyrone; Fulton County System, including Hapeville; Gwinnett County System, including Berkeley, Grayson, Lilburn, Norcross, Snellville and unincorporated portions of Gwinnett Co; Rockdale County System, including unincorporated portions of Rockdale and Newton Counties; Satellite Cable TV System, including Acworth, Kennesaw and unincorporated portions of Cobb County LOUISIANA: Eunice System, including Ward 7 of Acadia Parish and Ward 6 of St. Landry Parish; Church Point Cable TV, including Ward 3 of Acadia Parish; Jeff Davis Cable TV, including Jennings; Lafourche Communications: Chackbay System, including Ward 6 of Lafourche Parish; Labadieville System, including Assumption Parish, Napoleonville and North Assumption Parish; River Parish System, including St. James Parish; Point Coupee System, including Morganza, New Roads and unincorporated areas of Pointe Coupee Parish; Thibodaux System, including Wards 1, 2, 3, 4, 5, 7 and 9 of Lafourche Parish and unincorporated portions of Terrebonne Parish; St. Landry Cable TV, including Opelousas, Washington and unincorporated areas St. Landry Parish; St. Tammany Cablevision, including Slidell and unincorporated portions of St. Tammany Parish. MISSISSIPPI: Picayune Cablevision, including Picayune and unincorporated areas of Pearl River County. OKLAHOMA: Alert Cable TV, including Pryor Creek. NEW YORK: Ausable Communications, including Chesterfield, Dannemora, Keeseville, Peru, Plattsburgh, Plattsburgh Air Force Base and Schuyler Falls. NORTH CAROLINA: Alert Cable TV of Goldsboro, including Fremont, Goldsboro, Mount Olive, Pikeville, Seymour Johnson Air Force Base and unincorporated portions of Wayne County; Alert Cable TV of Wilson, including Elm City and unincorporated portions of Wilson County; Carrboro System, including Carrboro, Hillsborough and unincorporated portions of Orange County; Cary System, including Apex, Cary, Fuquay-Varina, Holly Springs, Morrisville and unincorporated portions of Wake County; Cherry Point Marine Air Station; Farmville System, including Farmville and unincorporated portions of Gwinnett County; Garner System, including Clayton, Garner and unincorporated portions of Johnston and Wake Counties; Guilford County; Reidsville System, including unincorporated portions of Rockingham County; Wake Forest System, including Rolesville; Wendell System. SOUTH CAROLINA: Alert Cable TV: Andrews System, including Andrews and unincorporated portions of Georgetown and Williamsburg Counties; Dorchester Cablevision, including Summerville and unincorporated portions of Berkeley and Dorchester Counties; Bishopville System, including unincorporated areas of Lee County; Georgetown Systems, including unincorporated portions of Georgetown County; Lake City Systems, including Scranton and unincorporated portions of Florence County; Williamsburg Cable TV, including Hemingway, Johnsonville and unincorporated portions of Florence and Williamsburg Counties.

OTHER OPERATIONS

Citrus Tower; Coca-Cola Bottling County franchise vending operation in southern U.S.; Conch Tour Train sightseeing tours; Miami Seaquarium; Wometco Home Theatre; motion picture theaters in Arkansas, Florida, the Bahamas, Dominican Republic, Puerto Rico, Virgin Islands.

Worrell Newspapers

Worrell Newspapers, Charlottesville, Va., is the country's 81st largest media company, with revenues of $84 million estimated by ADVERTISING AGE from media operations in 1981. All of the private company's holdings are in media.

After years of hectic acquisition activity and efforts to diversify, Worrell took something of a year off.

The only acquisitions were three newspapers in Broward County, Fla.—the *Broward Tribune*, the *Jewish Journal* and the *Hi Riser*.

Worrell took over management of all three newspapers in 1980 and then hinted that the next step would be acquisition, which it concluded in 1981.

These three have a combined circulation of 80,000.

Worrell newspapers posted a 3% gain in circulation during 1981. Advertising revenue, however, dropped 2% primarily because of a decrease in advertising by real estate interests and automotive-related companies.

Most of the papers had no format changes, although the company's flagship newspaper, the *Charlottesville Daily Progress*, altered its format from eight columns to six. The *Lynchburg* (Va.) *News* also made the format alteration.

The Charlottesville newspaper and corporate headquarters plans to move into a new plant in the spring of 1983, and the present building is to be given to the local United Way. The three broadcast interests have maintained stable advertising revenues. The company's Virgin Islands outlet, WBNB-TV installed a $100,000 transmitting dish that allows the station to be heard in Puerto Rico and throughout the Caribbean.

In one major management change, J.D. Schwartz became president of the family-owned operation, while former president Thomas E. Worrell Jr., 37, took over as chairman.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Florence Times, Tri-Cities Daily* (Florence). COLORADO: *Sterling Journal-Advocate*. FLORIDA: *Broward Tribune, Jewish Journal* (both in Fort Lauderdale). ILLINOIS: *Olney Daily Mail*. INDIANA: *Greensburg Daily News, Rushville Republican*. KENTUCKY: *Harlan Daily Enterprise, Madisonville Messenger, Middlesboro Daily News*. LOUISIANA: *Opelousas Daily World*. MISSISSIPPI: *Corinth Daily Corinthian*. NEW MEXICO: *Las Cruces Sun-News*. NORTH CAROLINA: *Lenoir News Topic*. TENNESSEE: *Dyersburg State Gazette*. TEXAS: *San Marcos Daily Record*. VIRGINIA: *Charlottesville Daily Progress, Christianburg News Messenger, Culpepper Star Exponent, Dumfries Potomac News, Lynchburg News, Suffolk News-Herald*.

Newspapers (nondailies)

FLORIDA: *Hi Riser*. INDIANA: *Batesville Herald Tribune*. MAINE: *York County Coast Star* (Kennebunk). MISSISSIPPI: *Booneville Banner Independent*. NEBRASKA: *Sidney Telegraph*. NEW JERSEY: *Wildwood Gazette-Leader*. TENNESSEE: *Claiborne Progress* (New Tazewell). VIRGINIA: Blacksburg Sun, Richlands News-Press, Rural Virginian (Scottsville), *Clinch Valley News, Smyth County News* (Marion). WEST VIRGINIA: *Princeton Times*.

Broadcasting

TELEVISION: WIFR-TV, Freeport, Ill.; WHS-TV, Harrisonburg, Va.; WBNB-TV, Charlotte Amalie, St. Thomas, Virgin Islands.

Ziff Corp.

Ziff Corp., New York, is the country's 28th largest media company, with media property revenues estimated by ADVERTISING AGE at $300 million in 1981. Consumer and trade publications accounted for about 89% of that total, and six tv stations the remainder. Media revenues in 1980 were conservatively estimated at $200 million. Total revenues for Ziff were not available.

Ziff began in the 1920s as a partnership of William B. Ziff Sr. and William Davis, two young publishing and humor enthusiasts. The company has been a special-interests publisher from the outset; indeed, one of its first magazines, *Popular Aviation*, now *Flying*, was launched largely because of Mr. Ziff's belief—pioneering at the time—in aviation.

The company's strategy has largely been to construct, primarily through acquisitions and spinoffs, a network of consumer and special-interest magazines geared to a wide range of markets—from photography to yachting to electronics.

Ziff-Davis Publishing is divided into two basic units: Consumer publications division, with such hobbyist and outdoor magazines as *Boating, Flying, Modern Bride, Popular Photography* and *Stereo Review*; and the business and trade publication unit, with such entries as *Aviation Daily, Meetings & Conventions* and *Travel Weekly*.

Over the past few months, the company has divested several publications that for one reason or another didn't "fit," said Richard Friese, president of the publishing division. Included were the in-flight magazines *Pan Am Clipper* and *U.S. Air*, which were bought by New York-based East/West Network.

In addition, *Fly Fisherman* was sold to Historical Times, a Harrisburg, Pa., publisher, mainly because it was "just too small a publication for us," Mr. Friese said.

Among its more visible trade properties is the Ziff-Davis Magazine Network, which targets the young, affluent—or getting there—male with these titles: *Boating, Car & Driver, Flying, Photography, Skiing* and *Stereo Review*.

There are, however, some other interesting standouts in the Ziff stable. One is *Psychology Today*, which the company has been promoting as the special-interest magazine of the future. Some magazine analysts say *Psychology Today* has been floundering for lack of a niche and that its editorial focus seems peculiar in relation to the other Ziff-Davis properties. Its ad pages dropped 22% last year to 563, while ad revenues fell 14% to $12.1 million.

Reports that the magazine will be sold keep popping up, but *Psychology Today* is said to be something of a pet interest of William Ziff Jr., who bought out William Davis in 1953 and has headed the company since. Reportedly shy and very guarded about his personal and business life, the younger Ziff did not inherit his father's extroversion and love of the limelight. He did inherit, however, his father's fascination with an idea that can be catered to in a magazine, which may be why Ziff continues to put money and energy into *Psychology Today*, sources suggest.

Another Ziff entry is *Unique Homes*, which the company acquired in August, 1980, when its name was *Uniques* and its headquarters were in San Diego. Since then, Ziff-Davis has moved headquarters to New York, and increased cover price and frequency.

According to Mr. Friese, the company is always on the lookout for "books for enthusiasts in various categories. This is really where our expertise lies."

Ziff's magazine division has bucked the soft economy and is posting consistent revenue and linage gains this year, Mr. Friese said.

Although clearly committed to special-interest and business magazines, Ziff has also shown an inclination toward database publishing, and has studied the application of current business publications to a database.

The company also has launched a new quarterly, *Data Sources*, which provides data on software and equipment geared to the information-processing industry.

The company also has moved into economic theory and consulting businesses. In 1980 it acquired Wharton Econometric Forecasting Assn., a think tank previously associated with the University of Pennsylvania's Wharton Graduate School of Business. Earlier this year, the company acquired Barr Rosenberg & Associates, San Francisco, an investment consulting company.

Elsewhere, Ziff has agreed to sell two of its six television stations: WRCB in Chattanooga, Tenn., and WJKS in Jacksonville, Fla.

MEDIA PROPERTIES

Magazines

CONSUMER PUBLICATIONS: *Adventure Travel, Backpacker, Boating, Boat Owner's Buyer's Guide, Camera Arts, Car & Driver, Car & Driver Buyer's Guide, Cycle, Cycle Buyer's Guide, Flying, Flying Annual & Pilot's Buying Guide, Modern Bride, Popular Electronics, Communications Handbook, Electronic Experimenters Handbook, Popular Photography, Photography Annual, Photography Directory & Buying Guide, Psychology Today, Skiing, Stereo Review, Stereo Directory & Buying Guide, Unique Homes, Yachting*.

BUSINESS & TRADE PUBLICATIONS: *A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commercial Aviation, Hotel & Travel Index, Meetings & Conventions, Official Hotel & Resort Guide, Official Meetings Facilities Guide, Photomethods, Skiing Trade News, Travel Weekly, Weekly of Business Aviation, World Aviation Directory, World Travel Directory*.

Broadcasting

TELEVISION: (all under Ziff-Davis Broadcasting Co.) WJKS-TV, Jacksonville, Fla. (sale pending); WRDW-TV, Augusta, Ga; WEYI-TV, Saginaw, Mich.; WROC-TV, Rochester, N.Y.; WTOV-TV, Steubenville, O.; WRCB-TV, Chattanooga, Tenn. (sale pending).

OTHER OPERATIONS

Barr Rosenberg & Associates, Computer Intelligence Corp., Data Decisions, Data Sources, Information Access Corp., Management Contents; Strategic Information, University Communications, Wharton Econometric Forecasting Assn., various real estate holdings.

The debate heats up

Cable vs. Networks

"... Life, Look, The Saturday Evening Post *all went within a five-year period .... They're all gone within their original massive forms. I think the same thing will happen with mass television networks."*

—Paul Klein, former NBC executive

"We seem to be in an era of 'Cable, how quickly can you build in my area? I'm tired of waiting.' "

—Charles Dolan, chairman of Cablevision Systems

"Cable is revolutionary. History will see this as some sort of watershed."

—Gustave Hauser, chairman-ceo, Warner Amex Cable Communications

"It become increasingly clear to me that the potential impact of cable has been substantially overstated .... As the first hard ratings numbers emerge we see some serious reviews ahead for the industry."

—Thomas H. Wyman, president, CBS Inc.

"Cable is at best an interim technology .... Before this decade is over, those companies that have made heavy, long-term financial commitments to cable will be out of business or struggling for survival."

—Gershom Clark Morningstar, president, Wolverine-Morningstar Broadcasting

"We know that cable is not going to be a mass medium, ever ...."

—Nancy Clott, vp-media director, Ted Bates & Co.

Major media companies who do NOT own cable systems (hardware)

1. Gannett Co.
2. Washington Post Co.
3. Park Broadcasting
4. McGraw-Hill
5. Hearst Corp.
6. Triangle Publications
7. Meredith Corp.
8. Metromedia Inc.
9. RKO General
10. Oklahoma Publishing Co.

They have rushed in ...

1. Tele-Communications Inc.
2. American Television & Communications Corp.
3. Group W Cable
4. Cox Cable Communications
5. Storer Cable Communications
6. Warner Amex Cable Communications
7. Times Mirror
8. Newhouse Broadcasting
9. Viacom Cablevision
10. Rogers UA Cablesystems

Source: *TV Digest-Cable Business*, March 22, 1982

Latin America: Markets in turmoil—Magazine special report

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Advertising Age

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IN WAKE OF IBM SCANDAL

Mitsubishi, Hitachi mull ad pullback

By ROBERT RAISSMAN

Mitsubishi Electric Corp. and Hitachi Ltd. are expected to suspend all print and tv advertising in Japan indefinitely in the wake of the U.S. scandal involving employes of each company, who are accused of purchasing computer secrets stolen from IBM.

A U.S.-based Mitsubishi executive, who declined to be identified, said the decision to pull the advertising will be made strictly to save face. "It is just a theory among the Japanese. There is no admission of guilt by pulling advertising. But when your name is linked to something like this, you are not going to flaunt it in front of everybody," he said. The move comes during one of the heavier buying seasons in Japan.

The exec said the decision to suspend advertising would not extend to the U.S. However, sales representatives at various electronics magazines said that if the adverse publicity continued, they expected both companies to pull computer and computer-related advertising.

Kazuya Hanazuka, a spokesman for Hitachi in New York, declined comment on the company's advertising situation. But in Compton, Cal., Hitachi Sales Corp. of America exec vp Robert J. O'Neil said that although his unit had no involvement in the computer scandal, executives at the consumer electronics unit were still pondering whether or not to pull U.S. ads.

"We are part of Hitachi Ltd. and this thing could affect us," he said. "We are making no moves in terms of our advertising plans or budget at this point. We're trying to determine the most appropriate reaction." Hitachi Sales' agency is Keye/Donna/Pearlstein, Beverly Hills.

Mr. O'Neil said consumers have not reacted to the scandal. "In terms of active response, there has almost been nothing," he said, "but that doesn't mean there won't be."

An executive at Mitsubishi International, the conglomerate's trading arm, likened the situation to when an airline temporarily pulls advertising following a plane crash.

Neither Hitachi or Mitsubishi spends heavily in this country. According to Leading National Advertisers, Hitachi spent approximately $2 million and Mitsubishi $3 million in measured media in 1981. The majority of the companies' ad dollars are spent on consumer electronic products, not computers, according to LNA.

In Japan, the two companies' ad

(Continued on Page 30)

'Jake, it's my brother'

Jake waxes enthusiastic on the virtues of Pabst's new Jacob Best until the lovely lady notes the arrival of her brother and helps him out the window. Voiceover: "When you're travelin' light, go with the best." McCann-Erickson handles. (See story, Page 29.)

PepsiCo kneads bakery plans

By JENNIFER PENDLETON

The people that bring you Pizza Hut and Taco Bell may seek to use their fast-food expertise to expand the popularity of sourdough bread.

PepsiCo's foodservice division, which in March purchased the then three-location San Francisco Boulangerie retail bakery chain, has plans to open from eight to 12 new locations in high-traffic shopping malls throughout northern California by the end of the year, sources say. Purchase, N.Y.-based PepsiCo declined to discuss its plans, but this expansion is said to be the first in long-range plans to make the bakeries a national chain.

San Francisco Boulangeries (*boulangerie* means bakery in French) specialize in original San Francisco sourdough and other variety breads that are prepared in a central bakery, then delivered to individual bakeries and baked fresh daily. At present, the business is entirely take-out; the Boulangeries do not have seating, and sources say there are no plans at this time to convert them to cafes.

PepsiCo recently named Lynch & Rockey, San Francisco, as the chain's first ad agency. Initially, the Boulangeries are using some local newspaper and direct-mail advertising emphasizing the bread's quality and variety, but plans call for expansion into radio and tv later in the year.

No doubt, PepsiCo's decision to enter the retail bakery business follows careful study of the U.S. bread market. White bread sales have been declining steadily as variety bread sales are rising 15% annually (AA, May 25, '81). The popularity of sourdough bread is said to be growing at a similarly swift pace.#

Taking broker exec, Amway distributors to court

P&G sues over satanism

By JENNIFER ALTER

Making good on its pledge to halt the spread of rumors linking it with satanism, Procter & Gamble is enlisting the aid of the law.

The company last week filed suits in Atlanta and Pensacola federal district courts against Mike Campbell, employed at an Atlanta-based grocery brokerage company, and William and Linda Moore, Pensacola-based distributors for Amway Corp., the direct marketer of household and personal care products.

The suits charge the individuals with "libeling the character" of P&G by circulating "false and malicious" statements about the company and calling for a boycott of its products. They ask the court to stop the defendents from further activity and for unspecified compensatory and punitive damages.

P&G has contracted with local attorneys to litigate its case. Former U.S. Attorney General Griffin Bell is handling the Atlanta suit, and Patrick G. Emmanuel, a senior partner in Emmanuel, Sheppard & Condon, filed the Pensacola action.

A P&G spokesman said the individuals were located by reports from consumers and others. He noted there is no evidence that Amway is involved with the spread of the rumors. Amway has more than 750,000 distributorships in the U.S., a spokesman said, and it is not inconceivable that one might be helping spread rumors.

■ The rumors, spreading primarily through churches in "Bible Belt" states, often are propogated on 8½-by-11-in. handouts, distributed in locations such as supermarkets and banks. While it varies slightly, the message on a handout headed "Dear Pastor," notes that recently "the owner of P&G" appeared on (either "The Phil Donahue Show," "The Merv Griffin Show" or "60

(Continued on Page 34)

NEWSPAPER

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last minute news

Nabisco expected to sell Fleischmann Distilling

NEW YORK—Nabisco Brands reportedly is about to sell its Fleischmann Distilling subsidiary, Lake Success, N.Y., whose brands include Fleischmann's vodka and gin, Canadian LTD, Caffe Lolita liqueur, Inver House scotch, Dunphy's cream liqueur and Irish whisky, American and Silhouette vodkas. Nabisco could not be reached for comment at press time.

Carnation to test 4-flavor yogurt salad dressing

LOS ANGELES—Carnation will test a refrigerated, bottled yogurt salad dressing line in Denver, and maybe other markets, with tv, newspaper and coupon ad support via SSC&B, New York. Tv starts July 12. Line has creamy Italian, chunky bleu, thousand island and creamy cucumber.

Kraft tries cream cheese with fruits, vegetables

GLENVIEW, ILL.—Kraft is testing five flavors of soft Philadelphia Brand cream cheese, with real fruit or vegetable bits, in Dallas and possibly other markets. It is available in strawberry, pineapple, olives and pimento, chives and onion and toasted onion. Newspaper ads via JWT stress spreadability and the real bits of fruits and vegetables.

Compton might get Avis throughout Europe

LONDON—Avis is believed to be appointing Compton agencies all over Europe to handle its rental car business there. Last week, Avis appointed KMP Partnership, London subsidiary of Compton, to handle U.K. adver-

(Continued on Page 8)

FDA block of diet aid faces suit

WASHINGTON—The Food & Drug Administration last week issued an ultimatum to 125 marketers and distributors of "starch blocker" diet aids: Halt distribution within 10 days or produce proof the products are safe and effective. The warning followed a government investigation (AA, June 21).

At least one marketer, BioTech Laboratories, Batesville, Ark., said it plans to challenge FDA in court, contesting the agency's determination that starch blockers are "drugs." Federal law requires proof of safety and efficacy before drug products can be marketed.

BioTech president J. Robert Lemon said he expected to file in U.S. district court in Chicago.

Starch-blocker products claim to help weight control by impeding starch digestion, but FDA said manufacturers have not provided proof to support the claim.#

Nimslo mounts broader 3-D roll

By GAY JERVEY

Contrary to a previously announced gradual rollout, Atlanta-based Nimslo Corp. has decided to leapfrog from Florida to the entire East Coast with its new 3-D camera.

When introducing the camera in Florida this past March, Nimslo had talked of a gradual market-by-market expansion along the Eastern Seaboard. Now, it seems, as Florida goes, so goes the East Coast—in September, and all at once.

Ad plans have not changed substantially, however, although the company will produce some new radio and newspaper spots to support its tv campaign created by Ogilvy & Mather.

These developments surfaced last week immediately after the news that Nimslo had acquired 12.1%—an investment of 601,170 shares—in Berkey Photo, thus becoming the principal shareholder of the White Plains, N.Y.-based film processing company.

The shares were acquired for about $2.2 million in a privately negotiated transaction principally involving Benjamin Berkey, the company's founder and current chairman; other stockholders and trusts; a major shareholding company, and other transactions.

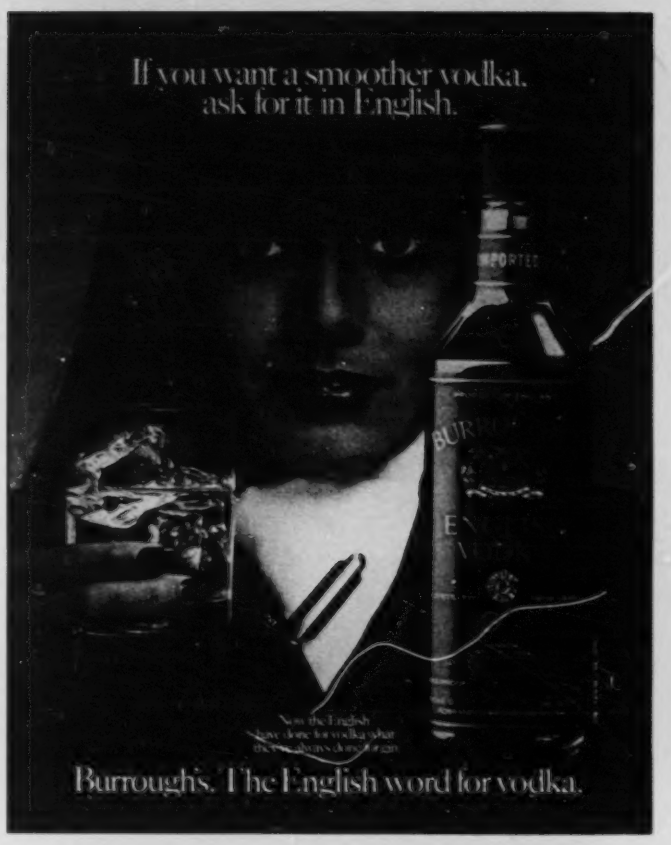
Sources suggest that the move took Berkey insiders somewhat by surprise, despite the fact that Mr. Berkey reportedly has been looking to sell for some time. "It's true, we really didn't know anything until the day it was announced, but I don't see what difference that makes," a company spokesperson said.

Although indicating that no plans are in the offing to seek control of Berkey, Nimslo is leaving the door open for additional stock purchases. "The acquisition clearly

(Continued on Page 34)

'I say'

Moving national from test is Burrough's English vodka, imported by Kobrand Corp., New York. Magazine ads are via Jordan, Case & McGrath.



B&W sues FTC, asks new cigaret listing

By RICHARD L. GORDON

WASHINGTON—Brown & Williamson Tobacco, battling in court to save the 1mg-tar rating of its Barclay cigarets, disclosed last week it has proposed a revamp of the Federal Trade Commission's tar reporting system that would halt the reporting of specific tar content numbers entirely.

After winning a court order that temporarily halts FTC's plan to strip Barclay of its 1mg status (AA, June 28), B&W officials let loose a June 9 memo it sent the commission urging that the various cigaret brands be lumped into four tar categories: Ultralow (under 6mg), low (6mg to 10mg), medium (11mg to 15mg) and high (above 15mg).

Barclay, whose eventual tar rating could be changed from 3mg to 7mg if B&W court efforts fail, would have a good shot at qualifying as an ultralow-tar brand under its proposed category system. Since its lower tar competitors would carry the same ultralow designation, the impact of the loss of its 1mg rating would be cushioned.

Meanwhile, however, B&W and FTC are preparing for a July 23 hearing in the U.S. district court in Louisville, the cigaret marketer's home base. The company hopes to convert a temporary restraining order, issued June 25, into a preliminary injunction that will extend the prohibition on FTC action against Barclay while the judge examines the dispute.

B&W attorneys won the temporary restraining order by arguing that FTC had violated its own procedural rules. FTC, the company said, should not have acted without first publishing its decision as a proposed "rulemaking" and inviting public comment. The company also said FTC acted on insufficient evidence.

In its June 9 memo, B&W complained that FTC's present method of reporting tar content, down to hundredths of milligrams in the case of the lowest of low-tar brands, encourages cigaret marketers to "exploit" the testing program and "mislead" consumers.

Brown & Williamson's memo said the current reporting system suggests to consumers that "there is a measurable difference between cigarets of 0.01mg and 0.5mg tar when, in fact, differences that small cannot accurately be measured by the test machine, and [that] tar differences of 1mg or less

(Continued on Page 34)

highlights

Monday, July 5, 1982

Dropping a long-standing taboo, public tv has opened the door for tobacco, liquor and personal hygiene products to be national program underwriters. *See Page 4.*

Three new corporate sponsors sign up with the Public Broadcasting Service for fall. *See Page 4.*

The National Fancy Food & Confection Show begins to cater to those with health concerns, but chocolate lovers need not despair. *See Page 6.*

The Mexican Commerce Secretariat is threatening to pull off the air 34 tv commercials for being "deceitful and not providing enough information." *See Page 6.*

Getting Food & Drug Administration approval for the first bifocal soft contact lens, Ciba Vision Care is waiting until next year to launch its first trade campaign. *See Page 16.*

New developments keep popping up in the unpopped popcorn market. *See Page 18.*

The International Advertising Film Festival in Cannes draws crowds with its image of being the Casablanca of the ad world. *See Page 23.*

The new Jacob Best Premium Light beer campaign breaks out of the life style ad mold, according to Pabst Brewing Co. and its ad agency, McCann-Erickson. *See Page 29.*

The loss of its only international client was almost the last straw for the shaky Paris office of JWT Group's second agency network, Euro-Advertising. *See Page 31.*

Warren Hirsh rides again, this time astride J. Breed Clothing. *See Page 31.*

The "world's most exotic watch strap," made of everything from wild boar to iguana hides, will be more visible this month as maker Hirsch launches a tv campaign. *See Page 33.*

Trying to follow "The Smurfs' " lead, another European cartoon, "Sport Billy," is coming to the U.S. looking for success. *See Page 35.*

Either Canada or the U.S. spends more on advertising as a percentage of gross national product, depending on who is talking. *See Page 35.*

CORPORATE CLOSEUP

New management at Volkswagen of America is re-examining recent policy, since U.S. manufacturing began, and now plans a return to its German heritage. *See Page 4.*

INTERNATIONAL

Grey Advertising takes the second Quebec Council on the Status of Women "Demeritas" prize for its "18-hour bra" 30-second spot in English and French—also its second year of winning the award for the most sexist ad. *See Page 21.*

Outgoing Mexican President Jose Lopez Portillo skips his country's first-ever national ad convention at the last minute. *See Page 21.*

VIDEOTECH

Communications entrepreneur Ted Turner discusses Nielsen data that shows how he is eroding the Big 3 network audiences with his cable programing. *See Page 28.*

MAGAZINE

Flying the not-always-friendly skies, U.S. airline inflight magazines carried more than 10,000 pages of advertising in 1981. While some continue strong this year, others are feeling the over-all economic pinch. *See Page M-2.*

Long misunderstood or ignored, co-op advertising can make one ad dollar do the work of several, co-op expert Robert D. Wilcox explains in a new column. *See Page M-26.*

SPECIAL REPORT

Advertising agencies in Latin America are finding that doing business in a region beleaguered with political unrest, war and triple-digit inflation is both risky and rewarding. *See Page M-5.*

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Paddington liqueur gets heavy ads

By ROBERT RAISSMAN

NEW YORK—Paddington Corp. will introduce a new liqueur, Demi-Tasse, in three markets next month, supported by the heaviest spending a liqueur has ever received in three introductory areas, the company said.

Demi-Tasse will be sold through wholesalers in Southern California, New Jersey and Wisconsin, according to Russ Goyette, brand director at Paddington. The introductory marketing and sales promotion budget is about $1 million.

"We'll get good geographical dispersion in these areas," he said. "We know the distributors we've picked will be able to do the job for us."

Mr. Goyette said Demi-Tasse's competition is the entire cordial market. He said the company has not determined when it will expand into other markets.

■ The drink is a combination of coffee, cream and cognac with a suggested retail price of $17 per bottle. Paddington execs are hoping Demi-Tasse will experience the same success enjoyed by Baileys Original Irish Cream.

Baileys took the Irish liqueur

(Continued on Page 34)

Flying those not-always-so-friendly skies

By Robert Reed

John Q. Businessman uncomfortably shifts in his seat as the airplane hums along at 37,000 feet above ground.

For Mr. Businessman the time has come to kill time. Having completed the day's paper work, exhausted the airline's meager supply of reading material and rejected the chance to watch a movie, he yearns for diversion. Slowly reaching into the seat pocket before him amid the motion sickness bags and used earphones, he retrieves an inflight magazine. Enthralled by its crisp design, provocative articles and panoramic photography, the executive eagerly digests it from cover-to-cover.

Upon arrival, Mr. Businessman phones the home office and decrees: "This inflight magazine is so good that I will never fly any other airline." In addition, he encourages the marketing department to begin advertising in it on a regular basis.

Such are the fantasies of some of the folks who produce inflight magazines. Alas, reality is much different.

"Nobody flies an airline because of the magazine," says Robert Pool, inflight manager for Webb Co., St. Paul, which publishes three inflight books. "But, if we can get a passenger to take it out of the pocket and read it, then we've accomplished the most important part of the job."

"We compete with everything on the plane—from looking out the window to drinking a double martini," says Jack Dunn, executive vp for New York-based East/West Network, the largest inflight publisher with 10 airline books and the *Amtrak Express* for train riders.

There are four major players vying for the passengers' attention and a larger cut of advertisers' budgets. East/West Network and Webb Co. are the two largest, with Miami-based Halsey Publishing, with two magazines, and American Airlines' solo effort bringing up the rear. American is an anomaly in that it is the only major carrier producing an airborne publication inhouse.

Executives of these publishing concerns agree the term "inflight" may still conjure up a generic raft of negative impressions—including the lethal perception the magazines are still primarily the airlines' house organs and have little consumer pulling power. But, they contend, the initial credibility troubles the industry suffered during their formative years of the late 1960s and early 1970s have been put aside.

Yet, as old problems pass, new ones arrive. Included among these are some very strong pockets of advertiser apathy, increased magazine competition and the challenge of taking more editorial risks while still appeasing the client airline, say publishing executives and observers.

Making the skies even bumpier is that all these shifts must come amid an economic climate that has already dismantled Braniff Airlines and promises further assaults on the air travel industry.

Photo by The Image Bank/Morton Beebe

Frontier *has a regional editorial flavor, while* United *and* American Way *are more national.*

Legend has it that inflight magazines were spawned as a means of threading together the various packets of information and advertising materials that were periodically stuffed in the passenger flight pockets. Coupons, rate cards, flight information and other travel-related data overflowed from the seats, prompting Pan American and United Airlines to conceive the tidy idea of consolidating all materials into one book.

Seeing a chance to tap into a fledgling but potentially lucrative market, publishing executive Jeffrey Butler persuaded officials of San Diego-based Pacific Southwest Airlines (PSA) in 1968 to grant him the contractural rights to produce *California* magazine. Soon, Mr. Butler obtained agreements with United's *Mainliner* and subsequently added Continental Airlines to his inflight roster. Other airlines followed and within a few years the majority of major carriers, including TWA, Eastern and Northwest, contracted with publishers and set forth with their own magazines.

For the airlines it proved to be a no-lose situation—a means of generating extra cash while improving their images with passengers. Then, as now, the contracts called for a number of options. Some publishers agree to produce the magazine at no cost to the airline and in turn receive distribution services and a set audience. Others set up a sliding scale where a certain percentage of the magazine's profits are returned to the carrier.

In the early going, the inking of airline agreements proved to be merely half the publisher's battle because the magazines were greeted, for the most part, with yawns from advertisers. Few media buyers, except those from travel-related industries, were willing to chance their dollars on a magazine segment of dubious editorial quality and unproven advertising worth.

"In the beginning, it was common to hear them labeled as car rental catalogs," says Mr. Dunn, referring to the industry that was initially the magazines' heaviest advertiser.

"In the early days we couldn't even get appointments [with advertisers]," says Bob Halverson, ad manager of Webb's inflights. "Now, they come to us."

Indeed, times are changing. Emerging from adolescence, the magazines shucked their "house organ" status and became slick, general interest monthlies. Now, ad directors boast about "upscale" readership demographics, and editors tout their books as forums for wit and creativity.

The combination of better editorial work and an affluent audience, suspended in the air with time on their hands, is proving to be an effective drawing card, say inflight executives. Still while most of the credibility battle has been won, there are other areas left to conquer.

"Things are better but we still have a way to go toward selling ourselves to the people we want," says James Kennedy, president of East/West and former United public relations officer.

Talk to an inflight executive and be prepared to hear one of the most overworked words in marketing—"upscale." Overemployed or not, the inflight salespeople consider the term to be the spine of their sales pitches. It is also a source of mild animosity between Air Group One, which represents Webb, Halsey and American, and East/West—because both have different ways of gauging their "upscale" audiences. While Air Group One represents those companies, each of their magazines also has a separate sales force and can sell ads on an individual basis.

The demographic profile of a "frequent flyer" reads like a blueprint of corporate America—predominately male, holding managerial positions and affluent, according to research figures supplied by publishing concerns.

Air Group One, according to Mendelson's Media Research's "Spring 1982 Survey of Adults and Markets of Affluence," prints an estimated 1 million copies monthly and yields 4.8 million readers with incomes of more than $40,000. A total of 71% of the readers are males in professional/managerial posts. East/West also prints about 1.3 million copies per month and tallies a monthly readership of 6.6 million, with each copy being read on the average by five persons. A total of 59.6% of the readers are men and 61.1% have incomes of more than $35,000, according to the latest figures from Media Mark Research Inc. (MRI).

East/West management contends that any comparision with Air Group One's numbers should take into account that Mendelson's counts only people in the more-than-$40,000 bracket, while East/West's MRI numbers include all readers—therefore giving a more accurate accounting of the company's total readership. Air Group One says that by keying in on the affluent, it allows for a clearer picture of the market its airlines serve.

Whatever the numbers, both groups have been reaping the benefits of advertising placed by the nation's office supply and computer manufacturers. Each publishing company attributes these combined segments with providing between 50% to 60% of the total revenue take. Xerox Corp., Hewlett-Packard and a bevy of office suppliers advertise in the magazines as they attempt to attract those high-flying readers.

Next come the travel staples of rental car companies and hotels, but from there the advertiser demand begins to taper off. While inflights have made some inroads in attracting the men's fashion business and jewelery companies, these items are relatively new to the landscape.

The list of advertisers not using inflights is more impressive. Liquor, beer, cigaret, automobile and insurance companies are the most glaring absences.

For example, Anheuser-Busch—which would advertise on the humps of camels in the Sahara if it would sell Budweiser—does not schedule a regular inflight buy.

Airline politics is the reason for the cigaret and liquor embargos. Many liquor companies will not advertise on an airline if they know that carrier will be serving a competitor's product and cigaret makers continue to be miffed about nonsmoking areas, according to publishing and ad executives. "We can't buy a cigaret ad, and the same is true for the beer companies," says Hank Thurnhorst, director of advertising for *American Way*. "It doesn't make any sense. I can go on the subway for 90 cents and see a Winston ad but not if I spend a couple hundred dollars to be on an airplane. It would seem people on the plane can afford cigarets the same as the subway rider."

Undaunted, the inflights are stepping up their own marketing salvos. No longer content at jousting with each other both East/West and the Air Group One are taking on business magazines such as *Forbes*, *Barron's* and *Fortune*.

"They are our real competition," says Webb's Mr. Pool. "If any new advertiser buys inflight then it is good for all inflights."

That corporate civility accepted, it should be noted

Robert Reed, an Advertising Age *reporter in Chicago, covers media operations.*

that for a relatively small industry a considerable number of competitive broadsides are hurled.

One recent example is a minor brouhaha over Continental Airline's magazine. Continental, long a client of East/West, apparently jumped to Webb, but the St. Paul-based company dropped the airline before producing its first issue. Webb says the airline's economically unstable condition did not merit the substantial startup costs the magazine would have needed.

East/West's Mr. Dunn contends Continental never signed a contract with its competitor, while Webb's Mr. Pool says not only was a contract signed, but a settlement was reached because of the episode. Whatever the details, Continental's magazine is still printed by East/West.

Such scuffling is minuscule when compared with the contract raids that periodically are conducted between the inflight companies. Publishers jealously guard their holdings while at the same time keeping a wary eye out for any signs that another client airline is becoming disenchanted with its publisher.

"We know the competition has made bids for our magazines and at times we have negotiated for some of theirs," says Mr. Pool. "But you have to be careful. There are some airlines you can't go after because current clients would object." He adds that TWA, a major client, has indicated it would frown if Webb linked up with a carrier with heavily overlapping air routes.

Raiding reportedly hit a zenith in 1980 when publishing powerhouse Ziff-Davis entered the inflight fray. Having already obtained *Pan Am Clipper*, *USAir* and *Republic Scene*, the company began making serious overtures to major clients at East/West and Webb, say executives at both companies.

Ziff-Davis' attacks were rebuffed and ultimately the publishing concern bailed completely out of the segment. Ziff-Davis officials said they abandoned inflights because they did not comfortably fit with the rest of its publishing business.

Competitors have taken Ziff-Davis' explanation a little further, saying the New York-based media concern failed because it was uncomfortable serving a client. Having made a success of its special interest publishing business by totally controlling its products, the company was unable to tailor its decision to serve an airline. Flavoring that dilemma was that Ziff-Davis could not sell its magazines as a package because there was little marketing synergy between the three.

East/West eventually picked up the pieces and acquired the Ziff-Davis properties.

Finally, the financial yield for Ziff-Davis, with annual revenues of about $200 million, was not enough to merit sustaining interest in the market. By contrast, East/West totaled an estimated $20 million in sales last year, down slightly from the previous year, and the inflight group contributed approximately $20 million of Webb's $134 million sales figure for last year.

Another victim of the ailing airline industry is Halsey Publishing, which published Braniff's *Flying Colors*. When Braniff declared bankruptcy May 15, the publishing company had already closed the June issue.

"We had to eat 210,000 copies. They were already printed and distributed but we couldn't bill advertisers so we had to take the loss," says Hal Winter, vp-advertising with Halsey.

The inflight segment has undergone other changes, some cosmetic and others of more substance. A notable change in the inflight business is United Airlines May retirement of the age-old *Mainliner* title in favor of a simple *United* logo. In a way the name switch can be viewed as an interesting barometer of changing times. During the 1930s, the *Mainliner* title was used to promote United's first DC-3 aircraft, which flew the air carrier's first East to West coast routes. Today, "mainliner" is considered a street term for heroin users and not exactly the thought United wants popping out at passengers when they pick up an issue, according to executives of East/West.

That public perception is all-important. Business managers believe a positive public image is the key to keeping the client happy and editors espouse a philosophy that the "warmer" the editorial image the easier it is for the passenger to relate to the magazine.

Warmth can be generated in different ways. While all inflights profess to be of general editorial interest the means each employs is quite different. A layman's guide to inflights could break down into three categories—national, regional and digest forms.

Allowing for some geographical overlap the categories are as follows:

- National books: *United, Pan Am Clipper, Ambassador, Delta Sky* and *American Way.*
- Regional books: *Northwest Orient Passages, Frontier, Ozark, PSA, Republic Scene* and *USAir.*
- Digests: *Continental Extra* and *Eastern Review.*

Editors bristle at the suggestion that the editorial content of all inflight magazines is basically the same. But, while the forum is different, the ideas revolve around many of the same topics with stories on personalities, travel, business trends and those "upscale" life styles adding to the majority of coverage.

What they do they do well. A spot check of recent inflights showcases some professional and insightful work. *United* recently scored with a story on Barbara Proctor, a black advertising executive making gains in Chicago; *Ambassador* countered with a cover profile of Paige Rense, editor-in-chief of *Architectural Digest, Geo* and *Bon Appetit. Northwest Passages* opened its pages to a charming pictorial story on Montana, and *Pan Am Clipper* featured an interesting montage on Japan.

Other examples: *Republic Scene's* portrait of Chicago's Second City comedy troupe and *American Way's* report on some Xerox corporate desk jockeys who braved "Outward Bound," a vigorous outing in the wilds.

"We like to surprise readers, give them stories with wit and also educate them about certain developments," says Dave Martin, editor of *Ambassador*, considered by even the competition to be the best of the inflights.

Witty they may be, but hard-hitting and provocative they are not. Inflights are not the forum for tough-minded journalism. They will happily run a profile of a corporate magnet but will never cross-examine and challenge. Instead, the formats provide more softball interviews with chief executive officers and an occasional "pro and con" piece on an issue of the day.

"I find it hard to tell the inflights apart now—they are more homogeneous than in the past, less willing to take a chance," says James Morgan, articles editor with *Playboy* and former editor of *Ambassador.*

"We are not going to do stories that say, 'All lawyers are shysters,'" asserts Fred Smith, East/West editor-in-chief and a former Time Inc. editor. "We don't see a need for it and it's not going to work."

In the final analysis, the airline is the court of last resort and has the right to spike any story. That is rare, but then the editorial perimeters have already been set, and one knows not to go beyond them, say editors.

But one question remains: Have these magazines peaked as advertising and editorial vehicles? Managers and editors do not believe the mountain has been conquered and it is all downhill from here. Although they concede that times are harder and occasionally grouse that new editorial directions are fewer, they believe inflights are poised and ready to blossom.

"The only problem is the airlines. Some don't want a thick book because of the added weight to the plane and the extra fuel that it would consume," says Halsey's Mr. Winter. "But I don't see a cap to the potential—even in today's tougher economic climate." AA

Comparing the largest circulation U.S. inflight magazines

	Publisher	Copies distributed monthly*	B/W page rate	4/C page rate	1981 total ad pages
United Magazine	East/West Network	350,000 (a)	$11,210	$14,905	901
Eastern Review	East/West Network	300,000	9,900	13,200	926
Delta Sky	Halsey Publishing	300,000	8,100	9,700	555
TWA Ambassador	Webb Co.	253,000	7,682	9,602	602
American Way	American Airlines	233,000	6,960	8,590	710
Pan Am Clipper	East/West Network	230,000	7,395	9,985	689
Northwest Orient Passages	Webb Co.	150,000	5,002	7,344	390
Republic Scene	East/West Network	140,000	5,040	6,720	659 (b)
USAir Magazine	East/West Network	140,000	5,040	6,720	581
Continental Extra	East/West Network	80,000	2,880	3,840	613
Frontier Magazine	Webb Co.	75,000	2,553	3,413	435
PSA Magazine	East/West Network	70,000	3,040	4,030	1,062
Western's World (bimonthly) (c)	East/West Network	100,000	3,600	4,800	N/A
Piedmont Pace (bimonthly)	Fisher Harrison Corp. (d)	90,000	4,180	5,520	231

SOURCES: Publishers' statements; Standard Rate & Data Service

*Virtually all circulation of the inflight magazines is unpaid. Figures are in each case the most recent ones supplied by the publisher.

(a) United figure includes 75,000 copies for connecting airlines and Westin Hotels.

(b) Republic Scene was published in two editions until July, 1982. The 1981 ad page figure above was for the Eastern Edition. (The Western Edition had 620 ad pages in 1981.)

(c) Beginning with the July, 1982, issue, Western's World becomes a monthly.

(d) Piedmont Pace is published by Fisher Harrison Corp., Greensboro, N.C. East/West Network is the advertising representative.

New look at an old problem: Marketing 'delicate' products—See Magazine

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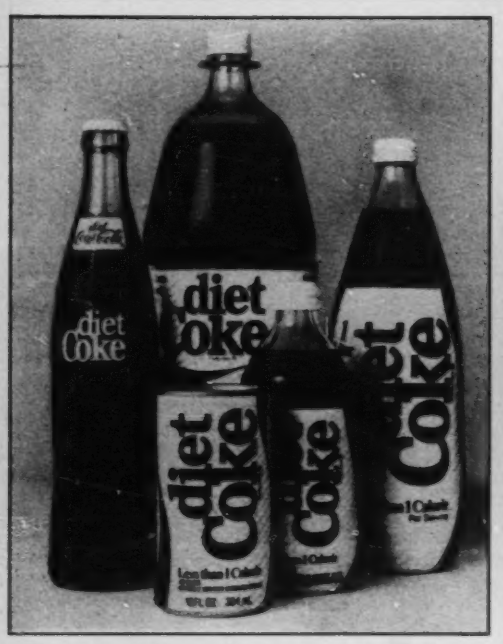

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Now Pepsi Free — regular or sugar free.
SAVE 50¢
On any multi-pack or 2 liter bottle of Caffeine Free Pepsi Free, Regular or Sugar Free

Coke, Pepsi try extended-family concept

Coca-Cola Co. is putting new Diet Coke into a full range of containers, including its famous shaped bottle. Pepsi-Cola will offer Pepsi Free caffeine-free cola in regular and diet versions. Both products hit the market in August, with massive ad spending behind them.

Spending pace quickens

Cola giants offer brand extensions

By NANCY GIGES

The two major cola marketers, agreeing that the coming months will bring change such as the soft-drink business has never before experienced, are each betting their brand names on different market segments. Both Pepsi-Cola and Coca-Cola, introducing different drinks, vow to support them with some of the heaviest advertising ever.

Despite its strong protests against Seven-Up Co.'s anti-caffeine advertising earlier this year, Pepsi-Cola now finds itself introducing Pepsi Free caffeine-free cola. The drink, in regular and diet varieties, reinforces Pepsi's notion that caffeine-free soft drinks should usher in a new era of cola marketing. Pepsi acknowledged that Pepsi Free was in the works for years, leading industry observers to make the point that its anti-7UP outburst may have been an attempt to protect more than regular Pepsi-Cola (AA, March 1).

Pepsi said Pepsi Free will receive advertising and promotional support at a $100 million annual national rate in its eight test markets, with no cutbacks on its other major brands. Coca-Cola, spending more

(Continued on Page 76)

FCC may let nets into cable

By MAURINE CHRISTOPHER

The Federal Communications Commission methodically is moving toward reconsideration of all the major rules that have restrained tv's Big 3 in program production, syndication and cable systems ownership.

Next up on the heavy summer schedule and expected to be authorized for a rule-making procedure this week are the strictures against conventional network tv ownership of domestic cable systems and the ban against cross ownership of cable systems and over-the-air tv stations in the same markets by any company.

A rule-making notice means only that the commission will at least vote again on a crucial issue. It doesn't necessarily mean the regulators will vote to open cable to conventional telecasters without limitations.

However, FCC chairman Mark Fowler makes no secret of his desire to rip down as many barriers as possible. He wants to let the new and the old electronic media fight it out in the marketplace for the viewers' time and the advertisers' dollars. And he advocates a minimum of government interference.

While CBS already has moved back into limited cable systems ownership on a waiver permitting up to 90,000 homes, ABC pushed for revocation of the 12-year-old rule banishing networks from wired tv system operation. ABC's request was filed in support of an earlier petition from Marsh Media Ltd., which called for elimination of the cable/tv, same-market rule and an end to the ban on network cable ownership.

All three conventional networks argue that the competitive picture has changed radically in the past decade. Consequently, they say they should be allowed to compete freely in all the video

(Continued on Page 74)

Federal fuels war in packet delivery

By ROBERT RAISSMAN

Federal Express Corp., facing increasing, big-buck competition in the air freight field, is making another commercial assault on the U.S. Postal Service, which protested against an earlier derogatory spot.

The 10-second spot, which began running July 1 in 15 major markets, shows a man shaking as he prepares to lick an envelope. An off-camera voice says: "You've got a lot riding on that letter and you're going to turn it over to the post office?" The spot is slated to run through August. A spokesman for the U.S. Postal Service would not comment on the spot, adding, "I'm not going to compare this commercial to the first one."

The ongoing Postal Service flap is probably of minor concern to Federal execs. The company finds itself operating in an environment where advertising dollars are being spent at an increasingly accel-

(Continued on Page 73)

Low-cost 35mm line debuts

Canon invades Kodak turf

By GAY JERVEY

New York—Canon U.S.A. plans to cross into Kodak country with its new automated 35mm camera, which comes in two brightly colored models and should sell in that magic price range—$100 and under.

The subsidiary of Tokyo-based Canon thus becomes a full-fledged proponent of the "point and shoot" school of amateur photographers, largely the domain of American marketers and their non-35mm lines.

Called the Snappy, the new camera line will carry suggested prices of $145 for the higher-brow Model 50 and $115 for the more rudimentary Model 20. However, given discounting trends, they are expected to retail for $100 and $80, respectively—and probably lower. As such, they would be priced somewhat competitively with Kodak's new, highly touted disc camera that reached retailer shelves in May. The existing disc models list for between $67.95 and $142.95 but are reportedly selling for much less.

According to Canon U.S.A. president Fujio Mitarai, the company will spend $3 million on advertising between September and Christmas, with the budget probably escalating to some $8 million next year.

However, industry sources suggest that a four-year blueprint calls for spending $40 million over the

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NEWSPAPER
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DC2001#CONGLI FMJF M
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SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

last minute news

Super Bowl 30-second spot priced at $400,000

New York—Super Bowl XVII has been priced at an even $400,000 per 30-second commercial by NBC-TV. Last January's NFL big event was in the $345,000-a-30 range at CBS.

Arco reportedly talking with shops on account

Los Angeles—Atlantic Richfield Co. reportedly is in contact with several agencies regarding a possible review of its estimated $10 million account, currently shared by NH&S/Los Angeles and FCB/Honig.

B&W snares Thomas Sandefur from RJR

Louisville—Brown & Williamson's bitter rivalry with RJR will be heightened by an annoucement today that Thomas E. Sandefur is joining B&W in the new post of senior vp-international marketing after having resigned as exec vp-Europe, RJR Tobacco International, Geneva.

Kraft marketing hydroponic vegetables

Glenview, Ill.—Kraft Inc. is marketing hydroponically grown lettuce, European cucumbers and cherry tomatoes under the Sun Seasons label in

(Continued on Page 8)

DUMPS PROPOSED SETTLEMENT

FTC bows out of ad rate foray in 'Times' case

By RICHARD L. GORDON

WASHINGTON—The "free market" in newspaper ad pricing weathered its worst scare in years last week when the Federal Trade Commission changed course and freed the *Los Angeles Times* from precedent-setting restrictions on retail advertising discounts.

The unanimous decision signals FTC disenchantment with the theory that annual volume discounts offered by newspapers give big retail advertisers an unfair advantage over their smaller competitors. And it recognizes that a government order that would force costs up for a newspaper's major advertisers could injure newspapers' ability to compete with other media.

The commission action scraps a tentative settlement with the *Times* (AA, Sept. 28) that would have pressured the newspaper to use an FTC-sanctioned cost formula to determine future retail ad linage discounts. Under the FTC formula, the maximum discount for the *Times*' biggest retail advertisers would have been 26.765%, compared with discounts at the paper that FTC said have ranged as high as 40%.

Rate-card discounts using the FTC-sanctioned formula would have been accepted by the commission as nondiscriminatory and cost justified. *Times* ad executives would have been free to use other methods for determining discounts, but these rates would have faced scrutiny and possible challenge by FTC antitrusters.

The case settles for the time being the controversy over whether FTC should apply the principles of the federal anti-price discrimination law, the Robinson-Patman Act, to advertising rates. In statements released Friday, FTC's Republican chairman James C. Miller III said "it seems quite clear that the intent of Congress was to leave advertising rates outside the reach of the Robinson-Patman Act."

Democratic commissioner Michael Pertschuk, FTC chairman when the *Times* case was brought in 1977, and who tentatively supported the *Times* pact last year, said he is now convinced that its benefits to competition "are much more uncertain than we had believed."

Commissioner Pertschuk said there is no "repudiation" of Robinson-Patman principles, a subject of controversy among economists and lawyers, involved in the commission's decision. It is "only a decision that it is inappropriate to apply to them in this case," he said.

He added that it made no sense to apply anti-price discrimination

(Continued on Page 74)

The look of satin for Satin cigarets

Luxurious is the look of advertising for Lorillard's new Satin low-tar cigarets, testing in Denver and Milwaukee (AA, May 31). Available in regular and menthol, Satin has a "satin tip." This spread is part of a four-page newspaper insert. MCA Advertising, New York, is the agency.

Fritts gets back in NAB race

WASHINGTON—Mississippi radio broadcaster Edward Fritts has changed his mind and joined the race for the presidency of the National Assn. of Broadcasters. Mr. Fritts, currently NAB's elected chairman, and five other candidates, including American Advertising Federation president Howard Bell, were interviewed by a search committee last week.

Mr. Fritts only recently said he wasn't interested in competing for NAB's presidency (AA, June 21), and had agreed instead to chair the search committee created to find a replacement for retiring NAB president Vincent Wasilewski. He surrendered that job when he announced his candidacy.

Mr. Bell had served as director of the NAB code authority in the 1960s before moving to the AAF presidency more than a dozen years ago. AAF chairman David Keith said Mr. Bell has told him he is a candidate for the NAB job. "It's Howard's decision," Mr. Keith told ADVERTISING AGE last week. "He will make the decision on what he feels is best for him, best for the AAF and best for NAB."

Rounding out the list of candidates under review last week: Thomas Sawyer, exec vp, Ohio Assn. of Broadcasters; former NAB board chairman Donald Thurston, president of Berkshire Broadcasting, North Adams, Mass.; NAB exec vp-general manager John Summers, and former Federal Communications commissioner Robert Wells, chairman of Broadcast Music, New York. Mr. Fritts heads Fritts Broadcasting, Indianola, Miss.

Additions to the candidate list are possible, but the search committee hopes to have a selection made by Aug. 9 when NAB's tv and radio boards of directors are scheduled to meet in Chicago.

Replacing Mr. Fritts as co-chairmen of the search committee are NAB tv board chairman Gert Schmidt and radio board chairman William Stakelin.#

highlights

Monday, July 12, 1982

A Florida marketer is looking to women's legs and the shaving preparations market for diversification. *See Page 6.*

Backed by Quaker Oats, recently acquired subsidiary U.S. Games is planning its move on the videogame cartridge market. *See Page 10.*

Humphrey Browning MacDougall acquired Stiefel/Raymond Advertising in an attempt to bolster its New York operation. *See Page 12.*

Kayser-Roth moved some accounts around last week, giving its Comfort Stride to Ogilvy & Mather. *See Page 12.*

The availability and cost of real estate in the U.K. is limiting growth of American fast-food chains in that country. *See Page 14.*

Although they may find success in other parts of Latin America, U.S.-style fast-food chains are having trouble in Venezuela and Peru. *See Page 14.*

Hearst Corp. puts its hopes in the former director of New York's Metropolitan Museum, Thomas Hoving, as editor-in-chief of *The Connoisseur*. *See Page 28.*

Swift & Co. plans a new marketing emphasis to boost its Soup Starter and Stew Starter business. *See Page 32.*

Empathy plays a major role in holding advertisers and their agencies together in the long run. *See Page 33.*

Advertisers and their agencies should pay more attention to casting their spots, a Colgate-Palmolive exec told the American Advertising Federation. *See Page 49.*

First National Bank of Boston won the top award for multimedia campaigns in the 1981 Bank Advertising Awards competition. *See Page 50.*

Patricia Carbine, vp-publisher of *Ms.*, has been re-elected chairwoman of the Advertising Council. *See Page 69.*

Southwest Airlines is launching a new "image" with a tv campaign this week. *See Page 72.*

The Muppet Magazine, a quarterly children's humor publication, will be launched in November. *See Page 75.*

CORPORATE CLOSEUP

Ponderosa has a three-pronged strategy for future growth, with one area being expansion of its recently acquired Mexican food chain. *See Page 4.*

INTERNATIONAL

China is expected to introduce regulations banning foreign cigaret and liquor advertising later this year. *See Page 24.*

VIDEOTECH

The animated Fox Photo fox dances into tv spots with an animated, but human, dancer. *See Page 48.*

Prime time viewing of Home Box Office in subscribing homes nearly equaled that of NBC in February, according to Nielsen. *See Page 48.*

MAGAZINE

Marketing "unmentionable" products such as feminine hygiene items and contraceptives has posed some great challenges for marketing and advertising professionals throughout the last 50 years. *See Page M-2.*

Nipponmania, a national malady brought about by the infusion of Japanese-made automobiles into the American economy, thereby helping to trouble the auto industry, is discussed by agency chief executive Alex Kroll. *See Page M-20.*

SPECIAL REPORT

Housewares marketers, always confident that their industry could withstand a recession, are finding they must continue to introduce innovative new products and use effective marketing techniques in order to stay afloat. *See Page M-9.*

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Pay tv to try series programing

By SUSAN SPILLMAN

NEW YORK—Pay tv, spawned by following the movie theater approach, is now hoping to capitalize on the formula that propels commercial tv: Series programing.

With more pay networks turning on, and studios turning out fewer flicks, proponents of the new medium are looking to new and old series in an effort to differentiate themselves from one another, create viewer loyalty and fill 24 hours of airtime economically.

This winter Home Box Office will premiere "Fraggle Rock," its first original half-hour series featuring a new family of Muppets created by Jim Henson. In addition, this year pilots for three other possible comedy series will air, with at least one expected to debut in 1983. Pilot scripts for three dramatic series are also under way.

Showtime, which pioneered such pay tv series as its "Speak up America" magazine program and the "Bizarre" comedy show, recently premiered two adult soap operas and is trying to redevelop commercial tv's short-lived "Paper Chase." Plans for the network call for a total of seven series to be run-

(Continued on Page 74)

Ad pages in farm publications for 6 months, 1982-1981

Second-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

Key: (mon)-monthly; (sm)-semi-monthly; (bm)-bi-monthly; (bw)-bi-weekly; (w)-weekly; (d)-daily; (q)-quarterly

	Pages			
	April-June 1982	April-June 1981	Jan.-June 1982	Jan.-June 1981
General Farm Publications				
American Agriculturist	79.2	108.1	209.9	239.5
Measured in lines	60,222	82,109	159,499	182,064
◊Big Farmer	36.3	36.3	73.4	92.8
Measured in lines	15,548	15,548	31,486	39,821
†§California Farmer	212.0	195.1	501.9	476.6
Measured in lines	161,124	148,299	381,507	362,292
§Farm Futures	40.7	44.8	126.4	161.3
Measured in lines	17,449	19,220	54,201	69,198
Farm Industry News	81.0	70.4	271.6	234.7
Measured in lines	61,577	53,561	206,435	178,383
Farm Journal	160.4	151.8	523.7	500.3
Measured in lines	67,362	65,154	219,943	214,599
Farmer-Stockman Unit: (mon)				
Oklahoma Farmer-Stockman	47.0	49.3	109.2	97.6
Measured in lines	35,764	37,504	83,051	74,196
Texas Farmer-Stockman	37.6	46.7	88.6	97.8
Measured in lines	28,642	35,518	67,408	74,403
Harvest Publishing Unit: (sm)				
Kansas Farmer	168.2	167.2	432.7	475.6
Measured in lines	127,857	127,041	328,858	361,426
Michigan Farmer	147.5	160.1	444.0	448.3
Measured in lines	110,101	121,663	337,438	340,730
Missouri Ruralist	165.9	170.4	517.4	527.5
Measured in lines	126,062	129,494	393,226	400,861
Ohio Farmer	216.4	215.9	654.0	633.0
Measured in lines	164,466	164,101	497,047	481,787
Pennsylvania Farmer	88.8	116.5	376.9	388.0
Measured in lines	67,512	88,518	286,420	294,907
High Plains Journal: (w)				
Eastern Kansas	624.6	628.1	1,268.7	1,249.4
Measured in lines	699,552	703,472	1,420,958	1,399,370
Colorado	619.9	619.5	1,267.1	1,255.2
Measured in lines	694,330	693,854	1,419,138	1,405,838
Nebraska	613.9	612.4	1,236.9	1,233.5
Measured in lines	687,610	685,846	1,385,286	1,381,562
Oklahoma-Texas	629.0	615.5	1,279.2	1,256.2
Measured in lines	704,410	689,374	1,432,704	1,406,916
Western Kansas	674.4	681.3	1,375.5	1,363.2
Measured in lines	755,342	763,042	1,540,588	1,526,798
§Irrigation Age	66.8	92.3	168.7	217.3
Measured in lines	28,672	39,585	72,405	93,357
Kentucky Farmer (mon)	84.3	68.7	262.1	205.6
Measured in lines	64,141	52,275	199,199	156,272
Lancaster Farming (w)	1,226.4	1,189.7	2,463.5	2,678.0
Measured in lines	1,923,043	1,865,479	3,862,816	3,865,781
Midwest Farm Paper Unit: (sm)				
The Farmer	242.0	251.1	724.9	734.1
Measured in lines	183,912	190,858	550,901	557,928
Nebraska Farmer	264.8	292.2	801.6	865.5
Measured in lines	201,250	222,103	609,192	657,797
§Prairie Farmer:				
#Illinois Edition	244.4	280.9	811.3	876.1
Measured in lines	185,704	213,447	616,578	665,790
Indiana Edition	280.7	286.3	822.9	826.5
Measured in lines	213,297	217,581	625,365	628,137
Average 2 Editions	263.5	283.6	818.0	851.3
Measured in lines	200,229	215,516	621,665	646,969
§Wallaces Farmer	227.5	222.8	764.6	759.9
Measured in lines	172,885	169,305	581,122	577,542
Wisconsin Agriculturist	172.8	172.4	548.5	556.6
Measured in lines	131,341	130,985	416,880	423,007
▲Pecan South	16.0	31.3	48.9	60.5
Measured in lines	6,720	13,146	20,538	25,410
§Progressive Farmer	209.4	211.7	494.6	483.1
Measured in lines	87,934	88,931	207,710	202,900
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	72.0	64.9	172.1	138.8
Measured in lines	30,672	27,647	73,314	59,116
Peanut Farmer	58.7	63.7	120.8	111.9
Measured in lines	25,006	27,119	51,451	47,686
§Successful Farming (mon)	156.4	168.7	495.2	523.1
Measured in lines	67,081	72,382	212,443	224,416
Tennessee Farmer (mon)	52.6	38.2	118.5	100.5
Measured in lines	39,956	29,035	90,079	76,347
Western Unit Farm Magazines: (mon)				
Arizona Farmer-Ranchman	110.4	128.0	240.5	262.1
Measured in lines	83,964	97,311	182,744	199,232
Colorado Rancher & Farmer	92.9	116.7	252.4	271.3
Measured in lines	70,619	88,654	191,821	206,174
Northwest Unit Farm Magazines:				
Idaho Farmer-Stockman	168.4	194.5	429.0	475.3
Measured in lines	128,019	147,869	326,011	361,241
Montana Farmer-Stockman	234.9	279.2	578.5	648.2
Measured in lines	178,493	212,180	439,701	492,622
Oregon Farmer-Stockman	118.6	149.2	321.3	372.3
Measured in lines	90,167	113,401	244,212	282,931
Utah Farmer-Stockman	103.3	134.7	286.8	338.9
Measured in lines	78,544	102,353	217,953	257,556
Washington Farmer-Stockman	132.6	164.5	355.6	396.6
Measured in lines	100,798	125,045	270,293	301,422
Wyoming Stockman-Farmer	71.8	86.8	158.2	202.0
Measured in lines	54,556	65,963	120,225	153,483
Total Group	9,314.0	9,661.5	23,015.6	23,686.0
***% change 1982 vs. 1981	−3.6%		−2.8%	
Dairy & Livestock				
§Beef Magazine	111.1	119.0	292.7	281.9
The Cattleman (mon)	330.1	371.4	707.5	697.5
Dairy Herd Management	118.7	123.7	253.6	282.4
§Drovers Journal	172.6	210.0	417.3	499.6
Farming Money Management	18.6	31.7	53.6	64.6
Farm Progress Hog Producer	17.5	18.6	44.1	56.4
Feedlot Management	58.4	62.7	133.5	156.1
Florida Cattleman (mon)	201.6	218.3	421.8	422.7
§Hoards Dairyman (sm)	226.9	226.0	530.1	536.3
Hog Farm Management	96.6	113.2	234.7	285.6
Livestock Breeder Journal (mon)	171.2	206.6	404.0	461.3
National Hog Farmer	183.9	132.5	457.8	384.4
Pig American	59.9	62.5	124.9	162.1
Southern Beef Producer	—	—	—	—
**Southern Hog Producer	—	—	—	—
▲Sunbelt Dairyman (mon)	—	—	—	—
Dairy: (mon)				
Full Edition	72.7	57.4	148.5	121.1
Western Edition	—	—	—	—
Western Livestock Journal Monthly:				
Central Edition	77.9	103.7	182.1	226.7
Western Edition	77.9	103.7	201.9	220.9
Southern Edition	48.8	66.9	119.5	146.3
Western Livestock Journal Weekly:				
Central Edition	94.4	82.6	213.2	230.4
Western Edition	106.8	100.5	247.1	276.6
Western Livestock Reporter/-Montwyo News (w)	416.0	159.6	862.0	430.3
Total Group	2,661.6	2,570.6	6,049.9	5,923.2
***% change 1982 vs. 1981	+3.5%		+2.1%	
Fruit & Vegetable				
American Fruit Grower (mon)	132.9	143.0	280.2	295.5
American Vegetable Grower (mon)	171.1	150.2	311.0	296.4
Citrus & Vegetable Magazine	116.1	132.4	264.2	247.2
Florida Grower & Rancher	54.2	39.0	108.2	88.4
Total Group	474.3	464.6	963.6	927.5
***% change 1982 vs. 1981	+2.1%		+3.9%	
Poultry				
Broiler Industry	124.1	148.9	270.8	309.8
Poultry Digest	76.7	81.9	152.6	187.5
Poultry Tribune	88.1	91.7	177.9	214.6
Poultry & Egg News				
Southeast edition	97.3	113.0	254.0	299.0
Southwest edition	76.0	89.0	173.1	209.0
Northeast/Midwest	41.0	44.0	135.4	137.0
Pacific edition	38.0	33.0	106.1	113.3
Total Group	541.2	601.5	1,269.9	1,470.2
*** % change 1982 vs. 1981	−10.0%		−13.6%	
Canadian				
Country Guide (mon)				
#Eastern Edition	158.0	172.6	332.7	338.4
#National Edition	292.3	281.6	620.6	568.3
#Western Edition	215.5	212.5	429.9	409.1
Average 3 Editions	221.9	222.2	461.1	438.6
Le Bulletin des Agriculteurs (mon)	223.0	227.0	502.0	483.0
Total Group	444.9	449.2	963.1	921.6
***% change 1982 vs. 1981	−1.0%		+4.5%	

§Sectional linage included but prorated to circulation of regional editions. †Published twice a month except June, July and Dec. monthly. ▲Published six times a year. ◊Published 11 times a year. #Not included in totals. **Published seven times a year.

advertiser people

Cliff gets Seagram post

NEW YORK—Michael P. H. Cliff has been named president of Seagram Wine Cos., the recently announced unit directing all activities of the company's U.S. wine businesses. Mr. Cliff, formerly exec vp-operations and development, succeeds Stephen Herbits, earlier president of Browne Vintners, who resigned. Prior to the formation of the umbrella unit, Mr. Cliff had been president of Seagram's Gold Seal Vineyards.

In addition, Samuel Bronfman, the son of Seagram chairman Edgar M. Bronfman, has been named exec vp-sales of Seagram Wine, succeeding Elliott A. Fine, who resigned. The younger Bronfman had been northern California state manager for Seagram Distillers.

Other people on the move:

Richard T. Miller to vp-general manager, Six Flags Magic Mountain, Valencia, Cal., from director of general services. Mr. Miller succeeds **Dan Howells**, who becomes exec vp, Six Flags Corp., Los Angeles. Also, **Robert Bennett** to new post of director of special projects, Six Flags Corp., from director of marketing, Magic Mountain. **Cheryl Derbyshire**, Magic Mountain advertising/research manager, assumes Mr. Bennett's previous post.

Seymour Morgenstern to vp-executive assistant to president-chief operating officer Linda Wachner, Max Factor & Co., Hollywood, from senior vp-marketing and purchasing administration. Also, **Lin Stinson** to senior vp-U.S. sales, from vp-food division. Both are new posts.

Meredith A. Young to director-advertising and sales promotion, a new post, Singer Co.'s U.S. consumer sewing products division, Elizabeth, N.J., from account manager, Compton Advertising, New York. Also at Singer, **Frank E. Bray** to vp-marketing support, a new post, from director-product management, where there is no successor yet.

Richard G. Burton to vp-marketing, Alco Standard's paper products group (Unisource), Valley Forge, Pa., from vp-sales, Mead's fine paper division, Dayton, O. He succeeds **James J. Swearingen**, who is now exec vp.

P. Richard Hughes to director of marketing, Boorum & Pease Co., Elizabeth, N.J., marketer of office supplies, from marketing manager, Pendaflex Systems, Esselte Pendaflex Corp., Garden City, N.Y. Also at Boorum & Pease, **Robert B. Grove** to manager-advertising and sales promotion, from director of marketing services, Bates Mfg. Co., Hackettstown, N.J.

Garrett S. Hart to vp-research, Paramount Pictures, Los Angeles, from director.

Sanford G. Weiner to group vp in charge of food and paper products, Procter & Gamble Co., Cincinnati, from vp, food products division. Named manager, food products division, is **Ben L. Bethell**, formerly associate manager, food products.

Bruce W. Simpson to vp-marketing and sales, a new post, Fisons Corp., Bedford, Mass., pharmaceutical company, from director of marketing.

Barbara Royce to advertising manager, Redken Laboratories, Canoga Park, Cal., a new post, from manager-marketing communications, Pertec Computer Corp., Chatsworth, Cal.

Angela Murphy to director of marketing and pr, Seaport Village, San Diego, a new post, from marketing director, University Town Centre, La Jolla.

Ellen Pensky Owens to advertising-pr manager, ComPath, Oakland, telephone systems company, a new post, from advertising-pr coordinator.

David B. Lentz to director of advertising and sales promotion, U.S. Ordinary Marketing Operation, Pan-American Life Insurance Co., New Orleans, from manager-advertising and sales promotion.

Anthony Meade to vp-marketing, a new post, Parfums Stern Inc., New York, from vp-worldwide marketing, Scannon Ltd.

Robert Friedman to exec vp-marketing, PolyGram Pictures, Culver City, Cal., from president, domestic distribution, Columbia Pictures, Burbank. He succeeds **Mike Bisio**, who became vp-general sales manager, Columbia.

Richard Pollick to senior marketing manager, a new title at Toro Co., Minneapolis, from vp-marketing, Arctic Enterprises, Thief River Falls, Minn.

Joseph Flannigan to group product manager, established products, Beech-Nut Nutrition Corp., Fort Washington, Pa., from business unit manager, cranberry drinks, Ocean Spray Cranberries, Plymouth, Mass. He succeeds **Tim Britt**, who left.

Bernard (Buddy) Golden to vp-general sales manager, MGM/UA Entertainment Co., Culver City, Cal., from vp-assistant general sales manager. He succeeds **Jerry Esbin**, who earlier became president-motion picture marketing and distribution.

Also:

Robert B. Tarkington to product manager-retail breakfast products, Kitchens of Sara Lee, Deerfield, Ill., from associate product manager...**Steven Kendall** to product manager-Ralston Hot Cereal and new ready-to-eat cereals, a vacant post at Ralston Purina, St. Louis, from assistant product manager...**Lois Mateus** to vp-corporate communications, Brown-Forman Distillers, Louisville, from commissioner, State of Kentucky Department of the Arts...**Mike Russell** to advertising manager, Florida Food division of Lucky Stores, Tampa, from assistant advertising manager, midwestern division, Milan, Ill.#

Needham & Grohmann forms southern unit

FORT LAUDERDALE, FLA.—Needham & Grohmann/Southern Division has been formed here. The new unit will operate as a wholly owned subsidiary of the New York-based Needham & Grohmann, under the supervision of Charles M. Edgar, division president and chief operating officer.

The new company will handle the P.G.A. Sheraton resort in West Palm Beach; the Sheraton at St. John's Place in Jacksonville; the Palm Beach Social Review, and Resorts International Bahamas Ltd. The N&G division is located at 1620 S. Federal Highway, 30062.

C2710-1 7/19/82

The woes of GF's Cycle
See Magazine

Advertising Age

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Ciba-Geigy readies new otc drug move

By NANCY GIGES

In what appears to be a case of history repeating itself, Ciba-Geigy has formed a new unit, Ciba Consumer Pharmaceuticals, as it again attempts to become a factor in the over-the-counter drug business.

The U.S. subsidiary of the large Swiss drug company has toyed with nonprescription products, but has never seemed wholeheartedly committed to the support of such an effort.

The new division is headed by Jeff Lyle, formerly division vp-proprietary products. Gerald Ostrov, formerly group product director, Johnson & Johnson wound care products, has been named vp-marketing of the new unit, which is based in Edison, N.J.

According to a spokesman, the first products moved to the division are Vioform antibacterial ointment, Privine nasal spray and Nupercainal anesthetic ointment. Ciba has named Ogilvy & Mather Partners as one of two agencies that will handle the brands. The company said the other shop has not been named since it still must decide on how the advertising assignment will be divided.

Retailers begin advertising new herpes drug—Page 10.
Timex jumps into healthcare marketing—Page 68.

Last year, Ciba was one of the first clients of Sudler & Hennessey's new consumer group, but the nature of the assignment was never disclosed. Sudler is a subsidiary of Young & Rubicam. The Ciba spokesman said ethical promotion of those products will continue to be handled internally.

Another group of products that eventually could be marketed by the new unit is the Transderm line, which currently is sold only by prescription. One of these products, Transderm-Scop, a drug to prevent motion sickness, is packaged as a thin disc that is placed behind the ear and intended to last for three days. It avoids the side effect of drowsiness sometimes caused by the most popular medication, G.D. Searle & Co.'s Dramamine.

Ciba was expected to apply earlier to the Food & Drug Adminis-

(Continued on Page 68)

Hershey befriends extra-terrestrial

By JOSEPH M. WINSKI

About those little bits of candy used by the young protagonist in "E.T." to establish rapport with the title character:

They look like M&M's. They're not.

They apparently could have been M&M's, if somebody at Mars Inc. had made the right decision. He didn't.

So what they are, instead, are Reese's Pieces, made by Mars' archrival Hershey Foods. And Hershey is reaping a promotional bonanza from the record-setting Universal Pictures film.

According to the company:

- Sales of Reese's Pieces, which apparently are not confused with M&M's by candy cognoscenti—*i.e.*, the same youngsters who are seeing "E.T." in droves—were up 70% in June from May.
- Not sold in movie theaters before "E.T.," Reese's Pieces are now carried, and promoted with appropriate "E.T." point-of-sale material, in at least 800 theaters, with more orders from theater operators coming in daily.
- Hershey is offering "E.T." T-shirts, posters and stickers, all avail-

(Continued on Page 66)

Cool combination

General Foods' Grape-Nuts cereal is teaming up with Dannon yogurt again this summer, the fourth year of the yogurt-topper promotion. Tv and radio spots are being used. Grey Advertising (GF) and Burson-Marsteller (Dannon) handle.

Brands face budget trims; Erlanger may go

Stroh studies Schlitz cuts

By ROBERT REED

A series of dramatic marketing options concerning the acquired Jos. Schlitz Brewing's brands are being considered seriously by Stroh Brewery Co., including significant cutbacks in advertising support for Schlitz and Schlitz Light and the discontinuation of the failing Erlanger superpremium.

Also, Stroh has redesigned its marketing department via a bevy of personnel promotions and additions, which did not encompass some key Schlitz executives. One of those excluded is Anthony Amendola, exec vp-marketing for Schlitz. Mr. Amendola will remain in an advisory capacity during the Schlitz/Stroh transition period but will leave by the summer's end, according to brewery sources.

In addition, the Detroit-based brewer has begun its divestiture of Schlitz holdings by placing Geyser Peak Winery, a California subsidiary, on the block with an asking price of about $30 million.

So far, however, there has been no apparent progress in selling the Milwaukee brewer's canning factories or a Southeast brewery.

Stroh is considering paring down ad support for the Schlitz brand; new ads that were ready to go from J. Walter Thompson USA have been killed. Sources say it intends to make Schlitz a lower-priced brand behind a premium—and national—Stroh's.

Schlitz Light, which has recently undergone a reformulation, redesign and a new ad campaign, is expected to have much of its marketing support withdrawn, say industry sources. There is a possibility the new Schlitz Light campaign that features the theme, "Schlitz

(Continued on Page 71)

Anacin's fighting with Neal

NEW YORK—The first advertising for Anacin from William Esty Co. is quite a departure from the hard-hitting superiority claims American Home Products has been accustomed to making against the leading pain reliever, Tylenol.

New tv spots feature actress Patricia Neal—who recovered from a serious stroke—saying she's always been a fighter and has played many different roles in her life. But she's never talked on tv about painkillers for headaches. And Anacin blocks the pain of headaches, she states, urging: "Fight back with Anacin."

Anacin knows about fighting back. The brand has been fighting to regain millions of dollars of business it has lost as Johnson &

(Continued on Page 68)

last minute news

Rubbermaid, Xerox add business to NH&S

WOOSTER, O.—Rubbermaid moved its estimated $4 million home products account to NH&S/USA, Chicago, from Ketchum Communications, consolidating housewares products with the Con-Tact brand decorative coverings and Rubbermaid shelf liners assigned to NH&S last year. On the East Coast, client Xerox Corp., Stamford, Conn., has assigned its newest division, which develops and markets office network systems, to NH&S/New York. The unit, based in Palo Alto, Cal., is headed by Donald J. Massaro, corporate vp and former office products division president. His successor is William C. Jackson Jr., formerly a division vp.

Quaker Oats testing Ken-L Ration Sizzlin Skillet

CHICAGO—Quaker Oats is testing Ken-L Ration Sizzlin Skillet dog food in Marion, Ind., and Pittsfield, Mass. Newspaper ads tout the brand as a "new kind of dog food. . .real cooked ground meat ready to eat." The product is packaged in 3-lb. resealable cans. JWT, Chicago, handles.

Mexicana Airlines plans to stick with Dailey

LOS ANGELES—Mexicana Airlines said it does not intend to alter its nine-year ties with agency Dailey & Associates following the Mexican government's acquisition July 15 of a 54% interest in the airline, Latin America's largest. All Mexicana employes will be retained, a spokesman said.

$2 million campaign for Riunite price promotion

FARMINGDALE, N.Y.—Villa Banfi U.S.A. will break a 30-day, $2 million campaign to support an August consumer price promotion for its Riunite

(Continued on Page 8)

NEWSPAPER
Ne
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AA
DC2001ACONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

No-caffeine pitch working for Seven-Up

ST. LOUIS—As Pepsi-Cola Co. prepares to launch its no-caffeine entry, Pepsi Free (AA, July 12), Seven-Up Co. is building up steam with Like, its no-caffeine cola entry that has been testing in eight markets since the end of March.

In Dayton, O., Like has obtained over a 4% market share, as has Royal Crown's Decaffeinated RC, sources report. A buyer for a major grocery chain there said Like "started out more slowly than [Seven-Up] expected," but that it has been "picking up in the last two or three weeks. More people are coming in looking for it now."

In the company's home market here, Jim Moss, soft drink buyer for the Schnuck's chain, confirmed this assessment. In addition, he said, sales of regular 7UP are increasing, up as much as 15% to 20%. Although Mr. Moss said there is no way this growth could continue, he expects sales to stay at this plateau.

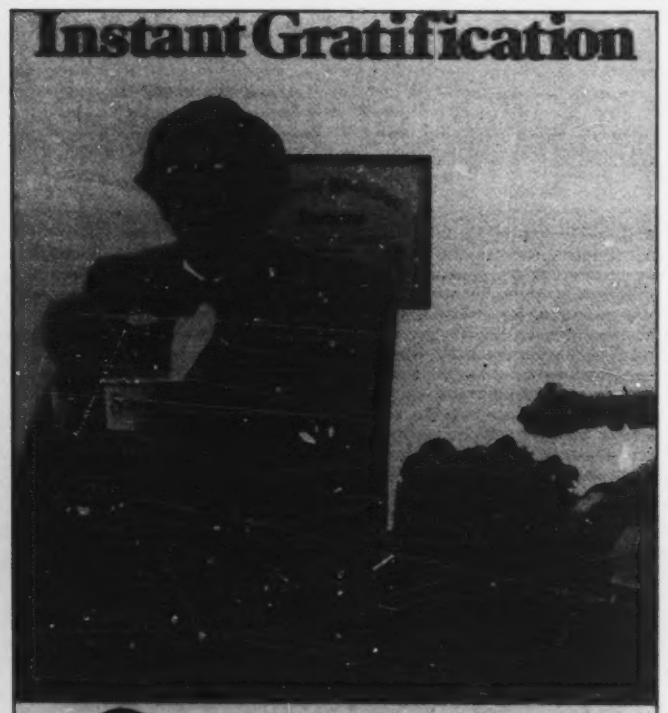
The 7UP brand's controversial no-caffeine ad campaign apparently is netting results nationally, as well. Industry analysts report the previously ailing soft drink has seen a boost between 8% and 10% during the past four months, when compared to last year's figures from that time.

If sales continue to increase, the Seven-Up Co. could see its first market share rise within the past four years.

Joe Doyle, beverage analyst with Smith Barney Harris Upham, New York, stated the 7UP brand could jump 7% in market share by the close of the year.

Still, analysts are uncertain the jump can be attributed to the "no-caffeine" push. "There has been an awful lot of money pumped into the product and it has generated attention," said Mr. Doyle. "But, if that can sustain interest in the product remains to be seen."

N W Ayer, New York, handles the 7UP business and conceived the estimated $35 million "no-caffeine" campaign. Backer & Spielvogel, New York, is the agency for Like cola.#



Staff still mulls local cross-ownership issue

Tv nets keep cable plans quiet after FCC decision

By RICHARD L. GORDON

WASHINGTON—Cable strategists for ABC, CBS and NBC were keeping their future plans under wraps after the Federal Communications Commission took the first step toward eliminating its 12-year-old ban on network ownership of cable tv systems.

All three nets expressed satisfaction after FCC, as expected (AA, July 12), proposed a rule change last week that would permit them to take a position in cable ownership. Proposals to permit tv stations to own cable systems in their local markets, more controversial than the network issue, are still being worked on by the staff.

CBS, which already has FCC experimental approval to own cable systems serving as many as 90,000 subscribers, said through an official it has no plans for wider cable ownership "at this time."

An NBC lawyer in Washington said the network has been holding "internal discussions about possible ownership of cable, but isn't prepared at this time to announce anything." At ABC, which had publicly attacked the prohibition on cable ownership as discriminatory, a spokesman would say only that officials are "very pleased."

While agreeing to consider officially changing the network cable ownership ban, the commissioners also invited advice on writing new ownership "concentration" guidelines that would help them determine how large video conglomerates should be permitted to grow. These concerns are likely to surface again when and if FCC chairman Mark Fowler pushes proposals to drop such restrictions as the local over-the-air/cable tv cross-ownership ban and the policy that bars ownership of more than seven tv stations.

John Quale of Kirkland & Ellis, counsel for Marsh Media, Amarillo, Tex., said his client was pleased that the FCC has started a rule-making procedure to eliminate the network cable ban, and hoped it will move promptly to take up the local tv-cable cross-ownership issue as well. Marsh's petition for local relief predated ABC's request for action on the network front.

The National Cable Television Assn., whose members include companies with holdings in both broadcast and cable tv, said it is not opposed to FCC's decision to reconsider the ban on network ownership of cable systems because support is not "conclusive." But it expressed more serious reservations about changing the policy that currently prevents tv stations from acquiring cable systems within their local viewing areas, contending there is "substantial" evidence to justify the restriction.

NCTA also vigorously supports government policy that prevents local telephone companies from entering the cable tv business within their monopoly telephone service areas.#

Couched promise

Subway posters in New York take a humorous look at the psychiatrist, his couch and the pleasures of indulging in Schrafft's ice cream. The agency is Fisher/Feld.

highlights

Monday, July 19, 1982

Almost 80 cases of accidental ingestion of Sunlight dishwashing liquid have been reported in Maryland after some residents mistook samples for lemon juice. *See Page 4.*

Foote, Cone & Belding/Honig joins at least one other major agency in a quest for motion picture accounts on a full-service basis. *See Page 6.*

Burroughs Wellcome's new treatment for herpes receives advertising from an unexpected source—retailers. *See Page 10.*

After a string of movie box office disappointments, MGM/UA Entertainment is reorganizing to reduce its estimated $650 million debt. *See Page 12.*

Prince Co. has been directed by NAD to modify ad claims for its new Prince Light pasta. *See Page 14.*

Home products and services will become increasingly important in the future, according to a survey of American Marketing Association members. *See Page 18.*

The Big 3 tv networks are scoring sales touchdowns, signing 20 advertisers so far for their National Football League packages. *See Page 26.*

ABC leads the networks in National Collegiate Athletic Assn. sales. *See Page 26.*

Active Markets Inc., the new owner of *Inside Sports*, is trying to score with advertisers and agencies. *See Page 37.*

Sport magazine is being repositioned—again. *See Page 37.*

"TRON's" use of computerized imagery is the most extensive yet, involving several companies hitherto best known for tv commercials work, and may trigger greater use of computer graphics in advertising. *See Page 42.*

The Federal Trade Commission acts against marketers that force retailers to sell at their "suggested" list prices. *See Page 42.*

Sweden's largest private direct-mail agency is encouraging its customers to buy ad campaigns on credit. *See Page 64.*

Cuisine will continue to use the same editorial recipe under new owner, CBS Publications. *See Page 69.*

Gabriel Industries signs Anne Bancroft as spokeswoman for a public service campaign urging families to return their Creative Playthings children's indoor gym for modification. *See Page 70.*

Financial News Network confirmed that it requested the resignations of two top executives after being informed "of certain business activities" of the two. *See Page 70.*

CORPORATE CLOSEUP

Dunkin' Donuts has instituted a package goods management style and a system for freshening up its product line with new items. *See Page 4.*

VIDEOTECH

A 14-month test market study of Knight-Ridder Newspapers' Viewtron project indicates that commercial tv will be the big loser to videotex. *See Page 44.*

Peppering movies on tv with special personality segments has become a solid trend in Los Angeles. *See Page 44.*

MAGAZINE

Money couldn't buy market share, as General Foods, the marketer of Cycle dog food, has discovered during a 12-year quest for success. *See Page M-2.*

The road to the top is revealed by Ted Bates chairman Robert E. Jacoby, in the second of a series of interviews conducted by Bart Cummings with major ad agency executives. *See Page M-51.*

SPECIAL REPORT

The four and five-newspaper city is gone forever, but despite opinions to the contrary—and stories in this week's Special Report—the newspaper is not on its way out. *See Page M-7.*

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CONSUMER PUBLICATIONS 53

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'News' sets deadline for union talks

By STUART EMMRICH

NEW YORK—The Tribune Co. has set another deadline—Aug. 6—for reaching staffing cutback agreements with the 11 unions at the company-owned *New York Daily News*.

Although *Daily News* publisher Robert Hunt stopped short of saying a failure to reach an agreement would mean a shutdown of the paper, he told employes that such an impasse would mean circulation cutbacks that could eventually lead to a closing.

Mr. Hunt called the cost-saving tactic of shrinking the paper's circulation in various parts of New York a "distasteful" measure that could force a closing of the paper by 1984.

As an incentive to avert that possibility, Mr. Hunt said he was offering the unions a three-year extension of all labor agreements—including those that contain job guarantees—beyond their present 1984 expiration date. He also proposed "substantial" termination bonuses for eligible employes in unions whose contracts do not provide for job guarantees.

"If the survival plan is implemented, the *News* can reach the

(Continued on Page 66)

Top 30 national ad performers in 1981

Newsday *tops list of newspapers that scored highest gains*

Among newspapers, the scramble for national advertising has its share of winners.

To find out just who they are, ADVERTISING AGE asked Media Records in New York to help determine the newspapers that performed the best in 1981 when it came to getting general and automotive national advertising.

What follows is a ranking of the top 30 papers scoring the largest gains in national advertising, 1981 vs. 1980.

Each listing carries the following information:

- A performance index, noted below the paper's name. The index was determined by adding the paper's increase in the number of national ad pages and the percentage increase. This sum was then compared with the average performance of all 203 papers that Media Records measured. For instance, *Newsday* had an increase of 804 ad pages, or a rise of 15.95%. The sum of those two figures, 819.95, was then divided by 95.41%, or the performance index for all 203 papers, resulting in a performance index of 859.4.
- Number of national ad pages recorded in 1981.
- Gain in national ad pages, 1981 vs. 1980.
- Percentage gain in national ad pages, 1981 vs. 1980, rounded off to the nearest tenth of a per cent.
- The newspaper's daily and Sunday circulations, according to Audit Bureau of Circulations. The figures are based on the six-month period ending March 31.
- Percentage gain in circulation, based on the March 31 ABC figures of 1982 and 1981.
- The national ranking of the paper by circulation, based on the March 31, 1982, ABC figure.

The rankings do not include the *Wall Street Journal*, which, if counted, would rank No. 1 in daily circulation.

The study on these pages has been compiled by Media Records Inc. for exclusive publication by ADVERTISING AGE. This data may not be duplicated, reprinted or republished in whole or in part without explicit permission from Media Records Inc.

1
Newsday
859.4

1981 ad pages	5,845
Gain	804
Percentage gain	16.0%

Newsday, Times Mirror Co.'s evening paper in Long Island, N.Y., has a daily circulation of 513,728, an increase of 2.1% from 503,336 a year ago. Sunday circulation is 582,261, an increase of 1.5% from 573,726.

2
New York Times
617.6

1981 ad pages	8,652
Gain	582
Percentage gain	7.2%

The *New York Times*, one of the two New York morning papers, has a daily circulation of 947,682, an increase of 1.8% from 930,546 a year ago. Sunday circulation is 1,524,833, an increase of 3.1% from 1,479,263.

3
New York Daily News
514.8

1981 ad pages	7,269
Gain	484
Percentage gain	7.1%

The *New York Daily News* has a circulation of 1,540,218, a 3.3% increase from 1,491,556 a year ago. The morning paper, owned by the Tribune Co., has the largest daily circulation in the U.S., not including the *Wall Street Journal*. Sunday circulation has increased to 2,042,830, up 2.4% from last year's 1,995,702.

4
New York Post
440.9

1981 ad pages	2,557
Gain	402
Percentage gain	18.7%

The *New York Post*, with a daily circulation of 904,476, is the nation's fourth largest daily and is owned by News America Publishing. Daily circulation of the all-day paper has increased by 23.5% from 732,158 last year, and Sunday circulation has grown by 27.8%, to 601,120 from last year's 470,359.

5
Philadelphia Inquirer
427.1

1981 ad pages	3,309
Gain	394
Percentage gain	13.5%

The morning *Philadelphia Inquirer*, with a circulation of 547,547, is the 13th largest paper in the country. Its circulation has increased by 27.7% from

(Continued on Page M-22)

This Is Going To Hurt!

If you've bought more than one medium to reach Massachusetts' #2 market, you've spent too much.

We have the highest A.D.I. market penetration in New England.

60% daily **56%** Sunday

Springfield Union Daily News Sunday Republican

For merchandising assistance, call
Dwight L. Brouillard (413) 788-1108
Joseph V. Ascioti (413) 788-1027

SPRINGFIELD NEWSPAPERS

Largest in Massachusetts outside Boston Represented by Newhouse Newspapers

Source: NCA, 1981-82

Top performers

(Continued from Page M-21)
last year's 428,862, largely as a result of the closing of the rival *Philadelphia Bulletin* early this year. Sunday circulation of the Knight-Ridder Newspapers property is 1,029,410, up 20.2% from 851,376 in 1981.

6
Houston Chronicle
411.1

1981 ad pages	2,849
Gain	377
Percentage gain	15.3%

The circulation of the all-day *Houston Chronicle* has increased by 7.1%, up to 393,730 from last year's 367,782. Sunday circulation has grown to 481,319, up 6.2% from last year's 453,036. The *Chronicle* is the 17th largest paper in the country.

7
Daily News
411.0

1981 ad pages	1,712
Gain	365
Percentage gain	27.1%

The *Daily News*, based in Van Nuys, Cal., and serving the Los Angeles/San Fernando Valley area, has increased circulation by 11.8%, to 127,571 from 114,099 in 1981. Sunday circulation of the morning paper has increased by 10.5%, to 139,075 from 125,867 in 1981. The *Daily News* is owned by the Tribune Co.

8
Rocky Mountain News
395.3

1981 ad pages	3,635
Gain	366
Percentage gain	11.2%

The *Rocky Mountain News*, one of two morning papers in Denver, has seen its circulation increase to 312,873, an 8.4% jump from last year's figure of 288,410. The Sunday edition has reached 335,665, up 9.8% from 306,627 in 1981. The *News* is owned by E.W. Scripps Co. and is the nation's 20th largest paper.

9
Dallas Morning News
364.2

1981 ad pages	2,634
Gain	333
Percentage gain	14.5%

The circulation of the *Dallas Morning News*, owned by A. H. Belo Corp., is 308,649, an 8.9% increase from 283,410 in 1981. Sunday circulation for the *News*, the nation's 22nd largest paper, is 380,981, up 6.5% from 357,779 in 1981.

10
Washington Post
349.7

1981 ad pages	3,681
Gain	324
Percentage gain	9.7%

The morning *Washington Post*, sixth largest paper in the nation, has seen its circulation grow by 23%, to 760,950 from 618,111 in 1981 after the closing of the *Washington Star*. Sunday circulation has grown to 986,024 from 845,176 in 1981, an increase of 16.7%.

11
Dallas Times Herald
346.4

1981 ad pages	2,495
Gain	316
Percentage gain	14.5%

The circulation of the all-day *Dallas Times Herald*, the 27th largest paper in the country, has increased by 10.2%, to 267,579 from 242,821 in 1981. Sunday circulation is 352,372, an increase of 5.2% from 335,089 in 1981. The paper is owned by the Times Mirror Co.

12
White Plains Reporter Dispatch
338.7

1981 ad pages	1,808
Gain	303
Percentage gain	20.1%

The *White Plains* (N.Y.) *Reporter Dispatch*, a member of Gannett Co.'s Westchester/-Rockland Newspapers group, has seen a circulation dip 6%, down to 43,243 from last year's 46,306. Sunday circulation of the evening paper has gained 6%, to 46,306 from 43,686 in 1981.

13
Asbury Park Press
334.6

1981 ad pages	1,570
Gain	296
Percentage gain	23.2%

The *Asbury Park* (N.J.) *Press*, an evening paper, has increased its circulation by 3.3%, up to 112,912 from 109,313 in 1981. Sunday circulation is up by 6.1%, to 158,638 from last year's 149,503.

14
Boston Globe
332.8

1981 ad pages	2,972
Gain	306
Percentage gain	11.5%

The all-day Boston Globe's circulation has decreased to 502,868 this year, a drop of 52. Sunday circulation of the nation's 12th largest daily, owned by Affiliated Publications, has increased by 1.3%, to 751,289 from 741,614.

15
Bergen Record
309.3

1981 ad pages	2,009
Gain	279
Percentage gain	16.1%

The *Bergen Record*, Hackensack, N.J., has a circulation of 148,387, a decrease of about 0.8% for the paper from 149,593 in 1981. Sunday circulation of the evening paper has increased by 1.5%, edging up to 214,713 from 211,554 in 1981. The *Record* is the 68th largest daily in the U.S.

16
Rochester Democrat & Chronicle
273.1

1981 ad pages	1,628
Gain	243
Percentage gain	17.5%

The *Rochester* (N.Y.) *Democrat & Chronicle* has a circulation of 195,340, a decline of 1.5% from 198,329 in 1981. However, the Sunday edition of the evening paper has increased circulation to 241,545, a 4.8% jump from the previous year's 233,343. The paper is owned by Gannett Co.

17
Houston Post
270.4

1981 ad pages	2,298
Gain	246
Percentage gain	12.0%

The morning *Houston Post*

Among daily newspaper homes with income over $35,000, 63% take The
Represented nationally by Sawyer Ferguson

has a circulation of 376,879, a gain of 8.3% over 347,921 in 1981. The Sunday *Post* circulation reached 440,135, up 5.0% from 419,308 in 1981. The *Post* is the 18th largest daily in the U.S.

18
Chicago Sun-Times
266.3

1981 ad pages 4,309
Gain 248
Percentage gain 6.1%

The morning *Chicago Sun-Times*, the nation's seventh largest daily, has a circulation of 663,410, up 0.3% from 661,531 in 1981. The Sunday edition of the Field Enterprises-owned *Sun-Times* has a circulation of 700,769, a decline of 2.2% from 715,892 in 1981.

19
Tampa Tribune
261.1

1981 ad pages 2,038
Gain 236
Percentage gain 13.1%

The morning Tampa (Fla.) *Tribune* has a circulation of 202,363, an increase of 2.0% from 198,489 in 1981. Sunday circulation is 256,463, up 3.7% from 246,271 in 1981. The paper, the 48th largest daily in the country, is owned by Media General.

20
Newark Star Ledger
257.0

1981 ad pages 2,137
Gain 233
Percentage gain 12.2%

The *Newark* (N.J.) *Star Ledger* has a circulation of 415,406, up 2.9% from 403,798 in 1981. Sunday circulation has increased to 606,044, up 3.6% from 585,174 in 1981. The S.I. Newhouse & Sons paper is the country's 15th largest daily.

21
Lexington Herald
246.1

1981 ad pages 1,142
Gain 212
Percentage gain 22.8%

The morning *Lexington* (Ky.) *Herald* has a circulation of 74,035, an increase of 2.8% from 72,029 in 1981. Circulation of the Sunday *Lexington Herald-Leader*, a combined edition of the *Herald* and the evening *Leader* has a circulation of 118,177, up 3.2% from 114,484 in 1981. Both the *Herald* and the *Leader* are properties of Knight-Ridder Newspapers.

22
San Francisco Examiner
229.1

1981 ad pages 2,994
Gain 211
Percentage gain 7.6%

The *San Francisco Examiner*, an evening daily owned by Hearst Corp., has a circulation of 155,298, an increase of 0.8% from 154,099 in 1981. Circulation of the Sunday San Francisco Examiner & Chronicle, a combined product of the Examiner and the morning *San Francisco Chronicle* (which is owned by the Chronicle Publishing Co.), is 673,029, up 1.1% from 665,887 in 1981. The *Examiner* is the nation's 67th largest daily.

23
Akron Beacon Journal
196.6

1981 ad pages 1,562
Gain 175
Percentage gain 12.6%

The *Akron* (O.) *Beacon Journal*, an evening paper, has a circulation of 163,409, an increase of 0.5% from 162,602 in 1981. Sunday circulation has grown to 225,667, up 2.0% from 162,607 in 1981. The paper is the 64th largest in the U.S.

24
Hartford Courant
196.2

1981 ad pages 2,352
Gain 179
Percentage gain 8.2%

The morning *Hartford* (Conn.) *Courant* has a circulation of 208,845, a decrease of 1.5% from 212,032 in 1981. Sunday circulation, 290,254, is 87 larger than the 290,167 recorded in 1981. The Times Mirror Co. paper is the 45th largest daily in the country.

25
Pittsburgh Press
193.1

(Continued on Page M-24)

IT'S TIME TO STOP CALLING US "ONE OF THE BEST SMALL PAPERS IN AMERICA."

The truth is the St. Petersburg Times is one of the best big papers. The biggest newspaper between Washington and Miami ... with a morning daily circulation second only to the Miami Herald in 12 southern states.

What's more, the Times is the fastest growing newspaper in Florida — daily and Sunday. And the readership of the combined St. Petersburg Times and Evening Independent is going up more quickly than that of any other newspaper combination in the state.

So if you want to reach decision makers in one of the healthiest markets in America, reach for the phone and call your Times and Independent representative. Our circulation is good.

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& Evening Independent

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STANDARD AD UNIT

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are
reasonable!
her 7 percent.
Houston Chronicle
Houston's Family Newspaper

Houston Chronicle. So take our advice. Your've got a lot to lose.
Walker. Source: Scarborough Report, 1982.

Time out with the editors

Views on what it takes to keep healthy newspapers healthy

What is the mix that makes a successful newspaper successful? We quizzed a group of editors on this subject and all agreed that a topnotch editorial product is the prime ingredient. Here are their comments:

William Thomas, editor, *Los Angeles Times*: Probably the greatest strengths of our paper lie in its diversity, in the quality of its writing and in the range of its story reach. This paper, of all the metropolitan newspapers, includes in its daily menu of information more stories outside the ordinary, outside the usual definition of a newspaper story, than any other paper.

William Thomas,* Los Angeles Times: *"...the greatest strengths of our paper lie in its diversity...."

The quality of writing is perhaps the first thing we look at in an applicant, unless, of course he's a writer in a very specialized field, in which case there are other qualities that may be even more important than writing. Every writer doesn't have to be a poet, but we certainly love to get the poets.

James Gannon, executive editor, *Des Moines Register*: What makes us good is our effort to provide comprehensive statewide coverage. The Register is close to unique in the country for a city newspaper in that its circulation and news focus are statewide. We attempt to cover Iowa, from east to west and north to south, in a way that will give people who live here a sense of the state.

We have six bureaus scattered around the state, and we have a very large state desk operation and a number of roving reporters. Since so many people who live in Des Moines grew up in Alogona or Council Bluffs or some small town in the far corners of Iowa, there's a great deal of interest among people here in the capital city in what goes on out there.

Thomas Winship,* Boston Globe: *"The key is... being on the cutting edge of the significant issues...."

Anthony Insolia, editor, *Newsday*: The word we use here a lot to describe the paper is essential. We're a very essential newspaper. We are regional in that we cover a disparate geography in which one of the few central links is Newsday. There's the Long Island Lighting Co., the Long Island Railroad and Newsday.

If anybody really wants to know what is going on in Long Island over-all, we provide that information. We're the only ones who provide that information. At the same time we give a good foreign and national report. People out here don't need another newspaper if they choose not to read another one.

Eugene Patterson, editor, *St. Petersburg Times*: We try to report, write, analyze and illustrate the news intelligently, and to offer unexpected pieces regularly. Our foreign editor was reporting from Riyadh (Saudi Arabia) the day our sports editor was covering the Indianapolis 500. We spend a lot of energy departmentalizing the news so the reader can comfortably find what he's looking for.

Robert Ingle, executive editor, *San Jose Mercury News*: We try to give, in addition to a comprehensive regional

(Continued on Page M-26)

Eugene Patterson,* St. Petersburg Times: *"We write, analyze and illustrate the news intelligently...."

Top performers

(Continued from Page M-23)

1981 ad pages	1,582
Gain	172
Percentage gain	12.2%

The evening *Pittsburgh Press*, the 28th largest paper in the U.S., has a circulation of 266,307, a decline of 0.8% from 268,490 in 1981. Sunday circulation is 616,373. This is a drop of 3.3% from 637,435 in 1981. The paper is a property of E.W. Scripps Co.

26
Cleveland Plain Dealer
188.3

1981 ad pages	2,410
Gain	172
Percentage gain	7.7%

The morning *Cleveland Plain Dealer*, the 16th largest daily in the nation, has a circulation of 405,842, a drop of 0.2% from 406,444 in 1981. Sunday circulation is 448,219, down 4.4% from 468,541 in 1981. The paper is owned by S.I. Newhouse & Sons.

27
Charlotte Observer
184.3

1981 ad pages	1,692
Gain	165
Percentage gain	10.8%

The morning *Charlotte* (N.C.) *Observer*, has a circulation of 169,291, an increase of 0.7% from 167,964 in 1981. Sunday circulation of the Knight-Ridder Newspapers' property, has declined by 1.8%, dropping to 241,903 from 246,327 in 1981.

28
Syracuse Herald-Journal
180.8

1981 ad pages	1,700
Gain	162
Percentage gain	10.5%

The *Syracuse* (N.Y.) *Herald-Journal*, an evening paper, has a circulation of 107,668, a decrease of 4.0% from 112,194 in 1981. Circulation of the Sunday Syracuse Herald-American is 234,258, up 0.7% from 232,703 in 1981. The papers are properties of S.I. Newhouse & Sons.

29
Memphis Commercial Appeal
180.1

1981 ad pages	1,299
Gain	158
Percentage gain	13.9%

The morning *Memphis* (Tenn.) *Commercial Appeal* has a circulation of 202,272, a drop of 0.8% from 203,920 in 1981. Sunday circulation of the E.W. Scripps Co. newspaper, has increased by 0.9%, to 284,377 from 281,978.

30
San Antonio Express
175.1

1981 ad pages	1,242
Gain	153
Percentage gain	14.1%

The morning *San Antonio Express* has a circulation of 84,879, an increase of 4.6% from 81,112 in 1981. Circulation of the *San Antonio Express News*, the combined product of the *Express* and the evening *San Antonio News*, is 193,635, a gain of 3.7% over the 186,815 in 1981. Both the *Express* and the *News* are owned by News America Publishing.

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THE NEWSPAPER INSERTION VS. THE OUTDOOR CAMPAIGN.

*Source: Media Cost Guide, 4th Qtr., 1981

INSTITUTE OF OUTDOOR ADVERTISING IOA When people go buy, Outdoor sells.

485 Lexington Avenue, New York, N.Y. 10017

Advertising pages in July consumer publications

Current and July '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	July 1982	July 1981	Jan.-July 1982	Jan.-July 1981
Art & antiques				
American Artist	44.1	33.3	397.3	370.8
Antiques	103.4	115.4	1,018.2	1,048.1
○Art & Antiques	83.0	47.8	249.3	220.3
▲Art in America	—	—	669.8	659.5
▲Artnews	—	—	626.2	730.0
○Portfolio	40.0	44.3	229.8	172.4
Southwest Art	82.0	96.0	774.0	769.6
Total Group	352.5	336.8	3,961.6	3,970.7
*** % change 1982 vs. 1981	−3.4%		−0.2%	
Auto/cycle/rec. vehicles				
Car & Driver	75.0	76.4	554.4	591.1
Car Collector & Car Classics	24.8	25.6	153.2	182.9
Car Craft	80.1	65.1	550.2	456.4
Cycle	66.6	68.6	636.6	649.5
Cycle Guide	42.8	48.2	433.6	448.4
Cycle World	40.6	49.3	509.8	566.5
Dune Buggies & Hot VWs	61.1	45.4	370.9	283.8
Family Motor Coaching	123.8	86.7	694.3	449.7
4 Wheel & Offroad	52.0	43.4	349.9	261.1
Four Wheeler	30.5	19.6	196.1	168.9
Hot Rod	48.9	50.1	432.4	398.8
Motorcyclist	52.6	31.5	444.9	415.3
Motor Trend	52.4	53.6	405.3	380.3
††Motorhome	73.6	53.2	439.4	281.3
Pickup, Van & 4 WD	32.3	—	192.0	—
Road & Track	87.3	95.6	652.5	664.4
◇3 Wheeling	23.4	12.6	143.8	99.4
Trailer Life	124.9	90.1	750.0	611.2
Total Group	1,092.7	915.0	7,909.3	6,889.0
*** % change 1982 vs. 1981	+19.4%		+14.8%	
Boating & yachting				
Boating	74.8	77.8	799.6	827.1
Chesapeake Bay	24.6	24.6	181.8	181.3
Cruising World	132.6	132.9	892.8	840.6
Lakeland Boating	42.0	49.5	363.4	353.8
Motor Boating & Sailing	98.9	101.0	970.2	973.9
Rudder	18.0	21.9	164.2	165.5
Sail	106.0	131.8	1,056.6	1,027.0
Sea & Pacific Skipper	70.1	82.3	526.1	572.7
Trailer Boats	16.2	38.2	181.2	197.7
Yachting	146.6	163.5	1,248.3	1,341.7
Total Group	729.8	823.5	6,386.2	6,481.3
*** % change 1982 vs. 1981	−11.4%		−1.5%	
Canadian				
L'Actualite	28.7	27.3	370.8	360.8
Chatelaine:				
§English Edition	64.4	57.8	582.4	566.4
French Edition	41.3	46.0	467.0	489.5
§Financial Post Magazine	29.0	34.3	256.9	279.3
§Flare	—	—	286.5	321.2
▲§Homemaker's Magazine:				
English Edition	62.5	51.7	389.0	390.8
French Edition	76.2	67.6	496.3	482.9
§Maclean's	58.4	51.9	710.5	648.4
▼§Quest Magazine	54.5	61.0	245.9	228.0
Toronto Life	72.0	73.0	688.0	619.0
Total Group	487.0	470.6	4,493.3	4,386.3
*** % change 1982 vs. 1981	+3.5%		+2.4%	
Canadian national weekend magazines				
B. Perspectives	22.4	25.9	236.8	265.9
§Today	29.9	29.6	271.8	352.6
Total Group	52.3	55.5	508.6	618.5
*** % change 1982 vs. 1981	−5.8%		−17.8%	
Civic				
American Legion	20.6	16.9	211.7	176.4
▲Elks Magazine	—	—	139.0	142.8
Kiwanis Magazine	—	—	86.8	87.9
Lion	—	—	38.2	32.3
Moose Magazine	18.0	19.0	143.0	138.0
Rotarian	8.6	9.6	94.8	95.7
▲V.F.W.	—	—	170.4	174.8
Total Group	47.7	45.5	883.9	847.9
*** % change 1982 vs. 1981	+4.8%		+4.2%	
Comics				
○Archie Comic Group	—	—	30.0	30.0
DC Comics	6.5	9.0	48.0	59.0
Harvey Comic Group	8.0	8.0	56.0	56.0
Marvel Comic Group	9.5	9.5	69.5	67.5
Total Group	24.0	26.5	203.5	212.5
*** % change 1982 vs. 1981	−2.5%		−4.2%	
General				
Air Progress	15.8	13.7	127.7	121.4
American Forests	6.9	9.6	67.2	84.4
○American West	29.3	20.2	102.3	99.4
§The Atlantic	23.9	22.7	187.2	184.1
○Audubon Magazine	25.3	29.0	120.9	118.2
§Bon Appetit	57.3	62.6	527.6	567.6
Changing Times	27.9	16.1	252.7	187.3
c.Cuisine Magazine	15.7	35.7	261.6	227.6
Ebony	67.3	66.8	552.6	547.3
Fifty Plus	18.3	22.5	192.7	226.7
○Games	20.2	14.8	97.3	76.5
Geo	13.8	9.0	112.0	131.0
Gourmet	38.4	46.1	434.1	423.4
§Harpur's Magazine	15.5	21.3	112.3	163.0
Let's Live	67.0	73.9	518.4	594.5
Life	38.3	37.5	341.1	375.6
Moneysworth	15.7	15.4	108.2	109.6
○Mother Earth News	49.6	44.0	155.0	156.6
○Museum	29.3	22.8	163.3	126.1
National Geographic	15.4	23.1	153.0	204.0
Natural History	27.3	34.6	209.5	243.8
Prevention	71.9	76.2	482.4	591.6
Psychology Today	25.2	32.6	246.9	318.6
§Reader's Digest	49.5	49.4	558.0	607.7
††Saturday Evening Post	52.3	41.5	244.1	224.2
Signature	47.1	38.9	374.3	339.5
Smithsonian	47.0	67.9	508.5	531.5
Success	17.4	34.5	48.4	92.0
Town & Country	61.2	73.0	816.3	769.0
Travel/Holiday	29.0	26.5	340.3	339.6
Travel & Leisure	49.8	54.7	614.7	622.0
Video	55.2	44.0	372.9	350.2
Video Review	54.0	52.8	419.3	336.0
Writers Digest	17.2	24.4	155.4	151.5
Yankee	53.0	63.1	503.9	518.4
Total Group	1,248.0	1,320.9	10,484.1	10,759.9
*** % change 1982 vs. 1981	−5.5%		−2.6%	
Home				
○Americana	30.3	21.5	124.8	115.3
§Architectural Digest	74.9	81.2	845.7	828.7
Better Homes & Gardens	100.7	84.4	767.1	785.8
○Colonial Homes	46.9	46.3	235.8	210.1
Country Journal	31.2	31.2	284.6	283.2
▲Country Living	46.5	27.4	250.5	96.8
Dallas-Fort Worth Home/Garden	60.1	48.8	383.7	267.0
○Early American Life	26.1	29.4	130.4	155.8
§▲Family Handyman	63.4	58.3	420.4	340.2
○Flower & Garden	—	—	157.7	144.3
Home	23.7	22.2	181.2	205.8
†Homeowner's How-To	23.3	23.0	103.0	120.8
Horticulture	21.3	20.1	211.5	172.7
House Beautiful	50.1	62.6	505.6	594.3
House & Garden	60.2	64.2	601.1	693.7
Houston Home & Garden	105.7	99.1	761.7	647.4
Metropolitan Home	50.8	58.9	422.8	390.7
††New Shelter	41.9	41.6	234.7	239.0
1001 Home	27.0	43.1	167.8	174.7
Organic Gardening	51.9	52.6	491.2	510.3
Phoenix Home/Garden	47.3	38.0	369.5	236.5
San Diego Home/Garden	44.6	40.8	366.8	274.9
#Southern Accents	—	—	161.5	157.8
Southern Living	102.7	102.9	884.2	835.0
§Sunset Magazine	101.3	109.8	943.9	962.6
▲Texas Homes	80.1	119.5	533.7	522.2
○Workbench	45.3	42.1	235.5	232.8
Total Group	1,357.3	1,369.2	10,776.4	10,198.4
*** % change 1982 vs. 1981	−0.9%		+5.7%	
In-flight & other passenger				
#Aboard Group (7)	273.0	234.0	889.0	714.0
○Air Cal	56.0	65.2	372.7	415.7
○Alas Group (9)	—	—	—	—
Alaskafest	40.1	47.9	273.0	270.7
American Way	72.1	55.2	483.6	403.9
East/West Network:				
Amtrak Express	28.6	38.0	265.3	237.0
Continental Extra	47.5	46.2	377.6	350.7
Eastern Review	58.2	61.8	537.9	534.6
Ozark	36.5	43.3	291.5	312.3
PSA Magazine	66.3	80.5	578.5	601.5
Pan Am Clipper	44.8	56.8	269.9	400.3
Republic Scene	48.6	—	48.6	—
Texas International/-The Texas Flyer	51.5	61.8	431.9	387.8
United	50.8	72.0	500.9	538.2
USAir	40.8	39.7	293.1	308.8
Western World	36.8	—	36.8	—
Halsey Publications:				
Delta Sky	48.6	36.0	345.3	302.0
○Skylife	18.5	14.2	42.5	38.6
Hawaii	17.8	26.8	146.8	199.6
○Pace	33.9	40.9	120.7	161.2
Southwest Airlines	91.2	64.0	649.2	518.3
Spirit of Aloha	17.8	25.3	146.9	198.1
Webb Publications:				
Frontier	33.5	39.7	275.4	244.5
Passages	32.8	30.0	218.9	191.5
TWA Ambassador	44.5	54.3	322.3	324.8
Total Group	1,290.6	1,233.6	7,918.5	7,654.1
*** % change 1982 vs. 1981	+4.6%		+3.5%	
Men's				
Complete Men's Group	26.0	23.0	160.8	151.5
§Esquire	50.0	29.0	377.5	228.5
§Gentlemen's Quarterly	56.5	54.6	616.6	618.6
§Penthouse	52.7	52.1	417.1	436.6
§Playboy	96.8	104.8	749.4	790.3
Total Group	284.0	263.5	2,321.4	2,225.5
*** % change 1982 vs. 1981	+7.8%		+4.3%	
Metropolitan				
○Aloha	32.3	25.0	117.8	92.3
Atlanta	49.1	61.6	438.0	543.7
Baltimore	46.5	50.5	395.1	413.7
Boston	126.7	132.5	822.2	832.9
California	49.1	46.6	465.4	398.8
Charlotte	31.0	28.0	143.0	200.0
Chicago	98.6	111.8	907.6	877.7
Chicago's North Shore	69.5	47.8	426.6	400.3
Cincinnati	45.2	49.2	372.9	359.7
Cleveland	68.0	63.0	408.1	500.8
Coast	348.0	360.6	1,738.3	1,737.2
Columbus Monthly	77.2	96.9	510.1	612.9
Commonwealth	51.6	13.3	472.8	93.0
Connecticut	53.7	41.0	496.6	490.0
County Life	39.0	—	39.0	—
Country Magazine	23.7	16.9	166.9	106.3
D/Magazine, Dallas/Fort Worth	117.0	118.4	754.3	776.0
Denver	46.2	39.4	280.4	333.4
Monthly Detroit	38.5	36.8	358.0	283.7
Exclusively Yours Wisconsin	55.8	64.0	467.8	550.3
Grand Rapids	50.7	34.4	292.8	268.6
††Gulfshore Life	—	—	466.5	433.0
Honolulu	56.2	62.7	445.3	474.5
Houston City	72.0	68.2	467.5	437.4
Indianapolis	54.0	32.8	396.2	322.9
Kansas City	21.2	17.0	169.4	124.0
Los Angeles	165.0	167.5	1,286.8	1,267.0
○Louisiana Life	58.9	36.5	222.0	73.8
Madison	35.0	40.0	313.7	312.0
Miami	63.4	66.4	614.9	579.0
Milwaukee	25.2	20.1	188.5	188.6
Mpls./St. Paul	53.9	70.9	461.1	500.1
Nashville	—	—	—	—
New Jersey Monthly	41.7	41.7	376.3	433.9
New Mexico	—	—	—	—
Ohio	39.6	23.0	241.2	209.7
Omaha	17.3	20.0	112.0	106.7
Oregon	18.1	26.0	143.8	174.8
Orlando	71.0	77.8	481.0	508.3
▲Pacific Northwest	54.7	18.0	200.1	78.3
Palm Beach Life	25.0	31.4	561.3	559.4
Philadelphia	115.1	116.3	815.7	897.2
Phoenix	49.9	60.0	524.3	579.3
Pittsburgh	35.8	40.1	314.7	267.7
St. Louis	56.0	76.5	447.5	479.5
San Diego	118.3	127.2	875.6	956.5
San Francisco	40.7	45.7	327.8	381.2
○San Francisco Bay Views	—	—	151.0	198.5
San Francisco Focus	30.7	28.2	254.1	246.0
†Shenandoah/Virginia	36.8	32.0	127.8	101.0
Tampa	26.6	21.3	277.7	173.7
Tampa Bay	20.5	49.0	219.6	296.1
Texas Monthly	100.1	112.6	852.6	902.0
Twin Cities	40.6	41.6	310.6	314.2
Washington Dossier	32.3	28.5	269.6	295.8
The Washingtonian	108.0	101.0	88.8	862.1
Westchester Illustrated	18.0	40.5	225.4	225.3
Total Group	3,219.0	3,178.0	24,096.1	23,761.0
*** % change 1982 vs. 1981	+1.3%		+1.4%	
Movie-romance-radio-tv				
Macfadden's Women's Group:				
Modern Romances	26.7	23.2	192.6	198.7
Secrets	26.7	23.2	192.6	198.7
True Confessions	26.7	23.2	192.6	198.7
True Experience	26.7	23.2	192.6	198.7
True Love	26.7	24.7	202.6	210.4
True Romance	26.7	23.2	192.6	198.7
Sterling Women's Group:				
Daytime TV	31.3	30.8	213.5	223.0
Modern Screen	33.3	—	165.6	132.5
○Movie Mirror	33.3	32.5	99.8	129.6
Photo Screen	33.3	—	97.8	100.0
Soap Opera Stars	25.0	26.0	151.5	205.5
TV Movie Screen	33.3	32.5	100.9	129.6
TV Picture Life	—	—	99.1	99.3
○Teen Beat	—	—	—	—
Total Group	351.7	262.5	2,093.8	2,223.4
*** % change 1982 vs. 1981	+34.0%		−5.8%	
Music/entertainment				
▲American Film	22.0	14.7	142.7	137.2
Circus Magazine	32.3	20.5	205.2	120.2
Dance Magazine	46.0	42.8	437.8	436.8
High Fidelity	25.0	34.3	236.4	275.1
Musician	49.6	72.0	364.2	366.2
Playbill	41.7	39.7	363.4	350.2
Stereo Review	33.5	48.8	346.8	383.9
Total Group	250.1	272.8	2,096.5	2,069.6
*** % change 1982 vs. 1981	−8.3%		+1.3%	
Newspaper Sunday magazines/national				
§Family Weekly	48.2	54.6	501.6	582.4
Parade	46.8	54.7	442.7	486.5
Total Group	93.0	109.3	944.3	1,068.9
*** % change 1982 vs. 1981	−14.9%		−11.7%	
Outdoor & sport				
Alaska	42.8	37.4	321.0	267.4
○The American Handgunner	42.0	45.2	152.1	156.1
American Hunter	8.2	9.4	83.7	67.6
American Rifleman	23.1	26.5	180.9	185.5
○Backpacker	—	—	137.9	124.3
▼§Bass Master	32.7	32.9	363.8	256.9
††Bicycling	100.4	74.0	532.2	443.7
Field & Stream	55.4	63.4	552.8	564.9
§Fins and Feathers	25.5	25.6	263.1	227.3
○Fishing World	25.5	27.0	159.1	143.5
Florida Sportsman	48.7	51.2	496.2	489.8
Flying	50.2	42.1	331.7	318.8
Fur-Fish-Game	20.2	21.0	160.7	161.9
Golf Digest	59.1	39.3	524.7	525.7
Golf Magazine	45.1	41.3	568.2	568.2
Guns	30.9	36.3	215.6	230.6
Guns & Ammo	47.3	45.6	318.3	320.7
Outdoor Life	59.3	46.6	482.3	492.9
Petersen's Hunting	33.6	29.3	209.4	176.9
The Runner	35.7	30.8	237.0	166.4
Runner's World	42.8	43.3	—	—
Salt Water Sportsman	53.3	46.3	451.4	458.1
Shooting Times	29.5	29.2	208.6	255.4
‡‡§Ski	—	—	224.4	196.1
‡‡Skiing	—	—	197.8	160.0
Skin Diver	75.4	69.0	471.7	421.5
‡‡Southern Outdoors	37.9	41.5	246.7	234.8
§Sport	32.3	39.5	264.8	246.4
Sports Afield	59.7	68.1	626.7	566.1

*** % change figured ONLY from magazines with comparable issues 1982 AND 1981. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but not prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. A. Combined unduplicated regional ads. B. Preprinted inserts included. +Affiliated with Sunday Mag/Net. C. Combined July/August figures. D. Four issues '82, five '81.

(Continued on Page 54)

Advertising pages in July consumer publications

(Continued from Page 53)

	Pages July 1982	July 1981	Jan.-July 1982	Jan.-July 1981
▲Spray	48.2	49.7	288.6	243.0
Tennis	79.8	78.8	463.8	460.7
▲Western Outdoors	33.9	40.2	244.1	241.9
World Tennis	53.7	49.7	304.1	326.7
Total Group	1,332.2	1,280.2	10,303.2	9,719.6
*** % change 1982 vs. 1981	+4.1%		+6.0%	

Photography

American Photographer	40.3	35.5	313.1	272.7
Modern Photography	123.2	120.6	709.3	713.2
Petersen's Photographic	33.5	36.4	296.2	306.1
Popular Photography	119.2	136.2	889.8	946.1
Total Group	316.2	328.7	2,208.4	2,238.1
*** % change 1982 vs. 1981	−3.8%		−1.3%	

Religious

▲A.D. Magazine	—	—	78.6	91.6
BBI Jewish Monthly	—	—	147.2	133.9
Christian Life	22.5	24.1	186.7	183.6
Christianity Today	30.2	44.9	425.1	455.0
#Inside	—	—	127.7	119.1
Moody Monthly	36.0	34.8	340.6	375.1
Total Group	88.7	103.8	1,305.9	1,358.3
*** % change 1982 vs. 1980	−14.5%		−3.9%	

Science/technology/mechanics

Creative Computing	121.2	102.8	820.0	635.2
High Technology	37.3	—	159.1	—
Mechanix Illustrated	48.7	48.5	457.4	489.9
Omni	48.7	42.6	373.8	352.6
Popular Electronics	50.7	46.4	400.0	400.6
Popular Mechanics	72.0	82.0	708.1	741.8
Popular Science	58.5	48.9	575.3	525.9
Science Digest	28.8	22.7	204.2	186.9
Science 82	47.3	37.2	204.1	229.1
Scientific American	57.5	85.4	508.1	605.8
Technology Illustrated	56.8	—	171.5	—
Discover	19.7	19.4	225.9	207.3
Total Group	588.4	535.9	4,636.0	4,375.1
*** % change 1982 vs. 1981	+9.8%		+6.0%	

Women's/fashion/service

†§Bride's Magazine	385.1	343.3	1,253.1	1,172.8
▲Co-ed	—	—	185.6	201.2
§Cosmopolitan	140.5	156.3	1,285.3	1,315.9
Essence	78.0	75.2	543.4	550.1
§Family Circle	147.3	141.8	924.3	902.1
Glamour	93.7	114.9	1,004.3	1,137.5
§Good Housekeeping	124.7	147.7	1,092.6	1,126.8
▲Harper's Bazaar	53.5	52.6	665.0	599.7
C. Health	27.4	31.8	194.7	197.8
Ladies' Home Journal	70.4	66.4	499.7	560.9
Lady's Circle	—	—	—	—
Mademoiselle	72.9	85.2	756.5	787.5
McCall's	85.0	84.6	541.8	652.3
†Modern Bride	350.9	330.4	1,163.7	1,019.4
C. Ms.	136.7	74.3	378.8	301.8
○New Woman	34.5	44.0	253.3	182.3
§Parents Magazine	64.4	56.8	486.1	431.1
Playgirl	44.0	42.4	288.4	309.1
Redbook	62.9	80.1	592.4	648.7
Self	54.3	55.6	469.0	451.5
Seventeen	54.2	64.7	662.0	681.5
Soap Opera Digest	25.0	3.2	156.0	48.2
Teen Magazine	33.8	38.2	303.6	290.1
§True Story	49.2	46.5	380.0	378.7
Vogue	122.8	110.3	1,318.3	1,149.8
Weight Watchers	28.2	22.4	196.8	163.6
§Woman's Day	102.1	90.7	771.6	767.6
▲The Workbasket	—	—	213.4	200.1
Working Mother	60.0	89.8	426.0	279.0
Working Woman	50.4	45.5	519.4	399.5
Total Group	2,511.9	2,494.7	17,525.1	16,906.4
*** % change 1982 vs. 1981	+0.7%		+3.7%	

Youth

Boys' Life	13.9	27.2	129.6	154.7
C. Campus Life	22.6	17.3	252.9	235.3
Total Group	36.5	44.5	382.5	390.0
*** % change 1982 vs. 1981	−18.0		−1.9%	

June

Business

	Pages June 1982	June 1981	Jan-June 1982	Jan.-June 1981
Atlanta Business Chronicle	27.1	45.5	150.4	181.5
Barron's	147.0	210.8	1,057.3	1,127.5
Black Enterprise	147.7	128.9	349.7	323.0
§Business Week	383.9	472.0	2,277.4	2,386.7
California Business	65.0	67.8	442.1	379.6
Corporate Report/-Kansas City	64.9	60.9	320.9	293.1
Corporate Report/Minnesota	85.9	77.4	459.5	479.4
D. Crain's Chicago Business	103.3	110.6	603.4	510.0
Dallas/Fort Worth Business	34.6	49.1	247.3	234.3
Dun's Business Month	81.0	71.0	432.0	445.0
☆Financial World	84.8	80.2	487.3	488.4
Florida Trend	48.8	63.0	433.0	386.2
▶Forbes	216.1	193.6	1,400.0	1,316.0
▶§Fortune	317.2	270.8	1,304.0	1,228.2
Hawaii Business	40.8	52.9	254.7	322.2
Houston Business Journal	169.9	179.2	1,104.1	858.9
§Inc. Magazine	71.6	86.3	494.0	493.6
▲Income Opportunities	46.9	51.7	291.4	299.0
▶§Industry Week	122.1	187.7	747.9	861.4
Indianapolis Business Journal	49.2	61.1	384.7	310.8
Money	121.7	102.6	643.5	574.1
§Nation's Business	35.0	44.4	232.3	267.1
*New England Business	78.7	83.0	383.3	281.7
St. Louis Business Journal	83.1	88.2	569.7	413.5
Texas Business	49.3	67.9	319.1	267.8
Venture	42.1	42.3	237.0	220.6
Total Group	2,712.7	2,948.9	15,626.0	14,949.6
*** % change 1982 vs. 1981	−8.0		+4.5	

Newspaper Sunday magazines/local

+Arizona Republic	95.5	108.9	608.4	723.9
+Boston Globe	137.7	169.6	965.0	984.9
+Chicago Tribune	88.6	98.0	556.8	666.3
+Cincinnati Enquirer	77.0	66.0	467.9	583.6
+Cleveland Plain Dealer	91.9	78.6	454.3	599.3
+Columbus Dispatch	57.6	64.9	348.7	521.3
+Dallas Times Herald	76.9	69.0	458.2	513.0
+Denver Post	120.0	193.0	787.6	1,096.7
+Detroit News	90.3	121.0	560.3	756.7
Los Angeles Times Home Magazine	122.7	98.4	586.3	678.5
+Louisville Courier-Journal	74.9	77.4	550.3	609.6
+Miami Herald	53.8	73.7	393.3	531.4
New York Times Magazine	243.7	254.4	1,964.2	2,059.4
+Philadelphia Inquirer	63.9	86.0	405.6	480.5
+Toledo Blade Magazine	42.2	50.1	265.5	371.6
+Washington Post	100.2	108.4	676.9	788.6
Total Group	1,536.9	1,717.4	10,071.3	11,967.3
*** % change 1982 vs. 1981	−10.5%		−15.8%	

Weeklies, bi-weeklies, semi-monthlies

The Advocate	118.2	82.5	470.1	388.5
§Army Times Military Group:				
Air Force Times	129.7	159.9	853.3	863.6
Army Times	126.5	157.6	840.1	856.0
Navy Times	151.0	161.9	1,003.0	987.5
The Times Magazine	23.8	29.0	97.8	119.0
AutoWeek	172.0	164.0	848.0	740.0
The Blood-Horse	271.8	247.2	2,393.0	2,086.0
Capper's Weekly	16.1	13.8	147.7	146.0
Commonweal	3.6	4.9	68.9	46.7
Golf World	82.0	80.8	446.8	463.3
§Grit	20.0	15.5	156.2	143.1
National Review	31.2	22.0	176.0	161.1
New Republic	39.5	17.8	177.6	134.8
New York Magazine	161.3	196.2	1,138.9	1,074.4
New Yorker	259.0	330.4	1,937.7	1,920.9
D. §Newsweek	196.8	304.0	1,314.7	1,528.8
People	272.2	282.1	1,710.5	1,707.5
Rolling Stone	90.5	82.9	529.3	478.1
Sporting News	51.3	43.9	335.6	303.5
§Sports Illustrated	207.7	293.1	1,326.1	1,413.1
§Time	179.5	255.8	1,271.7	1,372.3
A. Travelhost	2,343.7	1,759.3	14,067.0	10,268.2
§TV Guide	212.6	210.6	1,636.9	1,841.4
▶Us Magazine	53.1	21.5	287.4	189.5
§U.S. News & World Report	133.1	174.9	847.5	880.4
Total Group	5,348.2	5,111.6	34,301.6	30,113.7
*** % change 1982 vs. 1981	+4.6		+13.9	

Foreign

Buenhogar:				
Ecuador	17.3	12.7	60.3	55.0
Chile	2.0	2.0	12.2	15.0
Mexico	43.5	92.5	359.3	392.2
Puerto Rico	20.0	29.5	107.5	131.0
Venezuela	51.2	54.5	236.0	250.0
Colombia	76.0	72.3	292.0	265.8
Peru	37.0	44.7	188.0	197.5
Central America	3.5	9.7	21.0	45.2
U.S.	8.5	9.7	36.5	45.8
Dominican Republic	13.5	17.2	89.3	67.8
Coqueta:				
Mexico	6.0	9.0	50.3	37.5
Puerto Rico	1.5	2.0	11.5	9.5
Venezuela	5.0	10.0	32.0	39.0
Colombia	6.5	2.0	30.0	16.5
Peru	—	—	5.0	—
Central America	—	—	5.0	1.0
Fascinacion:				
Mexico	4.3	8.0	38.0	42.5
Puerto Rico	4.0	2.0	12.5	8.0
Venezuela	12.5	10.5	75.2	54.7
Colombia	9.0	12.7	49.0	44.3
Central America	—	—	—	1.0
Geomundo:				
Chile	8.0	6.0	36.0	34.7
Mexico	17.3	25.0	78.3	83.5
Ecuador	5.0	5.0	28.0	25.0
Venezuela	24.2	15.2	96.7	73.7
Colombia	17.7	14.0	73.7	62.0
Peru	7.0	11.0	48.0	52.0
Puerto Rico	9.0	8.0	40.0	31.7
Central America	9.0	7.0	36.0	29.0
Hombre De Mundo:				
Dominican Republic	—	—	—	—
Mexico	22.8	41.2	119.8	125.0
Chile	6.2	6.0	31.0	36.0
Puerto Rico	13.8	16.3	50.8	74.7
Ecuador	5.2	6.0	27.8	34.0
Venezuela	43.3	22.5	186.5	98.0
Colombia	21.0	14.7	80.0	77.0
Peru	8.2	13.0	36.8	57.0
Central America	8.7	6.0	31.8	41.0
Ideas Para Su Hogar:				
Dominican Republic	—	—	—	—
Mexico	10.3	21.2	142.8	111.2
Chile	—	—	4.0	6.0
Puerto Rico	4.0	6.7	10.0	16.7
Ecuador	9.3	2.0	38.2	6.0
Venezuela	40.5	28.7	161.8	106.5
Colombia	37.5	38.5	143.3	131.2
Peru	24.5	26.0	81.5	69.0
Central America	—	0.5	6.0	6.0
Intimidades:				
Ecuador	—	—	3.0	1.0
Mexico	3.5	6.5	32.0	29.5
Puerto Rico	2.0	2.0	16.0	19.5
Peru	—	—	—	—
Venezuela	3.5	11.0	35.0	64.0
Colombia	1.0	1.0	9.0	11.5
Central America	1.0	3.0	9.0	10.0
Chile	—	—	2.0	2.0
Mecanica Popular:				
Mexico	31.2	28.0	137.5	153.2
Puerto Rico	19.2	18.5	92.5	118.0
Venezuela	31.3	27.2	151.7	154.3
Colombia	23.8	29.7	127.3	145.2
Peru	29.0	28.5	136.8	157.0
Central America	21.5	19.0	101.2	113.2
Chile	7.8	7.8	36.2	29.7
Argentina	11.7	11.7	52.8	67.3
The Ring en Espanol				
Mexico	1.0	2.0	11.0	10.0
Puerto Rico	3.0	—	20.5	11.5
Venezuela	3.0	4.0	18.0	15.0
Colombia	—	—	—	—
Central America	—	—	—	—
U.S.	3.0	3.0	27.5	14.0
Vanidades Continental:				
Dominican Republic	22.5	21.7	182.3	142.5
Mexico	93.3	111.3	694.5	699.8
Chile	18.3	20.2	85.3	89.0
Puerto Rico	36.2	50.2	268.7	302.7
Venezuela	76.3	74.0	482.8	407.3
Colombia	96.2	83.5	435.5	414.7
Peru	38.3	39.2	227.3	227.7
Central America	13.5	25.7	97.7	145.8
Ecuador	27.7	25.7	114.8	134.3
U.S.	49.5	36.8	315.5	212.0
Cosmopolitan Foreign Editions:				
Australia	45.0	54.3	342.0	305.8
Brazil	66.0	53.0	256.6	202.5
France	136.0	120.0	648.6	567.8
Germany	22.0	14.5	139.0	72.0
Great Britain	134.0	149.0	613.0	636.0
Greece	80.0	62.0	349.0	267.0
Italy	86.0	95.8	384.6	382.6
Holland	26.0	—	113.0	—
Japan	38.0	61.0	215.6	134.0
Cosmopolitan en Espanol:				
Central America	3.2	4.8	23.7	35.5
Colombia	22.2	23.0	110.8	110.5
Ecuador	3.2	2.0	22.2	15.8
Mexico	57.8	79.2	401.8	369.3
Peru	18.2	15.5	95.0	84.0
Puerto Rico	31.3	49.3	165.8	210.3
U.S. (Spanish language)	22.0	16.7	108.8	84.3
Venezuela	31.0	26.5	190.8	144.8
International Herald Tribune	111.9	118.4	556.4	550.1
International Management:				
Africa	13.7	11.7	87.2	77.0
Europe	53.0	47.7	252.2	242.0
Latin America	15.3	8.3	75.7	83.5
Middle East	29.8	17.3	113.7	89.0
Pacific	18.7	28.7	111.8	95.0
Johnston International:				
Alam Attijarat	101.8	105.5	405.3	402.2
Modern Africa	39.0	30.3	102.7	100.6
Modern Asia	41.3	44.0	216.9	263.6
Ejecutivo	40.5	—	79.3	—
§Newsweek International:				
Atlantic	90.5	90.8	513.7	490.7
Latin America	17.7	35.2	141.6	175.3
Pacific	69.9	98.1	412.5	449.3
††Progreso	21.5	23.3	71.4	75.0
Reader's Digest:				
Arabic	14.5	32.0	88.5	125.0
Asian	243.0	203.5	1,173.5	956.4
Australian	104.0	85.3	443.5	499.6
Belgian-Flemish	110.5	129.0	522.5	571.0
Belgian-French	89.5	93.0	412.0	438.0
British	69.3	74.9	349.5	363.0
Canadian-English	82.0	53.5	508.6	487.7
Canadian-French	82.2	72.7	500.8	535.6
*Chinese	100.0	109.0	516.5	554.8
Danish	13.8	38.3	216.9	225.1
Dutch	46.8	46.3	253.6	283.0
Finnish	49.0	51.0	349.8	373.8
French	74.3	82.5	442.3	461.8
German	66.8	70.0	447.8	446.7
Greek	15.5	—	65.0	—
Iberian	34.5	40.5	169.0	265.0
Indian-English	56.0	65.5	506.5	569.0
Indian-Hindi	7.5	18.5	99.0	144.0
Italian	87.0	89.5	367.5	391.0
Japanese	70.8	79.2	296.0	298.4
Korean	23.3	18.5	118.5	98.0
Latin American:				
Argentina	15.0	32.0	90.0	153.0
Brazil	11.0	7.0	63.8	58.6
Central American	15.0	22.5	74.0	99.0
Chile	35.0	40.0	111.5	173.5
Colombia	67.5	38.5	200.5	245.0
Ecuador	13.5	14.0	65.0	72.0
Mexico	87.8	49.3	385.4	311.5
Peru	13.5	10.0	62.5	65.0
Puerto Rico	18.0	12.5	61.0	53.5
U.P.B.	16.5	18.5	80.0	138.5
U.S. Spanish	16.0	17.0	101.5	112.0
Venezuela	24.5	21.0	122.0	120.0
Portugal	59.8	39.0	240.1	235.5
New Zealand	83.5	62.5	361.5	269.7
Norwegian	43.8	41.8	273.8	243.6
South African	143.0	130.5	589.5	507.0
Swedish	32.0	35.3	176.0	156.2
Swiss-French	47.0	51.0	205.0	222.0
Swiss-German	55.0	66.0	262.0	289.0
Time International:				
Time-Asia	105.3	107.3	534.7	540.7
Time-Atlantic	128.1	131.3	648.5	622.3
Time-Canada	128.5	135.6	918.9	831.4
Time-Latin America	66.3	91.4	376.6	409.2
Time-South Pacific	150.1	186.9	793.9	801.6
**Visao	139.7	145.0	837.9	628.1
▶§Vision/Latin America	43.2	62.2	211.2	233.4
Total Group	5,834.5	5,911.4	30,234.1	29,399.6
*** % change 1982 vs. 1981	−1.3%		+2.8%	

C2710-1 7/26/82

Publications vote for politics See Magazine

Advertising Age ®

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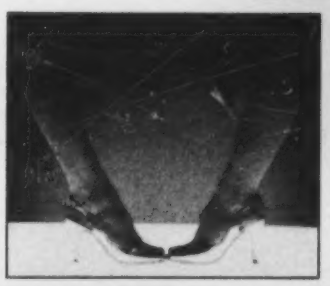
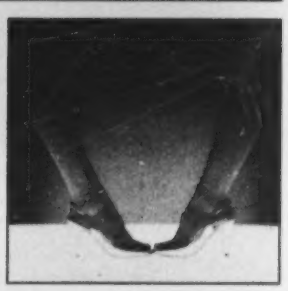
Pulling some legs

No Nonsense Fashions claims its new Ultra Sense sheer pantyhose won't pull out of shape, as stressed in this tv commercial set for network tv this fall (AA, Jan. 25). Theme is: "With Ultra Sense, I've got pull." Grey Advertising handles.





Cash-discount sales get big Exxon drive

By ROBERT RAISSMAN

In an effort to convince motorists to reach for their dollars rather than their plastic, Exxon U.S.A. will back its new discount-for-cash program with a national tv campaign.

Exxon would not reveal budget figures, but industry sources estimated Exxon would be spending in the $6 million-to-$8 million range for what is believed to be a monthlong campaign.

The nation's largest oil company—and largest corporation—will begin cutting prices to dealers next month to enable them to give discounts on cash purchases. This move by Exxon fits in with a pattern that has seen gasoline marketers return to pitching products and services rather than image.

Gasoline marketers and refiners have faced shrinking profits and are now trying to cut costs. One major area they have centered on has been their credit card operations. Amoco Oil said last month it would be starting a discount-for-cash program, and other major oil companies, including Mobil and Texaco, have tested discount-for-cash or charging fees for using credit cards in various cities.

■ Their efforts are targeted at staying competitive with companies such as Atlantic Richfield and Pennzoil Co., which have dropped credit card operations, and independent retailers (*i.e.*, Southland Corp.'s 7-Eleven outlets), who traditionally charge less at the pumps.

Although Exxon has not decided the exact discount dealers will receive, in a recent test of the program in

(Continued on Page 58)

SINGER'S AD ROLE NOT IN JEOPARDY

P&G rumor hits Loretta Lynn

By JENNIFER ALTER

The rumors linking Procter & Gamble with satanism are affecting more than the company and its reputation.

Country singer Loretta Lynn, the celebrity spokeswoman for Crisco, received enough calls and letters about her connection with the P&G brand that she became quite upset and, at first, questioned the association.

David Skepner, exec vp of Loretta Lynn Enterprises, said Ms. Lynn had received "just bags of mail" during the past several months. "If it had only been one or two, we could throw those out. But when you start getting those in sacks you have to look into it," he said in a telephone interview. He noted that a lot of the letters came from Texas.

In an earlier letter to Advertising Age, Mr. Skepner said "the effort directed against Loretta had reached such proportion that she was genuinely concerned." He noted that Ms. Lynn "has been doing commercials for Crisco for almost four years. . .and I hate to admit that this kind of a situation could have put the relationship in jeopardy."

Elaborating on this letter, Mr. Skepner said that once Ms. Lynn learned the problem was of a corporate nature rather than something directed at her personally, she felt better. She never seriously considered severing the P&G relationship, he added.

Some of those contacting Ms. Lynn reportedly have threatened to stop buying her records. However, MCA, under whose label she records, said sales have not been hurt.

Although Ms. Lynn initially was to have been made available for an interview with Ad Age, P&G apparently put a stop to any such ar-

(Continued on Page 58)

Final 'M*A*S*H' eyes tv record

By COLBY COATES

New York—It looks as though CBS will air next year's two-hour "M*A*S*H" finale on Sunday, Feb. 27. And there is a strong feeling at both CBS and producer 20th Century-Fox that the final episode will rack up "Dallas"-sized viewer numbers.

Sources familiar with the scheduling hedge a bit, indicating that in network tv nothing is ever set in stone. Nevertheless, the Feb. 27 airdate has been tentatively agreed upon. In view of the competition's sweeps plans, the date makes additional sense. The major event of the February sweeps period, aside from the "M*A*S*H" finale, will be ABC's multipart epic, "Winds of War." But that blockbuster is scheduled to run Sunday to Sunday Feb. 6 to 13, throughout most of prime time every night except Saturday.

The famous "Who-shot-J.R." episode in November, 1980, was the biggest single-series episode in tv history, notching a 53.3 rating and 76 share. The final "Fugitive" episode (August, 1967) ranks second; the feeling is that "M*A*S*H" will top that program's 45.9 rating. "M*A*S*H's" final curtain call will probably approach the record viewers level, also set by "Dallas,"

(Continued on Page 60)

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last minute news

Church's Fried Chicken confirms BBDO split

San Antonio—Church's Fried Chicken chain and BBDO/Chicago apparently are parting company, after only 10 months. Church's confirmed the split, declining further comment; BBDO said late Friday there were discussions set for this week. The estimated $6 million advertiser stopped its new BBDO-created campaign this spring, and apparently has no ads planned for the near future.

Judge delays decision in Barclay cigaret case

Louisville, Ky.—The federal judge in the Barclay cigaret case Friday indicated it might be another 30 to 45 days before he decides whether FTC can take action against the Brown & Williamson brand's controversial 1mg tar rating. His June 25 temporary restraining order (AA, July 5) remains in effect, permitting B&W to continue the 1mg claim while blocking the release of FTC documents that suggest the brand really delivers between 4mgs and 7mgs of tar.

Kraft tries 11-item line of Salad Bar toppings

Glenview, Ill.—Kraft is testing Salad Bar toppings, an 11-item line of packaged salad ingredients, in Houston and possibly other markets. Tv via JWT is set to break this week. *(See related story, Page 3.)*

P&G to test value-price Merit paper towels

Cincinnati—P&G is entering the value end of the paper towel market with the test of Merit towels in Washington, D.C., Maryland and parts of Virginia, Delaware and Pennsylvania. In 99-sheet jumbo roles, the two-ply product is priced 15% below P&G's Bounty and 16% above its unadvertised Summit. It will be shipped Aug. 16, with ads breaking in late September. WRG, New York, handles. Merit joins Banner toilet tissue, another P&G test item positioned in the value segment (AA, May 31).

(Continued on Page 8)

MPA pick slips from its grasp

By CHRISTY MARSHALL

New York—Sometimes it is hard to pin a good man down.

The Magazine Publishers Assn. thought it had found the man to succeed retiring MPA president Kent Rhodes. Assisted by recruiter Frank Farrell of Neumann International, the five-member executive search committee spent months interviewing prospective candidates (AA, May 3). In fact, sources say the headhunters queried 225 candidates.

They settled on John Crittenden Sawhill, 45, former deputy secretary of the Department of Energy; former president of New York University; former administrator of the Federal Energy Administration; former associate director of the Office Management Natural Resources, Energy & Science, and currently with McKinsey & Co.

(Continued on Page 62)

RETAILER OFFERS PERIL USEFULNESS

Cash for coupons in U.K.

By HOWARD SHARMAN

LONDON—New moves by several of the U.K.'s largest grocery retailers are throwing doubts over the future usefulness of coupons as a promotional tool for marketers.

Late last month, Tesco, the second-largest supermarket chain with 13% to 14% of the market, announced publicly that it would accept manufacturers' cents-off coupons as if they were cash. The chain said it was waiving the normal obligation of a given product.

This Tesco lead now has been followed by ASDA, Safeway and Waitrose. Sainsbury, the leading supermarket chain in the U.K. with a market share of about 15%, apparently has followed the same policy—unannounced—for several years, but its adoption by the other chains means that stores handling over 40% of the U.K. grocery business are now treating the marketers' coupons as if they were cash.

"I believe this is one of the most serious single developments in brand marketing techniques," says Peter Hood, managing director of the leading sales promotion consultancy, Triangle. "It will make it very hard to get new products quickly established. Manufacturers will have to find other techniques, but regrettably there is nothing quite like a coupon for creating instant brand demand."

A top executive from one leading grocery marketer commented: "Manufacturers will have to be much more careful in the future in how they issue coupons." He predicted that over the next 12 months there would be a considerable increase in the number of coupons which were limited to a named retailer.

Colin Chamberlain, general manager for marketing at H.J. Heinz here, says: "We tend to use on-pack coupons fairly exclusively, and we have shied away from using newspaper coupons because of the recognizably high level of misredemption. Tesco's initiative is really a coming out into the open. There are a number of retailers who have done this openly or covertly for a number of years.

"If the coupon idea dies, the publishers of newspapers who have allowed the value of the coupons printed to rise above the cost of the paper will be at least as guilty as the retailers who misredeem the coupons."

According to the A.C. Nielsen Coupon Clearing House, there were 324 million coupons redeemed in the U.K. in 1981, with an average face value of 15¢. These

(Continued on Page 62)

Wensberg to head Polaroid marketing

By GAY JERVEY

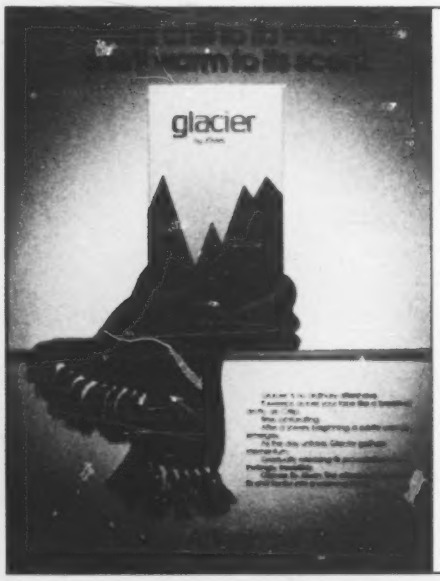
Peter Wensberg, the Polaroid veteran who will assume the worldwide marketing responsibilities vacated by Ted Voss' recent move to Atari, says that the company's 1983 ad budget should increase—probably substantially—and that Polaroid will be looking for ways to make instant photography a little more dashing.

"We will try to find ways to impress the emotional impact of using instant cameras," said the executive, who some say has become decidedly less of a dark horse in the canter for the Polaroid presidency, to be vacant in the not-too-distant future through the retirement of William McCune.

■ Sources close to the company, including a former employe who knows Mr. Wensberg well, praise his appointment as top marketing exec. "A very, very capable marketing guy," observed an executive at a major competitor.

"There are so many benefits to instant photography," said Mr. Wensberg in an interview. "The relationship between the taker and the subject; the emotional impact of having the picture right there versus seeing it later—these are the kinds of things we will want to

(Continued on Page 58)



From cold to warm

Print ads included in Jovan Inc. sales material for the introduction of Glacier aftershave (AA, March 8) emphasize the time-release capability of the "long lasting" aftershave. J. Walter Thompson USA, Chicago, is the agency for the Beecham unit.

New liquid soap positions against Lever's Dove

Armour-Dial rolling Liqua 4

By JENNIFER ALTER

Armour-Dial is getting ready to make the first national move in the liquid soap segment by a major soap company, introducing its Liqua 4, which has been testing in Orlando for the past 10 months.

In going into the field heretofore dominated by Minnetonka's Softsoap, the Phoenix-based marketer of Dial deodorant soap is positioning its entry against bar soaps rather than liquid soaps—specifically Lever Bros.' Dove.

Although A-D would not comment on its plans, it is telling retailers that Liqua 4 will be "the No. 1 advertised soap during the balance of 1982," with tv and magazine support and 180 million coupons being dropped. Trade literature states that "marketing support" will be "at a $32 million level" this year. Foote, Cone & Belding/Honig, San Francisco, is the agency.

The product is currently being sold in bath and personal sizes; shipment is scheduled for mid-August.

Dubbed a "skin cleansing system," Liqua 4 comes in a plastic squeezable container shaped like a bar of soap. It is positioned as a cosmetic brand and said to contain "4 special skincare ingredients impossible to harden in bar soap." They are said to be a "unique" moisturizer, a "special" conditioner, a "superb" smoother and a "deep" cleanser.

In its quest to distinguish itself from other liquid soaps, Dial is emphasizing to the trade the fact that Liqua 4 comes in a box the shape and size of a bar soap package, which means "no stocking problems like bottled liquids." Sales material claims the brand achieves 17% higher ounce sales when stacked in the bar soap section vs. the liquid section. It also is said to have a purchase cycle similar to that of bar soap, *i.e.*, shorter than liquid.

■ The sales force is recommending in particular that the product be set next to Lever's Dove—which has a similar attribute of one-third cleansing cream—on the shelf.

Designed for use in both the

(Continued on Page 8)

highlights

Monday, July 26, 1982

Del Monte is going after a new image for its Hawaiian Punch drink line, without the services of Donny and Marie Osmond. *See Page 6.*

Procter & Gamble begins testing a reformulated Orange Crush, touted as having a fuller, more orange-like taste. *See Page 6.*

Federal Trade Commission hears pleas from antitrusters to crack down on below-cost pricing by the leading coffee companies. *See Page 10.*

Pet food marketers are gearing up for national rollouts as they begin to compete in the marketing of new "ultragourmet" cat foods. *See Page 12.*

The recession seems finally to have caught up with advertising agencies on the West Coast. *See Page 14.*

Canadian brewers are wondering about the future plans of their new competitor, Amstel Canada. *See Page 20.*

Dart & Kraft's KitchenAid has surprised the housewares industry by introducing a new food processor, manufactured to its specifications by Robot-Coupe International. *See Page 28.*

Heavy activity by both old and new marketers is showing that home safety products have come into their own as a housewares category. *See Page 28.*

German marketers are feeling the growing threat from generic products, which are rapidly increasing their market shares. *See Page 54.*

Cable operators overwhelmingly are eyeing pay-per-view as their next major source of revenue. *See Page 57.*

The MacBride Commission report will get a hearing at the UNESCO conference in Mexico City this week. *See Page 59.*

Gillette Co. will soon come out with a repositioned Right Guard. New Silkience moisturizer also has not met sales expectations. *See Page 61.*

Former Ziff Corp. president I. Martin Pompadur's plan to buy its remaining tv stations is putting the company where it wants to be—out of broadcasting. *See Page 62.*

General Foods reaffirms intentions to increase earnings and reduce costs by focusing on the profitability of its existing businesses. *See Page 62.*

Ad exec Herb Maneloveg of Della Femina, Travisano & Partners, is joining the growing cadre of independent consultants. *See Page 62.*

CORPORATE CLOSEUP

The new chief executive officer of Parker Pen Co., James Peterson, has bold plans to turn around the company's recent plunge in profits. *See Page 4.*

VIDEOTECH

An informal survey discovers a mixed response to the effects of recession on pay tv systems. *See Page 33.*

Stagnated negotiations have led to New York's decision to eliminate Cablevision Systems from competition for franchises in four unwired boroughs. *See Page 34.*

The Cabletelevision Advertising Bureau is seeking to integrate cable tv commercials into advertising award competition. *See Page 34.*

Pay tv services are inadvertently providing a new form of entertainment in Chicago—scrambled porn. *See Page 40.*

MAGAZINE

Playing politics in a big way. National and world affairs are ever more vital for magazines that are creating their own headlines with their revelations. *See Page M-2.*

Advertising both an art and a science? Constructing a conceptual framework for advertising provides an approach to better understanding it and how it works. *See Page M-39.*

SPECIAL REPORT

An unprecedented number of women entering the work force has caused one of the great socio-economic happenings of the century and has required marketers to alter their strategies. *See Page M-11.*

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Boosterism in star role at INAME

By STUART EMMRICH

SAN DIEGO—Two years ago, many in the newspaper industry would have bristled if their business had been compared to that of Chrysler Corp., a seemingly anachronistic auto maker that appeared to be headed toward bankruptcy.

But last week, at this year's summer conference of the International Newspaper Advertising and Marketing Executives, it was somehow fitting that a featured speaker was the vp-marketing of Chrysler, who came to tell the story of how that company had rebounded from near financial ruin to make the front page recently with news of its best quarterly performance in six years.

The unspoken parallels between the phoenix-like Chrysler Corp. and the often-beleaguered newspaper industry set the tone for this year's conference, which was designed partly as a workshop and partly as a gathering of cheerleaders for the newspaper business.

When Jack Givens, vp-marketing of Chrysler, told the gathering, "At Chrysler, the worst is behind us. We are over the hump and we can start looking to the future and not to the past," few of the 300

(Continued on Page 58)

Pour it on

Carnation Co. uses direct mail to tout Super Sauce liquid flavor enhancer for dry dog food, testing in the Los Angeles area (AA, July 19). "There's only so much flavor in dry dog food" reads the mailer (via SSC&B) for the meat-like gravy, packaged in a squeeze bottle.

Comparative ads out at Uniroyal—for now

By JAY McCORMICK

Uniroyal has pulled in the claws of its comparative ad campaign because of a government agency proposal, but the company is getting ready to fight its competitors with a different breed of tire.

The National Highway & Traffic Safety Administration's proposal to suspend tread-wear ratings has scratched Uniroyal's campaign, which compared its Steeler brand's tread life with Michelin tires. The Uniform Tire Quality Grading system met with criticism from almost every tire company except Uniroyal, which fared best in tread-wear ratings.

The NHTSA is reviewing the system "to avoid dissemination of potentially misleading tire grading information to consumers."

Uniroyal believes the system is salvageable but will not use the rankings while the NHTSA proposal is being reviewed. "As long as the system is somewhat tainted at the moment, I have no intention of using it," said Robert Horning, vp-marketing at Uniroyal.

■ Uniroyal will eventually return to comparative advertising, even if it has to do the testing itself. "We were pleased to compete with our competitors using a government standard, but if there will not be a government standard in the future, we'll have to substantiate our claims in some other way," said Mr. Horning.

For the time being, New York-based Uniroyal will shift strategies as it introduces its new all-season Tiger Paw tire. Tv commercials for the Tiger Paw will emphasize traction and safety rather than long tread wear, even though the new tire beats Uniroyal's previ-

(Continued on Page 61)

Cable discovers marketing

By SUSAN SPILLMAN

CHICAGO—Executives of the cable tv industry have made a major discovery. More than 1,000 of them meeting here for 2½ days last week came to the conclusion that in order to sell their product, they'd best start marketing it.

The industry's twofold-plus growth, spurred by the expansion into dozens of new markets since 1979, was tempered with some disheartening statistics at the Cable Television Administration & Marketing Society's sixth annual meet.

In the past three years some 13 million cable subscriptions have been canceled. During this period, the top 20 multiple systems operators have failed to capture more than 55% of their potential markets, despite the advent of some 40 new cable programing services.

■ "We need to approach the video market the same way Procter & Gamble approaches the supermarket," said Tom Wheeler, president of the National Cable Television Assn., the industry's lobbying arm. "As surprising as it may seem, consumers don't know who we are, what we sell or why we're different."

Preoccupied with the billion-dollar bidding and building of America's cable franchises, industry executives, now confronted with an alphabet soup of competing technologies, admittedly just have stumbled on the concept of marketing. As Mr. Wheeler put it, "When we were the only wheel in town, the consumer had no choice if he or she wanted expanded television service. In that kind of environment it is not difficult to let consumer relations slip."

But determined to repent, cable

(Continued on Page 57)

Ventures into hydroponics after Gen. Mills retreats

Kraft seeks salad stability

By JANET NEIMAN

Kraft Inc. is taking a conservative approach in its entry into the marketing of hydroponically grown, branded produce.

Under the new Sun Seasons label, Kraft entered butterhead, limestone and bibb lettuce, European cucumbers and cherry tomatoes into Tucson tests late last month, and is now beginning Phoenix tests (AA, July 12).

Glenview, Ill.-based Kraft has entered the arena of growing produce indoors in nutrient solutions without heavy financial investment in production facilities or energy costs. Its venture contrasts sharply with the experience of General Mills, which recently said it plans to divest or license out the assets of its Kitchen Harvest hydroponics unit.

General Mills' multi-million-dollar facility in DeKalb, Ill., still in operation, was built in 1980, when the company was intent on experimenting with production that would compete with traditional produce to "serve northern markets competitively," a company spokesman explained. "If done successfully, it would be in proximity to markets where transportation costs and distribution make it possible to do it," he said.

General Mills marketed Kitchen Harvest in limited tests, with advertising from Dancer Fitzgerald Sample, New York. But the experiment, primarily with leaf lettuce, apparently proved too expensive; in its announcement of the sale or license, the company noted that "there are faster growing areas of business that need investment immediately and show better return on investment."

Industry sources point to energy

(Continued on Page 61)

world news roundup

GENEVA—Procter & Gamble is planning to fight the Swiss government's prohibition on advertising phosphate detergents on radio. P&G's biggest worry is that the ban will extend to tv as well.

AMSTERDAM—Philip Morris, R.J. Reynolds, British American Tobacco and three Dutch companies are considering an appeal of EEC fines totaling $1.5 million for offering unfair discounts to dealers.

PARIS—The French government's new tax on drug ads may be as high as 8%, to balance the Social Security deficit.

MEXICO CITY—Mexico's private tv monopoly, Televisa, last week announced early rate increases ranging from 29% to 56%.

TOKYO—Hitachi has resumed advertising in newspapers and magazines after an hiatus due to indictments charging it with conspiring to purchase confidential computer secrets in the U.S. (AA, July 5).

LONDON—Harrison McCann won the $1.8 million Dutch Dairy Bureau account for Edam and Gouda cheeses.

New product drives boost Bud, Kodak

By JOSEPH M. WINSKI

Anheuser-Busch's Budweiser beer, in the midst of an aggressive introductory campaign for Budweiser Light, jumped to fifth place among all advertisers in consumer awareness in June, as measured by adWatch, a continuing survey of advertising awareness conducted by ADVERTISING AGE and SRI Research Center, Lincoln, Neb.

Budweiser didn't rank among the top 10 in awareness in May. It was No. 9 in April, the first month of the survey.

In addition, Budweiser increased its awareness lead over Miller in the beer industry, being named by 14.5% of consumers as the beer advertising that first came to mind, compared to the 10.8% who named Miller. Budweiser had wrested the lead from Miller in May, with 14.2% of the responses to Miller's 12.2%. In April, Miller had received 17.1% of the responses to Budweiser's 12.8%.

In June, 1.36% of the 1,250 consumers 18 years of age and over polled said Budweiser advertising first came to mind among all advertising they had read, seen or heard in the previous month. The top four in awareness in June were the same as in May: Coca-Cola (5.30% of all responses in June), Pepsi-Cola (2.30%), Miller beer (1.70%) and McDonald's (1.44%).

Joining Budweiser as a newcomer to the June top 10 was Procter & Gamble's Tide detergent, which ranked No. 10. Tide, like Budweiser, had been on the first month's top 10, having ranked No. 7 in April.

In another notable move that, like Budweiser's, may have been related to a new product push, Kodak gained 5.7 points in awareness, the most of any advertiser in June, and solidified its hold on No. 1 in cameras. Kodak has been backing its new disc camera with heavy advertising. Polaroid lost two points and fell to No. 3 in the group behind Canon, with whom it had tied for second in May. Kodak received 21.4% of all category responses in June, Canon 11.5% and Polaroid 9.4%.

adWatch

Dropping from the top 10 in June were Toyota (No. 6 in May) and General Motors (tied for No. 9 in May). Rounding out June's rankings were No. 6 Ford (No. 5 in May); No. 7 Chrysler (from No. 9), and Dr Pepper and Chevrolet, which tied for No. 8 after having tied for No. 7 in May.

There were six new leaders in June among the 20 product categories monitored. In airlines, United replaced Eastern in the top spot; United's awareness score increased by 5 points in June, one of the largest gains recorded. In coffee and tea, General Foods' Maxwell House suffered a decline of 6.8 percentage points, by far the largest June drop, and dropped to No. 3 in the category, yielding the top spot to Folger's, while

(Continued on Page 54)

Top 10 in awareness, June

Advertising named most often

June	May		June % of responses
1.	1.	Coca-Cola	5.30
2.	2.	Pepsi-Cola	2.30
3.	3.	Miller	1.70
4.	4.	McDonald's	1.44
5.	—	Budweiser	1.36
6.	5.	Ford	.96
7.	9.	Chrysler	.89
8.	7.	Chevrolet	.64
8.	7.	Dr Pepper	.64
10.	—	Tide	.48

Question: Of all the advertising you've read, seen or heard in the last month, which ad comes first to mind?
Source: SRI Research Center Inc., Lincoln, Neb.

New product boosts Bud

(Continued from Page 3)

Sanka moved to second place.

Avon replaced Chanel as the leader in cosmetics and fragrances, as Chanel dropped out of the top three in the category. Scott took over No. 1 in paper products, replacing Charmin. Two industry leaders in April regained their top spots in June: Purina supplanted Alpo, the May leader, in pet food, while Gallo reclaimed the top spot in wine and liquor from Riunite.

In the continuing cola wars, Coca-Cola closed in on category awareness leader Pepsi, narrowing Pepsi's lead to just one percentage point (27.6% to 26.6%) from its 3.4 point lead in May. Coke had led the category in April.

Retaining the top spots in their industries in addition to Budweiser, Pepsi and Kodak were Kellogg (breakfast foods), Ford (cars/trucks), McDonald's (fast-food restaurants), Wrigley (gum/candy), Atari (home electronics), Tide (laundry products), Tylenol (medicine and drugs), Birds Eye (packaged, canned, frozen foods), Prell (personal soap and shampoos), Charmin (personal toiletries/hygiene) and Marlboro (tobacco products).

■ New among the top three in their categories were GF's Fruit 'n Fibre, No. 3 in breakfast foods; Maybelline, No. 3 in cosmetics and fragrances; Sony, No. 2 in home electronics; P&G's Coast, No. 3 in personal soap and shampoos; White Cloud (P&G), No. 3 in personal toiletries/hygiene; Brown & Williamson's Kool cigarets, No. 3 in tobacco products, and Jos. Garneau Co.'s Cella Italian wine, No. 3 in wine and liquor.#

Tide did it

April's listing of the top 10 advertised products in over-all consumer awareness incorrectly ranked Swift & Co.'s Peter Pan peanut butter No. 7. Procter & Gamble's Tide actually was No. 7 that month. Peter Pan did not make the top 10.

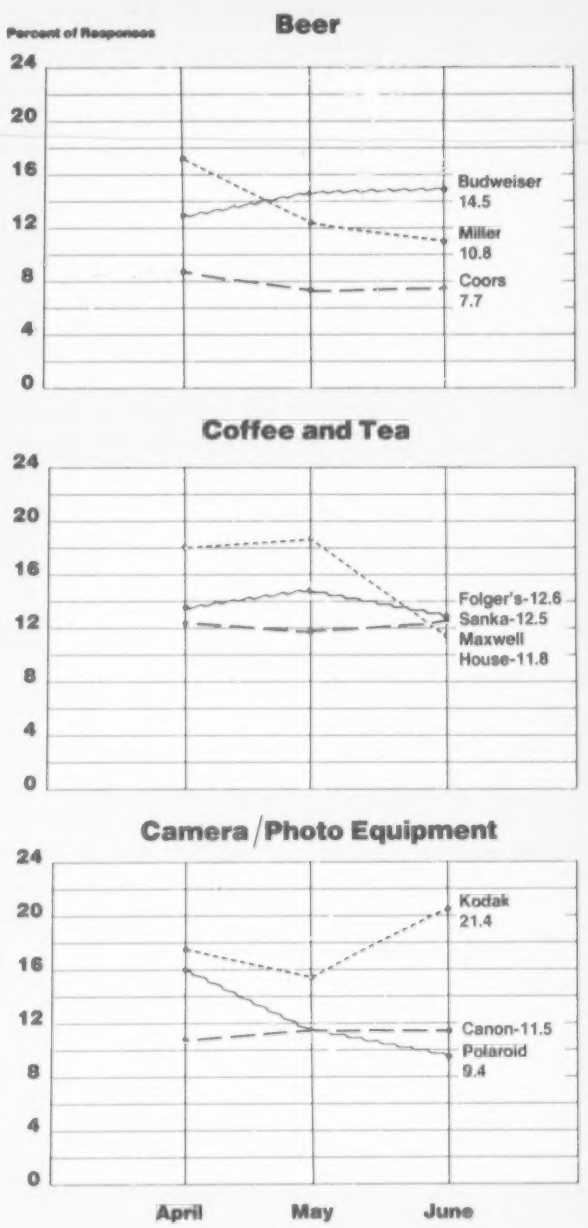
Advertising Age wants your reactions to adWatch. We are particularly interested in hearing from agency and advertiser personnel directly involved in advertising for the brands frequently mentioned in the survey. Please direct your comments to Joseph M. Winski, editor-at-large, Advertising Age, 740 Rush St., Chicago, Ill. 60611. Phone: (312) 280-3116.

Persons wanting more information on adWatch data and methodology should contact Gary Gabelhouse, SRI Research Center Inc., 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

adWatch

Trends in Ad Awareness

Question: Of all the ads for (product category) you've read, seen or heard in the last month, which ad first comes to mind?



Source:SRI Research Center Inc., Lincoln, Neb.

German marketers feel generics' heat

By DAGMAR MUSSEY

Duesseldorf—German marketers are facing a growing threat from unbranded generic products, which are rapidly increasing their market shares.

Dismissed three years ago by the German branded goods and food industries, generics have grown to where they are now a peril to the major brands.

One of the biggest impacts is in detergents, where the latest numbers show generics have grown to a 23% market share, nearly as much as Henkel's famous Persil detergent. Henkel is frantically trying to cut down its stockpiles in a detergent market that shrank by 1% last year.

Yet both Henkel and Procter & Gamble, whose Ariel is battling with Persil, say emphatically that they will not stoop to making their own generic products. But at a recent press conference, Henkel officials acknowledged that generics are biting into their business.

Juergen Schrader, chairman of the German Unilever group, points out that the consumers' switch to generics has cut the average return on sales to 1%, compared with 1.3% two years ago. "The housewife no longer values the quality and presentation of branded goods as we think she should," he said.

German Nestle AG, Frankfurt, not quite so hard-pressed by generics, is taking the classical route of new products and—almost alone in the Germany industry—boosting its ad appropriation by 20% to hold its own in shrinking markets.

Things are tougher for Nestle's Munich subsidiary, Allgaeuer Alpenmilch, the largest German producer of canned milk, which is under heavy pressure from box store giant Aldi's house label. An improved product range and heavier advertising will be called on to hold market share, but Allgaeuer Alpenmilch chief Hans D. Kalscheuer thinks it conceivable the company would step up its now-small generics business if competition grew too fierce.

The Sinus research institute study for Ted Bates, Frankfurt, shows that disposable paper products with weak brand identification are up against tough competition. PWA (Papierfabriken Waldhof-Aschaffenburg), Mannheim, has seized this opportunity and by 1981 already was channeling one-third of its output into generics, with excellent growth rates.

Even VPW (Vereinigte Papier Werke), a Schickedanz company, producer of hard-to-copy products like Camelia sanitary pads and elastic-leg diapers, and also active in the tissue field, frankly admits that it too already is turning out cut-price products, though on a smaller scale. This will probably increase in the future, seeing that VPW showed its first loss in 1981.

It is no secret that keen competition, rising costs and declining population are forcing manufacturers to turn out no-name brands, particularly in the dairy and yogurt sector. Klaus Wiegandt, general manager of the Rewe-Leibbrand group, believes that within two years at most, even the most embittered foes of generics will be producing their own instead of leaving the business to the competition.

Only in cigarets have the generics failed to frighten the major marketers. Though the leading retail groups—Aldi, Leibbrand, Tengelmann, Edeka—have off-brand or no-brand cigarets, priced about 25% below regular brands, they have not been a great threat to the majors so far.

Three reasons are given to explain the German success with generics. Aldi began 10 years ago to divert customers from the big chains with its cut-price merchandise; in the end, even the biggest could only respond by offering their own low-price assortments. Another reason is the great power of the German food retailers, who can dictate to the industry what products shall be supplied at what prices.

Also, declining population, recession and unemployment are forcing Germans to be thrifty.

Bernd Michael, head of Gramm & Grey, Duesseldorf, commented: "Not until the buzz about cut prices disappears from the newspapers will the no-names and generics revert to their old inconspicuous position. After all, the trade cuts off its nose to spite its face with generics, because you can't make money on them."#

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Money couldn't buy market share

The sad tale of Cycle's 12-year quest for success

By Jack J. Honomichl

The pet foods division of General Foods Corp. had an operating profit of $35 million on established brands in fiscal year 1974, I've been told by a former top-level GF executive who was there at the time. In fiscal 1981, the division had an operating loss of $12 million, as estimated by a prominent financial analyst in Chicago. Lots of things, of course, contributed to that dramatic reversal, but the most conspicuous—and probably most important—was Cycle dog food.

This is an insider's story of Cycle's development, marketing strategy and the miscalculations that haunt GF's marketing management to this day. The moral: Having an enormous amount of money to spend doesn't mean you can buy marketing happiness in the pet food industry. Or, from an advertising agency's point of view, the client can hand you a dandy, built-in copy platform and huge budgets, but that doesn't necessarily mean you can advertise him out of a hole he dug for himself (in Topeka, Kan.).

Let's start by positioning Cycle canned, which has been in national distribution since spring, 1976. (A dry, bagged version was rolled out two years later.) The concept is that a dog's diet should be adjusted according to its position in the life cycle. So there were four Cycle products: Cycle 1, "specially balanced for puppies up to 18 months of age"; Cycle 2 for adult dogs 1 to 7 years old; Cycle 3 for less active (read: overweight) dogs, and Cycle 4 for older dogs (more than 7 years old).

The original Cycle canned line that was taken national had two varieties, beef and chicken, so for the concept to be fully expressed on the shelf, a store had to stock a minimum of eight items. Two facings on each meant 16 items, and so on. And, obviously, if one of the items (or Cycles) was taken off the shelf because of slow movement, the whole concept started to unravel. We'll come back to that.

The canned Cycle product is a formed product, common in the dog food packing industry; it's meant to convey the impression of a meatball, such as humans might eat, say, on spaghetti. These balls are packed in a gravy-like sauce, and through time such products have been promoted as "the dog food that doesn't look like dog food."

It should be noted that, historically, other packers who have gone the meatball route have had, at best, lackluster success in the marketplace, and many died aborning. It's a long list, but here are a couple of prominent examples: The original Skippy Premium line from National Pet Food and—ironically—Gaines Supreme, a GF brand test marketed before Cycle. Neither Alpo nor Kal Kan, the leading brands in the canned dog food market, carries a meatball item in its extensive line. The reason: Slow movement.

And, finally, Cycle canned from the beginning was priced significantly higher than Alpo's Beef Chunks, the leading premium-priced canned item, then and now.

One of the main characters in Cycle's passion play is a 150,000-sq.-ft. canned dog food plant GF started to build in Topeka in November, 1971. The new facility adjoined a plant it had built there two years earlier on a 110-acre plot to produce dry dog food.

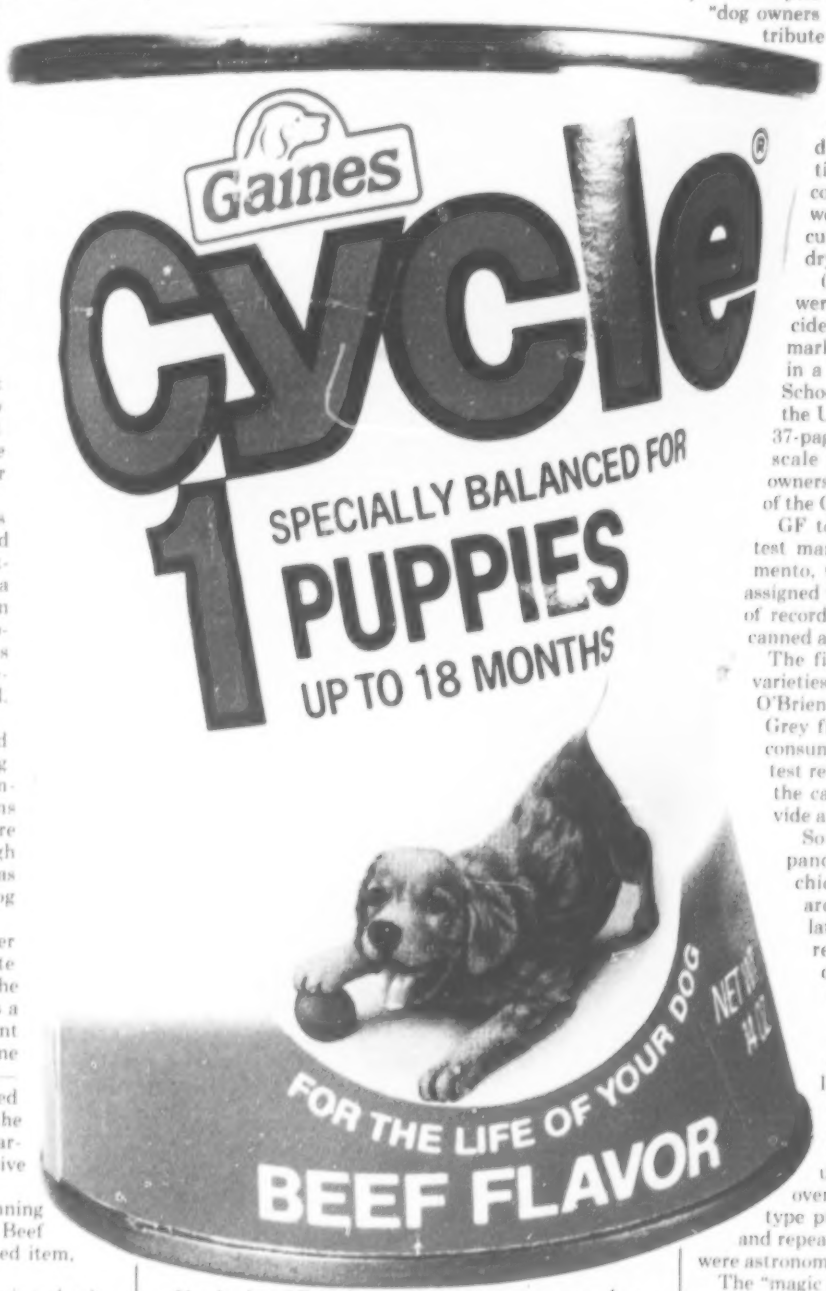
This can plant, which was put into operation in line May, 1973, was a classic example of putting the cart before the horse. At the time the Topeka investment was authorized—circa summer, 1971—GF's pet foods division did not have a proven canned product for the plant to produce.

What it had instead was a product concept in test and, in retrospect, a lot of wishful thinking.

Jack J. Honomichl writes a monthly marketing research column in the news pages of ADVERTISING AGE.

The original hope was a meatball line called Gaines Supreme, which GF put into test market in Buffalo and Albany, N.Y., in March, 1970, with Ogilvy & Mather as the agency. Gaines, of course, is an old and esteemed name in the dog food world. GF attained it through the acquisition in 1943 of a regional dry packer in Sherburne, N.Y., and GF still markets a line of dry products under the Gaines name (which, incidentally, will surface again later in our story).

Gaines Supreme didn't do well in the Buffalo and Albany test, so two years later two new test markets—Miami and Denver—were opened.



No doubt, GF had grandiose plans for Gaines Supreme. At first, the company used Arlene Francis as product spokesperson, but later (AA, Dec. 24, 1973), it reportedly cut a deal with singer/actress Doris Day, "a well known dog fancier," that called for $1 million over five years to tout Gaines Supreme.

There was a hangup, however: Gaines Supreme died in test market (with less than 5% share of canned pounds), and that left a big capital investment in the foothills of eastern Kansas gathering dust.

But, across the plains of Kansas and the Plains—White Plains, that is—in Westchester County, N.Y., another concept came barking: Cycle, "every day, for the life of your dog."

The name and concept originated with a small advertising agency, John Rockwell & Associates, which was brought into GF and its White Plains headquarters by William E. Rawlings, president of the pet foods division from 1971 to January, 1974, at which time he left after a much publicized wrangle with James L. Ferguson, the president of GF. Mr. Rawlings reportedly was pushing for a faster expansion of GF's pet food business and believed top management was sluggish in approving new moves.

Mr. Rockwell, who had been executive vp of Needham, Harper & Steers before setting up his own shop, specialized in new products. He was on retainer to GF from October, 1969, to April, 1971.

The Cycle concept, according to research, showed that "dog owners are highly anthropomorphic—quick to attribute human traits to their pets—and would respond to a canned line that delivered nutrition specially formulated to the dog's age and 'life style.'" If it succeeded, it would be a good market segmentation and differentiate the Cycle brand from competition—and it was something agency creatives could really get their teeth into. Mr. Rockwell told me he envisioned the concept executed in all three forms of dog food—canned, dry and semi-moist.

(The deliberations GF marketing people were going through in early 1970 trying to decide how best to approach the canned dog food market are documented, apparently factually, in a case study used at the Harvard Business School and the Wharton School of Business at the University of Pennsylvania. Included in the 37-page manuscript are the findings of a large-scale GF market segmentation study of dog owners, which sets the framework for execution of the Cycle concept.)

GF took its first version of Cycle canned into test market in Grand Rapids, Mich., and Sacramento, Cal., in early 1973, and the product was assigned to Grey Advertising, which was the agency of record until this year, when the account (both canned and dry) was moved to Benton & Bowles.

The first test had four Cycle products but no varieties. "That's what we learned," says Richard O'Brien, who was the Cycle account executive at Grey from the beginning. "You have to give the consumer flavor variety." They also learned that test results projected out to about 4.5% share of the canned market, not enough volume to provide a reasonable payout on the brand.

So it was back to the drawing board. An expanded Cycle line—this time with beef and chicken varieties—was put into a new test area—Syracuse, N.Y.—in April, 1974, and later that year it was expanded to a GF sales region that encompassed Boston; Providence, R.I.; Hartford, Conn., and Portland, Me. There it sat until April, 1976, when the national rollout started.

I've been told by a GF executive who was deeply involved that between $2 million and $3 million was spent on marketing research alone in those markets. One reason was the length of the test, and another was the low incidence of target populations—households with puppies, with overweight dogs, etc. Since continuous, diary-type purchase panels were set up to track trial and repeat purchase rates, the screening costs alone were astronomical.

The "magic number" several GF executives have told me was 6%; that was the share of canned pound market that seemed necessary to jell the payout plan on Cycle. I've been told that the Syracuse test did project out to a 6% national share. I have also seen data that suggest that in the larger New England region, Cycle got only about a 4.7% share in the first year. Also, the pet foods division's market research department believed that test results were "minimally acceptable." The department thought that the brand, in national distribution, would achieve only about 50% of the volume anticipated.

The marketing research department's conclusion: "Don't go national." ("I doubt that," one former GF pet foods executive told me. "The system would have flagged such a recommendation from the market research department, and I didn't know about it.")

Trial in New England seemed good—about 40% of

Five magazines that have stepped up their political affairs coverage

	Frequency	Rate base	Ad revenues/1st 6 months 1982	1981	Ad pages/ 1st 6 months 1982	1981	B/W page rate	4/C page rate
Atlantic	Monthly	360,000*	$1,040,629	$940,932	163	161	$6,720*	$10,080*
Esquire	Monthly	650,000	4,970,000	2,686,500	327	199	11,600	17,400
Harper's	Monthly	140,000	694,365	878,945	103	135	2,830	4,320
N.Y. Times Magazine	Weekly	1,524,833	25,307,662**	23,006,966	1,964	2,059	13,670	20,990
Rolling Stone	Biweekly	775,000*	7,809,292	6,232,097	564	513	12,870*	19,190*

SOURCE: Advertising Age Survey

*Effective with September, 1982 issue
**Estimated

pointed out that ad pages have grown dramatically, from 508 last year to an estimated 725 for 1982. For the first six months, ad pages are up by 64%. "Advertisers are happy to see a magazine that does exciting stories," Mr. Greenberg said.

Rolling Stone, too, is having one of its best years ever, with ad pages up by 10% and revenues up by 33%. That comes on top of a 1981 page increase of 11% and revenue increase of 30%. Much of that can be attributed to a switch to a higher quality paper stock in January, 1981, which succeeded in bringing in 50 additional advertisers, according to William S. David, vp and advertising director. Mr. McDonell, the managing editor, believes that Mr. Greider and other writers will make *Rolling Stone* an even more attractive advertising vehicle. "I would think that advertisers that did not think about us as an obvious buy are going to very soon," he predicted.

Advertisers have thought of the *New York Times Magazine* as an obvious buy for years, although the magazine is expected to be down this year by more than 80 ad pages from last year's figure. But the drop comes upon impressive numbers, nevertheless. In 1981, the magazine produced the industry's second largest number of ad pages—4,512—and revenues for the first six months of this year are up by $2.3 million over the same period in 1981.

Yet there is no doubt that the economy is affecting the magazine. "This is a very, very tough year out there," said marketing director Philip Du Val. During the last six weeks, several new ad schedules, including one for 20 pages, have come in, and Mr. Du Val is hopeful that the magazine may be able to recoup in the second half. He believes that the magazine's recent political coverage has helped a great deal.

According to "Hall's Editorial Reports," which measures the editorial content in the nation's top weekly magazines, the *New York Times Magazine's* coverage of national and foreign affairs has increased from 20% of total editorial in 1979 to 25% in 1981. "It makes the magazine more lively, more current, more interesting and more visible," said Mr. Du Val.

Not to be left out, the Washington Post Co. intends to launch a new weekly magazine in the fall. So far two prototypes of *Washington Post National Weekly Edition* have been distributed in selected areas of the country. Apparently, the readers who evaluated the first prototype wanted a larger dose of politics than the first issue included. "The second prototype is even more focused on Washington government and political events," said a Post Co. source.

One Post official involved in planning the magazine is not concerned about competition: "No one can touch us in terms of the national political scene, the access we have because of who we are. There is an intense interest among readers outside of Washington for the kind of coverage done by the *Washington Post*, but it has been difficult reaching those people.

"You can order the *Washington Post* by mail and it comes four days late and it's enormous and you don't want to read all of it," he said. The *Post* does syndicate a good percentage of its editorial product, but the official said that many of the local papers do not have the space or a large enough audience to justify the longer stories.

The tabloid-size magazine will run articles that have already run in the *Washington Post*. Included in the prototypes were image and corporate advocacy advertisements, those for upscale consumer products and several direct response ads. Ad rates have not been set, and plans call for circulation to be highly targeted. "We're looking at a small but select group of readers to make this a viable business," said another Post Co. source.

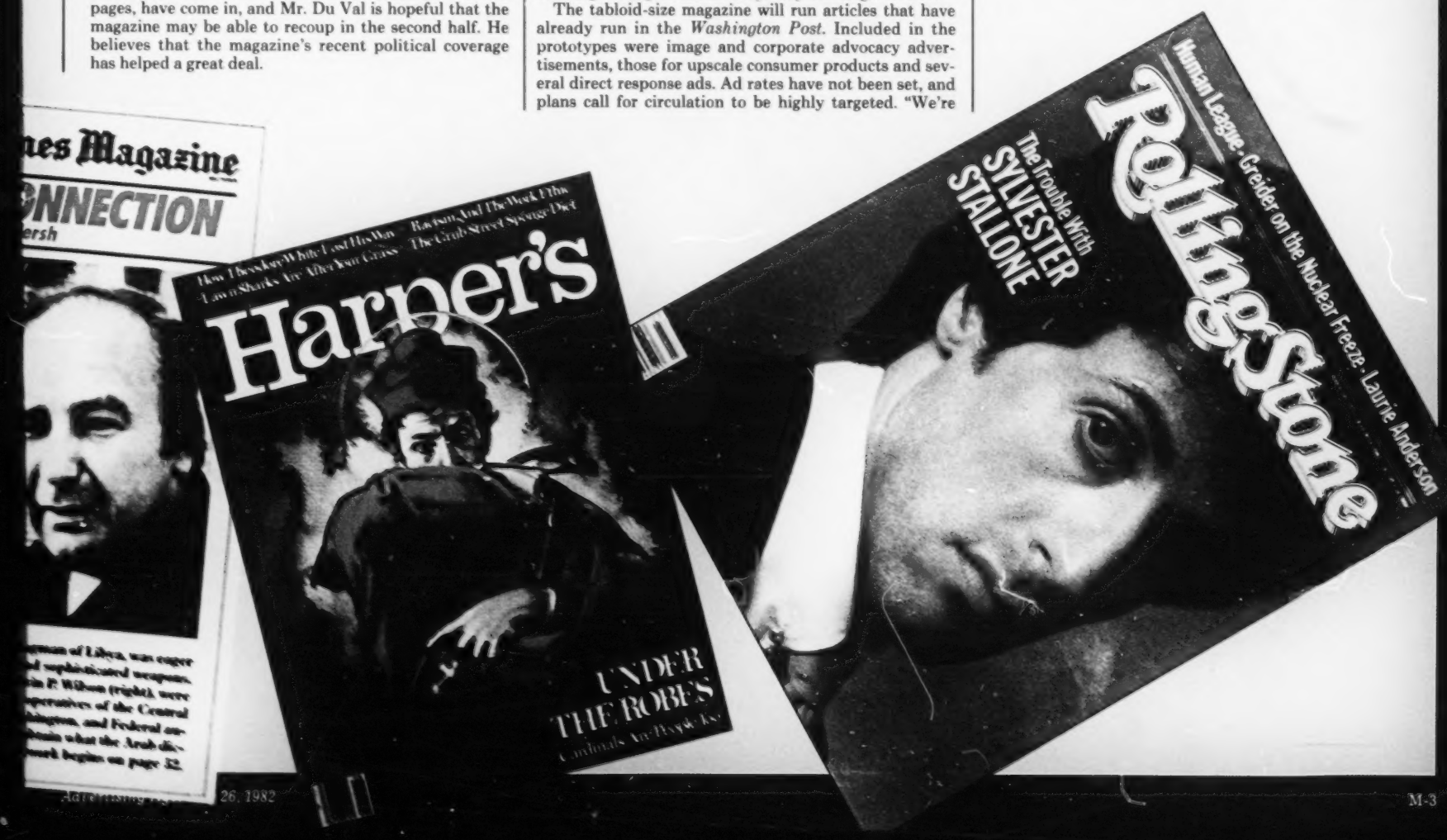
Indeed, the audiences of these politically oriented magazines are small, a veritable drop in the bucket compared with the millions that tune in CBS every night to watch Dan Rather read the evening news. Still, each magazine believes it is the quality of readership, not quantity, that attracts advertisers. Christine M. Rothenberg, corporate advertising manager at Hartford, Conn.-based United Technologies, agreed.

"We like to be in publications that are read by thinking people who are aware of the issues facing the country and the world," she said. "These people are often influential, well educated, opinion leaders." United Technologies runs corporate advocacy ads dealing with a variety of economic and social issues in both *Atlantic* and *Harper's*. The corporation also runs corporate image ads in the *New York Times Magazine*.

At Ford Motor Co., a sizable proportion of the company's ad budget is devoted to magazines, including these political publications, according to Robert Gillooly, national advertising manager. "The average income of new car buyers has gone up considerably," he said. "To be able to afford a car at all you have to have more money and be somewhat upscale. We're confident that these magazines do the job. We're aware of the kind of people who read them."

The editors know their audiences, too, and recognize

(Continued on Page M-6)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ersh
Harper's
How I Became White and Lost His Way
Law n Sharks Are After Your Grass
The Grub Street Spring Diet
UNDER THE ROBES
Rolling Stone
Human League · Greider on the Nuclear Freeze · Laurie Anderson
The Trouble With SYLVESTER STALLONE

Playing politics

(Continued from Page M-3)

they want more than they get from daily newspapers or tv news. That helps to account for the manner in which most of these publications approach the task of covering politics. There is little—if any—interest in who is running for office.

"How can you work up much enthusiasm for whether Carter or Reagan is President when you haven't answered the larger question of what we should be doing in social welfare, foreign affairs and all these different areas?" noted *Harper's* Mr. Kinsley. "Where is this country going? Where ought it to go?"

The majority of the articles strive to analyze those larger questions. Many of the pieces are retrospective in nature, assessing how past leaders handled their powers and responsibilities. The stories can be hard-hitting. One sample from Seymour Hersh's piece on Kissinger: "More and more subservient, even fawning, to his patron [Nixon], Kissinger was increasingly vicious and outspoken outside the Oval Office. The backbiting grew intense by the end of the year. Secretary of State [William] Rogers was a 'fag' who had some strange hold over the President; Mel Laird was a megalomaniac who constantly leaked anti-Kissinger stories to the press, and Richard Nixon was a secret drunk of dubious intelligence."

Or this selection from Mr. Greider's first column in *Rolling Stone* on the budget cuts: "Last month when the latest unemployment numbers were announced, the President was on the South Lawn, dressed in that ridiculous riding outfit that makes him look like a Hollywood director from the 1920s. Reporters asked how he felt about 9.4% unemployment; the Gipper said he felt bad. He blamed the Democrats. Then, with a wave and a smile, he went horseback riding."

The magazines are not afraid to ruffle the feathers of special interest groups. A case in point is *Harper's* May cover story on the immigration of Soviet Jews. "The aspirations of the Jews now leaving Russia, natural and commendable though they may be, have little to do with any desire to embrace the Jewish religion and cultural heritage, even though this is ostensibly why we let them into the U.S.," wrote author Joseph Nocera.

Such stories often provoke angry letters to the editors. The magazines love such response, viewing it as definite proof that they are sparking a lively debate, getting people thinking, having influence—in short, doing their jobs.

Virtually every magazine has examined the threat of nuclear war, sensing the enormous public interest, underlined most recently by the march in New York attended by more than 500,000 people. *Esquire* claims to have been first with its March, 1982, cover story, titled, "If You Survive the Coming Nuclear War . . . Don't Worry, Our Leaders Have a Swell Plan." The report, by Ed Zuckerman, who is writing a book on nuclear war preparedness, received a good deal of publicity in other newspapers and magazines. The article dealt in a straightforward manner with the observation that 61 million Americans could be expected to survive a nuclear war and be faced with the task of rebuilding the country. But the piece ended on a pessimistic note, quoting the head of security at the National Archives, who would be in charge of safeguarding the Declaration of Independence, the Constitution and the Bill of Rights, in the event of a nuclear attack. "As for me," the security official was quoted as saying, "I hope the first bomb falls right on my head, because I wouldn't want to be around anymore."

The nuclear freeze was the topic of Mr. Greider's second Rolling Stone column, and he laid out what the movement must do to succeed and even included a list of organizations that readers could contact to get involved in the protest. Such advocacy journalism is typical of *Rolling Stone*'s style, and apparently was one reason Mr. Greider was so eager to sign on. "The people who read *Rolling Stone* are still forming their ideas about a lot of political issues, whereas the audience of the *Washington Post*, to a greater extent, already has its mind made up," Mr. Greider observed.

Harper's ignited a debate on Jonathan Schell's book, "The Fate of the Earth," which advocates complete disarmament. Mr. Schell's thesis had been widely accepted in some corners as the wisest course, but a column in *Harper's* dismissed Mr. Schell's ideas as both naive and pretentious. "The basic balance of terror cannot be dismantled without perfect trust between the world's greatest enemies—an unlikely development," wrote Mr. Kinsley. Mr. Kinsley's column was cited in *Time*'s May 3 press section, titled "Second Thoughts on Schell."

That was not the first time that a *Harper's* article sparked discussion in another publication. The magazine's June cover story, "Cardinals are people too," which detailed the political influence such clergy wield in their communities, brought a fiery blast from Catholic New York. Father John Reedy, a columnist with the newspaper, called the piece "a shoddy, cheap shot."

If anyone is keeping score, the record for newsclips and tv appearances at this point probably belongs to *Atlantic*. The December, 1981, cover on David Stockman appeared on national television 40 times in five weeks, according to Mr. Zuckerman. And so far the magazine has collected 2,000 newspaper and magazine clippings on Mr. Hersh's Kissinger piece, in addition to mentions on most national news programs. "Incredible media attention has been given to *Atlantic*," Mr Zuckerman said.

In fact, Mr. Zuckerman would like to believe that *Atlantic* is responsible for much of the current rush to cover politics. *Rolling Stone*'s Mr. McDonell, while admitting that he too is constantly looking for that big important piece, derides Atlantic's penchant for spending large sums on book excerpts, like the Hersh piece. "We're not talking about enterprise editing at the *Atlantic*," said Mr. McDonell. "We're talking about buying the most expensive stuff around."

Harper's Mr. Kinsley agreed. "Buying a chunk of something that someone else has edited, someone else has commissioned, someone else has worked on for years is not as creative as producing or generating something yourself," he said. "I'm not after scoops because I think it's a better function of a magazine to have these articles that influence real policy questions."

In some ways, *Harper's*, *Atlantic*, *Esquire* and *Rolling Stone* have a serious disadvantage competing with the huge resources of the *New York Times*, and soon, the *Washington Post*. Mr. Klein, the editor of the *New York Times Magazine*, said one-half of the magazine's pieces are staff-written, and with a news staff of more than 900, that is power. "If something is happening in a remote part of the world, it is very likely that there will be a *Times* person there," said Mr. Klein.

Even though the *New York Times Magazine* pays only $1,500 for free lance articles, compared with $2,500 at *Rolling Stone* and *Esquire*, the prestige of being in the *Times* still lures the big names.

The magazine received a jolt recently, however, when it discovered that its Dec. 20, 1981, cover story, "In the Land of the Khmer Rouge," by Christopher Jones, had been fabricated. "All of us in journalism have to be a hell of a lot more rigorous in the way we go about doing our business, especially in the way we choose the people we assign and check the material that comes in," said Mr. Klein. As a result of the incident, the magazine has instituted safeguards. Mr. Klein said that authors who have never worked for the magazine before are required to submit newsclips of their work. The magazine also may check with the writer's current or previous employer. In certain cases, if magazine officials believe it is warranted, the writer may be asked to produce his or her original notes and tapes.

Still Mr. Klein believes that his magazine has done some outstanding political stories recently. Those he cited included: "The New Asian Immigrants," by Robert Lindsay; "The Neo-conservative Anguish over Reagan Foreign Policy," by Norman Podheretz; "The Failed Mission," on the attempt to rescue the Iranian hostages, by Zbigniew Brzezinski, and "Thinking About Nuclear Morality," by Herman Kahn.

Faced with such competition, Mr Zuckerman does not apologize for *Atlantic*'s policy of bringing in top stories regardless of the cost. "We will be competitive with any magazine to bring in these pieces, because we believe that's what the reader wants editorially," he said.

To those who wonder what *Atlantic* will do next to top the Stockman and Kissinger covers, Mr. Zuckerman has an answer. "The 125th anniversary issue [November] will contain some of the best pieces by some of the best writers in the world today on some extraordinary subject that I guarantee will get a lot of attention," he said. There also will be more revelations on Lyndon Johnson by Robert Caro (one excerpt from Mr. Caro's book ran in last October's *Atlantic*). "We have other pieces scheduled for next year that will continue to make it clear that this is the leading magazine in public affairs in this country," Mr. Zuckerman said.

At *Rolling Stone*, Mr. McDonell said readers can soon read the definitive piece on the Weather Underground. "That's going to shock some people," he said. Future columns by Mr. Greider will look at labor, the Equal Rights Amendment and the Catholic church. *Rolling Stone* also is planning a retrospective piece on President Kennedy, and another on the Vietnam War.

Mr. Moffitt said *Esquire* will be monitoring the environment in its outdoors column. "In the 1970s we had worked out a certain environmental value that was set into law, so a radical change always creates a great deal of interest—and there has been a radical change," he said. In addition, Adam Smith (the pen name of George Jerome Goodman) will continue to cover money issues, while Jerold Schecter will begin to write and assign stories from Washington.

Despite this renewed effort to cover politics, veteran Washington watchers remain unfazed. They have seen it all before. "If you go back in history, there's always a David Stockman, there's always an issue like the budget, there's always something going on," said Richard Scammon, head of the Elections Research Center, who has been a political observer for more than 40 years. "Anything that's really dramatic still gets maximum time, like Watergate, or if you go all the way back to the Roosevelt regime, the court packing plan of the late 1930s." Speaking with some of the authority of his years polling the American public, Mr. Scammon noted, "Again and again in politics, it is the actual event that influences people, rather than the interpretation of it."

These magazines are betting against those odds, and each has a lot riding on the outcome. Perhaps the biggest challenge is faced by the Washington Post Co., which has been on a losing streak lately with new magazines. It was forced to sell its money-losing *Inside Sports*. Another magazine, *Focus*, a single-topic monthly, never got off the ground. But Post officials no doubt hope that a magazine on the Washington political scene, which the *Washington Post* regards as its turf, has a better chance of succeeding.

It will not all be smooth sailing for the other magazines, either. *Atlantic* and *Esquire* need to keep up their momentum so that they can get into the black and stay there. *Harper's* must become self-supporting so as not to dip into foundation savings. *Rolling Stone*, which has seen many of its record advertisers drop out ("The record industry is suffering," Mr. McDonell noted), should continue to add new accounts, particularly in the area of motion pictures and the electronic media.

"This is not a terrific year for magazine advertising in general," observed Joseph Ostrow, executive vp and director of communications services at Young & Rubicam. "Some of these magazines tend to be low on the advertiser's list, and if that list gets pared down, they get chopped off."

The editors believe, however, that the public's interest in political issues is more than just a passing fancy. They believe that concerned citizens have more questions than are being answered by the daily press or tv news. As long as that continues, these editors say, readers will look to their magazines to provide that insight. "There's an awful lot going on beneath the surface that may be mentioned in the papers, but not examined very deeply," observed Mr. Greider. "There are a million opportunities for that kind of reporting. I think it's going to be very exciting." AA

The Washington Post

Congressional Perks: Dubbing Rostenkowski On The Hill's Hob/P.7

William French Smith: Angry and Confused, He Toughs It Out/P.24

Post's prototype

With a cover date of June 11, 1982, the *Washington Post National Weekly Edition* introduced itself in prototype form.

The editorial content of the 48-page issue focused heavily on national and world affairs and on politics, with most of the articles reprinted from the *Washington Post*. Included were a major cover feature on golf junkets taken by U.S. Rep. Daniel Rostenkowski (D.-Ill.); a report on the spring primary elections, and articles on the Middle East, unemployment, the Haig-Kirkpatrick dispute, President Reagan's slipping popularity, stripmining and the tribulations of Atty. Gen. William F. Smith.

A sampling of advertising in the prototype, printed on heavy-grade newsprint, included full pages for BMW, Sperry, Exxon and GTE; partial pages for Brooks Brothers and J&B scotch, and almost two pages of classifieds.

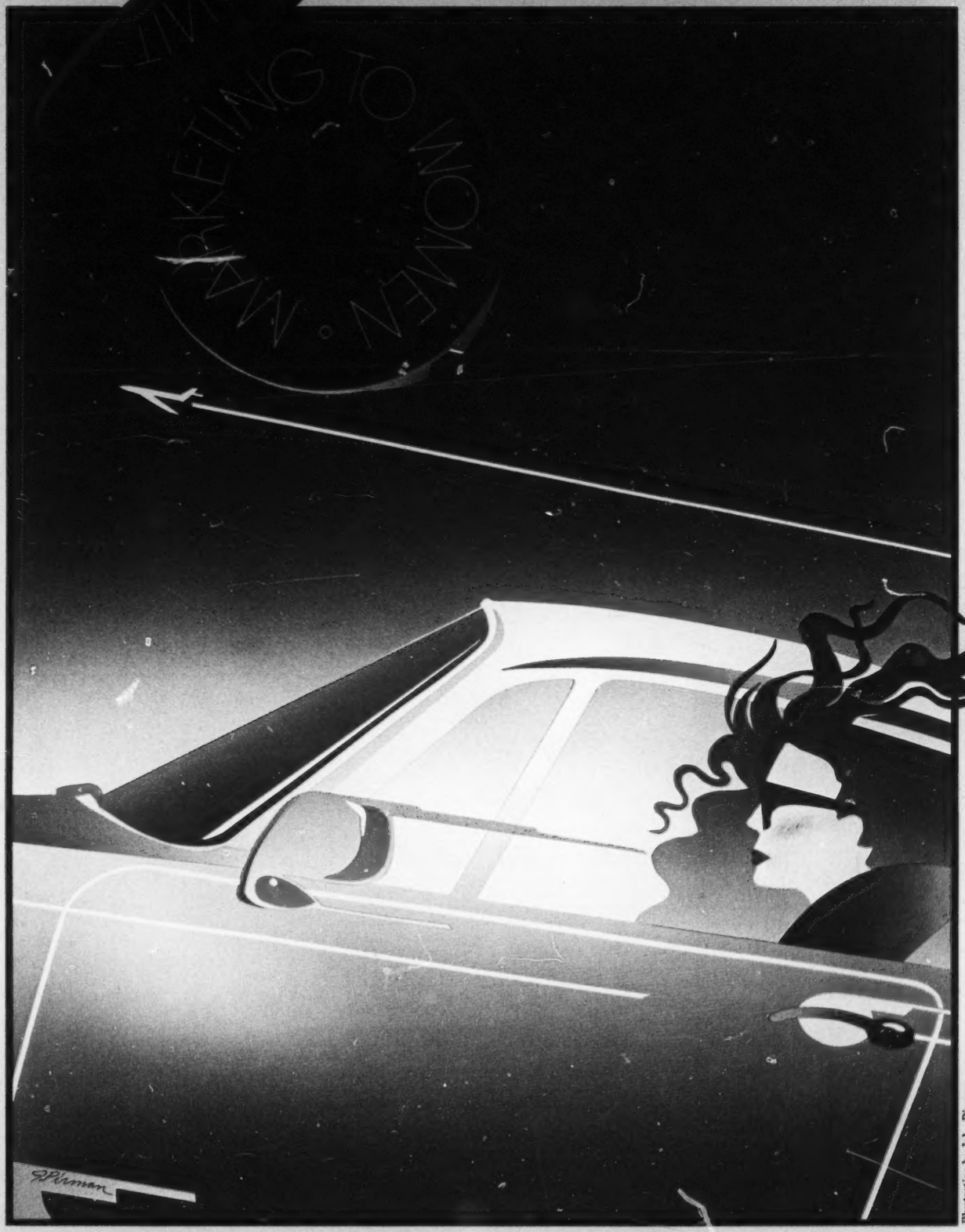


Illustration by John Pirman

Behind the wheel of a quiet revolution

By Lori Kesler

"We all know young women who are planning careers, women who are postponing parenthood, women who are independent, who are running their lives and their families with competence. Perhaps we know women who are running companies. These may seem like small changes because we have become familiar with them, in the way a parent observes the growth of a child. Our close vantage point has allowed change to creep up on us in a most disarming way.

"We are living every day with the elements that will turn our world upside-down. We are those elements."

—Elizabeth Nickles, "The Coming Matriarchy: How Women Will Gain the Balance of Power"

Lori Kesler is a St. Louis-based business writer and a frequent contributor to Magazine/Special Report.

It may not seem like a revolution to you.

But sociologists, economists and media observers are telling us to watch closely, because we've got front-row seats for one of the great socioeconomic happenings of the century.

During the last 20 years, women have rushed into the labor market in unprecedented numbers, with the movement reaching high gear during the 1970s.

That decade started with about 31 million women, or 43% of all U.S. women 16 and older, in the labor force. By the end of the decade, 43 million working women accounted for 60% of the growth of the entire U.S. labor force.

And the tide continues to rise. Last year nearly 47 million women took home paychecks, which means they now constitute about 43% of the nation's work force.

Government statistics tell us 52% of all American women are working right now. That number doesn't really tell the whole story. For example, employment

(Continued on Page M-12)

Working women

(Continued from Page M-11)

among women 18 to 45 is well above 60%, and in the 20-to-24-year-old age group, the figure is nearly 70%.

"When I began looking at the numbers in 1972, it was absolutely mind-boggling to discover that, even then, almost as many women in the active age groups worked as kept house," said Rena Bartos, senior vp and director of communications at J. Walter Thompson USA in New York.

When "school girls and grandmothers" were dropped from the figures, she said, the ratio of working to nonworking women in 1972 was about 50/50 and now has climbed to about 60/40. In fact, the U.S. Bureau of Labor Statistics says only 37% of all women today are fulltime homemakers.

Woman are migrating to the workplace with such speed that the consequences won't be fully known for a long time to come. But to Ms. Bartos, one thing

"They always used to be someone's wife or someone's mother. This is not their only identity anymore. Women want to be someone in their own right."

seems indisputable: Women—including even those who aren't working—think about themselves differently than they once did.

"I call it the seeking of individual status as compared to derived status," she said. "This doesn't mean they don't love their husbands and families. They are not rejecting the emotional side of life; they are just not letting emotional or personal relations define them as people.

"They always used to be known as somebody's wife or somebody's mother. This is not their only identity anymore. Women want to be someone in their own right. For some this takes the form of working, but it doesn't have to. Being a full person—that move away from the derived status—is the attitude change. And on that issue there's no turning around."

Ms. Bartos, whose book, "The Moving Target: What Every Marketer Should Know About Women," was recently released, continued: "Someone said, rather inelegantly, that once you squeeze the toothpaste out of the tube, it can't be put back. That describes what has happened with women's self-perceptions and aspirations."

The idea that a woman's place is in the home was a fairly widely accepted notion until the last decade or so, noted Elizabeth Nickles, senior vp of D'Arcy-MacManus & Masius, Chicago. In 1967, 60% of women agreed with that statement, but by 1977, that percentage had dropped to 25%.

Wives and mothers of children under 18—once the steadfast keepers of home and hearth—currently are the ones leading the march into the workplace. The number of working wives has tripled during the last few decades and the Labor Department recently reported that more than half of the nation's children have mothers who work away from home.

It said 58% of all mothers with children under 18 had jobs in 1981 compared to 28% in 1950 and only 9% in 1940. And the participation of married women in the work force with children under six advanced from 30% in 1970 to 48% last year.

Government officials expect another 11 million to 14 million women to go to work during this decade, and some observers predict by 1990 the work force will be 46% female, with two out of three women employed.

Others are skeptical, said Ms. Bartos. "Scarcely a day goes by that I don't hear someone explaining that the biological clock will move all those young female careerists of the baby boom generation back into the home." But she insists it's not going to happen, and most experts agree.

One reason simply may be those attitude changes. "Regardless of any other consideration, young women expect to work," said Martin Letscher, marketing research manager at Racine Wis.-based S.C. Johnson & Son. And he said well educated women tend to approach their careers in the same way men do.

"For them, work is part of life. It gives them self-satisfaction," he said. "They expect to have other obligations, but work is very important and other things just have to battle with work for priority."

Experts say role models, too, will affect women's employment patterns as working mothers raise daughters who will follow in their footsteps.

Another reason women aren't likely to retreat to the kitchen is the close correlation between education and women's presence in the work force.

Studies show the more education a woman has, the more likely she is to go to work. And women today are entering colleges, graduate schools and MBA programs in unprecedented numbers.

In 1960 women received one-third of all bachelor's degrees; in 1980 it was nearly 50%. According to Mr. Letscher, 54% of current undergraduates are women; this figure includes many older women who are returning to college. Fully one-third of all business students are female. The percentage of female engineering graduates has gone up from 1% in 1970 to 10% in 1981.

Perhaps the most compelling reason for women to keep working, however, will be sheer economic necessity. One out of every six families today is headed by a female. The divorce rate has soared and many women are marrying later or not at all. So for those who must support themselves or their families, a job is an unquestioned necessity.

When asked why they work, most women say it's primarily for the money. Such questions, however, touch a tender nerve. Said Judith Langer, head of Judith Langer Associates, a New York-based opinion research company, "Of course women work for money. Don't men? They want the money as compensation and reward, if not simply for survival, but this doesn't mean they are working *only* for money."

In reality, both money and self-esteem usually are at stake. "The yearning for an identity beyond their traditional family roles is so deeply intertwined with economic motivations, they can't be separated," said Ms. Bartos. "Gaining a sense of self is a fundamental part of all of it."

Is the working woman, then, different from the nonworking woman? Absolutely, says Ms. Nickles. She and market researcher Laurie Ashcraft drew that conclusion in their book, "The Coming Matriarchy," after studying the opinions of 2,400 women nationwide.

"There is a statistically definable difference between women who work outside the home and those who do not," declared Ms.

A whole new industry seems to be springing up to take advantage of women's new roles and responsibilities, and disposable incomes.

Nickles. "Employed women are more self-confident and ambitious. They feel more attractive physically. They actively seek the limelight to a far greater degree." And, she added, as a woman's income goes up, "these characteristics increase proportionately."

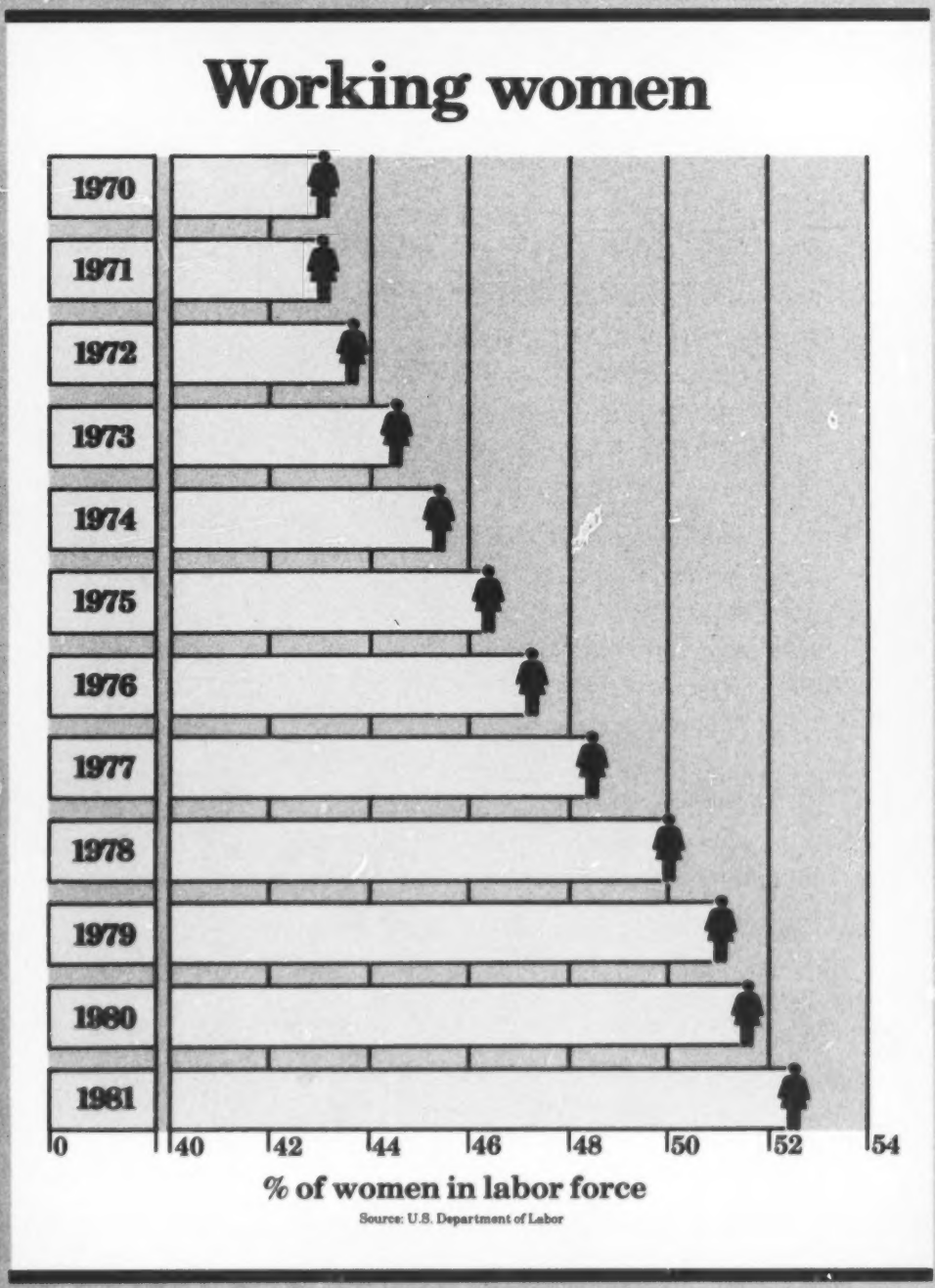
Working women's greater assertiveness shows up in their responses to products, too, said Mr. Letscher.

If a product isn't performing satisfactorily, he said, the working woman assumes it's the product's fault. The nonworking woman, on the other hand, is more likely to assume she isn't using it correctly.

Demographic studies find working women, on the whole, are younger, more affluent and better educated than their stay-at-home sisters. They also watch tv less, travel more, read more magazines and newspapers and listen to the radio more often.

However, some observers warn against applying the "working" and "nonworking" labels too broadly.

"Advertisers often are content to address the women's market in terms of those two groups," said Linda Robinson Rutz, vp-account service with Lincoln, Neb.-based advertising, marketing and public relations agency Miller Friendt Ludemann. Ms. Rutz, who is in the process of earning a graduate degree in journalism from the University of Nebraska, recently completed



a research study on how women perceive advertising directed to them.

Most women, she says, do not fit into a working or a nonworking category.

For example, many women who stay at home with their young children shouldn't be classified as nonworking. "They are temporarily interrupting their careers," she said. In fact most women see their lives as a combination of work roles with movement in and out of different roles at different times, said Ms. Rutz.

The Yankelovich Monitor, a tracking study of consumer values that New York-based Yankelovich, Skelly & White publishes annually, began asking working women back in 1971 whether they thought of their work as "just a job" or a "career." That distinction has since become recognized as one way of further segmenting the working woman's market. Yankelovich also began asking housewives if they ever planned to work, a question designed to segment the housewives group.

Ms. Bartos based her recent studies on those four demographic groups—the stay-at-home housewife, the plan-to-work housewife, the "just-a-job" working woman and the career-oriented working woman.

As might be expected, her research indicated that the plan-to-work housewives have a great deal in common with the working women, but each group has its own distinctive set of characteristics.

All of which poses problems for marketers trying to zero in on the *real* Ms. America. Is she the woman trudging through the grocery store with three kids and a fistful of coupons? The middle-aged lady behind the cash register? Or the young female executive in the red sports convertible?

In truth, she is all of these, and that makes life difficult for marketers accustomed to thinking of the women's market as housewives, 18 to 49. Indeed, while women's attitudes have changed dramatically during the last decade, advertising has lagged.

Advertisers took a bad rap from the Commission on the Status of Women at the United Nations in the early 1970s. They looked at advertising from 28 countries and concluded that women almost always were portrayed either as dependent housewives or passive glamor girls.

In 1975, the National Advertising Review Board reported almost the same thing. "In the advertising of household products," it said, "women too often are portrayed as stupid—too dumb to cope with familiar everyday chores unless instructed by children or a man, or assisted by a supernatural male symbol."

However, even during the early 1970s, change was creeping in. Commercials started to show women in new roles, such as jockeys, pilots and newscasters. Admittedly, the female with an unusual occupation was usually stuck into advertising for that surprise twist. Still, it was a beginning.

"It wasn't the kind of fundamental change that might have happened if advertisers had taken the changing role of women seriously and built it into their marketing procedures," Ms. Bartos said in "The Moving Target." But she added that creative people were responding intuitively to a changing atmosphere and apparently their hunches worked.

In testing women's attitudes toward advertising, Ms. Bartos found that virtually all groups—housewives as well as working women—responded most positively to contemporary commercials and contemporary imagery and most negatively to traditional ones.

And things are changing.

In a Stouffer's commercial, for example, a professional-looking woman in an office tells us she won't have to cook that evening, thanks to the sponsor's product. And now men are even showing up in tv commercials, washing dishes and diapering babies. A Campbell Soup Co. spot shows a young husband in the kitchen preparing dinner for his working wife. "This type of advertising would not have been dreamed of 10 years ago," Ms. Bartos said.

Marketers of automobiles, financial services and life insurance have discovered the working woman, too, and they're beginning to produce commercials for her attention.

Ms. Bartos blames "lazy" ad people for creating the old (and some new) stereotypes. "Once they identify their target group, they tend always to show a prototype of that person in commercials," she said. "That's just creating a cliche."

Advertising, however, almost always lags behind trends in the real world, said Ms. Langer. Conventional advertising often seems to show women as lazy. It has taken a long time for advertisers to realize that they're dealing with people who are trying to achieve a lot, who want products that will save them time.

Yet Ms. Langer, too, notes change. Commercials for household cleaners, for example, are just now beginning to show people who say right off that they hate to clean. "I've been hearing women say that for five years without any trace of embarrassment at all," she said.

A whole new industry seems to be sprouting up to take advantage of women's new roles and responsibilities—and disposable incomes. Ms. Bartos calls it "the woman industry."

Magazines targeted to the working woman have found a secure niche on the newsstands. In addition, there are the "head hunters" and personnel experts who specialize in placing executive women.

There are also the career counselors who help women "track their way through the corporate jungle," said Ms. Bartos, and of course the seminars, training programs, financial courses, classes to develop "reentry skills" and how-to books by the dozens.

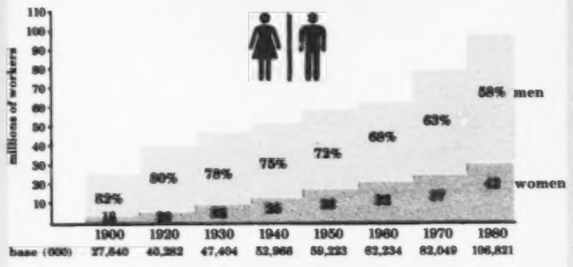
"Many of these programs are extremely productive," Ms. Bartos said.

She does add that "frankly, some of them strike me as somewhat exploitative." But the fact that some sharp promoters have joined the pack actually may be a good omen.

"Such people don't cling to unprofitable or lost causes," she said. "Ironically, the very presence of these opportunists is evidence of the inevitability of the quiet revolution." ■

Growing in the work force

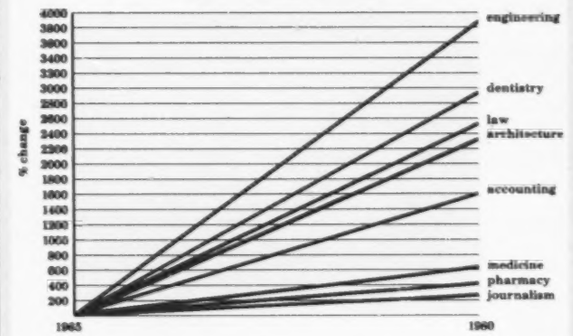
Working men and women
% change, 1900-1980



Source: U.S. Census Bureau, Bureau of Labor Statistics, Rena Bartos, "The Moving Target."

Branching out

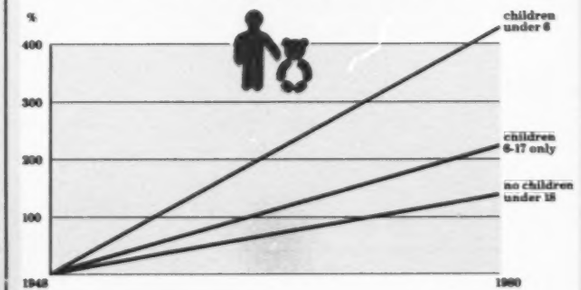
Degrees earned in selected fields
% change, 1965-1980



Sources: Digest of Educational Statistics, National Center for Educational Statistics, Rena Bartos, "The Moving Target."

Leading double lives

Number of working wives by presence and age of children
% change, 1948-1980



Sources: Employment and Training Report to the President 1978, Current Population Reports, 1980, Rena Bartos, "The Moving Target."

Change in one area tends to reinforce change in another. The charts indicate the increased percentage of working women, women who work who have small children and women who are going after traditionally male degrees.

An informal poll

More traditionally male products are being marketed to women; more convenience products are being advertised; and older women are showing up in commercials.

These were some of the responses that female advertising executives gave to questions Advertising Age Magazine asked in a poll on how advertising geared to women is changing.

Although the responses differed on some points, on one there was almost total agreement: There is a growing percentage of advertising targeted to the working woman. Also, according to Joan Rothberg, executive vp-general manager of Ted Bates Advertising/New York, "formerly male-oriented products—cars, travel, banks and brokers—now also target to women."

Magazine also queried the female executives whether they thought that there was a change in the products themselves being advertised.

"Yes," they said. More convenience foods, more frozen foods and more high ticket items such as liquor, cars and jewelry are showing up in advertising.

To the question, "If you do not see advertising to women changing, why not?" Jackie Silver, senior vp-director of research and strategic planning with N H & S/New York, answered, "Marketing management is primarily over 40 and out of touch. They have stereotypic impressions of women's roles and attitudes."

But the question sparked a different response from Ms. Rothberg, who wrote: "A high percentage of advertising has changed very little for two reasons: One, 'it still works,' and, two, 'advertising follows rather than leads the market.' "

Some of the executives had strong responses to some of the questions. "What are some ads that you consider obsolete?" we asked.

The ads that portray the "new wave of air freight services," wrote Joanne Kaufman, vp-account supervisor, Doyle Dane Bernbach. "Only male managers are portrayed," she said. Also obsolete are most coffee ads. "The woman always brews, the man always drinks."

To the final question: "What other areas of advertising are being affected either by changing demographics and/or the working woman phenomenon?" several respondants noted media selection, advertising to males as decision makers for package goods, more mature models in the ads and more men shown in a parenting role.

Actual commercials cited as examples of the changing trends included a Tab commercial in which the girl being whistled at is both a wife and a mother. "Very refreshing," said one respondant.

Another was the Skippy peanut butter ad in which the little football player turns out to be a little girl. ■

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Youth-market hide-and-seek: Dick Clark's view—Magazine special report

C2710-1 8/2/82

Advertising Age

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MICKELBERRY BOSS SAYS:

Buying agencies profitable hobby

By CHRISTY MARSHALL

NEW YORK—Some people call James Marlas, president-chief executive officer of Mickelberry Corp., a modern-day Renaissance man. He was educated at Harvard, the University of Chicago and Oxford. He has practiced law in London and at the world's largest international law firm, Baker & MacKenzie in New York.

He plays the piano, paints, used to sculpt and has written an unpublished novel. He personally redesigned his Fifth Avenue apartment. He appreciates vintage wines.

And he collects things, like antiques, fine art—and advertising agencies. In fact, the multifaceted Mr. Marlas, who became a large shareholder in publicly owned Mickelberry in 1970 and its president the following year, has transformed the company from a faltering meat processor and baker into an aggressive acquirer of ad agencies that stands out even amid the current rampant acquisitiveness in the advertising business.

JAMES MARLAS

Mickelberry acquired its first agency, New York's Daniel & Charles, in 1972. The company digested and assessed that acquisition until March, 1980, when it went on a buying spree that so far has added five other New York agencies to the fold, the most notable and by far the largest being the highly coveted Cunningham & Walsh, acquired last March.

Prior to Cunningham & Walsh, Mickelberry snapped up Nadler & Larimer, in March, 1980; Landis & Landon, the following month; David, Oksner & Mitchneck, in April, 1981, and F. William Free & Co., in December, 1981.

Last year, Cunningham &

(Continued on Page 62)

RJR/Heublein giant in consumer goods

By ROBERT RAISSMAN and CHRISTY MARSHALL

R.J. Reynolds Industries' proposed $1.3 billion acquisition of Heublein Inc. creates an advertising Goliath that will easily spend well over a half-billion dollars annually.

Their combined 1981 advertising spending last year—$508,279,600—would have ranked RJR third in ADVERTISING AGE's annual 100 Leading National Advertisers survey. In 1980, RJR was ranked seventh with total spending of $298.5 million, and Heublein ranked 26th with spending of $170 million.

Those advertising dollars may not be going through some of the current ad agencies, however; several client conflicts may be created by the giant combination.

With Reynolds backing, Heublein's foods, spirits and wine units are expected to receive added spending muscle, stunned competitors speculated after last week's announcement.

"This does not relate to any specific category such as liquor or fast-food," said one distilling industry executive who declined to be identified. "It's an evolutionary phenomenon of American business whereby mergers of large, disparate companies are part of a larger scheme that will insure economic survival by having one's eggs in many baskets."

In Reynolds' case, those eggs will be apparent whenever a consumer leaves the house. At the grocery store the company will be represented by cigarets, chewing tobacco, pipe tobacco, frozen foods, canned vegetables and fruit, fruit juices, wine, steak sauce, mustard and condiments. Step out on the street and RJR will be into fast-foods with Kentucky Fried Chicken. Move to the corner bar for a splash of Smirnoff or a shot of Jose Cuervo tequila or any of several distilled spirits soon to be in the Reynolds family—all barring any regulatory objections to the merger.

It will be Heublein's beverage division that, according to trade sources, will be Reynolds' No. 1 priority. The divison accounted for

(Continued on Page 58)

Phony coupon draws 6,000 redemptions

Another postal ad sting

By BRADLEY JOHNSON

The U.S. Postal Service revealed last week that it put coupon ads for Attract shampoo, a bogus product, in the *Detroit Free Press*, *Detroit News* and *Flint Journal* in a coupon fraud operation.

An estimated 6,000 coupons were sent in for redemption. The redemption rate of 0.5% compares with a rate of 5% to 7% for a legitimate product, according to George F. Valassis & Co., Livonia, Mich., which printed Attract coupons for the Postal Service.

The Postal Service investigation appears to be continuing. The sting operation is similar to one in New York that used another fake product, Breen detergent (AA, Dec. 18 '78). That postal service investigation brought a number of indictments of retailers and others.

Valassis said it agreed last fall to put the Attract ad into its coupon insert that goes into Sunday papers. The ad went into its Jan. 24 insert, but only in the *Detroit News* and *Flint Journal*; about 160 papers in other markets received regular coupon inserts without the bogus ad. Valassis says it didn't tell the newspapers about the ad. It said the Postal Service was responsible for targeting those particular markets and papers.

The *News* and *Journal* said they do not verify preprinted coupon fillers. "We expect Valassis to check it," a Journal spokeswoman said.

The *Detroit Free Press* ran the ad r.o.p. on Jan. 20 and 27 after receiving copy and a check from a bogus ad agency in Iron River, Mich. "If there hadn't been cash with copy with this thing, we certainly would have checked that one out," said Ken Swaim, director of national advertising for the *Free Press*.

The 25¢ coupon instructed retailers to mail the coupons to an Elm City, N.C., redemption center operated by Donnelley Marketing,

(Continued on Page 58)

last minute news

P&G assigns sanitary napkin product to B&B

CINCINNATI—P&G has assigned a sanitary napkin product to B&B, the agency that handled the ill-fated Rely tampon. It is not known if the new product has been named; however, P&G previously filed trademark applications for the names Arrive, Always and Prove for minipads.

Purina introducing Happy Cat 'semidry' food

ST. LOUIS—Ralston Purina is introducing Happy Cat "semidry" cat food into major Pacific Northwest markets. The extent of the launch was not known at press time, but it is believed to be going national, with heavy media support starting in November. Purina reportedly is readying a fall expansion of Top Secret cat litter deodorizer previously in Marion, Ind., and Pittsfield, Mass. (AA, Feb. 8). TLK, Chicago, handles both products.

(Continued on Page 8)

Hawaiian Punch heralds its heritage

In tv commercials starting to air Aug. 2, Del Monte is going after a new image for Hawaiian Punch drinks. Gone are wholesome Donny and Marie Osmond for images of fun and surf (AA, July 26). "Sail away...Go Hawaiian," is the new theme. BBDO/West, San Francisco, handles.

NEWSPAPER

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Separate ABC/Cox venture readied

ABC/Getty pay-view net may join with Cox, Oak

By SUSAN SPILLMAN

New York—ABC and Getty Oil's proposed joint pay-per-view network has been named RSVP Sports and could soon have two additional equity partners—Cox Cable and Oak Communications.

If part of the venture, Cox would likely provide interactive software and Oak the hardware.

According to Stuart Evey, vp-diversified operations of Getty, no agreement has been made with Cox or Oak, although discussions have been held. Mr. Evey also stated that no launch date or specific events have yet been secured for RSVP Sports. Original plans for the network called for about six major events per year.

With Cox in the fold on the RSVP venture, the ppv effort would presumably have some inherent advantages. For example, Cox, as a major multiple systems operator with more than 1 million subscribers, has a reputation as one of the more aggressive cable marketers. At this point, five of Cox's systems are addressable, with several others being built. Oak, meanwhile, is the leading subscription tv operator with more than 600,000 subscribers. All of these homes could conceivably receive RSVP, since they already have the necessary addressable hardware.

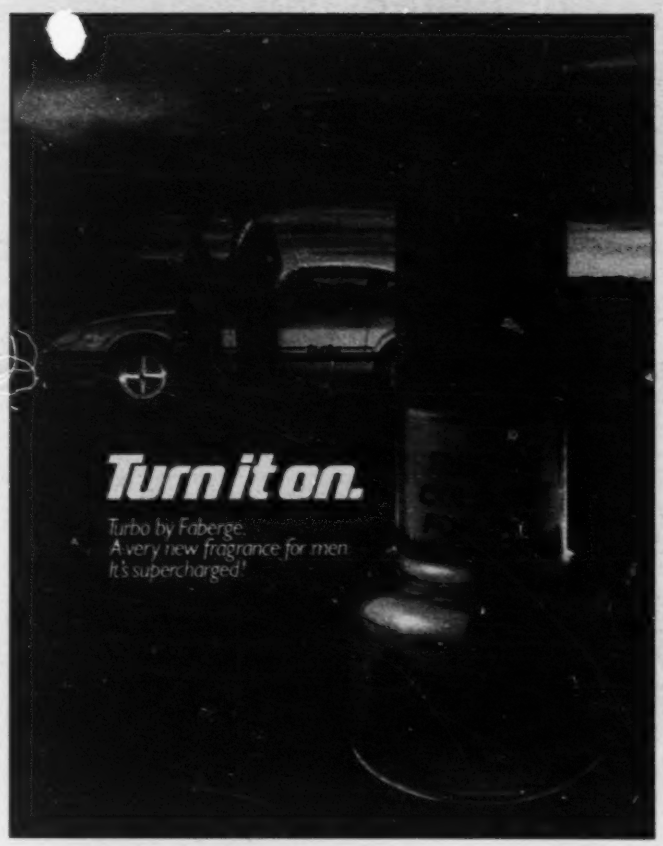
ABC's separate ppv joint venture with Cox Cable, however, Advertising Age has learned; is slated to begin in October. The ABC/Cox partnership, announced in May, will turn on in Cox's 170,000-subscriber San Diego and 43,000-subscriber Santa Barbara systems. Two other systems may also be included, said Art Dwyer, vp-marketing for Cox Cable.

Subscribers in these systems will be offered eight to 10 events per month including major motion pictures, live theater, sports and specials, Mr. Dwyer said. Events will vary in price but by no more than $1 or $2, and various payment schemes will likely be tried.

ABC joined Cox in the venture when it had learned the multiple systems operator was planning to fund similar ppv research to that which it was already intending to conduct.

Questions the two hope to answer are: What interactive programing do consumers want? What equipment will work best and price sensitivity.

It is estimated that the ppv business, still very much in its infancy, could generate well over $2 billion in revenues by the end of this decade.



Faberge is driven

Turbo, the European men's fragrance being introduced in the U.S. this fall by Faberge, will get print ads (via Nadler & Larimer) plus a sweepstakes offering the Datsun 280ZX. The two companies will sponsor the Caesars Palace Grand Prix (AA, July 26).

Late 'Cleveland Press' still makes news

By JIM MARINO
Crain News Service

Cleveland—The *Cleveland Press* died after 103 years of publication last month, but it did not go quietly. What at first blush seems to be the story of yet another afternoon newspaper succumbing to the economy and tv and changing demographics increasingly seems to be far more.

Indeed, the *Press* is generating as much controversy and mystery a month after its demise as it did with some of its best exposés during its heyday as one of the most powerful—and according to *Time* magazine 20 years ago, one of the ten best—newspapers in the country. The controversy centers largely on the circumstances leading up to the paper's folding, and it is mounting:

- According to reliable sources, the Cleveland office of the U.S. Justice Department is investigating whether the *Press* sale of its subscriber list to the rival *Plain Dealer* may have violated antitrust law by contributing to the creation of a newspaper monopoly in the market. *Press* publisher Joseph Cole reported the sale of the subscriber list in a June 17 story on the paper's closing that day.
- The Justice Department probe may be expanded to consider reports, first published by *Crain's Cleveland Business*, that Mr. Cole and Newhouse Newspapers, publisher of the rival *Plain Dealer*, struck a deal under which Mr. Cole agreed to fold his paper in return for an estimated $6 million to $16 million payment. Nominally, this payment was for the subscription list, but observers here say the list couldn't be worth anywhere near the amount said to have been paid. The *Plain Dealer's* real motivation, it is suggested, was to eliminate the possibility of the *Press* becoming a much stronger paper if, as appeared possible, the *Plain Dealer* were to undergo a labor strike.
- In the latest development, Mr. Cole last week sued *Crain's Cleveland Business* for the return of confidential *Press* memos and documents and to block the weekly's further use of the materials in stories on the *Press*. (*Crain's Cleveland Business* is published by Crain Communications Inc., which also publishes Advertising Age.)

Mr. Cole claims the memos and documents, which he says were stolen from the *Press* and given to

(Continued on Page 60)

highlights

Monday, August 2, 1982

Makro, the Dutch-owned self-service wholesale chain, is testing heavy mass media advertising as it begins its introductory effort in Cincinnati. *See Page 4.*

The videogame war has spread to the movie theaters, where Activision, Atari and Mattel's Intellivision all have bought cinema commercials packages. *See Page 6.*

Century 21 Real Estate's renaming of Wells, Rich, Greene on its account has resulted in a reorganization of WRG's West Coast operation. *See Page 6.*

Campbell-Ewald and Ketchum Communications find themselves partly under the banner of the French holding company, Interplans. *See Page 10.*

The American Federation of Television & Radio Artists says it could be forced into insolvency if made to pay a $10.6 million civil suit award. *See Page 12.*

Time Inc. has won a reprieve of up to one year in its battle with the Indian Income Tax Board. *See Page 18.*

The Spanish soft drink La Casera is holding its own against competing larger U.S. multinational brands. *See Page 29.*

The possibility of a new Socialist government could delay the introduction of private tv in Spain. *See Page 29.*

P&G says it will fight a decree by the Swiss government prohibiting the advertising of phosphate detergents on the country's radio stations. *See Page 29.*

Rossignol Ski Co. is taking the offensive against troubles facing the industry by introducing its new VAS ski. *See Page 48.*

Now that the battle for the Falklands is over, it is ad business as usual in Argentina. And McCann-Erickson is one of the beneficiaries. *See Page 48.*

Cockfield Brown, Canada's only publicly owned ad agency, is again ready for a legal battle after its takeover of Toronto's McConnell Advertising. *See Page 57.*

Bitter internal feuding over the FTC's price disclosure rule has created doubts about the commission's survival. *See Page 61.*

CORPORATE CLOSEUP

White Consolidated Industries, which has shifted its emphasis to consumer-based business lines through acquisition, is ready to surge ahead when the economy recovers. *See Page 4.*

VIDEOTECH

National Cable TV Assn. may turn to Congress to set up a barrier to regulations by local governments. *See Page 38.*

MGM/UA Home Video is planning to release a stereo-video spectacular about the Beatles on videocassettes and discs. *See Page 39.*

Atari is stepping up tv ad support for its own game cartridges in an effort to counter proliferating Atari-compatible games made by its competitors. *See Page 44.*

FCC has decided to make some technical changes that will help uhf stations compete better against vhf. *See Page 44.*

MAGAZINE

How Islam collides with advertising. Moslem marketers are forbidden to use cleavage, lip-licking and babies' bottoms in their ads—a far cry from the creative freedom American marketers enjoy. *See Page M-2.*

Sounding the message of the Red Cross requires sensitive and emotional copy and art to catch the public's heart and pocketbook. *See Page M-29.*

SPECIAL REPORT

The youth of America have more money to spend than ever before. They also have some very set tastes that are hard to change. *See Page M-5.*

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SelecTV will expand to 24 hours

By MAURINE CHRISTOPHER

SelecTV, Los Angeles, one of the country's leading subscription tv programers, expects to go head to head with premium pay cable services soon by expanding to a 24-hour schedule on Westar IV, according to the company's president, Lionel Shaen.

The Federal Communications Commission paved the way for such stv/pay cable confrontations recently. Stv station licensees were told they no longer are required to program at least 28 hours of free-to-the-viewer programing weekly.

John Calvetti, senior vp-general manager, SelecTV, said almost all the stv operators now carrying SelecTV's shows are considering going subscription fulltime. This includes KWHY-TV, Los Angeles, and WCGV-TV, Milwaukee, which the company runs itself on a time lease basis. SelecTV pays between $300 and $500 an hour for time in Los Angeles, for example.

- Discussions about full stv operations are in progress now with the licensees of both stations. Among those waiting eagerly to go all—or nearly all—stv for one of his two stv outlets is Ed Taylor, president

(Continued on Page 58)

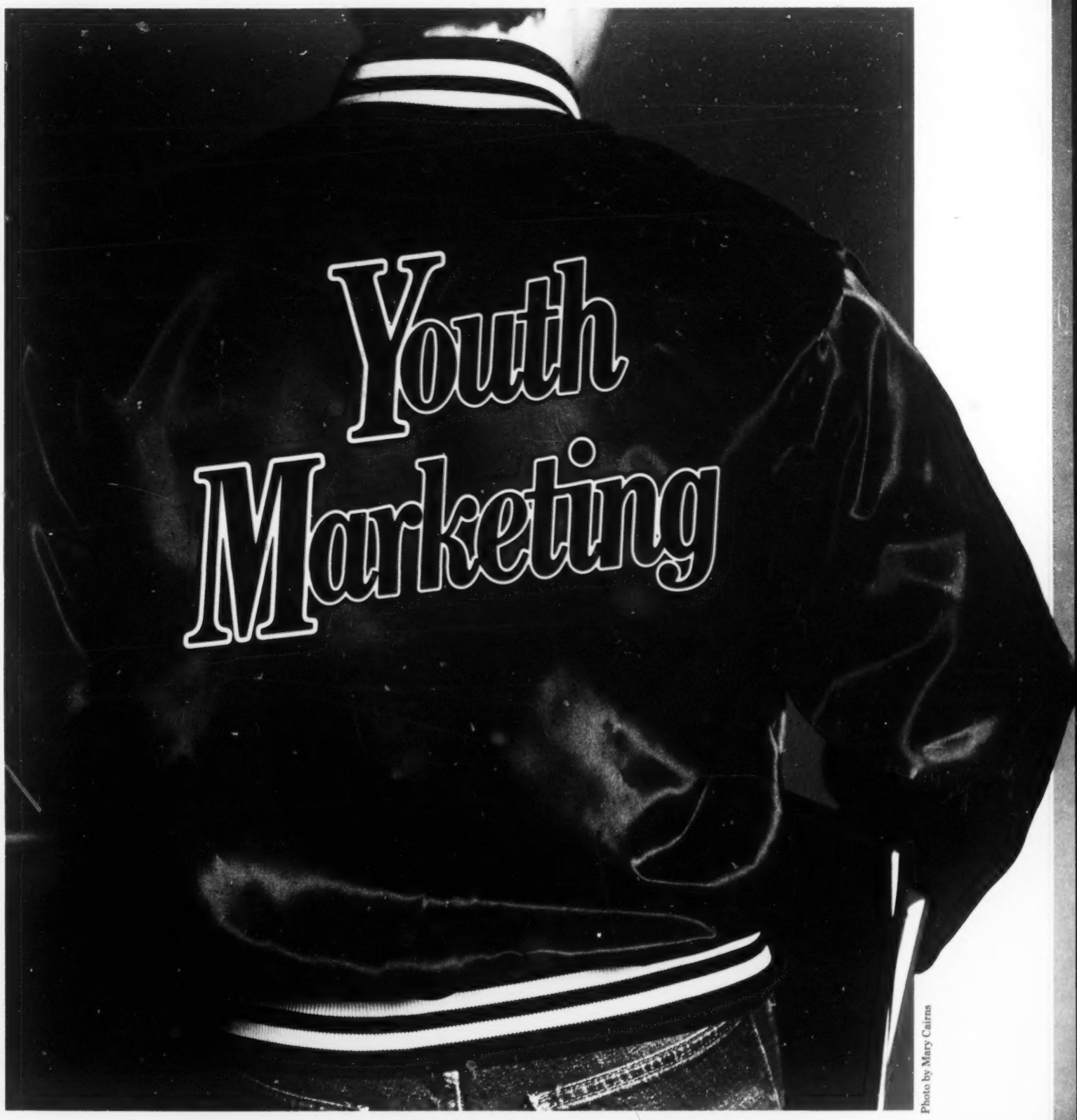

Photo by Mary Cairns

A game of hide-and-seek

By B.G. Yovovich

The youth market seems bent on not behaving the way its elders—and especially marketers—expect it to.

It is easy to recall the many ways that the baby boomers' life styles confounded marketers as the bulk of that generation rumbled through its teens and college years a little more than a decade ago, and today's under-25 crowd is proving to be just as perplexing.

Advertisers are finding, for example, that the mass media have become less and less effective in reaching teens and college students. Preteens, on the other hand, may spend a great deal of time watching television, but research suggests that they are becoming significantly more skeptical of, and inured to, commercial messages.

And even the strength and vitality of today's youth market has surprised the marketing community, many of whose members abandoned younger consumers during the middle and late 1970s.

"In the mid-1970s considerable attention was focused on the declining demographics of the youth market," recalls Lester Rand of the Youth Research Institute, who has been polling the youth market since the early 1950s. "The number of teen agers reached an alltime high in 1975," and projections of the decline in the number of teens caused "varying negative comments on the viability of the market" within the business community. Projections that the 13-to-19 population would fall roughly 7% from 1976 to 1980,

(Continued on Page M-6)

B.G. Yovovich is a Chicago-based business writer and frequent contributor to Magazine.

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Playing hide-and-seek

(Continued from Page M-5)
and that the teen population would fall another 20% by 1990, provoked particularly harsh assessments of the prospects for the youth market.

Such population projections, however, did not take into account a variety of social and economic developments that in recent years have helped refocus interest on the under-25 crowd. For example, the increase in the number of working mothers: More than 52% of mothers with children under 18 worked in 1980, compared with less than 39% in 1970. This has helped increase the importance of the teen market, as this group has begun to take over more and more of the family shopping.

A comparison of surveys of *Seventeen* readers in 1959 and 1979 provides evidence of the change, with respondents in the more recent survey reporting that they took care of 35% of their families' food shopping, compared with 25% in the older study.

Advertisers are finding that the mass media have become less and less effective in reaching teens and college students. Preteens may watch tv, but research suggests that they are becoming skeptical of commercial messages.

A comparison of 1981 and 1960 Rand Youth Poll results yields similar findings, with the percentage of teens reporting involvement in family food shopping having grown from 49% in 1960 to 68% in 1981.

The increase in the number of two-income households—particularly when combined with the decrease in the average number of children per household—also has meant that today's teens are likely to have more money spent on them by their parents.

"Young people have been the prime beneficiaries of the [growth in the number of] two-income households," says Mr. Rand, who adds that "the amount of money spent on gifts for young people is enormous."

When the funds received from parents and the money teens earn from jobs are combined, Mr. Rand estimates that they spent roughly $40 billion last year—more than 50% higher than in 1976, despite a decline of more than 7% in the teen population.

Today's teens also have endeared themselves to marketers by showing far more interest in grooming, fashion and personal care than did the youth of the 1960s. For example, according to a recent *Teen Magazine* survey, teen agers now spend more than $1 billion a year just on jewelry, and spending on clothing, cosmetics and personal care products is on the rise.

Not all is rosy on the teen marketing scene, however, and some of the same things that have helped make the teen market more attractive also have made it harder to reach. Teens traditionally have played hide-and-seek with the mass media, and their assumption of increased household duties and the increase in the number of teens with parttime or fulltime jobs mean that the mass media are finding them even busier and less accessible. The booming popularity of videogames among teen agers has further cut into the mass media's 13- to 19-year-old audiences.

An even more fundamental problem further complicates efforts to reach this group: The fragmented nature of the teen market.

"The interests and concerns of a 13-year-old are very different from those of a 17-year-old, which are very different from those of a 19-year-old," observes one marketer. "That complicates any effort to reach the entire teen market."

The "trickle-down" benefits of two-income households that have bolstered the teen segment also have helped make preteens a more attractive market, as have some promising population projections. With members of the baby boom having begun to form their own families, the number of births in the U.S. has risen from a low of 3.1 million in 1973, to 3.6 million in 1980, and demographers project that, by the mid-1980s, U.S. births will exceed 4 million a year and will help spur demand for such products as toys, candy and breakfast cereals aimed at preteens.

Just as with the teens, however, the good news for marketers is tempered with some bad: The youngsters are becoming disillusioned with advertising.

"By the time kids are 8 years old, they have gotten very suspicious of advertising," explains an executive who used to be involved with McDonald's Corp. ads directed at preteens. "Kids feel as though all the ads want to do is get them to buy, buy, buy —that advertisers don't care about kids at all."

As a result of such findings, McDonald's ads aimed at preteens generally use a very "soft sell," stressing the adventures of Ronald McDonald and hardly mentioning products.

Undoubtedly the most attractive part of today's youth market has to be the college segment, and it's easy to understand why:

- It is growing, currently 12 million strong and expected to increase by roughly 200,000 a year through the 1980s.
- It is affluent. The Rand Poll estimates that after college expenses are paid, the average student has roughly $2,200 a year that is almost entirely disposable income.
- It is relatively recession-proof. As one ad executive points out, "When money gets tight, parents will make every effort to keep it from affecting their kid who is away at college."

Recent surveys of the college market not only document the collegians' expected proclivity for such things as hi-fi equipment, electronic calculators, beer, and airline travel, but, says Mark W. Rose, vp-marketing with CASS Student Advertising, "It has gotten to the point today that the college student actually comprises a mini-household. We're beginning to see interest from [companies that market] those kinds of general products that are necessary for consumers who are trying to set up their own households."

College market insiders point to Tylenol and American Express cards as examples of products that have become more aggressively marketed to college students, and they claim that a number of companies—including Armour, Eastman Kodak, and Ralston Purina—are about to begin addressing the college market.

As attractive as the college market may be, efficiently delivering the advertising message to it is another matter.

"College students are hard to reach [with advertising] because they are more active than other people," says Jeffrey Dickey, president of Alan Weston Communications, a diversified college marketing company in Los Angeles that publishes *Ampersand*, a magazine aimed at college students. "They're single, and they socialize more. They go out to parties, to concerts, to football games, to movies. They're out and around a lot, and they're not penned into situations where they can be reached by conventional media."

"The interests and concerns of a 13-year-old are very different from those of a 17-year-old, which are very different from those of a 19-year-old. That complicates any effort to reach the entire teen market."

Several market research studies conducted in the last few years, for example, have found that college students watch about a third of the tv watching that the general population does, putting them in the lowest quintile of tv viewing audiences.

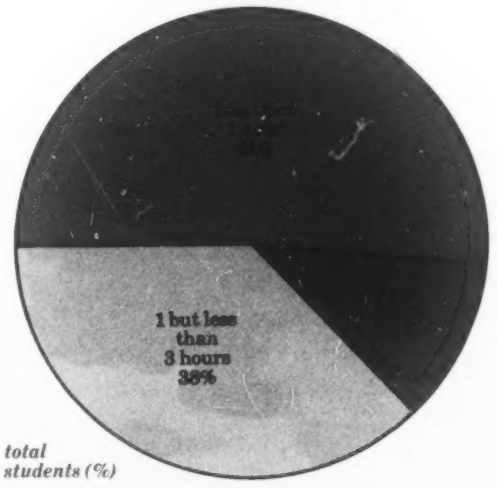
"In the next two or three years they are going to get even harder to reach because of all the alternative media they'll have available," adds Mr. Dickey, who predicts that videogames will cut into college students' already meager tv-watching time.

Given such difficulties and the growing interest of marketers in reaching the college market segment, it is not surprising that a number of efforts are under way to improve old vehicles and develop new ones that can deliver collegiate audiences.

Alan Weston Communications, for example, is developing a college-oriented soap opera series for radio syndication starting this fall. Set on the campus of fictional Upstate University, the five-day-a-week, four-minute show is expected to premier in January, 1983, and will be syndicated to album-oriented rock stations around the country and will be promoted via college newspapers. Weston officials also mentioned ambitious plans for an innovative way of reaching college students with tv programing, but they said that de-

Hours spent with television yesterday

daily viewership

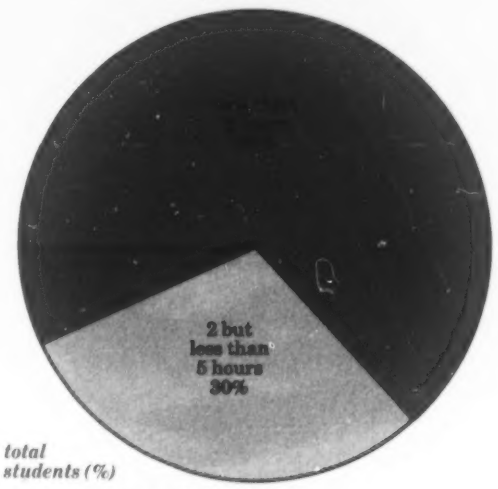


total students (%)

Average Time Spent Viewing per Day: 1 Hour, 20 Minutes

Hours spent with radio yesterday

daily listenership

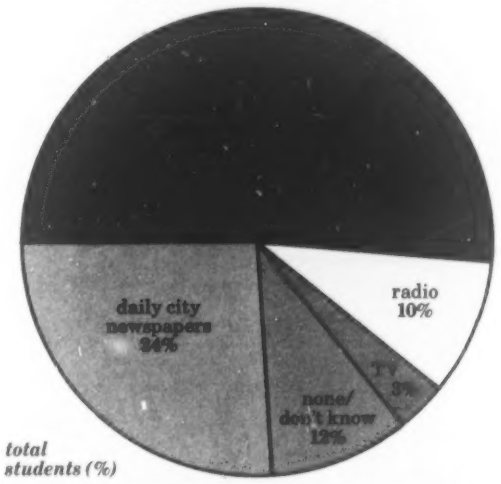


total students (%)

Average Time Spent Listening per Day: 1 Hour, 56 Minutes

Most honest and credible media

contains ads/commercials which seem the most honest and credible



total students (%)

Source: National Study by Belden Associates, Dallas, for CASS Student Advertising Inc. Used by permission of CASS Student Advertising Inc.

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tails would not be released until later this summer.

On-campus marketing and promotion efforts also are getting more attention.

"The campus life style is one that encourages camaraderie and interaction, and is a fertile area for word-of-mouth to get going. It's a great place for promotion," says Mr. Rose, whose Evanston, Ill.-based company established a Campus Resources division last January for the express purpose of helping those marketers who want to sponsor such on-campus events as concerts or film series. CASS also is looking for growth in its main line of business as a national sales representative for college newspapers, a division that will reach $16 million in sales this year, an eight-fold increase over the last decade.

The newsmagazines also are increasing their efforts to bolster their college audiences. *Newsweek*, for example, will not only be offering advertisers a college demographic edition this fall, but also will begin publishing a quarterly *Newsweek On Campus* special supplement with editorial content distinctly different from that found in the national edition.

"We will be devoting our full editorial resources to *Newsweek On Campus*—the same editorial staff and campus correspondents that put out our national edition—but the coverage will be personalized for college students," explains Jeffrey A. Stern, *Newsweek's* manager of student marketing, a position created only last fall. "In the national magazine we may be reporting about the national budget problems, but in *Newsweek On Campus*, our emphasis might be on how the budget cutbacks will affect funds for students. We also will have regular columnists whose names are recognized in the college market," including Eddie Murphy of "Saturday Night Live" as a humor columnist and University of Georgia halfback Herschel Walker as the first "My Turn" columnist.

Archrival *Time* also has been increasing its effort to cultivate the college market by supporting the "College Bowl" intercampus competitions and by bolstering its program to make *Time* easier for college instructors to use as a classroom supplement.

Yet, even if such efforts improve the ad vehicles available to marketers to reach the youth market, advertisers still will be faced with the challenge of communicating effectively with the under-25 crowd, of bridging the generation gap.

"Marketers are afraid of the youth market," maintains Mr. Dickey, "because they don't understand youth. It has been that way forever. They [marketers] are from a different generation, and they can't relate to it. So, when the economy is going good, they stay away from it [the youth market]. When the economy goes in the crapper, then all of a sudden everyone starts looking for new market niches, and advertisers start saying that they are interested."

Media cool—but not to college crowd

Marketers take a hard look at a choice group

By Belinda Hulin-Salkin

Today's college student is the quintessential consumer—educated, brand selective, image conscious and somewhat materialistic. According to college marketers, college students have more disposable income than ever before, and they're spending it on themselves.

"Very often advertisers think that because they do a lot of advertising on youth-oriented radio or tv, they're hitting the whole market. But in focus groups we recently questioned, tv viewing was very low . . . ."

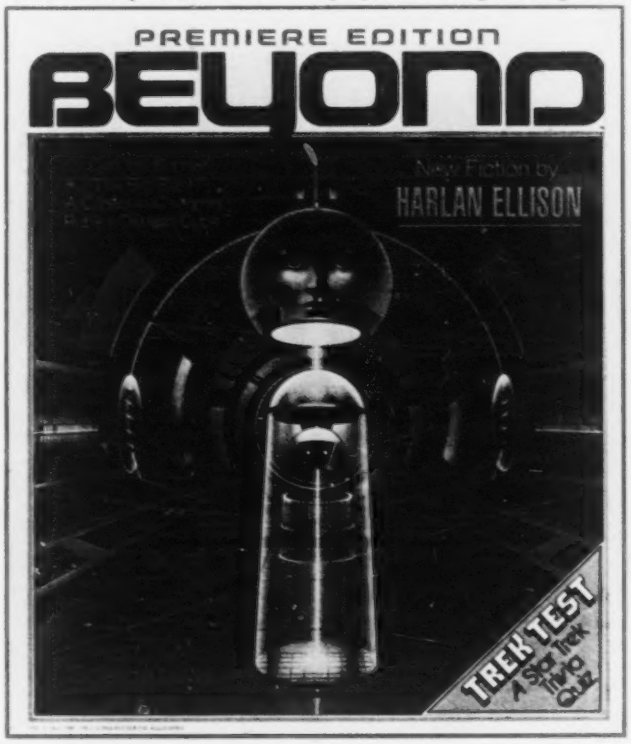
The problem is reaching them. The $26 billion (some estimates are as high as $40 billion) college market doesn't watch televison, buys mass market magazines erratically and spreads itself very thin across the radio dial. But research shows that students do read the college newspaper, and they can be counted on to stroll into the campus store with some regularity. Armed with these facts, a number of marketing companies are helping manufacturers reach students—quite literally—where they live.

University Communications, owned by Ziff-Davis Publishing Co., New York, publishes the *Directory of Classes*, which finds its way to 1.5 million students at over 75 major colleges and universities in the U.S. three times during the school year. The *Directory*, a source for college course listings and summaries, ran "in excess of 70 pages of national advertising . . . and hundreds of pages of local advertising in the various editions in the 1981 to 1982 academic year," noted Jerry Koffler, director of advertising with University Communications.

Mr. Koffler, whose *Directory* is the only major college advertising medium that is an official publication of its schools, pointed out an interesting fact about college today: Although there are fewer people of college age, enrollment is at an alltime high. He looks to the current economic scene for the reasons behind this.

"First of all, society has placed a higher priority than ever before on education in order to get jobs," he said. "And with the country currently in a recession —with the rate of unemployment as high as it is—being in school provides a way of buying time" before an individual has to step out into the working world.

While students are buying time—and getting some breathing space—on campus, Alan Weston Communications in Los Angeles has been making the moves on them since 1977. The company offers advertisers a four-color, college newspaper feature-supplement called *Ampersand*—an entertainment-oriented insert that boasts close to a million circulation, cutting across the top Areas of Dominant Influence in the country. The magazine looks a bit like *Rolling Stone* in format, has an irreverently upbeat editorial slant, and provides a four-color backdrop for product promotion through the campus paper six times per school year.



Alan Weston Communications publishes* Beyond, *which is targeted to science, technology and engineering students.

"Surveys that have been done in the last 10 years show that 87% of the sample have read the college paper within the last seven days," said Durand W. Achee, publisher of *Ampersand* and executive vp of Alan Weston. "Little else compares with that.

"Very often advertisers think that because they do a lot of advertising on youth-oriented radio or television, they're hitting the whole market. There's no question that buying 'Saturday Night Live' or 'Friday' or time on certain radio stations has some impact on the market, but in focus groups we recently questioned, television viewing was very low, maybe an hour a day; and while they listen to the radio, students switch the channel a lot. They listen to a lot of different stuff . . . everything from jazz, to AOR [album-oriented rock] to punk rock to classical."

Because of the divergent music interests in today's college market, Mr. Achee said, *Ampersand*, a five-year-old publication, has changed its editorial focus somewhat in the last couple of years to concentrate on life style-oriented features, motion pictures and "annual special sections on travel, on hi-fi and stereo systems, on photography.

"The mass college audience is much more diverse than it once was—they're older and their purpose for being in college is to be better prepared for life. There is a strong emphasis on being an individual. Music is still very much a part of their life style, but it's not as important as it once was. For *Ampersand*, a cover with a major music artist is not going to get picked up as fast as a cover with a major comedian or a major film star on it."

In addition to the 74 colleges that receive *Ampersand*, an additional 48 schools began receiving another Alan Weston publication, *Beyond*, in the fall of 1981. According to Mr. Achee, the new four-color supplement has an editorial focus on science news, science fiction and technological development. It has a circulation of around 400,000 and is targeted to engineering and technical science majors.

"We were aware that there is a tremendous demand for engineers, and engineers are the people who are now walking out of college with $27,000-a-year jobs," he said. "The first thing that a graduate is going to do when he gets that job is start buying furniture, clothes for business, a car, a better stereo. So we had a sense that if we could expand to the technical market with a narrowly targeted publication, the response would be good. As it happens, the response has been tremendous."

If marketers are aware that there is a big demand for engineers, today's college students are certainly not hiding from the economic facts of life. Both entry-level students and older students who have come back to school for new career training are pursuing the degrees that will give them the most promising future: Computer sciences, engineering, math, business. According to Jeff Dickey, president of Alan Weston, today's college students are very pragmatic: Recent history has not allowed for the nurturing of dewy-eyed idealists.

"Right now, the average college student is 22 years old. He was born in 1960," explains Mr. Dickey. "By the time he was three years old, Kennedy was assasinated; when he was five, the country had major racial problems.

"From the time he was 8 until he was 12 he had the Vietnam war, and the kid saw body counts on tv every night. In 1973, we had a president kicked out of office. From 1973 to 1975 economic times were terrible and in 1979, it was the same thing again—'Dad's out of work and I have no job prospects.' This is the kid your dealing with —we're not talking about an eternal optimist here."

Today's college students are certainly not hiding from the economic facts of life. Both entry-level students and older students are pursuing the degrees that will give them the most promising future.

In addition, Mr. Dickey said many of today's college students have personally experienced the breakdown of the single family unit; they don't know whether they'll ever afford a house and, if they're 22, they are probably sitting next to someone in class who's 35 and going back to school so he or she can get a job.

"But on the flip side," he added, "today's college students tend to be more affluent than ever before because 58% of them work part or fulltime during the school year and another 30% have jobs during the summer. Also, college has become so expensive that the lower income students have dropped out of the market. So disposable income in the market is higher. Today's college students are

(Continued on Page M-12)

Belinda Hulin-Salkin is a business writer in Pittsburgh who frequently contributes to Magazine.

Estimates of '81 advertising to sales and advertising to gross profit margin by industry

A sixth annual study of advertising and promotion expenditures of U.S. corporations and industry sectors has been completed by Schonfeld & Associates, a Chicago-based consulting company.

The study forecasts advertising and promotion expenditures of more than 4,200 individual companies in 224 industry sectors. Ratios of advertising and promotion to net sales and to gross margin (sales minus cost of goods sold) are also calculated. The accompanying table from the study contains average 1981 industry ratios that are commonly used for ad budgeting. However, Schonfeld cautions that within many of the industry sectors individual companies may spend significantly more or less than the average shown here.

The raw data for the study were compiled from 10-K reports filed by publicly owned companies with the Securities & Exchange Commission. Therefore, advertising and promotion expenditures often include media and nonmedia spending such as collateral literature, production, etc. For this reason, these figures are often substantially larger than figures from media auditing services such as Leading National Advertisers.

"In some categories, such as alcoholic beverages, there is substantial point-of-purchase advertising. By subtracting media spending estimates, it is interesting to see how much nonmedia spending there is," commented chairman Eugene Schonfeld.

The study is particularly useful to industrial and business-to-business advertisers since these companies are not well covered by other reference works. For example, the Schonfeld study contains data on over 100 electronic computing companies in SIC 3573 alone. While data for the study were compiled from published financial statements rather than surveys, cautious interpretation is required for several reasons. First, companies may vary in what they include under advertising and promotion expenditures. Second, many large companies are in several fields, yet are listed in only their primary industry sector. Distortion may result because a large subsidiary may not be included in the industry in which it competes. Third, a few large companies are privately held and their figures are not included.

Besides ratios, the study forecasts 1982 and 1983 expenditures for each company, including their advertising growth rates, a measure of advertising and promotion spending stability and Schonfeld's rating of advertising and promotion effectiveness. A copy of the 335-page study is available for $275 from Schonfeld & Associates Inc., 120 S. LaSalle St., Chicago, Ill. 60603, (312) 236-5846, or $250 if prepaid.#

INDUSTRY	A&P % of: SIC	Sales 1981	Margin 1981
Agriculture production-crops	100	2.1	5.4
Agriculture produc-livestock	200	.1	1.0
Metal mining	1000	.5	2.2
Copper ores	1021	.2	1.3
Misc metal ores	1090	.0	.1
Bituminous coal & lignite mn	1211	.0	.2
Crude petroleum & natural gs	1311	.1	.3
Drilling oil & gas wells	1381	.8	1.8
Oil-gas field exploration	1382	.2	.7
Oil & gas field services NEC	1389	.3	.6
Misc nonmetallic minerals	1499	.0	.1
General building contractors	1520	.6	4.0
Operative builders	1531	1.1	4.9
Construction-not bldg constr	1600	2.7	20.6
Construction-spl contractors	1700	.8	5.0
Food & kindred products	2000	3.5	14.2
Meat products	2010	2.1	24.0
Dairy products	2020	3.0	11.4
Canned-preserved fruits-vegs	2030	4.2	12.9
Flour & other grain mill pds	2041	1.4	7.4
Wet corn milling	2046	1.3	7.5
Prepared feeds for animals	2048	6.6	29.6
Bakery products	2050	1.6	3.6
Cane sugar refining	2062	.3	1.9
Beet sugar	2063	.2	.5
Candy & other confectionery	2065	5.9	16.0
Fats & oils	2070	N/A	N/A
Malt beverages	2082	6.9	25.9
Distilled rectif blend bevrg	2085	8.5	20.2
Bottled-canned soft drinks	2086	5.5	11.9
Food preparations NEC	2099	1.0	3.1
Cigarets	2111	6.4	16.1
Cigars	2121	2.1	3.8
Textile mill products	2200	1.2	7.8
Knitting mills	2250	1.7	6.8
Floor covering mills	2270	.6	2.9
Apparel & other finished pds	2300	2.7	8.8
Lumber & wood products	2400	.4	2.0
Wood buildings-mobile homes	2450	1.3	6.7
Household furniture	2510	1.9	6.4
Office furniture	2520	.9	3.1
Paper & allied products	2600	1.4	6.0
Convert paper-paperbd pd NEC	2649	2.2	7.3
Paperboard containers-boxes	2650	N/A	N/A
Printing publishing & allied	2700	.6	2.3
Newspapers publishing-print	2711	1.6	4.0
Periodicals publishing-print	2721	4.5	11.9
Books publishing & printing	2731	4.7	8.5
Commercial printing	2750	.2	.8
Manifold business forms	2761	.2	.5
Greeting card publishing	2771	2.2	4.1
Service indus for print trde	2790	.5	1.4
Chemicals & allied prods	2800	1.3	4.7
Indl inorganic chemicals	2810	4.4	15.9
Plastic matr/synthetic resin	2820	.9	4.0
Drugs	2830	8.2	14.5
Soap & other detergents	2841	7.1	19.7
Perfumes cosmetics toil prep	2844	9.8	16.6
Paints-varnishes-lacquers	2850	3.0	9.6
Industrial organic chemicals	2860	1.6	6.3
Agriculture chemicals	2870	N/A	N/A
Misc chemical products	2890	1.1	2.8
Petroleum refining	2911	.2	1.1
Paving & roofing materials	2950	1.4	7.5
Rubber & misc plastics prods	3000	2.2	9.4
Fabricated rubber prods NEC	3069	.9	3.4
Misc plastic products	3079	3.2	11.5
Footwear except rubber	3140	3.0	8.2
Leather goods NEC	3199	5.8	15.4
Flat glass	3210	.2	.8
Glass containers	3221	1.7	7.6
Cement hydraulic	3241	.5	1.9
Structural clay products	3250	.7	2.1
Pottery products NEC	3269	.7	2.5
Concrete Gypsum & Plaster	3270	1.2	5.5
Abrasive asbestos & misc min	3290	2.0	7.2
Blast furnaces & steel works	3310	1.3	4.6
Iron & steel foundries	3320	.2	.8
Prim smelt-refin nonfer mtl	3330	.5	2.2
Second smelt-refin nonfer mt	3341	.1	.7
Rolling & draw nonfer metal	3350	.9	3.3
Misc primary metal products	3390	.3	1.0
Metal cans & shipping cont	3410	4.1	18.7
Hardware-NEC	3429	3.0	8.0
Heating equip & plumbing fix	3430	2.0	5.5
Solar energy equip & comp	3437	1.4	3.7
Mtl doors, frames, mold & trim	3442	1.2	4.2
Fabricated plate work	3443	.1	.3
Sheet metal work	3444	.7	2.7
Prefab metal bldgs & comp	3448	1.1	5.1
Misc metal work	3449	2.7	11.7
Bolts-nuts-screws-riv-washrs	3452	.5	1.6
Ordnance & accessories	3480	1.5	5.3
Valves/pipe fittings ex bras	3494	1.2	4.0
Fabricated metal prods NEC	3499	1.2	4.2
Engines & turbines	3510	.7	3.0
Farm & garden machinery	3520	1.2	5.6
Constr, min, mat handling eqp	3530	2.1	8.0
Construction machinery & eqp	3531	.2	.7
Oil field machinery & equip	3533	.3	.8
Hoist-indus cranes-monorail	3536	2.1	7.6
Indl trucks, tractors, trailrs	3537	1.2	6.3
Metalworking machinery & eqp	3540	4.0	12.3
Special industry machinery	3550	1.5	4.5
Pollution control machinery	3558	.3	1.1
General industrial mach & eq	3560	.6	1.8
Office computing & acctg mch	3570	.4	.6
Electronic computing equip	3573	1.1	2.4
Refrig & service ind machine	3580	1.2	4.4
Elec & electr mach eq & supp	3600	1.4	4.7
Elec transmission & distr eq	3610	.0	.0
Electrical industrial appar	3620	.5	1.8
Industrial controls	3622	1.3	3.4
Household appliances	3630	2.3	9.6
Electric lighting-wiring eq	3640	1.8	5.4
Radio-tv receiving sets	3651	2.7	7.5
Phonograph records	3652	6.8	21.2
Tele & telegraph apparatus	3661	1.7	6.0
Radio-tv transmttng equip-ap	3662	1.3	4.2
Electronic components & acc	3670	1.2	3.9
Semiconductors & rel devices	3674	1.6	4.5
Electronic components NEC	3679	1.3	3.7
X-ray, electromedical apparat	3693	.8	1.3
Electrical machy & eqp NEC	3699	7.4	22.1
Motor vehicles & car bodies	3711	1.5	12.1
Truck & bus bodies	3713	.3	1.7
Motor vehicle parts-accessor	3714	.8	3.5
Motor homes	3716	.4	2.8
Aircraft & parts	3720	N/A	N/A
Aircraft	3721	.4	2.0
Aircraft parts & aux equip	3728	.5	1.9
Ship-boat building/repairing	3730	.6	4.4
Railroad equipment	3740	.4	1.6
Motorcycles bicycles & parts	3750	1.7	10.0
Guided missiles & space vehc	3760	.4	1.9
Travel trailers & campers	3792	.4	2.3
Engr lab & research equip	3811	1.9	4.2
Measuring & controlling inst	3820	.6	1.9
Industrial measurement instr	3823	1.7	3.9
Elec meas & test instr	3825	1.4	3.7
Optical instruments & lenses	3830	4.6	9.3
Surg & med instruments & app	3841	3.6	7.7
Dental equip & supplies	3843	3.2	7.5
Photographic equip & suppl	3861	2.7	5.5
Watches clocks & parts	3870	2.5	12.3
Jewelry-precious metals	3911	5.1	12.9
Silverware-plateware	3914	1.7	4.2
Musical instruments	3931	2.0	6.4
Toys & amusement sport goods	3940	6.9	18.1
Pens-pencil & oth office mat	3950	4.2	10.4
Misc manufacturing industrs	3990	3.6	9.4
Railroads-line haul operatng	4011	.4	3.5
Trucking-local/long distance	4210	.4	2.7
Water transportation	4400	.5	1.2
Air transportation-certified	4511	1.7	12.4
Pipe lines ex natural gas	4610	N/A	N/A
Transportation services	4700	1.3	4.9
Telephone communication	4811	1.0	2.3
Radio-tv broadcasters	4830	3.5	8.7
Communication services NEC	4890	1.2	3.1
Natural gas transmission	4922	N/A	N/A
Natural gas transmis-distr	4923	.2	1.1
Sanitary services	4950	.1	.2
Whsl-autos & parts	5012	1.7	7.0
Whsl-lumber & constr matl	5030	.3	1.8
Whsl-sporting & recrea goods	5040	1.5	6.0
Whsl-metals & minerals	5050	.1	.5
Whsl-elec apparatus & equip	5063	1.4	4.8
Whsl-elec appliance tv-radio	5064	5.8	16.0
Whsl-electronic parts & eqp	5065	.4	1.5
Whsl-hardwr plum heat equip	5070	2.9	24.0
Whsl-machinery & equipment	5080	1.2	3.9
Whsl-scrap & waste materials	5093	.1	.9
Whsl-durable goods NEC	5099	12.7	40.6
Whsl-drugs & proprietary	5120	.0	.3
Whsl-groceries & related pds	5140	1.3	14.7
Whsl-nondurable goods NEC	5199	.2	3.1
Retail-lumber & other bldg mat	5211	2.6	17.5
Retail-mobile home dealers	5270	1.0	5.0
Retail-department stores	5311	3.0	13.0
Retail-variety stores	5331	2.2	8.1
Retail-grocery stores	5411	1.1	5.0
Retail-auto dealers/gas stat	5500	.5	3.9
Retail-apparel & acces store	5600	3.3	9.2
Retail-womens ready to wear	5621	2.7	8.3
Retail-shoe stores	5661	1.5	3.9
Retail-furniture stores	5712	6.6	16.4
Retail-hshld appliance store	5722	5.0	19.1
Retail-eating places	5812	3.1	15.4
Retail-drug & propriet stores	5912	1.6	6.7
Retail-jewelry stores	5944	5.9	13.6
Retail-sewing & needlework	5949	2.9	5.8
Retail-mail order houses	5961	6.1	22.2
Retail-auto mdsng mach oper	5962	1.7	5.9
Retail-fuel & ice dealers	5980	.1	.2
Retail-stores NEC	5999	3.7	9.3
Savings & loan associations	6120	.5	2.6
Personal credit institutions	6140	1.5	3.9
Business credit institutions	6150	.2	.2
Finance-services	6199	2.9	14.0
Security & commodity brokers	6200	.4	5.7
Insurance agents & brokers	6400	.6	3.5
Real estate	6500	2.2	6.9
Subdivid develop ex cemetery	6552	1.8	8.0
Miscellaneous investing	6790	3.4	5.0
Real estate investment trust	6798	1.5	3.1
Hotel-motels	7011	2.6	9.8
Serv-personal	7200	6.3	19.7
Serv-linen supply	7213	.4	1.4
Serv-advertising agencies	7311	.2	1.9
Serv-clean & maint bldg NEC	7349	.4	2.1
Serv-computer & data process	7370	2.5	7.6
Serv-cmp program & software	7372	.6	2.4
Serv-data processing svcs	7374	.9	2.2
Serv-computer rel svcs NEC	7379	1.0	2.3
Serv-research & develop labs	7391	.5	1.4
Serv-mgmt consulting & pr ser	7392	2.8	9.1
Serv-detective & protective	7393	.2	1.2
Serv-equip rental & leasing	7394	.1	1
Serv-business services NEC	[illegible]	3.3	13.7
Serv-automotive repair & ser	7500	2.4	5.7
Serv-motion picture productn	7810	6.4	27.2
Serv-motion picture theatres	7830	4.1	26.0
Serv-racing incl track oper	7948	4.1	20.0
Serv-misc amusement & recrea	7990	3.5	11.4
Serv-nursing & person care	8050	1.4	7.9
Serv-hospitals	8060	.1	.7
Serv-educational	8200	4.8	9.8
Serv-engineering & architect	8911	.3	1.6

Legend: A&P = Advertising & Promotion. SIC = Standard Industrial Classification. N/A = No data available for this value. NEC = Not Elsewhere Classified. A&P as % Sales = A&P Expenditures/Net Sales. A&P as % Margin = A&P Expenditures/(Net Sales-Cost of Goods Sold).

Shops' expenses at record high as profits hit new low

NEW YORK—Operating expenses of member agencies are at an all-time high and profits have hit a record low, according to a study of the American Assn. of Advertising Agencies.

Tracking costs and profits since 1972, the Four A's found net profit averaged 3.55% of gross income in 1981. In 1980, it was 3.95%. Net profit as a percentage of billing for incorporated agencies has slipped to 0.83% in 1981, from 0.92% in 1980.

While rent, light and depreciation costs were up to a record high of 8.3% of gross income (from 7.95% in 1980), total payroll expenses were down to 60.8% in 1981, from 61.3% in 1980. However, agency employers are kicking more into retirement and insurance plans.

In the wake of Reaganomics, taxes are hitting new highs. Other than income tax, taxes rose from 4.3% of gross income in 1980 to 4.4% in 1981.

The study noted: "In some agencies, such taxes are greater than rent." The accumulative state, county and municipal taxes, Social Security and federal taxes now rank as the third-highest expense in agency operations, behind rent and payroll.

Income tax accounted for 1.33% of the gross in 1981, compared with 1.25% in 1980.

Total expenses for agencies are also at a record high—95% of gross income in 1981, compared with 94.8% in 1980. In 1972, total expenses accounted for 94.6% of the gross.#

KENNETT HINKS

BALTIMORE—Kennett W. Hinks, 85, a former director of J. Walter Thompson Co., died here July 22 at Johns Hopkins Hospital. He resided in Cockeysville, Md.

Mr. Hinks began his career at JWT's Chicago office in 1921 as director of research.

In 1925, he was appointed Pacific Coast manager of JWT's then new San Francisco office. From 1929-1932, he managed the company's Berlin office and supervised the Vienna and Warsaw offices.

Mr. Hinks returned to the U.S. in 1932 as an account rep in the Chicago office. He was elected a vp in 1936.

After taking a leave of absence to serve in the Office of Strategic Services during World War II, Mr. Hinks joined the agency's New York office in 1946.

In 1952, he was elected a director of J. Walter Thompson Canada. He was appointed to the executive committee in '55, named a senior vp in '61 and retired in '64.

JOHN McQUIGG

STUART, FLA.—John L. McQuigg, 74, a former director of J. Walter Thompson Co., died at his home here July 8.

Mr. McQuigg joined JWT's Detroit office in 1955 and was named vp later that year. He was elected to the board in 1957 and appointed to the executive committee in 1959. He retired in 1964.

Before joining JWT, Mr. McQuigg served as an exec vp at Lennen & Newell, a manager at the Geyer, Cornell & Newell agency in Detroit and as an assistant ad manager at Frigidaire. He began his advertising career as ad manager for West Texas Utilities.

MIKE McGOWAN

WILLINGBORO, N.J.—Mike McGowan, 61, a retired sales rep for the *Pittsburgh Press*, died of cancer here July 16. Before moving to the *Press*, Mr. McGowan was manager of the Scripps-Howard Newspapers' Philadelphia office. His previous sales jobs included posts at two now-defunct New York newspapers, the *New York World Telegram* and *New York Herald Tribune*. He also worked for San Diego Newspapers; Moloney, Regan & Schmitt, and Story & Kelly-Smith.

Four A's agencies' costs and profits

(Per cent of gross income unless otherwise stated)*

Number of agencies represented	1972 240	1978 242	1979 265	1980 272	1981 279
Rent, light and depreciation	7.74%	7.22%	7.64%	7.95%	8.30%
Taxes (other than U.S. income)	3.27	4.11	4.20	4.30	4.40
Other operating expenses	15.95	16.89	16.91	17.13	17.28
Total payroll	64.53	61.02	60.93	61.27	60.79
Payments into retirement plans	1.96	2.32	2.37	2.23	2.29
Insurance for employee benefit	1.19	1.71	1.77	1.89	1.96
Total expenses	94.64	93.27	93.82	94.77	95.02
Profit before U.S. income tax for all agencies	5.36	6.73	6.18	5.23	4.98
U.S. income taxes	1.60	1.64	1.34	1.17	1.31
Net profit	3.76	5.09	4.84	4.06	3.67
Profit before U.S. income tax for incorporated agencies	5.42	6.58	6.01	5.20	4.88
U.S. income tax for incorporated agencies	1.80	1.84	1.42	1.25	1.33
Net profit for incorporated agencies	3.62	4.74	4.59	3.95	3.55
Net profit for incorporated agencies (as percentage of sales — *i.e.*, billing)	0.75	0.99	1.03	.92	.83

*Gross income comprises commissions, agencies' service charges and fees.

Source: Annual studies of advertising agencies' costs and profits conducted by American Assn. of Advertising Agencies. Figures are averages for agencies of all sizes.

DANIEL E. SHEA JR.

MEDIA, PA.—Daniel E. Shea Jr., 49, former publisher of Chilton Co.'s *Instruments & Control Systems*, died of a heart attack on June 24 while in Boston on a business trip.

At his death, Mr. Shea was president of the instrumentation and controls division, Technical Information Distribution Service, a direct-mail service.

He also founded and published *Control Equipment Master*, a catalog service, and helped introduce *Food Engineering Master*. Earlier, he served at United Technical Publications in a number of publisher and management positions. He started his career at McGraw-Hill, and held posts at *Architectural Record*, *Electronics*, *Modern Hospital* and *Nation's Schools*.

WILLIS T. SMITH

CHICAGO—Willis T. Smith, 50, assistant manager of the Chicago office of *National Geographic*, died July 6 after suffering a stroke in the offices of N W Ayer. He was pronounced dead at Northwestern Memorial Hospital. Mr. Smith, who lived in suburban Deerfield, was with *National Geographic* for 16 years.#

the advertising market place

MEDIA RESEARCH

Major consumer magazine, NYC headquarters, has excellent opportunity for research analyst with 3-5 years of media research experience. Candidate must have thorough knowledge of audience research syndicated services, computer operations, and IMS on-line systems. Heavy sales staff contact. Outstanding company benefits. Send resume with salary requirements to: Anna F. Savitt, U.S. NEWS & WORLD REPORT, 45 Rockefeller Plaza, New York, N.Y. 10020

ACCOUNT EXECUTIVE NEW YORK CITY

Major 4-A agency is looking for AEs to work on national accounts. Candidates should have 2 or more years of agency experience and be able to help design and execute advertising and sales promotion aspects of marketing plans. Marketing degree a plus. New business experience helpful. Great career growth opportunity. Qualified candidates should send their resume and salary history, in confidence to:
Box 4830, ADVERTISING AGE
220 E 42nd St., NY, NY 10017

ADVERTISING SPACE SALES

Individuals or "Rep" firms needed for territories nationwide. New "Ad Management" firm specializing in trade and consumer magazines ready to subcontract space sales to qualified firms or individuals. Call Gayle Essary at (212) 445-8063 and send information to ESCO Media Services, 35-73A 159 St., Flushing, N.Y. 11358 today.

PACKAGE DESIGNER

Photography oriented designer for creative/photo studio. Food packaging background necessary. Send resume & 3 Xerox copies of best work to Box 5143/ Hopkins, MN 55343. (Mpls area)

RETAIL FOOD
SENIOR ACCOUNT EXECUTIVE
AND ACCOUNT EXECUTIVE

Major New York City agency has two immediate openings for experienced Account Executives on a large retail food (supermarket) account:

SR. A.E. to interface with client's regional top level executives. Applicants must have a minimum of three years in retail advertising mansgement at client or agency; food/fast food background is preferred. The position requires a "self-starter" with thorough knowledge of all media, particularly broadcast, and strong sales promotion skills (conception through execution). Good presentation skills necessary.

A.E. to service client at regional and corporate levels. Minimum two years in agency account management required, preferably on retail/consumer accounts. Must possess working knowledge of all aspects of advertising procedures and strong basic marketing skills. Knowledge of broadcast media is essential.

These positions are highly visible and offer excellent opportunities for advancement in a growth oriented environment.

If you have the ability and experience to meet the above qualifications please send resume and salary history in strict confidence to:
Box 4836, Advertising Age
220 East 42nd Street
New York, NY 10017

A.E. CALL HOME!
A.E. CALL HOME!

We're a rapidly growing South Florida ad agency looking for an individual with motivation and knowhow.

If you're strong in marketing and account management, have a minimum of 3-5 years experience and a high degree of people skills ... let's communicate!

Please send your complete resume including salary history in confidence to:

Birkenes & Foreman Adv.
1388 N.W. 2nd Avenue
Boca Raton, Florida 33432

PRODUCT MANAGER

Our NYSE-listed, consumer goods company is seeking a dynamic Product Manager. You will work on an existing brand and also be involved in rollout of a New Product. Degree required. MBA (preferable) plus 2-5 years Product Management experience in either package or hard goods. Please send resume with current salary to:

Box 4828, ADVERTISING AGE
740 Rush St., Chicago, Ill. 60611

WEST COAST AND NYC
SPACE SALES

TICKET HOLDER MARKETING, THE FOLKS WHO HAVE MADE AIR LINE TICKET HOLDERS A VEHICLE FOR MAJOR NATIONAL ADVERTISERS, WANTS TO BUILD ITS OWN AD SALES FORCE.

IF YOU HAVE CURRENT AGENCY AND CLIENT CONTACTS AT THE TOP OF THE MARKET, THIS IS A TREMENDOUS OPPORTUNITY FOR DOLLAR REWARDS.

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Aviation Marketing Communications

We are conducting an exclusive professional search for an individual with a background in writing for the Aviation industry. Our company is a recognized world leader in the Aerospace/Electronics industry.

This challenging opportunity will be involved with writing copy for sales brochures, news releases, direct mail,P.O.P.; assisting in the development of advertising and promotional plans, and working with our advertising agency in the development of national advertising.

The successful candidate will have creative writing ability, five or more years in advertising or journalism, and a degree ip a related field. A pilot's license is preferred, but experience in general aviation writing will be considered.

If you believe your background and interests relate to this challenging assignment, please communicate your qualifications including writing samples and salary history to us with the assurance that absolute professional confidence will be strictly enforced, and under no condition will your trust be violated.

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C2710-1 8/9/82

Advertising Age

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P&G rumor blitz looks like a bomb

Procter & Gamble Co.'s massive national publicity campaign to defuse rumors that it is in league with the devil—a campaign of perhaps unprecedented scope in U.S. marketing—was largely unnecessary and ineffective in reaching people who might believe the rumors, according to a national survey commissioned by Advertising Age.

The principal effect of the campaign, the survey suggests, has been to increase awareness of the rumors—and of P&G's vigorous denials of them—among people who were disinclined to believe the "devil worship" stories anyway.

The survey, and concurrent Ad Age interviews with dozens of grocery-products retailers, wholesalers, buyers and others, also indicates that, contrary to P&G allegations in the five lawsuits it has filed against alleged rumormongers, the rumors have had minimal effect on its sales and reputation.

The "costly public relations campaign nationwide" that P&G says it has undertaken may be in itself harmless; there appears to be little danger of the strategy backfiring and causing more people to believe the rumors, for example. Yet the whole affair does raise the question of whether the usually cooly analytic marketer overreacted to a rumor that all but a small minority of Americans seem to dismiss on its face. The lesson for other marketers, the data and some observers of the P&G reaction suggest: Look to P&G to write the rules on selling toothpaste and disposable diapers, but not necessarily for guidance on dealing with rumors.

There is one facet of the matter that some people suggest could yet make it something other than a bizarre footnote in the annals of marketing. That is what the P&G reaction might portend about the leadership of John G. Smale, P&G's chief executive since early last year, who supposedly is injecting a new aggressiveness into the company. "The decision to go public sounds to me like a John Smale special," said Hercules Segalas,

(Continued on Page 68)

P&G and the Devil

Highlights of an exclusive Advertising Age survey

Per cent of all Americans aware of rumors:

United States - 32% | South - 42%

Main source of awareness:

United States - Newspapers - 34% | South - Word of mouth/in church - 32%

Per cent of those aware of rumor who believe it:

United States - 3% | South - 5%

Buying habits of those who are aware:

Buying fewer P&G products - 5% | Buying same - 94% | Buying more - 1%

Per cent who have heard P&G denials:

Believe/unsure of truth - 53% | Nonbelievers - 83%

Per cent who are aware of P&G products:

Could not name one - 79% | "Never buy" - 6%

last minute news

Southwest Media's Allison to run new N.Y. unit

New York—Wick Allison, 34, president of Dallas-based Southwest Media Corp., is moving here to head a new, as-yet-unnamed division. Mr. Allison's primary responsibilities will involve SMC's *Sport* magazine and the possible acquisition of other national magazines. Mr. Allison leaves the presidency of SMC and the management of its other magazines (*D, Houston City, Texas Homes*) to Bernard Kraft, 40, exec vp. Reports that Mr. Allison is being eased out after a power struggle were denied by Mr. Allison and SMC director Carl Sewell. "It was a personal decision," Mr. Allison said.

Nestle tries again with revamped Sunrise

White Plains, N.Y.—Nestle Corp. will introduce a reformulated and newly packaged version of Sunrise, its coffee mellowed with chicory. Ads by J. Walter Thompson USA will break this fall. Budget undisclosed.

FDA getting tough with starch blocker makers

Washington—The FDA said last week that some companies producing starch blockers, the controversial new fad diet product, are intentionally disseminating false information about the government's position. FDA has told 263 companies to stop marketing the pills and provide the agency with data on safety and efficacy (AA, June 21, et seq.). It said some com-

(Continued on Page 8)

Ad hoc net if players strike NFL

Turner plots grid league

By SUSAN SPILLMAN

New York—Flamboyant opportunist Ted Turner struck again last week, this time capitalizing on the possibility of a National Football League Players Assn. strike.

In the event of a players' walkout, Mr. Turner's superstation WTBS plans to form an ad hoc network and hopes to distribute games to stations in every tv market. Between six and eight regional teams would be formed by top NFL players.

The accord reached with the NFL Players Assn. calls for the telecast of a prime time Monday night and a Sunday afternoon game weekly throughout the season. Mr. Turner, optimistic of clearing 100% of the country with his offer, expects to get $150,000 per 30-second spot, the same price charged by ABC for its Monday night games and $50,000 more than the going rate for NBC's Sunday afternoon football coverage.

If the union does form its own teams for telecast on WTBS, the NFL will sue the players, said league spokesman Jim Miller. He said individual player contracts, prohibiting them from playing football for any other club, are binding despite a strike.

Agency executives contacted by Advertising Age were amused by Mr. Turner's expectations and feel a strike may not occur.

Some agency executives contacted by WTBS salesmen said the superstation was hoping to work out package deals for spots on its National Collegiate Athletic Assn. football series, reportedly due to disappointingly sluggish ad sales.

In February, WTBS paid a whopping $17.6 million for the first live cable coverage of NCAA football.

At press time, details of the deal between the players and Mr. Turner had not been finalized but were supposed to be ironed out during the weekend. A press conference tentatively is scheduled in Washington for Tuesday.

Ed Garvey, NFL Players Assn. executive director, however, said WTBS would guarantee the players a yet-to-be determined rights fee in addition to a percentage of the ad revenues.

Unaware that Mr. Turner had

(Continued on Page 70)

In Del Monte, Libby vegetable lines

Salted items take a licking

By CHUCK REECE

New York—S.S. Pierce Corp. and Del Monte Corp., seeking to capitalize on Americans' growing concern about sodium consumption, are rolling out lines of canned vegetables without added salt—and without test market experience.

While Del Monte, according to president Robert Fox, aims for its No Salt Added line to "complement rather than compete with" its regular canned vegetables, S.S. Pierce's Libby's has made a more drastic move: It is converting its entire line of canned vegetables to no-salt and no-sugar-added products called Libby's Natural Pack. The only exceptions are items such as pickled beets and sauerkraut, which require sugar and salt in their recipes. These will be called Libby's Deli-Pack.

Libby's Natural Pack line has 12 products in 35 styles and unit sizes, including peas, corn, green beans, wax and lima beans, beets, mushrooms, carrots and spinach.

Del Monte's No Salt Added line has five products—corn, peas, green beans and tomato sauce and paste—in 14 varieties or sizes, each, except the tomato products, with less than 10mg of sodium per half-cup serving. Typical canned vegetables have around 350mg of sodium per half-cup.

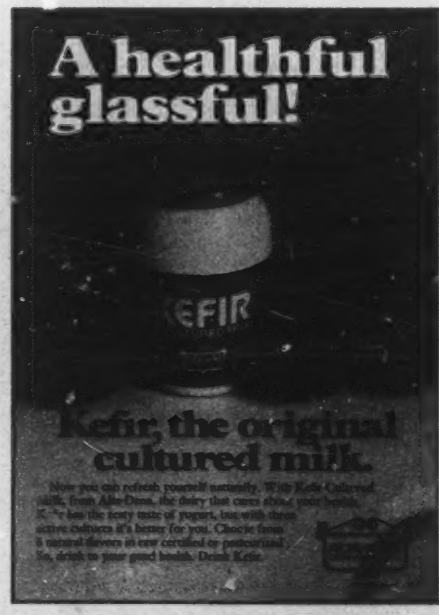
The company's vp for corporate research and technical services, D.L. Meggison, said the No Salt Added line would have a lower

(Continued on Page 70)

Morton asks fewer restrictions on its Lite Salt. . .See Page 54.

NEWSPAPER

AA
DC20014CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014



We got culture

Alta-Dena Certified Dairy, City of Industry, Cal., is using color ads for Kefir, a cultured milk product in eight flavors, in August issues of health food publications and September issues of consumer magazines. The campaign includes radio, via Solemene & Associates, Dallas.

FULL BOARD ACTS TODAY

NAB committee picks Thurston

By MAURINE CHRISTOPHER and ROBERT COOK

At stake is the presidency of the National Assn. of Broadcasters, potentially one of the most influential and high-profile positions in the communications industry.

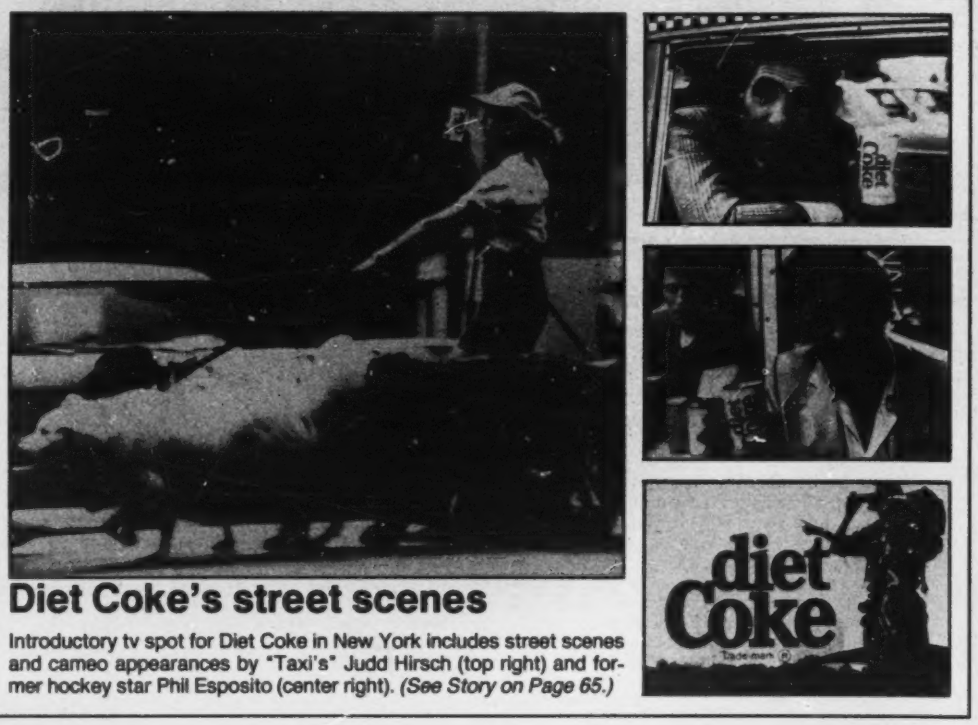
If the 48-member board of the $9 million lobbying outfit endorses the work of its search committee, Donald Thurston, owner of Berkshire Broadcasting, North Adams, Mass., will capture the prize today at a meeting at the O'Hare Hilton outside Chicago.

Last week, the 52-year-old radio executive, who learned trade association politics as NAB chairman in 1977-78, took the preliminary contest when the search committee, led by Gert Schmidt, Harte-Hanks Communications, Jacksonville, and William Stakelin, Bluegrass Broadcasting, Orlando, chose Mr. Thurston over another small-market broadcaster, Edward O. Fritts, 41, head of Fritts Broadcasting, Indianola, Miss. Mr. Fritts, the incumbent joint board chairman, temporarily gave up that $50,000 short-term chairmanship July 23 to bid for the $200,000 fulltime presidency.

The Thurston forces emerged victorious from the search committee after a long, tiring session and two crucial votes. First, the committee voted to recommend a single candidate to the board from a list of seven finalists. Then the 12 members wrote their choices for the person to be recommended on another ballot.

Mr. Thurston won this ballot by

(Continued on Page 66)



Diet Coke's street scenes

Introductory tv spot for Diet Coke in New York includes street scenes and cameo appearances by "Taxi's" Judd Hirsch (top right) and former hockey star Phil Esposito (center right). *(See Story on Page 65.)*

Cuts spur grumbling on Gannett papers

By STUART EMMRICH

New York—While Gannett Co. pushes toward the Sept. 15 introduction of *USA Today*, a national newspaper that will cost the company an estimated $20 million this year and $35 million the next, papers throughout the Gannett chain are being told to slice their operating costs and improve profit margins.

Hiring freezes have been imposed, staffs have been stretched thin, travel budgets have been cut, news holes have been reduced, raises are becoming scarcer and less generous and papers are being asked to cut corners any way they can, according to a number of Gannett staffers in New York, Indiana, New Jersey, Florida, Mississippi and Ohio.

"We are being asked to be lean and hungry again," an editor at a Gannett paper in New York recently told his staff.

Although Gannett staffers say they would be reluctant to state that their papers are being "bled" to provide financing for *USA Today*, the juxtaposition of the cutbacks throughout the chain and the very visible millions of dollars being pumped into the new national paper have caused substantial morale problems at Gannett.

"I'm not sure that some of these cuts aren't just coincidental—what with the economy the way it is—but the more cynical of us believe that the emphasis is on *USA Today* and the rest of us be damned," one Gannett staffer said.

Feeding that suspicion are the resources that are being diverted to *USA Today* at the expense of the chain's other papers. Of the about 220 editorial staffers who have joined the national newspaper, 75% have come from Gannett papers. And those papers' execs say they are being asked to "eat" those positions; the lost staffers cannot be replaced and the individual newspapers must continue to pay their salaries for up to six months, they complain.

The papers also are being asked to contribute a share of their newsprint to provide a supply for the new paper, a contribution that further is reducing a sometimes skimpy news hole, staffers say.

"If you look at any Gannett paper these days, there is not much of a news hole, but ours was small to begin with and getting smaller all the time," said an editor who just left an upstate New York paper.

"Our news hole just shrunk this spring and has stayed that way ever since," echoed a reporter on a Gannett paper in New Jersey, who worried that staffing and news hole cuts could lead to a loss of readers who might never be won back.

Gannett executives deny that reductions in operating costs at the chain's newspapers are related directly to *USA Today*, but say they are tied more closely to the economy and financial conditions at individual papers. They acknowledge, however, that the introduction of *USA Today* might have made those budget cuts a bit more urgent.

"The over-all financial strength of a company is important when you are starting up a new enterprise. Everyone is trying to maximize revenues and minimize expenses," a Gannett spokesman said. "Trying to cut expenses wherever possible is an ongoing process at Gannett that perhaps has been

(Continued on Page 70)

highlights

Monday, August 9, 1982

Time Inc. will decide by Labor Day whether it will launch its long-planned cable tv magazine, according to publishing and cable industry sources. *See Page 6.*

The American Assn. of Advertising Agencies reports a trend that it likes: Advertisers are moving larger accounts from in-house to outside agencies. *See Page 6.*

Republicans are seeking new ad strategies as the result of a study analyzing negative advertising and the best defense against it. *See Page 10.*

General Motors execs are not optimistic about the possibility of a strong upturn in 1983 auto sales in light of the general economy. *See Page 12.*

Gambling Times magazine is trying to obtain working capital by selling stock on the over-the-counter market to the public. *See Page 12.*

After months of negotiations, Chipwich Inc. has settled its differences with its former marketing arm, Premium Products Sales Corp. *See Page 14.*

Pan Am's introduction of WorldPass has not caused any change in the bonus-for-mileage programs—at least not immediately. *See Page 14.*

The mutual fund industry, charging deception in bank ads on an unprecedented scale, has appealed to the SEC to intervene. *See Page 20.*

M&M/Mars is replaying its "bigger-is-better" ad pitch, once again increasing weights of its single candy bars without raising prices. *See Page 24.*

MortonNorwich is asking the FTC to review its 1975 order calling for restrictions and warnings in ads for their Morton Lite Salt Mixture. *See Page 54.*

Observers are anticipating further shakeups at Midway Airlines after its new chief exec reviews the airlines operations. *See Page 55.*

The new law that will regulate radio and tv in Socialist France does little to end confusion over the government's ambivalent attitude toward advertising. *See Page 64.*

A multimedia ad campaign by the French government attempting to win over a public unhappy with recent wage and price controls is under attack by opposition parties. *See Page 64.*

CORPORATE CLOSEUP

After a 27.2% rise in sales compared with last year, Italy's Olivetti is adopting an aggressive strategy to turn around several years of disappointing U.S. returns. *See Page 4.*

VIDEOTECH

CBS Entertainment has nearly completed its backup programing that will replace failed series on next year's regular schedule. *See Page 44.*

The producers of Public Broadcasting's "MacNeil-Lehrer Report" have pooled their resources for a modest ad campaign into America's heartland to increase the show's visibility. *See Page 44.*

A new production unit of Reeves Communications is planning to focus on the videotaping of stage plays as specials for cable tv. *See Page 54.*

MAGAZINE

Over the years, packaging has gained in marketing prominence, influenced by mass-merchandising outlets and a consumer attitude of buy-what-I-see. *See Page M-5.*

Get a jump on the early warning signs that indicate you could lose an account, cautions agency exec John Siddall in this week's Small Agency Panel. *See Page M-15.*

SPECIAL REPORT

Themarketing of maps is dominated by Rand McNally and Hammond, and the two cartographers are now mapping out their own niches in premium and incentive strategies. *See Page M-5.*

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Kellogg to try upscale yogurt line

By JANET NEIMAN

Kellogg Co. is about to shake up the yogurt industry once again with the introduction of what is being touted as the highest quality yogurt available.

Whitney's yogurt, now entering test markets in the Baltimore/Washington area, is a an upscale nine-item line of yogurt with real fruit in its own juice. The product will sell around 65¢ for a 6-oz. serving. The product and its name were internally developed by Kellogg, according to the company.

Area retailers see Whitney's potential for expanding the $371 million yogurt market.

One retailer noted that Whitney's "may not take the place of [No. 1-ranked] Dannon for people who really like the Dannon-type of bite. This is more like a custard. People who don't like yogurt normally will love this."

Buyers say they don't intend to eliminate any existing brands from their shelves to add Whitney's. The new line, one source noted, "isn't replacing anything, it's bringing in new users." He likens the entry to that of French-style yogurts, which debuted after the yogurt

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Ad Age poll tallies active shoppers

Amid gloom, many hot prospects

By LEO J. SHAPIRO and DWIGHT BOHMBACH

Coming into the last half of 1982, our Advertising Age National Poll finds consumers generally wary about committing to major purchases. But they are far from panicky. Even though the per cent of those who feel secure enough to plan to buy new cars, housing, appliances, carpets, color tvs and other major goods in the year ahead is low, it's still within limits of the range we've seen these last three years.

The most positive news for business, easy to miss amid the general gloom, is that, sifting through the mass of consumers across the nation, very large numbers of prospects actively are shopping for major goods today. For example, during a typical month in the first half of 1982, as many as 6 million Americans actively shopped for new cars, read ads, compared models and prices or visited dealers. As many as 12 million actively shopped for other big-ticket items for their homes: Major appliances, color tvs, stereos, carpeting.

These "liveliest prospects"—the consumers who can turn the economy if they go ahead and buy—are not only different from the mass of Americans in terms of demographics; they also are different in how they view their own finances and the nation's economy.

Selling in a buyer's market

In gauging the direction of an economy where many consumers have resources but have mislaid their urgency to buy, it's prudent to focus on those consumers who are the hottest prospects. Consumers who plan to buy in the coming year can be separated into:

ACTIVE PROSPECTS: Already shopping; reading ads, comparing prices, features and models, visiting dealers.

PASSIVE PROSPECTS: Planning to buy in the coming year but not doing anything now.

What is significant about the figures on consumer purchase plans and shopping for new cars, housing, furniture and other major items in the accompanying chart is this: They indicate a potential market large enough to support explosive growth in the economy.

It should be emphasized that these data show only the degree of consumers' willingness to buy. They don't show sellers' ability or willingness to shape deals that will convert willing prospects to buyers. It takes "two to tango"—a prospect willing to buy and a seller with the right product and deal. These figures on consumer purchase plans and shopping activity are not estimates of future sales. In the last analysis, sales always depend on sellers.

Start with demographics

To see what sort of people are the hottest prospects, let's take the widely watched market for new cars as a case in point.

Demographics clearly can help locate the active car prospects.

It probably won't come as any great revelation to learn that consumers planning to buy a new car (whether active or passive planners) are differentiated from the general population on bases of occupation, income, age, sex and the demographic data. For example, planners are almost twice as likely to be professionals than the average consumers. Active planners include almost three times the national norm of people with income over $40,000. Also, people planning to buy a new car are likely to have children under the age of three; but, this same group of parents with young children is overrepresented among active planners and underrepresented among passive planners.

Focus on emotions

The key differences between passive and "hot" prospects are not only demographic but are also largely emotional. It's how consumers feel—about themselves and about the world—that separates passive from active new car prospects.

Let's look at how these active shoppers for new cars view themselves and the world in the midst of the current recession.

Active planners are more confident: Basically, active new car planners are full of optimism about both the national economy and their own financial outlook. They are much more likely to expect the economy to improve in the year ahead (53%) than are members of the general population (38%). And *active* planners are even more likely to be optimistic for the economy (57%).

As for their own finances, active planners are much more likely to expect more real income for saving or spending in the year ahead (50%) than are passive planners (36%) or Americans generally (28%). And why shouldn't "winners" be this optimistic? Half of the active planners (50%) say they're better off financially now than they were a year ago. Is it any wonder that these are the consumers most optimistic about their prospects in the year to come? Seven in 10 active planners expect to be better off in 1983, compared with only about four in 10 Americans on average. Success breeds dreams of more success.

Active planners worry less about inflation: People who are actively planning to buy a new car also take a different view of the nation's major problems from that of other Americans. Forty-one per cent of all Americans spontaneously name inflation as a "major national problem." Among those planning to buy a new car, only 36% are concerned about inflation; even fewer (33%) among the active planners. Advising new car prospects to "buy now while the prices are down," and offering "low, low interest," may tell these prime prospects about something that doesn't concern them a great deal unless they feel the car offered has the features they want. Otherwise, as Honda advertising advises, they can conclude that it "pays to wait."

Active planners are more ready to spend, borrow, buy: Even in today's recessionary economy, active planners are not only freer about planning for major purchases, but also freer in spending than either Americans generally or passive planners.

For example, while most Americans (51%) cut back on family spending for consumables in the first half of 1982, only 35% of active new car planners cut back. In terms of big-ticket expenditures, they also are more likely than most Americans to believe "now is a good time to make some major purchases" and more likely to have something specific in mind to buy at current prices.

Since they take a positive view of the future for both themselves and the nation's economy, it's not surprising to find that people actively planning to buy a new car are more than twice as ready to use their credit or borrow money for a major purchase as the average American; also they are much more inclined to borrow now than are passive planners. In the year ahead, one in three active planners (33%) expects to take on additional debt, a proportion almost twice as high as Americans generally (16%).

These optimistic, expansionistic active new car prospects not only have a new set of wheels in mind—they want a *lot* of the "good things of life," as they see it. Active new car planners also are more likely than Americans generally—even passive planners—to be planning and actively shopping for other big-ticket goods: A house, used car, furniture, major appliances, stereo, color tv, air travel and carpeting.

When you're a "winner," even in a recession, all things seem accessible and possible. Active new car prospects, for example, are more than twice as likely as consumers nationally to be shopping actively for a house, while the per cent of passive new car prospects actively shopping for a house is exactly at the national norm. But the reality is that the buying power of "actives" has limits. If they buy one item, they are not likely to buy another as well. So, in projecting sales, remember that active shoppers spend their money twice or three times in their imagination before actually committing to a purchase.

Looking ahead

America has massive unused production capacity; millions of trained workers eager to go to work again; a huge backlog of needs and buying power in households that have been holding back too long.

In spite of the economic gloom across the country during second quarter 1982, there are enough consumers actively rehearsing major purchases to spark enormous sales increases—not only for individual companies, but for the national economy.#

Consumers' willingness to buy

Item	Per cent who plan to buy	Per cent who are actively looking	People actively looking as a per cent of people who plan to buy
House	7.4%	4.9%	66%
New car	13.5%	6.6%	49%
Used car	16.4%	6.6%	40%
Furniture	16.2%	7.0%	43%
Major appliances	8.4%	3.6%	43%
Stereo/hi-fi	5.7%	2.8%	49%
Color tv	5.7%	2.3%	40%
Air travel	21.3%	10.5%	49%
New carpeting	9.7%	4.7%	48%

Source: Leo J. Shapiro & Associates, Inc.
Interviews with a national sample of 1,354 men and women conducted in April, May and June 1982

Six companies honored for marketing motivation

Union, N.J.—National Premium Sales Executives has selected six companies as winners of its Marketing Motivation Awards to be presented at the National Premium/Incentive Show in Chicago Oct. 11.

Castle & Cooke Foods, San Francisco; Hunt-Wesson Foods, Fullerton, Cal., and Union Trust Co. of Connecticut are the winners in the consumer promotion category. In the trade incentives category, the top awards go to Fram Corp., East Providence, R.I.; Fuller Brush Co., North Kansas City, Mo., and Home Box Office, New York. NPSE has given the awards, previously called the Incentive Showcase Awards, since 1962.

California agencies join to form Anderson/Miller

San Francisco—California Foods Communications, a foodservice advertising agency, and sales promotion agency Miller Communications have merged to form Anderson/Miller Communications. California Foods president Norm Anderson has been made president-chief executive officer of the new company, and Frederic S. Miller has been made exec vp and general manager.

Anderson/Miller Communications is located at the former California Foods offices at 846 California St., 94108.

Second-quarter poll results

Recession, unemployment cause greatest concern to consumers

Why are consumers in the second quarter of 1982 generally so wary about committing to major spending? Concern over the national economy, for one thing. Regardless of hopeful sounds emanating from high places, two in three Americans believe "things are getting worse for the nation." Six in ten don't expect the economy to get any better in the coming year. Four in ten expect it to get even worse.

Worry about employment also is making consumers wary. When we ask people to name the nation's major problems, nearly half (47%) now spontaneously mention "unemployment and recession." This is not academic: As the second quarter ended in June, more than one-third of the people we talked with nationally (38%) were expecting that they, or someone else in their family, would lose a job, be laid off or have hours, pay or commissions cut in the next few months. This is the highest level of individual concern about jobs we've seen since starting these national measurements seven years ago.

On the other hand, in spite of these worries, most Americans feel themselves in pretty fair financial shape personally. They also are encouraged by the fact that, by careful managing, they've kept their own financial balance so far, even in an increasingly shaky economy. Seven in ten have seen their financial balance improve (28%) or at least hold even (40%) in the past year. As they look ahead, eight in ten expect to be in better financial shape (44%) or at least as well off (36%) a year from now.

More than nine in ten Americans (92%) still expect to have as much income (43%) or even more (45%) next year. Only 8% expect to have less. And even though the annual inflation rate crept up again as the second quarter ended, the over-all easing of inflation has been a tonic for consumers. Four in ten (42%) now find themselves with money left over for saving at the end of the month. About three in ten (27%) expect to increase family savings in the year ahead.

Creating a buyer's market

As we contrast how Americans feel about their own finances in the second quarter of 1982 with how they felt in the same quarter last year, it's striking to see relatively little change in their confidence about managing their finances in the face of a troubled economy. The number of consumers who, in the second quarter of 1981, expected to maintain or improve their financial balance (85%) is roughly equal to the number (83%) feeling the same way in the second quarter of 1982.

Both in 1981 and 1982, when consumers think about the nation's problems, three in four spontaneously talked about economic troubles. The big difference is that in the past year, consumers have replaced fear of inflation with fear of recession and unemployment. Asked to name the major problems facing the nation, sharply fewer spontaneously name inflation in 1982 (35%) than in 1981 (52%) and sharply more spontaneously name recession/unemployment (46%) as a major problem in 1982 than in 1981 (20%).

Consumers exchanging fears of inflation for those of unemployment have been ruinous for retailers and manufacturers of major goods. Consumers' strategy for managing during inflation is to buy housing, cars and other major goods before prices and interest rates go higher and the buying opportunities are lost. Their strategy in time of recession is to "sit tight and don't stick your neck out." As a result, the great mass of consumers have been playing a "waiting game" on major purchases for the past year.

By now, most consumers seem to accept troubled economic times as a way of life. They're settling in to live with recession as comfortably as possible while deferring major purchases. Only 16% say they expect their total indebtedness to grow in the year ahead.#

Deep beliefs move anti-Satan groups

In a small town in the Southwest, an area of high plains, corn and cattle, the Fundamentalist Christian movement is as strong as the thousands of sunflowers waving in the hot dry breeze.

Some people in this community feel deeply enough about the alleged connection between Procter & Gamble's logo and Satan to print and distribute copies of a leaflet warning their neighbors not to buy P&G products. A young woman there, a member of a family that has engaged in this activity, defied the warnings of her elders to talk about her religious beliefs, Satan and Procter & Gamble.

She herself had been a member of a religious cult, which she now believes to be satanic, before she became a "good Christian." She said God spoke to her and told her to be interviewed. The reporter, not being a believer, presented an evangelistic opportunity.

"I don't know if Procter & Gamble is a satanic company, but I know their logo is satanic. That's no man in the moon, that's a ram's head," she said. The ram, these Christians believe, is one form Satan takes when he shows himself on earth. The stars in the logo have been connected with lines to show the "666" symbol, which is "the mark of the beast" according to their interpretation of a verse in the 13th chapter of the Book of Revelation.

"People who are into satanism use symbols to conjure up Satan as a living being," the young woman explained. "I've seen it done."

The main point for this articulate, bright-eyed young woman and others of her belief is, "You either work for one or the other." Or as she stressed later in the conversation, "There are two forces, that's it!" The forces, as she sees them, are God or Satan.

Some official of P&G, she believes, really did go on the "Merv Griffin Show" and tell of his deal with Satan. She didn't see it, but she knows someone, whose name she wouldn't reveal, who did. She feels a company like Amway, "a Christian company run on Christian principles" is more appropriate for her support.

But Procter & Gamble is not the only institution Christians are being directed to shun. Widely read books and newsletters available in Christian bookstores reveal a doctrine that warns believers to steer clear of any connection with the symbol "666."

The basis for this theme, according to a woman who operates a Christian bookstore in this southwestern town, lies in the belief that Jesus is coming back. Before this can happen, believers say, there will be a seven-year period of adversity, brought about by the Antichrist. In a melding of religious and secular philosophy, the doctrine is being communicated in this way: The Jews, because they did not accept Christ as the Messiah, will be deceived by Satan in the form of a person who will be heralded as the Messiah. This person eventually will become the leader of a unified world, and is referred to in some writings as "the World Dictator."

Basing their belief on a very literal interpretation of Revelation, the doctrine says the World Dictator will require people to carry the mark "666" either on their right hand or their forehead in order to buy food and other necessities. But Christians are told in the Bible not to accept the mark, or they cannot be saved, the believers feel.

A book "When Your Money Fails" by Mary Stewart Relfe, a best seller in the religious market, spells out the scenario. The book opens with the quotation from Revelation 13:18: "Let him that hath understanding count the number of the beast: For it is the number of a man; and his number is six hundred threescore and six."

A scenario for satanism?

"The poignant question facing us is how long will it be before we in the United States and the world must use his number "666" with which to buy and sell? . . .This is no gimmick! We are already using it," it says.

It advises that "all commerce will be conducted in the near future with a number, a name or an identifying mark in the hand or forehead," and that Christians "cannot take the mark."

This author and others like her contend that the "666" mark is already being used, in preparation for this time, by many companies, governments, etc. A few of the examples (there are 40 instances cited) include the World Bank code number; Australia's national bank code; the prefix to J.C. Penney Co. charge account numbers, and the overseas telephone operator number for Israel. The Universal Product Code is found to be extremely suspect by the author, who in her second book, "The New Money System," analyzes UPC bars so that believers may avoid any products that bear a "666."

"People who are into satanism spiritualize negatively almost everything in the world with which they don't agree," Rev. Jerry Falwell said in commenting on these ideas. "They are sincere, but very deceived."

Procter & Gamble and other companies who may find themselves in a similar situation will have a tough time persuading these Christians they are innocent of satanism. As the young lady in the Southwest said, "A company could put something [such as a logo] together and not know it is satanic. Satan could be working through them and they wouldn't necessarily know it. But I'll tell you one thing. What's happening to Procter & Gamble now was going to happen one way or the other because of that symbol."

P&G rumor campaign

(Continued from Page 1)

senior vp at Drexel Burnham Lambert and probably the country's foremost P&G watcher. In previous P&G administrations, such a "gutsy move" probably wouldn't have been made, Mr. Segalas said.

Whether the "gutsy move" was called for, and wisely executed, is another matter. Mr. Segalas said his retail contacts tell him the company has suffered no loss of sales due to the rumors. He also notes that he has received only one phone call on the satanism rumor, and that was before P&G took its battle public. "Generally," he said, "when P&G burps, I get phone calls."

P&G says the strategy was necessary, claiming that phone calls to the company's toll-free number (listed on all P&G products, usually near the moon-and-stars logo that is the genesis of the rumors) concerning the rumors reached 15,000 in June.

The company also claims the strategy is working, citing, primarily, a sharp falloff in calls in July, to about 6,000. Authorities on company rumors differ on whether a decline in phone calls is an accurate indication of a rumor's strength.

"The problem is that the phone calls are from 'friends.' " said Frederick Koenig, Tulane University professor of social psychology. "They're not a direct count of people who are hearing the rumor, but it's an indicator." Ralph Rosnow, Temple University psychology professor, said his "guess" is that P&G had handled the rumors "intelligently," but he doesn't put much stock in phone calls as a barometer. "The fact that phone calls aren't coming in doesn't mean a damn thing," he said.

Numerous grocery-trade sources interviewed by AA expressed doubt about P&G's strategy, saying they had detected no decline in sales of P&G products and that the rumor was so far-fetched it could have easily been ignored. "I don't think people are that naive," said the manager of an Alabama Piggly-Wiggly. "I don't think people with any intellect would believe it. There have been no returns at our stores."

"I think it's ridiculous," said a store manager in Mississippi, echoing what appeared to be a clear majority opinion. "If they'd keep quiet, it'd go away."

Analysts from SRI Research Center, Lincoln, Neb., which at AA's request conducted a telephone survey of a random sample of 1,264 Americans 18 or over, say their results indicate P&G indeed may have been better advised to avoid a national publicity campaign to counter the rumor, or, at most, to confine its public efforts to refute it to the South, where awareness of the rumor and belief in it—though slight—are clearly higher than they are in the rest of the country. Other companies afflicted with rumors typically have fought them on a regional basis.

In the poll, conducted from July 29 through Aug. 3, SRI found that 32% of all Americans are aware of the rumors versus 42% of people in the South who are aware of them. About 3% of all the respondents said they believed the rumors; 5% of those in the South believe them. Nationally, 21% said they weren't sure whether they believed the rumor, compared with 27% who felt that way in the South.

Of those who believe the rumor or said they aren't sure if they do, 17% said they were curtailing their purchases of P&G products. But only 5% of all those aware of the rumor—equal to only 1.6% of all the respondents—said they are buying fewer P&G products. (This was offset, moreover, by 1% who said they are buying *more* P&G products.) Some 94% of those aware of the rumor said it hasn't caused any change in their buying of P&G products.

In what is probably the most stunning finding of the survey, the vast majority of Americans don't know what P&G makes anyhow: 79% said they couldn't name a P&G product. Another 6% said they didn't think they ever buy any P&G products. In addition, a number of those who thought they could name a P&G product incorrectly named that of a competitor.

The surprising lack of awareness of just which products are P&G's suggests that people who do believe the rumor and would like to organize a P&G boycott would have an enormous task on their hands.

It also suggests that P&G's rumor-fighting approach, which emphasized the corporate name and identity and downplayed individual products, was a questionable one that was inconsistent with the company's longtime marketing strategy.

Though in recent years the P&G name has been more prominently associated with company products—"New from Procter & Gamble" often appears on new product packages, for example—"we're a company that believes in marketing individual brands," a spokesman said. "The company name and logo are downplayed."

Rumored symbolism

Connected to one another, the stars form the number 666, a symbol of the Antichrist. Curls in the "sorcerer's" beard also form 666 when the logo is held up to a mirror.

P&G's explanation

The man-in-the-moon was "a popular decorative fancy" adopted in an early version of the logo in 1859. The 13 stars represent the original United States colonies.

One of P&G's goals in its publicity campaign presumably was to tell people who might believe the rumors that the company vehemently denies them. But according to the SRI poll, P&G has been far more effective in getting its denials to people who already feel that P&G has nothing to deny. Of those who said they don't believe the rumor, 83% said they had read, seen or heard of the company's denials. But nearly half—46%—of the people who said they believe the rumors or aren't sure whether they believe them also said they weren't aware of any company denials.

While P&G seems primarily concerned with the satanism rumors, there is evidence that P&G might have some other pr brushfires to douse. In an early question in the poll, before interviewers brought up satanism, respondents were asked simply if they were aware "of anything about Procter & Gamble being involved in a controversial issue?" Of those who said yes, a surprisingly low 53% said it was satanism, devil worship or anything similar.

The 47% who were aware of *other* controversies most often mentioned the company's problems with its Rely tampons or labor disputes, particularly a strike at a P&G Kansas City plant. (In a development related to that strike, the 6.5 million-member International Chemical Workers' Federation said last week its worldwide boycott of P&G brands in support of the Kansas City strikers "is beginning to hurt" and called on affiliated unions in 68 countries to run newspaper ads supporting the boycott.)

P&G launched its public campaign on June 24, when it issued a press release in which religious leaders, including the Rev. Jerry Falwell and the Rev. Donald E. Wildmon, vocal critics last year of P&G's alleged sponsorship of undesirable tv programs, were quoted as refuting any P&G connection with satanism.

The rumors had started about two years earlier; the company previously had fought them with "backgrounders" mailed to newspapers on the West Coast, where the rumor had surfaced in Action Line-type columns, and by sending letters to 67 national religious leaders and, later, to 48,000 religious organizations, alerting them to the problem. P&G decided it had to go public, it says, after the number of phone calls soared in June.

The SRI poll found that people aware of the rumor were almost as likely to have become aware of it after June 24—the big campaign's kickoff date—as before: 43% said before and 46% said after. However, 50% of the people in the South who were aware of the rumor heard of it before June 24, compared with 34% in the Northeast and 33% in the central northern states.

Word of mouth has been a far more potent medium of the rumor in the South than elsewhere; there, 32% of those aware of the rumor heard it by word of mouth in church, more than learned of it either in newspapers or on tv. In all other parts of the country, newspapers were the primary source of awareness of the rumor.

Given the apparent impact of face-to-face communications on the rumor in the South, some observers suggest that P&G would have been wise to dispatch company representatives to specific rumor hotbeds to meet personally with community groups, as

McDonald's Corp. did with the worms-in-the-hamburgers rumor a few years back. P&G did none of this, a spokesman said.

Instead, P&G, as is its wont, decided to handle matters in its own way. The company chose to rely on the mass media. It did so by issuing press releases, first about the ministers' debunking of the rumors, and then by getting stories in certain newspapers.

The company called in reporters for the *Chicago Tribune* and the *New York Times*, both of which ran prominent stories on P&G's battle.

The company also vetoed the idea of running advertisements refuting the stories, as other rumor-plagued companies have done, usually in areas where the rumors were particularly hot. "The people who are asking questions would not put a whole lot of credibility in ads coming from us," a spokesman said. "That's why we've gone to a third party."

Asked if the company was pleased with the *Tribune* and *Times* stories, a spokeswoman said, "Yeah, we liked them." The company added that it has received "pages and pages" of press coverage, as well as substantial network tv coverage.

A company pr executive appeared on "Good Morning America" after the media storm broke, but P&G hasn't gone on the Phil Donahue show yet, because that's where most of the rumors say a P&G "owner" or executive first came out of the closet with the company's supposed support of satanic cults.

By not going on "Donahue" a spokeswoman explained, "We could still say no P&G official has ever appeared" on the show. Company salesman have been passing out letters, mostly to store managers, in which "Donahue" producer Multimedia confirms that nobody from P&G has appeared on the show.

P&G occasionally touched base with McDonald's on handling its problem, but for the most part it eschewed the use of any of the outside authorities frequently summoned by other companies. (The company has hired private investigators in various cities to track down rumor spreaders.) Neither Tulane's Mr. Koenig nor Temple's Mr. Rosnow, perhaps the foremost independent authorities on company rumors, were consulted by P&G.

The filing of lawsuits accompanied by heavy publicity is another P&G innovation. Most observers assume that the company is using the suits as a combination pr ploy and scare tactic. Pressing the suits, it's suggested, would merely keep the rumors alive and possibly stir up potentially embarrassing publicity for the company. One of the defendants sued by P&G, for example, has said that he will demand the company prove in court that it does not worship the devil.

P&G claims to be serious about the litigation. "We're interested in stopping these people, and we're hoping that by taking legal action it will make people stop and think before passing the rumor on," a spokeswoman said. "We intend to pursue those [lawsuits] to the end." She added that the company is "still investigating leads" for possible additional suits.#

Why religious leaders aided P&G

If the events of the past six weeks are any indication, the maxim about strange bedfellows holds true for religion and business as well as politics.

That the Reverends Jerry Falwell and Donald Wildmon came to the side of Procter & Gamble to battle the rumors of its link with devil worship is an ironic chapter in the saga of their crusade to purge tv of sex and violence.

It was only a year ago that Rev. Falwell, leader of the Moral Majority, and Rev. Wildmon, exec director of the National Federation for Decency, were waging war on major advertisers and threatening to boycott their products. More recently their efforts have focused on combatting sex, violence and profanity and on promoting Christian values.

Revs. Falwell and Wildmon, who called for a stop to the spread of the rumors in P&G's June 24 kick-off press release, independently contacted the company to offer their assistance, P&G said.

In a March 30 letter to chairman Owen Butler, Mr. Wildmon offered his services in halting the spread of the rumor and enclosed a copy of a notice he had run in the *NFD Informer* headlined, "Procter & Gamble Rumor Not True." The letter was unsolicited, P&G said.

Mr. Falwell discussed the problem with Mr. Butler personally last April when the P&G chairman spoke to students at the Lynchburg, Va.-based Liberty Baptist College. Mr. Falwell is affiliated with the college; Mr. Butler hails from Lynchburg.

Aware of their interest and support, P&G later contacted the two ministers and several other religious leaders and asked for the statements it was to use in its press release.

According to P&G, there is no relationship between the cooperation of Revs. Falwell and Wildmon and a speech given by Mr. Butler in June, 1981, in which he reiterated P&G's commitment to cleaner programing—a cause which the two religious leaders espouse vehemently. That speech is widely credited with getting the company—and to some extent the industry—off the hook as far as a boycott was concerned.

"I don't see any connection," a spokeswoman said. "This [Mr. Butler's speech] was last year, before the satanism thing became such an issue." Although the rumor was around at the time of the June, 1981, speech it was not a significant problem, she said. She noted that a relationship existed to the extent that contact had already been established between the company and the two ministers.

According to P&G, the church representatives received no monetary compensation for their help. Rev. Falwell has held press conferences and discussed the rumor on radio and tv and at pastoral conferences; Rev. Wildmon's letter has been circulated widely by the P&G sales force.

■ Frederick Koenig, professor of social psychology at Tulane University, New Orleans, who is writing a book called "Rumor in the Marketplace," had another insight. "I suspect a minor reason [for their help] is P&G has been more than cooperative about sex and violence in tv," he said. "This makes people like Falwell regard them [P&G] as decent people."

Mr. Koenig also suggested that Revs. Falwell and Wildmon "don't need this satanism thing. They don't want to be associated with this lunatic fringe."

Ralph Rosnow, a psychology professor at Temple University, Philadelphia, and author of "Rumor and Gossip," commended P&G for enlisting the aid of the religious leaders. "I think it was a good idea," he said. They have credibility. They're not associated with the company."#

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Ideal Publishing seeking a buyer

By STUART J. ELLIOTT

NEW YORK—Operating under federal bankruptcy court protection since September, Ideal Publishing Corp. hopes it soon can arrange to repay its creditors by being acquired by another publishing company.

If current negotiations are successful, said Ideal's attorney, James Beldner of Siegel Sommers & Schwartz, Ideal would become a subsidiary of the other publishing company after it obtained the funds needed to settle with its creditors. Mr. Beldner declined to identify the prospective buyer.

He estimated it would cost the other company between $700,000 and $750,000 to fund Ideal's settlement with creditors, which include World Color Press, Goshen Litho, Kimberly-Clark Corp. and Boise Cascade-Canada.

■ When Ideal filed for reorganization last Sept. 28 under Chapter 11 of the Federal Bankruptcy Act, it listed $950,000 in assets and $1.9 million in debts owed to about 280 unsecured creditors. Chapter 11 enables a company to continue in business while it arranges a plan to repay its creditors.

Ideal published more than 24 monthly, every-other-monthly, quarterly and annual magazines, including *Country Music, Day Time Stars, Hair Styles, Intimate Stories, Personal Romance, Soap Opera* and *Teen Beat*.

At one time, Ideal was one of the largest publishers of romance, teen, fan and movie magazines. But it has not escaped the slump that has hit most books in these categories.

Shortly after going into Chapter 11, Ideal discontinued all but 11 publications, Mr. Beldner said, "to try to get rid of unprofitable situations." About seven or eight still were being published when operations were suspended with the magazines' August issues, Mr. Beldner said. If the other publishing company agrees to fund Ideal's creditor settlement, Mr. Beldner said, it would buy those titles, which include *Teen Beat* and some of the romance magazines.

Ideal and its parent company, International Enterprises, are owned by John Krach and Jeffrey Stein, each of whom has 50% of the stock.

Last May, one of Ideal's creditors, Colorscan Services, filed a motion to convert the Chapter 11 proceedings to Chapter 7, which would require Ideal's immediate liquidation. A hearing on the motion was scheduled for July 29, but was adjourned to Sept. 30.#

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Advertising Age

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Foote tells of bizarre FCB birth

In an exclusive interview in this week's Advertising Age Magazine, Emerson A. Foote for the first time publicly discusses his colorful and controversial advertising career.

The 75-year-old adman—whose ad exploits were fictionalized in the popular book and movie of the late 1940s, "The Hucksters"—had a career that included time at the top with Lord & Thomas' Albert D. Lasker, the bizarre birth of Foote, Cone & Belding, its voluntary resignation of the then-huge American Tobacco account, Mr. Foote's own struggle against mental illness, his ouster from FCB and his eventual climb back to the executive suite at McCann-Erickson, alongside Marion Harper. See Page M-2.

Pillsbury tries soft ice cream

By JANET NEIMAN

Pillsbury Co. will attempt to broaden its stake in both the dessert market and frozen foods with a soft-serve dairy dessert, set to begin testing in September under the name Spooners Soft Serve.

The company has been researching the potential for the product for about two years (AA, June 14). Spooners, in vanilla, chocolate and strawberry flavors, will be sold in rectangular half-gallon cartons.

Test markets are said to be Erie, Pa., and Fort Wayne, Ind.

Soft-serve frozen desserts typically contain between 2½% and less than 10% butterfat, qualifying as ice milk; ice cream must contain at least 10% butterfat.

Spooners' primary ingredient is skim milk, and is considered mellorine (which substitutes vegetable fat for animal fat). The product has the nutritional value of ice cream. Pillsbury said it "approximates the texture of soft-serve" desserts sold primarily through foodservice outlets.

Though frozen desserts represent a new category for the Minneapolis company, Pillsbury is entrenched in both the frozen food (Green Giant, Totino's) and dessert (cake mixes, etc.) segments.

One food industry observer noted that the company's Burger King unit, which now offers no soft-serve items to compete with McDonald's cones and sundaes, "would be a natural outlet for them." So, he speculated, might the company's Poppin Fresh Pie Shops. A Pillsbury spokesman, however, insisted the consumer food and restaurant groups—and their respective products—are kept "very separate."

■ According to an executive of Taylor Freezer Co., a unit of Beatrice Foods that markets soft-serve equipment, many small foodservice stands that specialize in soft-

(Continued on Page 74)

Yellow Pages, info service affected

AT&T pact revised

By ROBERT RAISSMAN and STUART EMMRICH

Federal Judge Harold H. Greene offered some good news to the newspaper industry and to local telephone companies last week. He said American Telephone & Telegraph should wait seven more years before starting any electronic information service and proposed that the $3 billion Yellow Pages business should remain with local phone companies.

The impact of this proposal on Yellow Pages advertisers and their agencies is at this time "hard to evaluate," according to James Mooney, chairman of the Yellow Pages committee of the American Assn. of Advertising Agencies. "We were looking forward to some standardization of procedure under AT&T," Mr. Mooney said. National advertising, which makes up $380 million of Yellow Pages total sales, would be affected more than local and regional advertising. Regulations in this area "have been getting a little loose," and could get looser, indicated Mr. Mooney, vp-director of corporate services at Al Paul Lefton Advertising, Philadelphia.

Under the current system, although AT&T has been prohibited from issuing directives to its subsidiary companies on how to handle national accounts, it could still make suggestions that most companies would follow, Mr. Mooney said. The seven Bell publishers of Yellow Pages handle about 86% of the national business, he said. If these companies now operate "with their own rules and regulations, I don't know what's going to happen."

The National Yellow Pages Service Assn., whose members include 146 publishers of telephone directories and 106 sellers of Yellow Pages advertising, is one vehicle for standardizaton of national advertising regulations. But the question is still open as to whether the Bell companies, which are not now members of this group, would join, Mr. Mooney said.

Judge Greene, in federal district court in Washington, accepted the framework of a proposed Justice Department-AT&T antitrust settlement insofar as it permits AT&T to spin off its 22 local telephone subsid-

(Continued on Page 73)

FCB may be on way out; Saatchi in?

British Air reviews ad plans

By HOWARD SHARMAN and DENNIS CHASE

London—British Airways, faced with soaring losses of up to $500 million annually, last week canceled all ad placements in *Time* and is re-examining all of its advertising and marketing plans, probably including its relationship with Foote, Cone & Belding.

"This is highly unusual," said a source at *Time*. "Companies may switch agencies but they usually keep their advertising program intact, especially in the second half of the year, which is an important time."

The cancelation of advertising is adding to rumors flying that the troubled state-run airline is going to change ad agencies. Last week, sources at both FCB and Saatchi & Saatchi Compton refused to comment about reports that Saatchi had won the entire worldwide BA account, estimated at about $80 million total. If Saatchi did get the account, it would probably have to resign its $5 million British Caledonian and $1 million Air New Zealand accounts.

Late last week FCB officials had been told nothing about it. "Everything is being looked at, including advertising," said a BA spokesman. The airline has not officially called for presentations from other agencies, but London agency sources contend there have been several agency presentations.

Early this month the new chairman of BA, Sir John King, seemed to demote longtime advertising executive Gerry Draper (AA, Aug. 9), after a previous review of the ad program, including scrutiny of

(Continued on Page 72)

last minute news

Fischer named president of D'Arcy/New York

New York—Keith Fischer, former president-chief executive officer of Avrett, Free & Fischer, has been named president of D'Arcy-MacManus & Masius/New York, succeeding William Rosenthal, who becomes exec vp on the Mars Inc. international services account for DM&M/Worldwide. No successor to Mr. Fischer has been named yet. Agency vice-chairman Marcella Free said the agency's name will be changed in about a month. Ms. Free denied a report that the agency is about to be acquired.

GOP airs spots supporting tax legislation

Washington—The Republican National Committee went on the radio during the weekend with a $150,000 spot buy in 50 markets supporting tax increase legislation in advance of a presidential speech scheduled for Monday night. The GOP also is spending $250,000 for 30 and 60-second tv spots in 30 major markets.

RAB vice-chairman David wins pay struggle

New York—Radio Advertising Bureau vice-chairman Miles David appears to have won his power struggle with board dissidents. The 17-year

(Continued on Page 8)

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No miracle in Small Miracle: Story behind Clairol failure

By NANCY GIGES

In the late 1970s, researchers at Bristol-Myers came up with what they believed to be a breakthrough in hair-conditioning products.

Like other conditioners, it left hair soft, shiny and manageable. But "Duco," as the product was code-named, also had a characteristic that seemed to make it unique: It could last through several shampoos, or would work just as well if it was used every day.

Company executives were thrilled. Bristol-Myers' successes with new consumer products were rare in recent years; moreover, the company's Clairol haircare line was slipping. With this one product, they thought, the company could break out of its new product slump, pump new life into Clairol and, with Condition II, its other conditioning product, eventually dominate the fast-growing conditioner market, which this year should reach $640 million in sales.

The final brand name chosen for the product aptly reflected its apparent characteristics as well as management's hopes: Small Miracle. It was launched with one of the heaviest advertising and promotion budgets in the category's history.

Today, Small Miracle languishes on store shelves without any ad support. New York-based Bristol-Myers will say nothing about its status except that,

(Continued on Page 76)

Macro preparing end for famed 'Saturday Review'

By STUART EMMRICH

NEW YORK—Macro Communications, which over the last two years had charted ambitious growth plans for its stable of three magazines, now looks as though it might be getting out of the publishing business.

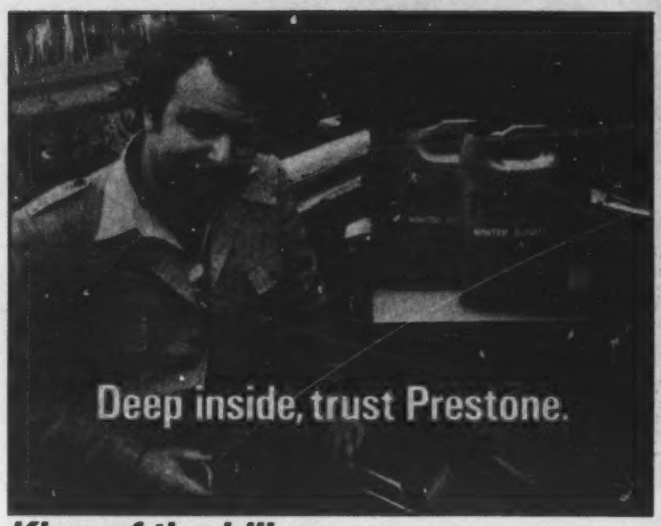
Saturday Review, the company's best-known publication, reportedly will announce its folding today. Staffers have been laid off in recent weeks; the last issue is more than a month late in reaching newsstands, and efforts to find a buyer apparently have come up empty.

Financial World, the company's money-maker, also is being shopped around, according to industry sources, with the asking price reportedly set between $4 million and $6 million. At least two publishers, including the Boston-based Goldhirsh Group, have been approached, but there have been no takers. Goldhirsh president Norman Raben confirmed that he had been contacted by the investment banker Veronis & Suhler about *Financial World*, but said Goldhirsh was not interested in acquiring the biweekly publication.

And *View*, the company's 2-year-old entry in the fast-growing cable industry field, was sold recently to its founder, Jonathan Banner, for a mostly cash deal that could have brought Macro as much as $400,000.

Robert Weingarten, Macro president, was on vacation last week and did not respond to phone calls about the company's future. Other executives at *Saturday Review* and *Financial World* also were either out of town or declined to discuss the financial status of the magazines. And Mr. Banner, publisher and new owner of *View*, declined to talk about the over-all financial state of Macro, a company that Mr. Weingarten acknowledged several months ago was experiencing some cash flow problems because of the losses at *SR* (AA, May 10).

A little over a year ago, Macro completed a $1 million-plus financing agreement with American Financial Corp. that Mr. Weingarten said would provide capital for expansion. But a Dun & Bradstreet analysis this spring called the company's financial condition "unbalanced."



King of the hill

One competitor in the antifreeze market estimates it would take between $10 million and $15 million to match Union Carbide's Prestone II in ad spending. That No. 1 brand's network tv campaign breaks in late August. Leo Burnett U.S.A., Chicago, is the agency.

A LEANER NORTON SIMON INC.

Mahoney hones game plan

By NANCY GIGES and PAT SLOAN

NEW YORK—As Norton Simon Inc. sets out to sell its U.S. truck leasing operations and its wine business, which produces San Martin wines and distributes a number of French and Italian wines, Wall Street analysts are speculating that the company is positioning itself either to go private or to become a takeover target.

Selling off such marginal businesses would help achieve either of those objectives: It would bring in more cash for continuing the company's purchases of its own stock and it would make the company more attractive to potential suitors.

Conceding that outsiders are not quite sure where the company is headed since no one has revealed long-term corporate objectives, the analysts share the belief that NSI chief David Mahoney's game plan calls for a leaner, smaller enterprise with more potential and fewer problems than the diversified marketer of consumer products and services now has.

The analysts note that Mr. Mahoney nowadays discusses his company in less grandiose terms than he did in his early years at the head of the conglomerate, when he proclaimed that NSI would direct its resources only toward markets offering substantial growth opportunities. When businesses turned sour, he immediately got rid of them. And when division heads fell short of growth goals, they departed.

In recent years, however, business declines were not limited to one or two subsidiaries that could easily be sold, and Mr. Mahoney has been described as becoming, by necessity, more committed to turning around ailing businesses for which he cannot find a ready buyer.

Meanwhile, analysts say, the company will continue its recent policy of using excess cash obtained

(Continued on Page 72)

Antifreeze brands jockeying for No. 2

By BRADLEY JOHNSON

Union Carbide's Prestone II is the hottest-selling product in the auto antifreeze market, and its competitors are not even shooting for the top spot.

But the struggle for the No. 2 position now held by Dow Chemical's Dowgard may get warm this fall as several companies crank up their marketing efforts.

"There are two labels in the country—Prestone and price," said Jack Glidden, product manager for transportation chemicals at Texaco Chemical Co., a major coolant supplier to auto companies and for private labels.

Union Carbide plans to break major network tv ad support later this month for Prestone II, which the company says accounts for 81% of the coolant sold by mass merchandisers. (Aluminum-compatible Prestone II replaced Prestone in 1972).

Robert Mitchell, marketing manager for coolants at the New York-based company, said 85% of the product's ad budget will be used in the fall, with the greatest concentration in September and October. Commercials begin running on baseball and preseason football at the end of August and go through early December. The ad theme will be "Deep inside, trust Prestone." Leo Burnett

(Continued on Page 73)

highlights

Monday, August 16, 1982

National Advertising Division of the Council of Better Business Bureaus has given its approval to the controversial comparative commercials for Taylor California Cellars wines. *See Page 10.*

The MacBride Report, calling for a new world information order, was ignored by UNESCO at its meeting in New York earlier this month. *See Page 12.*

Newspapers around the country increasingly are looking to develop their own shared-mail programs. *See Page 14.*

Average profits as a percentage of revenue for magazines were higher last year than in 1980, according to the Magazine Publishers' Assn. *See Page 24.*

Expecting a slow rise in the sales of rear-projection tv, marketers are playing a light-spending game in advertising the product. *See Page 29.*

Pet and Pillsbury both are about to roll national with unformed pie dough, targeting the large segment of bakers who start from scratch. *See Page 32.*

Attempting to stem sliding sales, the National Coffee Assn. is planning a generic campaign to promote coffee drinking. *See Page 34.*

Though growth is leveling and the market is glutted, new publications aiming at the women's market still are arriving on the scene in Japan. *See Page 39.*

Conde Nast will offer advertisers two sets of frequency discounts for group buys in its magazines. *See Page 71.*

Loews Corp.'s Lorillard division has moved its $15 million True cigaret and smokeless tobacco brands to Dancer Fitzgerald Sample from D'Arcy-MacManus & Masius. *See Page 74.*

General Electric will fold its Advertising & Sales Promotion Operation unit as part of a communications realignment. *See Page 74.*

ABC expects a gain of more than $100 million over last year in daytime upfront sales. *See Page 76.*

Broadcast Cable Reports says advertisers spent $38 million in the second quarter on the four catv networks they measured, representing a 21% increase over the first quarter. *See Page 76.*

CORPORATE CLOSEUP

Following a major divestiture plan started two years ago, Borden's consumer products chief has departed from the past and is running the business with a dramatically different philosophy. *See Page 4.*

VIDEOTECH

NBC has ordered two sitcoms as backup series from producers who formerly worked with NBC chairman Grant Tinker when he headed MTM Enterprises. *See Page 48.*

Movie channels offered in hotel rooms have become the lodging industry's fastest-growing amenity—and one of the newest battlegrounds for rival programers. *See Page 50.*

Quantiplex, the research subsidiary of John Blair & Co., plans to add radio to its tv and newspaper reports this fall. *See Page 54.*

A.C. Nielsen Co. is about ready to implement its long-standing plan to boost its national sample size in an effort to more accurately reflect viewing tastes. *See Page 54.*

MAGAZINE

For the first time, Emerson Foote publicly discusses the bizarre birth of Foote, Cone & Belding, his longtime battle with mental illness and his eventual comeback as a top agency executive. *See Page M-2.*

Increase your response rate by using envelopes wisely. Bob Stone in his column "Direct Marketing," discusses a few creative ideas for return envelopes. *See Page M-43.*

SPECIAL REPORT

The liquor distributor has occupied one of the hottest spots in the industry since the days of Prohibition, and it's a spot that's increasingly more difficult to keep. *See Page M-7.*

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'News' ' future brighter

By STUART EMMRICH

NEW YORK—For the first time in more than nine months, the future of the *New York Daily News* looks as though it might be secure.

Although *Daily News* executives said late last week that they have yet to reach formal contract and wage concession agreements with three of the paper's 11 unions—the mailers, the pressmen and the drivers—they said enough progress had been made to make them highly optimistic about working out a suitable pact within the next few days.

"Things are very close," said *News* vp-advertising and marketing Art Wible, adding that while both sides have agreed verbally on the substantive parts of the negotiations, it would take several days to work out final details and to get them into writing.

"We've come this far—working through all hours of the night—that we want to get it all down in writing so that both sides agree they have agreed on the same things," Mr. Wible said.

If they have, then it will signal an end to nine months of an emo-

(Continued on Page 72)

Good times—for some

By Don Veraska

Was 1981 a watershed year in the two-decade-old trend that has American drinking tastes turning from brown to white liquors?

There is some statistical evidence to suggest just that, and there are those in the industry who support the theory. But opinions are far from unanimous: Some take the opposite view; others suggest that any such projections are speculative. One industry executive asserts that any attempt to draw conclusions from less than a three-year period is sheer nonsense.

Don Veraska is a business writer based in Washington, D.C.

There's even some question about the statistics. Those of the industry association, the Distilled Spirits Council of the United States (DISCUS), differ in many instances from those of private companies in the business of providing figures and projections to the industry.

Nevertheless, some generalizations can be drawn.

As recently as 1960, whiskies —bourbons, blends, Scotch, Canadian and Irish—represented 74% of the U.S. market, while the whites—gin, vodka, rum and tequila—totaled only 19%. A decade later, browns were at 63% and whites were 27%, and by 1980 the figures were 45.6% and 39.3%.

But from 1980 to 1981, browns dropped only 0.5%, to 45.1%, while bourbon, Scotch, Canadian and Irish whiskies actually showed small increases in their share of the total market. In the same period, whites gained only slightly, from 39.3% to 39.8%, with gin down and vodka, rum and tequila showing only modest increases.

Those are DISCUS' figures. Numbers from *Impact*, a marketing publication in the wine and spirits industry, showed whiskies dropping from 45% to 44.5% from 1980 to 1981, while in the same period whites also dropped, from 39.5% to 39.4% of total market share.

According to *Impact*, gin, vodka and rum showed losses, with only tequila increasing its share of the market.

There appears to be solid agreement on only a few major points:

- The distilled spirit business in the past decade has become a no-growth industry, while wine and beer continue to gain.
- There are a number of individual brands within the industry whose fortunes are soaring.
- Blended whiskies, once the mainstay of the industry, have become and will continue to be a poor sister, with less than a third of the market share they enjoyed just two decades ago.

Emil Pavone, vp for public relations with National Distillers, New York, cautiously predicts a continued decline in blended whisky sales, a modest growth in bourbons and a leveling-off in white liquors within the next four or five years.

All in all, he said, the relative market shares of whites and browns should remain at essentially their present levels for the forseeable future.

But, Mr. Pavone warned, the science of predicting trends in the consumption of hard liquor is anything but exact.

"Somebody would have made a face at you not too many years ago if you'd suggested a drink of tequila," he said. "Now they are drinking it.

"Spirits have a way of waxing and waning. Tastes are closely related to fashions. There are just too many variables in the picture that can so easily alter things. For instance, the only reason we talk about brown vs. white, about white liquors encroaching on browns, is our utter surprise that something would come along and bite off a big chunk of the traditional market for whiskies, which people have been drinking in this country for hundreds of years."

In short, he said, "You just can't be sure why a product is doing well or poorly."

Equally cautious is William Kling, director of economic statistical research at DISCUS. "The production and marketing people in the industry have to make some projections," he said. "But it's a guessing game. Just look at the oil industry, the automobile industry. Some people can be very brave. But I have too much experience in seeing how people can fall on their faces—especially when you are dealing with human taste.

"I shudder at the idea of making projections. It's like trying to figure out whether women's skirts will get longer or shorter. You might as well connect it to sunspots."

Paul Farber, a senior execu-

Share of market trend–distilled spirits entering U.S. trade channels by type

Type	1960	1970	1975	1980	1981
Bourbon	29%	22%	17%	14.3%	14.4%
Blends	31	19	13	8.8	7.8
Scotch	9	13	13	10.2	10.3
Canadian	5	9	11	11.6	11.9
Irish	—	—	—	0.1	0.2
Total whisky	**74**	**63**	**54**	**45.0**	**44.5**
Gin	9	10	10	9.4	9.3
Vodka	8	13	20	21.4	21.3
Rum	2	4	4	7.1	7.1
Tequila	—	—	1	1.5	1.7
Total white goods	**19**	**27**	**35**	**39.5**	**39.4**
Brandy	3	4	3	4.2	4.3
Cordials & liqueurs	—	—	—	9.1	10.0
Cocktails & mixed drinks	—	—	—	2.2	1.8
Total specialties	**7**	**10**	**11**	**15.5**	**16.1**
Total distilled spirits	100%	100%	100%	100.0%	100.0%

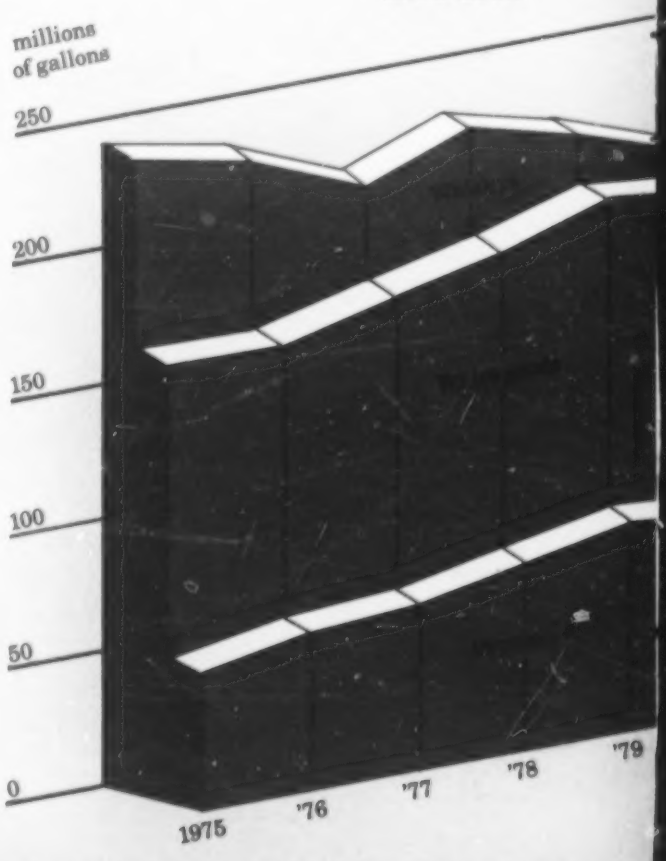
Source: Impact Databank, Impact Wine and Spirits Newsletter, New York, June 15, 1982.

Distilled spirits entering U.S. trade channels by type
(millions of gallons—rounded)

Type	1960	1970	1975	1980	1981	Average annual compound growth rate 1960-70	1970-75	1975-80	Per cent change 1980-81
Bourbon	69	85	77	66	66	2.1%	−2.0%	−3.0%	0.8%
Blends	74	74	58	40	36	—	−4.8	−7.2	−10.9
Scotch	21	52	56	47	47	9.6	1.6	−3.5	1.2
Canadian	13	34	49	53	55	10.4	7.7	1.7	2.6
Irish	*	*	*	*	1	—	—	—	62.7
Total whisky	**177**	**245**	**240**	**207**	**205**	**3.3**	**−0.4**	**−2.9**	**−0.8**
Gin	23	39	44	43	43	5.4	2.4	−0.5	0.1
Vodka	19	50	87	98	98	10.2	11.7	2.4	−0.4
Rum	4	14	18	33	33	13.3	5.2	12.9	−0.6
Tequila	*	1	7	7	8	+	43.1	1.2	11.2
Total white goods	**46**	**104**	**155**	**181**	**181**	**8.5**	**8.3**	**3.1**	**0.1**
Brandy	6	15	15	19	20	9.6	—	4.8	5.2
Cordials & liqueurs	NA	NA	NA	42	46	—	—	—	9.9
Cocktails & mixed drinks	NA	NA	NA	10	8	—	—	—	−19.9
Total specialties	**16**	**39**	**51**	**71**	**74**	**9.3**	**5.5**	**6.8**	**4.3**
Total distilled spirits[1]	**240**	**388**	**446**	**459**	**460**	**4.9%**	**2.8%**	**0.6%**	**0.4%**

*Less than ½ million gallons.
[1] Addition of columns may not agree because of rounding.
Source: BATF, NABI, Impact Databank, Impact Wine and Spirits Newsletter, New York, June 15, 1982.

Distilled spirits mark
1975-1981



Source: Impact Wine and Spirits Newsletter, New York, June 15, 1982, Impact Databank

BEST AVAILABLE COPY

tive vp of Schenley Industries and president of Schenley's marketing entity, believes that individual brands of distilled spirits, rather than the brown and white categories, should be the objects of consideration.

"Within those categories, things are happening," Mr. Farber says. "There are many contradictions and many anomalies, like the growth of higher-proof dark rums and the continued strength of Jack Daniel's. It's the worst of times and at the same time the best of times in the spirits industry."

This means, Mr. Farber said, that although the spirits industry is a no-growth industry, some individual brands—even within categories that show substantial losses—are doing well.

"But this is a low-technology industry," he said. "The cycles are long, and the reading of changes are subject to so many variations. Reading numbers on anything less than a three-year bracket just doesn't make any sense, in my opinion."

Marvin R. Shanken, editor and publisher of *Impact*, couldn't disagree more. Although *Impact* foresees only a 1.1% annual growth rate in the industry through 1990, its publisher said he sees continued growth of white liquors. And he defended his ability to make those projections.

"I disagree quite violently with industry executives who feel that there is not enough history or structure to the statistics in order to be able to make responsible projections," he said. "Within the framework of this industry, some fundamental changes are taking place, some of which have been in place for the last 30 years, and others for the last half-dozen years.

Mr. Shanken predicted that by 1990, whiskies will have dropped from 45% to 37% of the market, that white liquors will have increased from 39.5% to 44%, and that specialties—brandies, cordials and premixed drinks—will have increased from 15.5% to 19%.

Within the brown and white categories, he projected growth only for Canadian whisky, vodka, rum and tequila.

The white wine cocktail phenomenon, he said, was the primary reason for the recent slowdown in the growth of the vodka market.

There also appears to be little disagreement over the reasons for the growth in the white liquors. There is an increasing number of women drinking, and their tastes tend toward fruit juices, with which vodka and rum can be easily mixed. Although vodka has the same number of calories as brown liquors, it is perceived as a "lighter" liquor than bourbon or scotch, more or less complementing the general public trend toward low-calorie diet/health food products.

In addition, vodka, at least compared with bourbon and other brown liquors, is a relatively new product in the U.S. and is simply staking out its market share at the expense of brown liquors.

Advertising also has affected the market. Brands of white liquors, particularly vodka and rum, have been heavily advertised in recent years. Advertising not only tends to promote the growth of individual brands, Mr. Shanken said, but carries over into categories.

Thus, advertising for Smirnoff vodka helps Smirnoff sales, but it also gives a boost to vodka in general.

Mr. Pavone also noted that because white liquors are cheaper to distill than are browns—they do not have to be aged, thus they don't have high inventory costs—more money is available to promote and advertise them.

In addition, he said, public demand for a white liquor can be met almost immediately, while there is a lag of at least four years between the time whiskies are distilled and the time they can be bottled.

But perhaps the most important aspect of the ascendency of white liquors, Mr. Pavone said, is the combination of economics and fashion.

He recalled the observation Jack Musick, now retired, made when the latter was president of Hiram Walker Inc. some 10 or 12 years ago. When economics reinforce fashion, Mr. Musick said, you have a runaway success.

Vodka is cheaper than bourbon, making it more of an "in" drink. The result, Mr. Pavone suggested, is obvious. AA

Distilled spirits advertising expenditures by medium (1975-1981)

(millions of dollars)

	1975	1976	1977	1978	1979	1980	1981	Change 1980-1981
Magazines	$ 90.9	$100.6	$113.3	$172.8	$205.8	$207.6	$222.2	+7%
Newspaper supplements	2.8	4.0	5.6	6.5	12.3	12.9	13.0	+1
Newspapers[1]	64.2	70.3	58.9	55.5	66.0	74.0	79.6	+8
Outdoor	38.7	42.2	40.5	42.5	51.4	53.5	62.3	+16
Total	$196.6	$217.1	$218.3	$277.3	$335.3	$348.0	$377.1	+8%
Change	−2%	+10%	—	+27%	+21%	+4%	+8%	

Share of distilled advertising expenditures by medium

	1975	1976	1977	1978	1979	1980	1981
Magazines	46.2%	46.3%	51.9%	62.3%	61.3%	59.6%	58.9%
Newspaper supplements	1.4	1.8	2.6	2.6	3.6	3.7	3.5
Newspapers	32.6	32.4	27.0	19.9	19.7	21.3	21.1
Outdoor	19.8	19.5	18.5	15.2	15.4	15.4	16.5
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

[1]Projected by Impact from top market and leadership brand expenditures.

Sources: LNA, PIB, MR, RER, Impact Databank and Impact estimates, Impact Wine and Spirits Newsletter, New York, June 1, 1982.

Distilled spirits entering trade channels by category

(millions of gallons)

						Average annual compound growth rate			Per cent change
Type	1960	1970	1975	1980	1981	1960-70	1970-75	1975-80	1980-81
Whisky	177	245	240	207	205	3.3%	−0.4%	−2.9%	−0.8%
White goods	46	104	155	181	181	8.5	8.3	3.1	0.1
Specialties	16	39	51	71	74	9.3	5.5	6.8	4.3
Total distilled spirits	240	388	446	459	460	4.9%	2.8%	0.6%	0.4%

Share of market trend distilled spirits entering trade channels by category

						Share point change			
Type	1960	1970	1975	1980	1981	1960-70	1970-75	1975-80	1980-81
Whisky	74%	63%	54%	45.0%	44.5%	−11	−9	−9	−0.5
White goods	19	27	35	39.5	39.4	8	8	5	−0.1
Specialties	7	10	11	15.5	16.1	3	1	5	0.6
Total distilled spirits	100%	100%	100%	100.0%	100.0%				

Source: Impact Databank, Impact Wine and Spirits Newsletter, New York, June 15, 1982.

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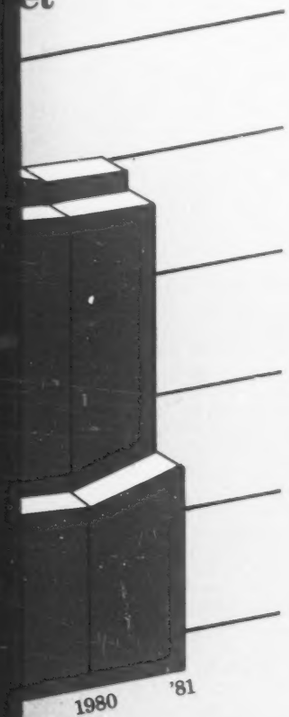

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S&L's: How to survive See Page 3

Advertising Age

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Luisi flap resurfaces as ex-H&K exec sues JWT

By RICHARD L. GORDON and CHRISTY MARSHALL

WASHINGTON—JWT Group's hope that the Marie Luisi scandal would fade away was shattered last week by a stockholder suit seeking millions of dollars in damages.

The stockholder, seeking damages of nearly $10 million, is Robert K. Gray, a prominent Washington pr mogul who became an unwilling JWT stockholder in 1980 when Thompson acquired him along with Hill & Knowlton, the nation's largest pr agency. Mr. Gray, H&K vice-chairman and its longtime Washington office chief at the time of the takeover, received cash and 37,431 shares of Thompson stock for his 8% interest in H&K.

Mr. Gray's suit accuses Thompson of presenting a false picture of JWT's financial prospects to H&K stockholders during the merger talks, and of preventing Mr. Gray from selling his JWT stock last October. Five months later, revelations of $30 million in fictitious sales within Ms. Luisi's JWT Syndication unit surfaced.

If the suit goes to trial in U.S. district court here, it's likely that a parade of Thompson executives, and perhaps Ms. Luisi herself, would be subpoenaed to explain how much they knew, and when, about the fictitious time-bank sales allegedly recorded by Ms. Luisi's unit. Thompson executives, while continuing internal inquiries, have been striving to put the scandal behind them; Ms. Luisi, fired from JWT, her syndication unit dissolved, has never publicly told her version of what happened.

Attorneys for Mr. Gray declined to comment on their plans last week. JWT said only that it will "vigorously" defend itself in court.

Mr. Gray said JWT's decision this year to revise downward its past financial statements, subtracting the false sales, showed that Thompson's 1979 earnings—the benchmark for the H&K acquisition—"had been falsely overvalued by an amount not precisely ascertainable at this time, but at least 42%."

After the acquisition in 1980, JWT told its stockholders the deal cost $28,533,000, representing 602,628 shares of common stock worth $14,059,000 and $13,632,000 in cash. JWT confirms that this amounted to $68 per share for each share of Hill & Knowlton stock. One H&K insider said last week: "I have nothing to complain about. We got $68 a share for stock worth about $20. If the JWT stock was overvalued, that's still a nice premium."

JWT stock has taken a serious tumble since the Luisi revelations. When the news of the scandal

(Continued on Page 50)

The thrill of it all

Sunday supplement color pages are breaking for the McDonald's/Atari nationwide scratch-card game promotion (AA, July 26). The drive, with food and videogame/home computer prizes, will run through mid-October. Atari will give McDonald's fast-food customers $3 and $10 cash rebates on its products. Tv and radio support, from Leo Burnett U.S.A.

last minute news

K mart reported moving part to Campbell-Ewald

TROY, MICH.—K mart executives declined comment on reports the retailer's corporate ad account is being switched from Ross Roy to Campbell-Ewald. The corporate portion is worth about $15 million; its loss would leave about $45 million in K mart spending at Ross Roy.

Paulson resigns as president of DDB/New York

NEW YORK—Paul Paulson has resigned as president of Doyle Dane Bernbach/New York, citing philosophical differences. Effective Sept. 15, Mr. Paulson's duties will be assumed by Neil Austrian, DDB chairman. Mr. Paulson said the parting is amicable and that there was a difference of opinion on some key issues. He said he is considering a number of options and expects to make a decision by January.

'USA Today' names eight charter advertisers

WASHINGTON—Gannett's *USA Today*, providing the first peek at its advertiser list, named American Honda, Bally, Brown & Williamson, Philip Morris, Glenmore Distilleries, National Distillers, Xerox and the Savings & Loan Foundation as charter advertisers. All eight signed up under

(Continued on Page 8)

Viacom near Showtime deal

By SUSAN SPILLMAN

NEW YORK—Viacom, managing partner of the Showtime cable network, is believed to be preparing to announce its purchase of the pay tv network's other half from Westinghouse Broadcasting & Cable, for a reported $50 million.

Terrence Elkes, president of Viacom, and Jonathan Hayes, president of Westinghouse's Group W Satellite Communications, both refused to confirm that negotiations are under way or to comment on the report.

Westinghouse became half-owner of Showtime nearly two years ago through its $646 million acquisition of Teleprompter Corp. The acquisition immediately prompted speculation that either Westinghouse or Viacom would try to acquire the other's interest in the network.

"There has been substantial disagreement between Viacom and Westinghouse about the direction Showtime should take, and you can't run a network that must be aggressive with two different opinions," said Anthony Hoffman, vp and media analyst at A.G. Becker Inc. "Westinghouse has more money and the wrong direction and Viacom has the right direction and less money."

"Westinghouse recently met with securities analysts and implied that Showtime wasn't really their thing,"

(Continued on Page 52)

B&B in Hardee's test

By RICHARD KREISMAN

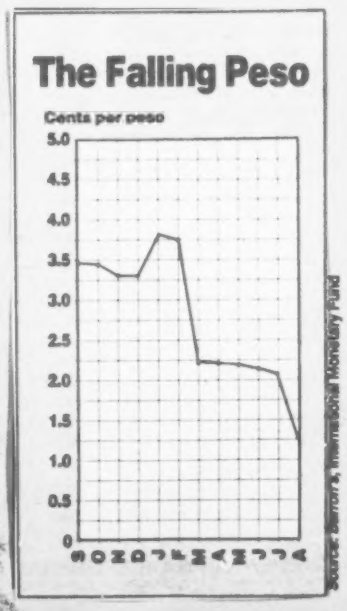
Hardee's Food Systems will make a decision within 30 days on where to place its consolidated Hardee's/Burger Chef $70 million-advertising/promotion account, and in the interim is starting to convert Burger Chef units to the Hardee's banner in a St. Louis test.

The success of the conversion, which features a blended Hardee's-Burger Chef menu, is considered the crucial test of whether the chain will succeed in its attempt to become a solid third in the fast-food market behind McDonald's and Burger King.

Hardee's has asked Benton & Bowles, New York, its agency, to handle the St. Louis conversion-test advertising. The advertising will be on air by late September.

Ogilvy & Mather, Chicago, Burger Chef's agency, has made a pitch to top management for the account, said Ron Wertheim, Hardee's senior vp-marketing. B&B has not officially presented for the business and will not be asked to do so, he said. Of the total $70 mil-

(Continued on Page 52)



Currency chaos stills marketers in Mexico

By STEPHEN DOWNER and CHRISTY MARSHALL

MEXICO CITY—The sudden, unexpected devaluation of the Mexican peso early this month, coupled with new currency and price controls, is throwing the Mexican advertising industry into a turmoil of uncertainty.

The chaos in Mexico is important to multinational agencies because it is the second-largest Latin American advertising market, behind Brazil, and many U.S. agencies depend on the usually consumption-oriented Mexican consumer to account for a large proportion of billings from that region.

The Mexican economy is so uncertain that neither advertisers nor agencies dare make any decisions yet, but both expect it is only a matter of time before advertisers begin pulling back.

"There will definitely be an impact," said Albert R. Koehl, president-chief executive officer of McCann-Erickson in Mexico. "Some clients are definitely going to have to cut back. Those who did not do so after the February devaluation will have to do so now."

Michael Ferrier, manager of McCann's North Latin America and Canada regions, says, "My office right now is besieged with clients as we try to sort out the problem."

In the U.S., international agency

(Continued on Page 51)

NEWSPAPER

AA
DC2001#CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Wet's best?

Comparative ad for Noxell Corp.'s Noxzema skin cream and 12 Hour acne medicine uses medical research claims to proclaim the two products to be the best treatment for acne. Copy reads: "You don't have to dry out your skin to clear up your acne. Because scientific testing has finally proved it: Dry is a lie!" Ads place P&G's Ivory soap far behind the Noxzema treatment.

Noxzema goes comparative in effort targeted at teens

By CHUCK REECE

With a new comparative campaign it describes as "quite a bit larger than any previous advertising campaign for Noxzema," Noxell Corp. will pit its Noxzema skin cream and 12 Hour acne medicine products against Norcliff-Thayer's Oxy line and Procter & Gamble's Ivory soap, a product never advertised as an acne reliever.

Budget for the tv and print campaign was not disclosed.

With commercials set to break on tv Aug. 23, the campaign uses medical research findings to back its claim that the two Noxzema products, used in tandem, are the most effective treatment for acne.

Germinated by a 1980 *Journal of the American Medical Assn.* article that took issue with the classical acne treatment, overdrying of the skin, Noxzema's new ads say: "Noxzema wants to clear up a myth about acne. Because dry is a lie."

■ In the *JAMA* article, two Utah doctors and a registered nurse wrote, "We challenge the historical belief by physicians that acne. . .should be treated by purposeful irritation of the skin to produce erythema, peeling and dryness. The degree of surface dryness. . .in our study is the single variable significantly associated with failure to clear up acne lesions."

Baltimore-based Noxell said it commissioned a test of the effectiveness in acne treatment of 10% benzoyl peroxide, the active ingredient in Noxzema 12 Hour acne medicine, when used with Noxzema skin cream as the skin cleanser.

■ Tested against two other treatment regimens—one using Ivory soap and 12 Hour acne medicine, the other using Oxy-Wash as a cleanser and Oxy-10—the Noxzema program was said to be most effective 54% of the time by dermatologists who examined participants in the study. Oxy products were picked 36% of the time, the Ivory program 4%, the Noxell study claims.

Tv commercials will run on daytime network and syndicated shows, backed by network radio and spreads in October issues of teen magazines, plus *People* and the college edition of *Time*.

SSC&B, New York, is the agency for the two products, which last year received about $6.3 million in measured media support, according to Leading National Advertisers.

A spokesman for P&G declined to comment on the comparative campaign; Norcliff-Thayer officials could not be reached for comment.#

Hopes for final FTC bill now rest in Senate

WASHINGTON—The future of the Federal Trade Commission once again rests on down-to-the-wire legislative maneuvering, with the ad industry hoping that its Senate friends will be able to shape the final bill.

Legislation previously reported by the Senate commerce committee contains much of what the ad industry wants, including its cherished goal—an amendment rescinding existing FTC power to police "unfair" advertising. But the industry's Senate allies have yet to get their bill onto the Senate floor for debate, and last week the House energy and commerce committee reported an FTC bill which goes only partway toward ad industry objectives.

Assuming that the bills pass the Senate and the House in the few remaining days of the session after the Labor Day recess, the final version of FTC legislation will be hammered out in a conference committee of Senate and House negotiators. Ad industry strategists have been told by senior House Republicans that they can't expect more from the House bill and that their best shot is to make their case to the conference committee members.

Time becomes a factor because Congress needs to approve FTC legislation by Sept. 30, when the commission's current operating authority expires, or watch the agency shut down.

Ad industry lobbyist Charles Adams, Washington chief for the American Assn. of Advertising Agencies, said there is much he likes about the House bill: It writes into law standards that the FTC must use in determining when a practice is "unfair"; continues the congressional veto over FTC industrywide rules; requires the commission to show that a practice is "prevalent" in an industry before seeking to control it through industrywide trade regulations, and directs the courts to review FTC cease & desist orders when the commission seeks later to apply them to companies not originally involved in the case.

But the House bill does not ex-

(Continued on Page 50)

Sony's tiny tv won't stuff many stockings

By ROBERT RAISSMAN

NEW YORK—The following Christmas fantasy may be dancing in the minds of some Walkman fanatics:

The morning arrives and the Walkman freak reaches under the tree, knowing full well what gift is waiting. With a staged look of surprise, this headphoned wonder immediately goes for the gift shaped like a small walkie-talkie. The wrapping paper is ripped off the gift to reveal the son of Walkman—the hand-held Sony tv, Watchman.

Unfortunately, this scene will not be repeated in many homes this year. Tiny tv sets, both the Sony Watchman and the Sinclair Microvision 2700, will not be on the market in significant quantity for the Christmas season.

In Sony's case, the success the Watchman is enjoying in Japan has led the company to concentrate its efforts in that market. Since its recent introduction on the Japanese market, the Watchman has been averaging sales of about 5,000 units per week, according to a Sony spokesman.

The Watchman was supposed to makes its debut in the U.S. in October, according to John A. Coghlan Jr., vp-national advertising at Sony. Mr. Coghlan said some units might be on the market by then, but the inventory would only be in major cities and would be limited.

"We won't do any advertising until we have reached significant inventory levels," Mr. Coghlan said. He added that initial ads for the Watchman would be print only. Agency is McCann-Erickson.

The Watchman's cathode-ray tube provides a recessed 2-in. square picture, and the entire set is 1¼ ins. thick. The secret to the set's slim design is the flat display picture tube, positioned below and parallel to the screen. Conventional tv picture tubes are positioned behind and perpendicular to the screen. The unit will sell for about $280.

Sony executives said an important sidelight to development of the Watchman will be that the

(Continued on Page 52)

highlights

Monday, August 23, 1982

Lorillard is planning to move its print buying in-house, consolidating all its $150 million in media buying under one roof. *See Page 3.*

Recent price cuts by major home-computer marketers are signaling a major challenge to videogame systems. *See Page 6.*

Procter & Gamble apparently is moving into radio as part of its brand advertising plans in the U.K. market. *See Page 10.*

Hardware marketers are stocking up more goods despite the current economic climate, and are optimistically expecting a consumer rebound in the coming year. *See Page 10.*

Several model changes and additions to the Mercury line have resulted in a marketing split between luxury cars and the remainder of Lincoln-Mercury output. *See Page 12.*

A projected $12 million in sales by 1990 has truck manufacturers gearing up for what may become a knockdown, dragout marketing battle. *See Page 14.*

Direct marketers Mary Kay Cosmetics and Gillette's Jafra both have shown dramatic growth in the past few years and are projecting even greater sales increases in the future. *See Page 22.*

The appearance this month of Calvin Klein clothes and accessories in Brazilian boutiques is the latest effort by a top jeans marketer to move into the country's small but growing market. *See Page 29.*

Most ad agencies show a more disappointing second quarter than had been hoped for by industry executives. *See Page 30.*

Leber Katz Partners was awarded *Newsweek's* $3 million account. *See Page 49.*

NAB chief Ed Fritts schedules meetings with directors who opposed his election. *See Page 50.*

Ed Russell out as president of Della Femina, Travisano International. *See Page 50.*

Nimslo, the 3-D camera marketer, thinks the time is ripe for new 3-D equipment. *See Page 52.*

The first nationwide, 24-hour consumer teletext magazine debuts in November. *See Page 52.*

CORPORATE CLOSEUP

Not intimidated by the megabucks ad spending of videogame leaders Atari and Mattel, Coleco Industries plans to spend between $15 million and $20 million advertising its ColecoVision videogame and game cartridges. *See Page 4.*

VIDEOTECH

Storer Cable in Miami has launched the first computerized fiber-optic cable tv system. *See Page 31.*

Program sources are being added and terminals are being readied for installations as the joint CBS/AT&T videotex test—CBS Venture One—heads toward its October debut. *See Page 31.*

The director of the Security Pacific Bank's Futures Research division in Los Angeles predicts that the entertainment superstar of the late 1980's may be "an electronic fabrication." *See Page 32.*

After providing laser light shows to the entertainment industry, American Laser Promotions is trying to sell its laser outdoor board concept to advertisers. *See Page 32.*

MAGAZINE

Where mood speaks louder than words. Award-winning Japanese tv commercials avoid logic, stress imagery. *See Page M-2.*

Home is where the cable is. A former package goods marketer talks about his new field. *See Page M-24.*

SPECIAL REPORT

The weather can be unbearably hot year-round, the ground is parched and the water supply is dangerously waning, but the market and media in two Arizona cities continue to steam. *See Page M-5.*

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Most shops post a poor 2nd quarter

By CHRISTY MARSHALL

New York—The trickling down of advertisers' woes is showing up in agencies' bottom lines. The second quarter was not as good as advertising executives had hoped it would be, and in some cases was downright rotten.

In terms of net income, the Interpublic Group of Cos. was the big gainer in the second quarter of 1982, posting a net of $8.1 million, a 40.5% increase over the year-earlier tally. The next greatest gain was recorded by BBDO, up 12% for the quarter with net income of $3.7 million.

Grey, along with Doyle Dane Bernbach and Foote, Cone & Belding, reported flat quarters, with slight gains of 4%, 2% and 1.5%, respectively. Ogilvy & Mather slipped 7.5% to $4.4 million, while Mickelberry Corp. (a communications services company that specializes in ad agencies and printing) reported a drop of 31.2% in net income, attributed to high interest rates and the acquisition cost of Cunningham & Walsh last winter.

The big loser in net income was JWT Group, nose-diving from $2.4 million in 1981 to a net loss of $2.1 million in the second quarter of 1982. The loss was attributed in part to costs of closing down the JWT Syndication unit (AA, Aug. 9) and also to billing conflicts stemming from previously reported "accounting irregularities" in the unit. The agency also encountered high costs for its new office occupancy, operational problems, high taxes and interest rates and losses in its recruitment advertising unit.

As far as revenues in the second quarter, Mickelberry and its agency coterie that includes C&W, Nadler & Larimer and Laurence, Charles & Free, and its printing concern, Sandy-Alexander, reported an increase of 125.5%, skyrocketing to $19.5 million from $8.7 million the year before. Other substantial gains were posted by Grey and Interpublic, coming in with increases of 34% and 33%, respectively, over the year before.

BBDO, now reporting with Tracy-Locke/BBDO consolidated in its earnings, had revenues of $53.1 million in the quarter, up 19%. While no declines in revenue were reported, the smallest gain was shown by Foote, Cone & Belding, up 6.1% to $47 million. Commented FCB president Norman Brown: "The recovery from the recession is slower than expected."

Interpublic, coming off a $151 million new business spree for the

(Continued on Page 32)

Agency financial reports

Second quarter

Net income	1982	1981	%
BBDO	$3,731,000	$3,343,000	12
Doyle Dane Bernbach	4,785,000	4,690,000	2
Foote, Cone & Belding	3,459,000	3,409,000	1.5
Grey Advertising	2,704,000	2,577,000	4
Interpublic	8,132,000	5,789,000	40.5
Mickelberry	306,000	442,000	-31.2
Ogilvy & Mather	4,415,000	4,775,000	-7.5
JWT Group	(2,116,000)	2,393,000	—

Revenues	1982	1981	%
BBDO	$53,073,000	$44,530,000	19
Doyle Dane Bernbach	48,305,000	44,104,000	10
Foote, Cone & Belding	47,039,000	44,353,000	6.1
Grey Advertising	39,636,000	29,462,000	34
Interpublic	146,424,000	110,063,000	33
Mickelberry	19,548,000	8,670,000	125.5
Ogilvy & Mather	82,205,000	75,359,000	9.1
JWT Group	106,575,000	99,178,000	7.5

Six months

Net income	1982	1981	%
BBDO	$6,927,000	$6,203,000	12
Doyle Dane Bernbach	5,475,000	5,170,000	6
Foote, Cone & Belding	4,841,000	4,769,000	1.5
Grey Advertising	3,141,000	3,078,000	2
Interpublic	10,777,000	6,654,000	62
Mickelberry	713,000	594,000	20
Ogilvy & Mather	5,451,000	7,268,000	-11.2
JWT Group	(2,163,000)	2,719,000	—

Revenues	1982	1981	%
BBDO	$100,236,000	$86,755,000	16
Doyle Dane Bernbach	87,203,000	78,371,000	11
Foote, Cone & Belding	87,877,000	82,759,000	6.2
Grey Advertising	68,719,000	52,797,000	30
Interpublic	248,274,000	208,171,000	19.3
Mickelberry	29,995,000	16,140,000	86
Ogilvy & Mather	156,126,000	141,683,000	10.2
JWT Group	198,985,000	182,526,000	9

33 W. Monroe St., Chicago, IL 60603
NYC Phone 212-684-4510

With Valassis you get the largest circulation available: Over 42 million beginning January, 1983!

Your cost per coupon redeemed is also the lowest of any four-color medium in the country!

That's because Valassis can offer you both high readership and redemption, combined with efficient delivery!

Now your four-color coupon and advertising message can appear in most of the top 200 markets in the country...chosen according to SMSA ranking, effective buying income, retail sales, and your recommendations!

That's:
- 55 new newspapers
- 38 new markets
- and many new **exclusive** markets!

Announcing The "New, Improved" Valassis Insert!

Because Valassis appears on Sunday, you're getting better readership, too!

With Valassis, more consumers spend more time reading your advertising message, and they take advantage of your promotion! One reason is because Sunday offers so many readership benefits:

- High readership. With 62% of women now in the job market, Sunday becomes the best day of the week to reach them.
- More readers. Sunday papers in the top 100 markets offer a broader audience segment, according to NAB figures.
- Longer readership. NAB studies show that people spend more time with the Sunday newspaper and they tend to keep it around the house for a longer period.
- Established readership. STARCH studies show that people actually look for free-standing inserts in Sunday's paper.

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videotech update/ BY MAURINE CHRISTOPHER

Next RAB task: Fending off cable inroads

Having "cleaned up" Miles David's contract, the Radio Advertising Bureau soon will be looking for a strong No. 2 man who is likely to be groomed as his successor.

The 57-year-old Mr. David managed to retain the top spot at RAB despite a well-mounted challenge from a few critics on the 35-man board. Even though the dissidents wanted what one described as "a more aggressive, charismatic" chief to give the bureau higher visibility, the incumbent has been signed to a shorter pact to run through the fall of 1986. The new, firm four-year contract replaces one that would have expired in '88.

The old contract called for a multiyear settlement in case of dismissal. The new one, negotiated by a compensation committee headed by RAB board chairman George Duncan of Metromedia Radio, Secaucus, N. J., gives the vice-chairman and chief executive officer "additional security" in his pension. He will be paid $140,000 annually.

Still to be determined is the blueprint to be charted for the bureau's future as relates to organization, aims and staff. The long-range planning committee, chaired by Arthur Carlson of Susquehanna Broadcasting, York, Pa., is due to meet in September to discuss recommendations for structure and strategy for the next five years.

The committee probably will recommend the creation of two divisions, one for local and the other for national sales, each with its own president. Naming a president for each would give them greater stature than if they merely were called vp-in-charge-of, for example. Once there, in the natural course of affairs, one of the presidents will emerge as the No. 2 exec at this $5 million drum-beating organization. Having two people, rather than one, waiting in line for the top post should make life more comfortable for Mr. David.

Mr. David has not been backed up by an in-house heir apparent since exec vp Bob Alter defected to cable last year. He is president of RAB's counterpart, Cabletelevision Advertising Bureau.

Now that the dispute over Mr. David's own future has been settled, Mr. Duncan said the board, at its October meeting, will move on to the next step—an analysis of what changes, if any, should be made to respond to catv, and other new technology competitors, who are vying for radio's sponsors and audiences. Emphasis will be placed on how best to strengthen the management by adding new people.

Mr. Duncan leans toward hiring an outside consultant who can take a dispassionate view. This, he feels, would enable RAB to avoid the kind of embarrassment that NAB's search committee suffered when seeking out a presidential candidate. The committee's choice later was rejected by the full board. But the RAB chairman is by no means certain board members, whose companies must pay their own expenses to run RAB, will vote to spend $100,000 to $200,000 for an outside search.

One of Mr. David's most vocal critics, who reportedly voted in favor of his new contract because he knew it had the numbers to pass without his support, opposes hiring a consultant to help in finding RAB's No. 2 and No. 3 persons. "Look at all the talent on this board," said this member. "Why do we need to spend money for outside advice when we have all our directors available to address this problem?"

And while he faulted the NAB board for turning down its search committee's recommendations after the searchers had spent three months scouting out prospects, this board member said the same thing could happen to an RAB candidate chosen by an outside, paid consultant. Others directors checked agreed the board should be able to locate people to fill the additional posts at RAB without outside assistance.

Still another board member I checked with figured Mr. David came out of this squabble in a better position than he went in. Mr. David felt the same way about RAB. "It's very healthy to have the dissidents speak up about what they think should be done," he told me. "Unless an organization is moribund, there will always be dissidents. They are sincere people with their own ideas about the best way to shape RAB for the future."

I asked what changes he plans in order to respond to the criticism that RAB needs a fresher, more vigorous, less predictable approach. Mr. David said this will be clearer once the long-range planning committee has completed its report. He noted that study was in the works long before the "public family feuding" over his contract.

Mr. David said he received several reassuring calls from major advertisers and agencies after I wrote an earlier column about the board dissidents. He thinks RAB already does a creditable job of helping sponsors to make effective use of radio, but he hopes to improve that aspect of the bureau's work.

For the moment, he's probably out ordering a batch of Friday, the 13th, T-shirts. The cnetime trade press editor signed his first contract as RAB president on Friday, Aug. 13, 1965. He celebrated his 17th anniversary on Friday, Aug. 13, just past, with a handshake agreement to seal his latest four-year pact.#

Vp banks on electronic future

Los Angeles—Don't look for it around the corner, but the Who concert of tomorrow, or Neil Diamond in person, may take the form of 3-D, 20-ft. holographic projections above the stage for the audience to see in perfect detail.

That's one glimpse Henry E. Koehn of Security Pacific Bank here has of the future. Mr. Koehn makes it his business to crystal-ball gaze: The bank vp is director of Security Pacific's Futures Research division.

Mr. Koehn's research tells him that movies and special events are likely to be transmitted into home and community facilities simultaneously. These images, he believes, will be shown in multiple angles on multiple screens.

"The lasarium of today," he said in a recent speech, "is the concert hall of the late '80s."

He also believes that live events and concerts will be videotaped immediately and the cassettes sold at the door. The audience will be offered the cassettes on the way out "as take-home albums."

In one of his more elaborate visions, Mr. Koehn sees the entertainment superstar of the late '80s being "an electronic fabrication." He's suggesting that this "superstar" will be nothing more than a "computerized creation," a simulation designed to "fit the styles, attitude and fads of the moment."

The real star, according to the bank executive, will be an engineer, who is really an "artist," projecting a 3-D image upon the stage from a remote location.

Is this laser-beam, holographic vision too far out? "Not really," assures Mr. Koehn. He reminds that a laser beam already has appeared as Tinker Bell in the recent Broadway stage production of "Peter Pan." He also calls attention to the "excitement" of the computer images in the Disney movie "TRON."

If electronic, computerized Tinker Bells and "TRONs" work today, why not, he wonders, tomorrow have "unreal, rather than real, performers who glide above the stage while singing in the vibrant manner of an electronic synthesizer?"

In still another vision of the future, this one a close resemblance to the plot of "Rollerball," the 1975 United Artists/Norman Jewison theatrical feature, Mr. Koehn sees the coming of new sports. Specifically, he envisions crowds using hand-held controllers to select team plays by popular votes (in "Rollerball," which takes place in the 21st Century, a violent sport is used to release the antisocial feelings of the masses).

"Audiences will demand ever more exotic forms of entertainment," he predicts. Auditorium managers, for example, will need to constantly be aware of new technologies and know how to deal and manage crowd stimulation.

Among other near-future advances, Mr. Koehn forecasts fiber optics used almost exclusively in cable; digital sound continuing to affect all sound transmission, and receiving equipment and giant "plasma display" auditorium screens providing clearer images than are now available (and because they are thin and flat, they'll be easy to place anywhere in a facility).

He's figuring on a big future for video conferencing. National conventions, as early as the middle of this decade, he says, will be divided among multiple images, with workshops, presentations and tours all beamed via the electronic conferencing technique.

In a capsule, what he thinks has happened, is that "we have survived the period of transition and are a very different society—a diverse, multi-ethnic, multilife-style, hi-tech society searching out the path to our future."#

Laser targets outdoor

Philadelphia—For the past 12 years, about five companies have been involved in providing laser light shows to the entertainment industry. Now one of those companies is taking the technology into advertising.

American Laser Promotions Ltd. is trying to sell its laser outdoor board concept to advertisers. Daniel Arbess, director of sales at American Laser, said he expected to have a laser showing in place in the Northeast for a major advertiser within the next three months.

The ad messages would be stored in a computer that would be set up at a specific site. From there, they could be recalled and shown on anything from the side of a building to a regular outdoor board to a cloud. Mr. Arbess said the company will use a time-sharing arrangement to enable a variety of companies to place ads at the same site.

Using lasers, the company can construct animated or stationary figures, along with text, to create an ad, according to Mr. Arbess.

Mr. Arbess declined to say how much a laser board would cost. However, he said the cost would depend on the location of the ad and the amount of time needed to produce the effect.

"Everyone in the laser business has the potential to create laser [outdoor boards]," Mr. Arbess said. "No one has made a substantial commitment because many of the laser companies are too small to have the marketing resources."

American Laser purchased Montreal-based MassLaser in 1981. MassLaser had created a mobile laser unit—laser shows transported in a bus—in 1979. Mr. Arbess said American Laser intends not only to offer the laser outdoor board concept to advertisers, but also use of the mobile unit for promotions and product introductions.#

More satanic numbers

(Continued from Page 24)

sumer habits.

There is, however, the possibility that a competitive marketplace will provide an incentive to design more safety into products. While the power mower industry was deploying legal and political forces to fight the "deadman's" switch, a Memphis barber, musician and inventor named Buford Whitman developed a nylon replacement lawn mower blade that deals directly with the hazard of chopped-off toes. A lengthy account in the business section of the *Washington Post* says he can sell it profitably for $25.

Spokesmen for the power mower industry say there is a difference between developing a safer power mower and actually ending up with a product that works effectively. Having poormouthed Mr. Whitman, however, they admit there are no signs that their companies have made notable progress toward safer power mower design.

Cynicus nodded knowingly when he read about Mr. Whitman's invention. "Whitman may not have the answer," he says, "but industries which forget that improving your product is more important than fighting with the government play the devil's game. Look what Toyota was able to do while General Motors was squandering its energies and resources in squabbles over who should be doing what about auto safety."#

vidbits

Zenith Radio Corp., Glenview, Ill., has signed a long-term agreement with Rogers Cablesystems for addressable cable tv decoders to be used in Rogers' Canadian pay tv operations. Rogers stated it will purchase an initial $12 million worth of the decoder equipment. The Toronto-based Rogers will launch its pay tv service next February.

* * *

Cable Health Network has signed news personality Joseph Benti to anchor its daily "Cable Health World Report" and "Cable Health Week in Review." Mr. Benti's credits include KNXT-TV, Los Angeles, anchor stints with "CBS Morning News" and KABC News, Los Angeles.

* * *

Procter & Gamble will sponsor a multipart NBC-TV miniseries, "A.D.," and also co-produce with International Film Productions. Production is set for early next year for the 1984-85 prime time season. "A.D." will dramatize the conflict between the early Christians and the Roman Empire.

* * *

Avis' first buy on USA Cable Network calls for spots in various sports packages and in the "Sports Look" anthology.

* * *

Kawasaki Motors Corp., U.S.A. has made a cash buy of the 10-second ID that the Drake-Chenault Enterprises radio production company reserved for itself in each one of the 52 "History of Country Music" special programs it has produced. Agency is J. Walter Thompson USA, Los Angeles.

Poor quarter

(Continued from Page 30)

first six months of '82, outpaced its competition in net income with a 62% increase for the half over the year before. Its $10.8 million net reflects an increase in operating profit, the acquisition of SSC&B:Lintas and the switchover to the accounting system that permits companies to reduce a portion of losses suffered as a result of currency exchange rates.

A significant gain of 20% was recorded by Mickelberry, but the other agencies—with the exception of JWT—were basically flat. JWT plummeted to a net loss of $2.2 million from a net income of $2.7 million in 1981.

Active on the acquisition circuit, Mickelberry's revenues were up 86% for the first half of '82 to $29.9 million. Augmented by three newly acquired foreign agencies, Grey's revenues climbed to $68.7 million, a 30% increase over the same six months of 1981. Those results include three foreign agencies that were not a part of Grey in 1981. The most modest gain was posted by Foote, Cone & Belding, up 6.2%.#

Advertising pages in August consumer publications

Current and August '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	Aug. 1982	Aug. 1981	Jan.-Aug. 1982	Jan.-Aug. 1981
Art & antiques				
American Artist	41.8	38.1	439.1	408.9
Antiques	108.0	118.0	1,112.6	1,149.4
Art & Antiques—(6X)	84.0	47.8	249.3	220.3
Art in America—(11X)	90.0	—	759.8	659.5
Artnews—(10X)	—	—	626.2	730.0
Portfolio—(6X)	40.0	44.3	229.8	172.4
Southwest Art	96.0	104.0	870.0	900.6
Total Group	459.8	352.2	4,421.4	4,322.9
% change	+5.0%		+2.3%	
Auto/cycle/rec. vehicles				
Car & Driver	66.9	65.8	634.5	665.0
Car Collector & Car Classics	20.3	22.3	173.5	185.2
Car Craft	55.7	59.9	615.9	516.3
Cycle	40.4	64.3	677.0	713.7
Cycle Guide	39.7	39.4	473.3	487.8
Cycle World	35.6	38.0	545.5	602.5
Dune Buggies & Hot VWs	60.5	48.5	431.4	332.3
Family Motor Coaching	83.8	59.9	778.1	498.6
4 Wheel & Offroad	51.9	41.0	401.8	302.1
Four Wheeler	28.5	18.1	222.1	186.9
Hot Rod	48.9	45.2	481.3	444.0
Motorcyclist	26.8	31.3	471.8	446.7
Motor Trend	45.5	46.2	450.8	426.5
Motorhome—(9X)	65.6	51.9	505.4	333.2
Pickup, Van & 4 WD	24.8	—	216.8	—
Road & Track	72.6	79.8	725.1	744.2
3 Wheeling—(11X)	27.9	25.2	171.7	112.0
Trailer Life	105.5	78.6	829.8	689.8
Total Group	910.9	813.4	8,820.2	7,702.4
% change	+12.0%		+14.5%	
Boating & yachting				
Boating	67.8	67.3	867.2	894.4
Chesapeake Bay	23.3	23.2	205.1	204.5
Cruising World	132.6	132.9	892.8	840.6
Lakeland Boating	—	—	—	—
Motor Boating & Sailing	84.2	92.3	1,054.4	1,066.2
Rudder	15.5	27.6	179.9	193.6
Sail	90.3	119.4	1,148.9	1,146.4
Sea & Pacific Skipper	67.4	75.9	593.4	648.6
Trailer Boats	15.3	12.7	196.5	210.4
Yachting	116.4	153.5	1,364.7	1,495.2
Total Group	612.6	704.8	6,502.9	6,699.9
% change	−13.1%		−2.9%	
Canadian				
L'Actualite	23.5	24.9	394.3	385.8
Chatelaine:				
English Edition—A.	75.4	70.5	657.8	636.9
French Edition	54.7	47.7	521.7	537.2
Financial Post Magazine—A.	29.2	—	286.1	279.3
Flare—A.	43.8	49.9	330.3	371.1
Homemaker's Magazine:				
English Edition—(10X)	—	—	389.0	390.8
French Edition	—	—	496.3	482.9
Macleans—A.	57.4	49.9	756.2	697.8
Quest Magazine—(8X)A.	—	—	245.9	228.0
Reader's Digest				
Canada-English—A.	54.8	71.3	603.9	653.9
Canada-French—A.	41.0	54.5	588.6	589.1
Toronto Life	61.0	62.0	821.0	781.0
Total Group	440.8	430.7	4,934.1	4,817.0
% change	+2.3%		+2.4%	
Canadian national weekend magazines				
Perspectives—D.	17.5	25.8	254.3	291.7
Today—A.	—	—	271.8	352.6
Total Group	17.5	25.8	526.1	644.3
% change	−32.2%		−18.3%	
Civic/fraternal				
American Legion	19.9	18.2	231.6	194.5
Elks Magazine—(10X)	19.4	21.6	158.4	164.4
Kiwanis Magazine	12.9	15.2	99.7	103.1
Lion	9.3	6.0	47.5	38.3
Moose Magazine	19.0	19.0	162.0	162.0
Rotarian	8.7	11.9	103.5	107.6
V.F.W.—(10X)	19.0	18.7	189.4	193.5
Total Group	108.2	110.6	992.1	963.4
% change	−2.2%		+3.0%	
Comics				
DC Comics	8.0	8.0	56.0	67.0
Harvey Comic Group	8.0	8.0	64.0	64.0
Marvel Comic Group	10.0	11.0	79.5	78.5
Total Group	26.0	27.0	199.5	209.5
% change	−3.7%		−4.8%	
General				
Air Progress	17.1	19.0	144.8	140.4
American Forests	7.9	11.7	75.1	96.1
American West—(6X)	—	—	102.3	99.4
The Atlantic—A.	30.1	19.8	227.3	204.3
Audubon Magazine—(6X)	—	—	120.9	118.2
Bon Appetit—A.	55.4	58.3	583.0	625.9
Changing Times	30.9	28.9	263.6	216.2
Cuisine Magazine	23.7	—	285.3	227.6
Ebony	91.4	74.4	644.0	621.7
Fifty Plus	19.2	23.3	211.9	250.1
Games—(6X)	—	—	97.3	76.5
Geo	11.7	12.0	123.7	143.0
Gourmet	30.7	41.4	464.8	464.8
Harper's Magazine—A.	16.8	23.2	129.1	186.2
Let's Live	68.2	80.1	586.6	674.6
Life	30.5	47.0	371.6	422.6
Moneyworth—(4X)	—	13.3	108.2	122.9
Mother Earth News—(6X)	49.6	44.0	155.0	156.6
Museum—(6X)	29.2	22.8	163.2	126.2
National Geographic	15.7	33.1	188.8	237.1
Natural History	22.8	25.1	232.6	268.9
Prevention	63.2	73.6	545.6	665.2
Psychology Today	23.4	28.4	272.2	347.0
Reader's Digest—A.	52.5	77.4	610.5	685.0
Saturday Evening Post—(9X)	52.3	41.5	244.1	224.1
Signature	35.0	34.3	409.3	373.7
Smithsonian	77.7	65.2	576.2	596.7
Success	28.3	34.5	218.8	235.2
Town & Country	97.4	87.8	909.1	857.9
Travel/Holiday	29.7	31.0	370.0	370.6
Travel & Leisure	47.3	51.3	661.9	673.3
Video	51.0	42.3	424.0	392.5
Video Review	52.7	52.3	472.0	388.3
Writers Digest	14.2	18.0	169.6	169.5
Yankee	67.4	78.8	571.4	597.2
Total Group	1,243.0	1,293.8	11,733.8	12,038.5
% change	−3.9%		−2.7%	
Home				
Americans—(6X)	—	—	124.8	115.3
Architectural Digest—A.	74.1	65.0	919.8	893.7
Better Homes & Gardens	81.8	100.0	849.3	885.7
Colonial Homes—(6X)	46.9	46.3	235.8	210.7
Country Journal	41.3	37.9	325.6	321.1
Country Living—(10X)	48.5	—	234.6	—
Dallas-Fort Worth Home/Garden	—	—	383.7	267.0
Early American Life—(6X)	—	—	130.4	155.8
Family Handyman—(10X)A.	—	—	420.4	340.2
Flower & Garden—(6X)	35.6	38.5	193.3	182.8
Home	19.7	30.1	200.8	235.9
Homeowner's How-To—(6X)	24.6	23.0	106.1	120.8
Horticulture	20.1	19.0	231.6	191.7
House Beautiful	62.5	63.6	568.1	657.9
House & Garden	69.0	78.5	670.1	772.2
Houston Home & Garden	100.5	97.4	861.2	744.7
Metropolitan Home	51.1	51.7	474.9	442.4
New Shelter—(9X)	—	—	234.7	239.0
1001 Home—**	25.6	34.2	193.4	208.9
Organic Gardening	51.5	61.5	542.7	571.8
Phoenix Home/Garden	40.3	36.1	381.8	272.6
San Diego Home/Garden	62.3	42.5	429.2	317.4
Southern Accents—(4X)	76.6	83.5	238.1	241.3
Southern Living	102.7	102.9	884.2	835.0
Sunset Magazine—A.	92.2	102.2	1,036.1	1,064.8
Texas Homes	73.0	119.5	608.7	522.2
Workbench—(6X)	—	—	235.5	232.8
Total Group	1,199.9	1,233.4	11,713.2	11,043.8
% change	−2.7%		+6.1%	
In-flight & other passenger				
Aboard Group (7) —(4X)	—	—	889.0	714.0
Air Cal—(6X)	54.5	60.0	367.2	475.7
Alaskafirst	42.4	44.3	315.4	315.0
American Way	65.0	61.2	548.6	485.1
East/West Network:				
Amtrak Express	29.3	31.3	294.6	268.3
Continental Extra	42.3	47.3	419.9	398.0
Eastern Review	68.2	63.5	938.7	598.1
Ozark	34.3	39.0	325.8	351.3
PSA Magazine	65.5	72.0	643.9	673.5
Pan Am Clipper	38.8	57.0	308.8	457.3
Republic Scene	36.5	—	85.3	—
Texas International/-The Texas Flyer	58.7	61.5	490.6	449.3
United	63.2	58.7	564.1	596.9
USAir	39.5	44.6	332.6	353.4
Western's World	36.2	—	73.0	—
Halsey Publications:				
Delta Sky	34.3	37.0	380.0	345.0
Skylite—(6X)	—	—	42.5	38.6
Hawaii	18.8	25.6	165.6	225.2
Pace—(6X)	—	—	120.7	161.2
Southwest Airlines	88.8	76.9	738.0	595.2
Spirit of Aloha	19.3	24.5	166.3	222.6
Webb Publications:				
Frontier	31.3	28.7	306.7	273.2
Passages	—	28.6	218.9	220.1
TWA Ambassador	40.7	45.6	363.0	370.4
Total Group	907.6	907.3	9,099.2	8,567.4
% change	+ .03%		+6.2%	
Men's				
Complete Men's Group	22.0	22.3	182.8	173.8
Esquire—A.	47.2	31.5	424.6	260.0
Gentlemen's Quarterly—A.	75.3	78.5	692.0	697.2
Penthouse—A.	46.8	52.5	483.8	489.1
Playboy—A.	75.9	97.5	825.3	887.7
Total Group	267.2	282.3	2,588.6	2,507.8
% change	−5.3%		+3.2%	
Metropolitan				
Aloha—(6X)	—	—	117.8	92.0
Atlanta	62.2	69.5	500.2	613.2
Baltimore	54.2	74.9	449.3	488.6
Boston	122.1	105.7	944.3	938.6
California	53.5	51.3	518.9	450.1
Charlotte	28.0	25.0	120.0	78.0
Chicago	121.1	107.2	1,028.7	984.9
Chicago's North Shore	80.7	58.6	507.3	458.9
Cincinnati	44.5	44.2	417.4	403.9
Cleveland	55.5	62.1	463.6	562.9
Coast	413.0	453.3	2,151.3	2,190.5
Columbus Monthly	69.7	75.4	579.8	688.3
Commonwealth	39.0	13.2	511.8	106.2
Connecticut	96.5	69.0	593.1	509.6
County Life	49.0	—	86.0	—
Country Magazine	18.8	15.6	185.7	121.9
D/Magazine, Dallas/Fort Worth	107.9	111.5	883.4	887.0
Denver	29.5	32.9	309.9	366.3
Monthly Detroit	45.7	43.8	403.7	327.4
Exclusively Yours Wisconsin	68.8	72.3	536.6	622.6
Grand Rapids	40.7	34.4	333.5	303.0
Gulfshore Life—(9X)	—	—	466.5	433.0
Honolulu	86.9	94.3	532.2	566.8
Houston City	66.5	61.0	534.0	498.4
Indianapolis	30.3	51.9	425.5	374.8
Kansas City	19.9	20.1	189.3	144.1
Los Angeles	250.2	243.0	1,537.0	1,510.0
Louisiana Life—(6X)	—	—	222.0	73.8
Madison	30.0	—	363.7	372.0
Miami	84.7	63.6	699.7	642.6
Milwaukee	36.3	—	196.8	—
Mpls./St. Paul	79.1	81.9	540.2	582.0
New Jersey Monthly	54.2	58.6	430.5	492.5
New Mexico	35.3	27.5	200.3	152.6
Ohio	36.1	27.9	277.3	237.8
Omaha	18.2	17.5	151.3	136.5
Oregon	18.0	25.9	161.9	200.7
Orlando	60.2	85.7	455.5	527.2
Pacific Northwest—(10X)	—	—	200.1	78.3
Palm Beach Life	40.3	42.9	601.6	602.3
Philadelphia	131.7	142.7	947.4	1,039.9
Phoenix	111.5	117.8	635.8	699.4
Pittsburgh	45.5	33.6	360.2	299.7
St. Louis	59.0	60.7	506.5	540.0
San Diego	135.3	148.0	1,010.9	1,104.5
San Francisco	59.3	89.6	387.1	470.8
San Francisco Bay Views—(6X)	31.5	38.5	182.5	236.5
San Francisco Focus	27.2	28.2	281.3	274.2
Shenandoah Valley—(6X)	—	—	127.8	101.0
Tampa	26.6	28.2	277.7	188.8
Tampa Bay	21.6	42.8	241.2	338.9
Texas Monthly	109.0	123.5	961.6	1,025.5
Twin Cities	41.6	55.7	352.2	368.9
Washington Dossier	30.8	32.0	300.4	327.8
The Washingtonian	125.8	129.3	1,007.5	991.4
Westchester Illustrated	16.3	42.5	241.7	357.9
Total Group	3,519.3	3,534.8	27,651.5	27,186.3
% change	−0.4%		+1.7%	
Movie-romance-radio-tv				
Macfadden's Women's Group:				
Modern Romances	29.6	23.9	222.2	222.6
Secrets	29.6	23.9	222.2	222.6
True Confessions	30.6	23.9	233.2	234.3
True Experience	29.6	23.9	222.2	222.6
True Love	29.6	23.9	222.2	222.6
True Romance	29.6	23.9	222.2	222.6
Sterling Women's Group:				
Daytime TV	30.3	30.2	243.8	253.2
Modern Screen	—	32.2	165.8	164.7
Movie Mirror—(6X)	32.0	32.2	131.8	161.8
Photo Screen	—	25.6	97.8	125.6
Soap Opera Stars	24.3	25.6	175.8	231.1
TV Movie Screen	—	—	100.9	129.6
Spotlight	32.0	32.2	131.1	131.5
Teen Bag—(6X)	—	—	24.6	34.0
Total Group	297.2	321.4	2,391.0	2,544.8
% change	−7.5%		−6.0%	
Music/entertainment				
American Film—(10X)	22.0	14.7	142.7	137.2
Circus Magazine	26.8	21.2	234.0	141.3
Dance Magazine	45.6	44.0	483.4	480.8
High Fidelity	23.9	37.1	260.3	312.3
Musician	63.1	55.5	427.4	421.7
Playbill	41.4	43.6	404.8	393.8
Stereo Review	49.2	47.8	396.0	431.7
Total Group	274.0	263.9	2,348.6	2,318.8
% change	+3.0%		+12.9%	
Newspaper Sunday magazines/national				
Family Weekly—A.	78.1	86.0	579.6	668.4
Parade	71.6	73.9	514.8	560.5
Total Group	149.7	159.9	1,094.4	1,228.9
% change	−6.4%		−10.9%	
Outdoor & sport				
Alaska	44.6	34.9	365.6	302.3
The American Handgunner—(6X)	42.0	45.2	152.1	156.1
American Hunter	22.0	18.9	105.7	86.6
American Rifleman	40.2	30.1	221.2	215.5
Backpacker—(6X)	50.5	42.3	188.4	166.6
Bass Master—(10X)A.	—	—	363.8	256.9
Bicycling—(9X)	74.4	65.5	606.6	509.2
Field & Stream	56.0	63.4	608.3	628.4
Fins and Feathers—A.	21.9	21.9	305.0	249.2
Fishing World—(6X)	25.5	27.0	159.1	143.5
Florida Sportsman	58.7	52.2	554.9	542.0
Flying	39.5	54.3	371.2	372.9
Fur-Fish-Game	22.1	20.2	182.8	182.3
Golf Digest	60.2	49.2	584.9	574.9
Golf Magazine	41.5	39.3	609.7	607.5
Guns	28.3	38.8	243.4	267.4
Guns & Ammo	55.7	49.4	374.0	370.1
Outdoor Life	53.7	46.3	536.0	539.2
Petersen's Hunting	53.1	43.2	262.4	220.1
The Runner	34.7	26.2	271.7	192.6
Runner's World	42.2	43.3	262.5	266.7
Salt Water Sportsman	39.4	37.0	490.8	495.1
Shooting Times	37.9	32.4	246.6	267.8
Ski—(9X)A.	—	—	224.4	196.1
Skiing—(9X)	—	—	199.1	160.0
Skin Diver	62.1	58.7	533.8	480.0
Southern Outdoors—(9X)	—	—	246.7	234.8
Sport	31.7	29.8	296.5	273.2
Sports Afield	68.3	63.0	695.0	649.1
Spray—(10X)	40.8	44.0	329.4	287.0
Tennis	42.1	53.2	505.9	513.9
Western Outdoors—(10X)	33.9	40.2	244.1	241.9

(X) represents number of times published each year.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Preprinted inserts included. *All affiliated with Sunday Mag/Net, except Los Angeles Times Home Magazine and New York Times Magazine. **Aug./Sept. combined in 1981.

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Advertising pages in August consumer publications

(Continued from Page 37)

	Pages			
	Aug. 1982	Aug. 1981	Jan.-Aug. 1982	Jan.-Aug. 1981
World Tennis	34.1	32.3	338.2	359.0
Total Group	1,257.1	1,200.2	11,560.3	10,919.6
% change	+4.7%		+5.9%	

Photography

American Photographer	51.2	42.5	364.5	315.2
Modern Photography	118.2	129.4	944.7	952.8
Petersen's Photographic	36.8	43.4	332.9	344.5
Popular Photography	127.8	144.4	1,017.6	1,090.5
Total Group	334.0	359.7	2,542.4	2,597.8
% change	−7.1%		−2.1%	

Religious

A.D. Magazine—(10X)	—	—	78.6	91.6
BBI Jewish Monthly—(11X)	—	—	147.2	133.9
Christian Herald	35.3	38.0	253.5	279.3
Christian Life	20.8	18.1	207.5	201.7
Christianity Today	31.3	29.7	454.8	483.7
Inside—(4X)	—	—	127.7	119.1
Moody Monthly	—	—	340.6	375.1
Total Group	87.4	85.8	1,393.3	1,444.1
% change	+1.9%		−3.5%	

Science/technology mechanics/electronics

Creative Computing	126.8	107.9	946.8	743.1
High Technology	37.3	—	159.1	—
Mechanix Illustrated	54.9	48.2	512.3	538.1
Omni	50.4	44.8	424.1	397.5
Popular Electronics	49.7	56.3	449.7	456.9
Popular Mechanics	72.1	71.1	780.2	812.9
Popular Science	51.3	57.1	626.6	583.0
Science Digest	22.2	15.3	226.4	202.2
Science 82	—	—	204.1	229.1
Scientific American	64.3	49.0	572.4	654.7
Technology Illustrated	43.3	—	214.8	—
Discover	35.0	21.5	260.9	228.7
Total Group	607.3	471.2	5,377.4	4,846.2
% change	+28.9%		+11.0%	

Women's/fashion/service

Bride's Magazine—(6X)A.	—	—	1,253.1	1,172.6
Co-ed—(10X)	—	—	185.6	201.2
Cosmopolitan—A.	181.5	179.1	1,466.8	1,495.0
Essence	73.2	64.3	616.5	614.3
Family Circle—A.	104.2	82.6	1,028.4	984.6
Glamour	185.8	186.5	1,190.1	1,323.9
Good Housekeeping	124.7	147.7	1,092.6	1,126.8
Harper's Bazaar—(10X)	82.0	79.8	747.0	679.6
Health	21.8	31.8	216.5	197.8
Ladies' Home Journal	70.4	81.7	570.0	642.7
Lady's Circle	10.0	7.2	76.4	78.8
Mademoiselle	166.2	154.7	932.9	942.2
McCall's	91.5	76.4	633.3	728.7
Modern Bride—(6X)	—	—	1,163.7	1,019.4
Ms.	—	—	378.8	301.8
New Woman	45.0	44.0	298.3	182.3
Parents Magazine—A.	64.9	63.2	551.0	494.3
Playgirl	39.2	39.0	327.6	348.1
Redbook	78.0	88.9	669.7	737.7
Self	65.8	56.7	534.8	508.1
Seventeen	258.3	250.7	920.3	932.2
Soap Opera Digest	35.5	6.5	191.0	54.7
'Teen Magazine	68.7	66.3	372.3	356.3
True Story—A.	64.0	45.1	444.0	423.8
Vogue	170.3	197.7	1,488.6	1,347.5
Weight Watchers	26.6	20.9	223.3	184.0
Woman's Day—A.	81.6	92.8	853.3	860.5
The Workbasket—(10X)	31.5	39.0	244.9	239.1
Working Mother	70.3	—	495.0	381.0
Working Woman	58.1	56.5	577.5	456.0
Total Group	2,269.1	2,159.0	19,794.2	19,065.4
% change	+5.1%		+3.8%	

Youth

Boys' Life	15.1	13.5	144.7	170.8
Campus Life	22.6	17.3	252.9	235.3
Total Group	37.7	30.8	397.6	406.1
% change	+22.4%		−2.1%	

July

Business

	Pages			
	July 1982	July 1981	Jan.-July 1982	Jan.-July 1981
Atlanta Bus. Chronicle—(52X)	18.0	24.0	168.4	205.5
Barron's—(52X)	118.8	142.1	1,176.1	1,269.6
Black Enterprise	30.8	24.4	380.5	350.1
Business Week—(52X)	274.7	312.1	2,552.2	2,698.8
California Business	57.6	48.6	499.7	428.2
Corporate Report/Kan. City	53.6	34.9	374.5	328.0
Corporate Report/Minnesota	78.0	80.5	537.5	559.9
Crain's Chicago Bus.—(52X)	89.3	75.7	694.7	585.1
Dallas/Ft. Worth Bus.—(52X)	30.1	50.3	277.4	284.6
Dun's Business Month	48.2	46.3	480.6	491.3
Financial World—(24X)	55.8	53.5	543.1	541.9
Florida Trend	68.8	80.0	501.8	468.2
Forbes—(26X)	162.7	155.0	1,562.7	1,471.5
Fortune—(26X)A.	126.0	127.9	1,430.1	1,356.1
Hawaii Business	39.5	53.3	294.2	375.5
Houston Bus. Journal—(52X)	164.8	136.4	1,268.9	995.3
Inc. Magazine—A.	66.0	68.0	560.0	561.5
Income Opportunities—(10X)	46.9	51.7	291.4	299.0
Industry Week—(26X)	78.1	90.2	826.0	951.6
Indpls. Bus. Journal—(52X)	53.5	52.0	438.2	362.8
Money	67.9	67.7	711.4	641.2
Nation's Business—A.	23.9	29.6	250.2	296.7
New England Bus.—(20X)B.	43.5	58.8	426.8	340.5
N.Y. Daily News	31.6	61.4	359.0	645.1
Pacific Business News—(52X)	74.6	70.4	606.3	600.9
St. Louis Bus. Journal—(52X)	93.8	87.1	663.5	500.6
Texas Business	50.6	46.1	369.7	313.9
Venture	28.7	26.3	265.7	246.9
Total Group	2,075.8	2,154.3	18,509.6	18,168.3
% change	−3.6%		+1.9%	

Newspaper Sunday magazines/local*

Arizona Republic	60.6	78.7	669.0	802.6
Boston Globe	94.3	99.0	1,059.3	1,083.9
Chicago Tribune	42.5	56.6	599.4	722.9
Cincinnati Enquirer	55.5	66.4	523.4	650.0
Cleveland Plain Dealer	44.0	65.2	496.2	664.3
Columbus Dispatch	33.3	58.7	382.0	580.0
Dallas Times Herald	56.6	62.7	514.8	575.7
Denver Post	71.4	139.3	859.0	1,236.3
Detroit News	85.6	96.3	626.2	856.6
L.A. Times Home Magazine	61.3	66.9	649.6	745.4
Louisville Courier-Journal	61.5	67.6	611.6	677.2
Miami Herald	34.8	54.4	426.1	585.8
New York Times Magazine	111.3	117.3	2,075.5	2,176.7
Philadelphia Inquirer	47.9	47.6	453.5	528.1
Toledo Blade Magazine	30.3	48.1	315.8	419.7
Washington Post	75.3	77.0	752.2	865.6
Total Group	946.4	1,203.8	11,017.7	13,171.1
% change	−21.4%		−16.3%	

Weeklies, bi-weeklies, semi-monthlies

The Advocate	89.2	72.4	559.3	460.9
Army Times Military Group:				
Air Force Times—(52X)	132.4	136.5	985.7	999.1
Army Times—(52X)	128.1	133.5	988.2	989.5
Navy Times—(52X)	150.3	156.9	1,153.3	1,145.5
The Times Magazine—(52X)	6.4	7.1	104.2	126.1
AutoWeek—(52X)	123.2	971.2	134.9	874.9
The Blood-Horse—(52X)	582.1	568.1	3,225.4	2,921.2
Capper's Weekly—(52X)	17.8	14.3	165.5	160.3
Commonweal—(22X)	1.9	5.7	90.8	52.4
Golf World—(43X)	78.3	69.7	525.2	533.0
Grit—(52X)A.	20.2	18.3	176.4	161.5
National Review	28.6	19.1	173.4	180.2
New Republic—(52X)	22.0	12.5	199.6	147.3
New York Magazine—(50X)	147.8	115.2	1,286.7	1,189.6
New Yorker—(52X)	151.7	145.9	2,089.4	2,066.8
Newsweek—(52X)A.	162.9	173.6	1,477.6	1,702.4
People—(52X)	196.7	200.6	1,909.2	1,908.1
Rolling Stone—(25X)	62.0	79.3	589.3	557.3
Sporting News—(52X)	45.4	38.9	381.0	342.4
Sports Illustrated—(52X)A.	144.1	149.8	1,470.2	1,562.9
Time—(52X)A.	142.5	157.7	1,415.4	1,537.0
Travelhost—(52X)C.	2,469.0	2,037.4	16,536.0	12,305.6
TV Guide—(52X)A.	196.4	169.1	2,033.2	2,010.5
Us Magazine—(26X)	45.5	36.3	332.8	225.8
U.S. News & World Report—(52X)A.	93.0	99.4	940.5	979.8
Total Group	5,239.5	5,588.5	38,923.2	35,140.1
% change	+6.3%		+10.8%	

Foreign

Buenhogar:				
Central America	3.7	5.5	24.7	50.7
Chile	—	2.0	12.2	17.0
Colombia	53.8	61.7	345.8	327.5
Dominican Republic	11.0	15.7	100.3	83.5
Ecuador	15.2	10.0	75.5	65.0
Mexico	42.0	67.0	401.3	459.2
Peru	38.2	50.0	226.2	247.5
Puerto Rico	21.3	20.0	128.8	151.0
U.S.	9.5	12.0	46.0	57.8
Venezuela	24.2	39.3	260.2	289.3
Coqueta:				
Central America	—	—	5.0	1.0
Colombia	2.0	1.0	32.0	17.5
Mexico	2.0	19.0	52.3	56.5
Peru	—	—	5.0	—
Puerto Rico	1.5	3.0	13.0	12.5
Venezuela	4.0	11.0	36.0	50.0
Fascinacion:				
Central America	—	—	—	—
Colombia	6.0	11.5	53.0	51.8
Mexico	10.3	7.8	48.3	49.3
Puerto Rico	—	—	7.5	2.0
Venezuela	9.0	7.0	80.2	55.7
Geomundo:				
Central America	3.0	3.7	39.0	33.3
Chile	6.0	6.2	42.0	40.8
Colombia	19.2	17.5	92.8	79.5
Ecuador	2.0	2.5	30.0	27.5
Mexico	6.2	24.0	35.0	107.5
Peru	12.0	15.5	60.0	67.5
Puerto Rico	5.0	2.7	45.0	34.3
Venezuela	13.7	14.2	110.3	87.8
Hombre De Mundo:				
Central America	5.0	8.5	36.8	49.5
Chile	5.0	6.5	36.0	42.5
Colombia	12.2	13.7	92.2	90.7
Ecuador	4.0	7.0	31.8	41.0
Mexico	20.0	34.0	139.8	159.2
Peru	7.0	11.0	43.8	68.0
Puerto Rico	7.0	10.0	57.8	84.7
Venezuela	20.0	17.0	206.5	115.0
Ideas Para Su Hogar:				
Central America	—	—	—	—
Chile	—	—	—	—
Colombia	40.0	28.0	173.3	147.3
Dominican Republic	—	—	—	7.5
Ecuador	11.8	2.5	44.0	4.0
Mexico	12.3	21.3	155.2	129.7
Peru	11.5	14.5	88.0	77.5
Puerto Rico	2.3	4.2	6.3	10.0
Venezuela	15.7	10.5	171.5	107.7
Intimidades:				
Central America	1.0	2.0	10.0	12.0
Chile	—	—	2.0	2.0
Colombia	1.0	2.0	10.0	13.5
Ecuador	—	—	—	—
Mexico	3.0	8.0	35.0	37.5
Peru	—	—	—	—
Puerto Rico	2.0	3.0	18.0	22.5
Venezuela	5.0	11.0	40.0	75.0
Mecanica Popular:				
Argentina	7.3	11.2	60.2	78.5
Central America	15.7	23.5	116.8	136.7
Chile	5.7	6.2	41.8	35.8
Colombia	19.7	28.0	147.0	173.2
Mexico	18.0	38.2	155.5	191.3
Peru	22.2	30.5	159.0	187.5
Puerto Rico	15.3	21.5	107.8	137.5
Venezuela	21.7	30.2	173.3	184.5
The Ring en Espanol:				
Central America	—	—	—	—
Colombia	—	—	—	—
Mexico	1.0	2.0	12.0	12.0
Puerto Rico	4.0	2.0	24.5	13.0
U.S.	—	—	—	—
Venezuela	3.0	2.0	21.0	17.0
Vanidades Continental:				
Central America	12.0	15.3	109.7	161.2
Chile	12.0	13.5	97.3	102.5
Colombia	93.5	88.3	529.0	503.0
Dominican Republic	27.0	20.8	209.3	163.2
Ecuador	23.0	18.7	137.8	153.0
Mexico	82.0	121.5	776.5	821.3
Peru	51.7	46.3	279.0	274.0
Puerto Rico	36.3	43.0	305.0	345.7
U.S.	46.7	41.0	362.2	253.0
Venezuela	49.2	62.7	532.0	469.0
Cosmopolitan Foreign Editions:				
Australia	51.8	41.7	376.0	347.5
Brazil	50.0	29.0	306.6	231.5
France	77.0	72.7	725.6	642.0
Germany	16.0	7.0	155.0	79.0
Great Britain	121.0	121.0	734.0	757.0
Greece	42.0	42.0	391.0	309.0
Italy	70.0	60.0	454.6	442.6
Holland	16.0	—	129.0	—
Japan	38.0	39.0	251.6	173.0
Cosmopolitan en Espanol:				
Central America	3.2	2.3	26.8	37.8
Colombia	19.7	20.3	130.5	130.8
Ecuador	2.2	.5	24.3	16.3
Mexico	45.2	64.0	447.0	433.3
Peru	10.2	15.0	105.2	99.0
Puerto Rico	19.2	32.7	185.0	243.0
U.S. (Spanish language)	17.3	16.3	126.2	100.7
Venezuela	21.2	19.8	212.0	164.7
International Communications:	15.0	21.0	137.0	152.0
African Business	41.5	26.5	218.0	210.0
New African	23.0	15.0	160.0	157.0
International Herald Tribune	84.4	78.2	640.8	628.3
International Management:				
Africa	7.7	10.7	94.8	87.7
Europe	20.3	17.7	272.5	259.7
Latin America	13.2	11.0	86.8	94.0
Middle East	27.0	14.0	140.7	103.0
Pacific	8.7	11.7	120.5	106.7
Johnston International:				
Alam Attijarat	49.7	54.8	454.9	457.0
Modern Africa	30.2	39.8	132.8	140.5
Modern Asia	22.0	31.3	238.9	294.9
Ejecutivo	23.0	—	102.3	—
Newsweek International:—A.				
Atlantic	55.0	57.5	568.7	548.2
Latin America	26.3	23.3	167.9	198.5
Pacific	48.3	58.8	460.0	506.0
Progreso—(9X)	—	—	—	—
Reader's Digest:				
Arabic	—	—	88.5	125.0
Asian	156.5	193.0	1,330.0	1,149.4
Australian	66.2	88.5	509.7	588.1
Belgian-Flemish	19.5	29.5	542.0	600.5
Belgian-French	24.0	31.0	436.0	469.0
British	41.1	42.2	390.6	405.2
Chinese—B.	91.0	119.0	607.5	673.0
Danish	7.0	11.3	223.9	236.4
Dutch	18.4	16.5	272.1	299.5
Finnish	21.0	18.5	370.6	392.3
French	35.0	31.5	477.3	493.3
German	47.5	47.4	495.3	494.1
Greek	8.0	—	73.0	—
Iberian	15.0	34.0	184.0	229.0
Indian-English	64.0	63.0	570.5	632.0
Indian-Hindi	18.0	37.0	117.0	181.0
Italian	33.0	38.0	400.5	429.0
Japanese	48.7	37.8	344.7	336.2
Korean	20.3	20.5	138.8	118.5
Latin American:				
Argentina	16.0	25.0	106.0	178.0
Brazil	26.0	11.5	89.8	70.1
Central American	10.5	18.5	84.5	117.5
Chile	22.0	31.5	113.5	205.0
Colombia	45.0	50.5	245.5	295.5
Ecuador	10.0	15.0	75.0	87.0
Mexico	36.2	59.8	421.6	371.3
Peru	12.5	18.0	75.0	83.0
Puerto Rico	11.0	7.0	72.0	60.5
U.P.B.	15.5	24.0	95.5	162.5
U.S. Spanish	9.5	11.5	111.0	123.5
Venezuela	15.5	23.5	137.5	143.5
Portugal	40.0	43.3	280.1	278.8
New Zealand	74.0	76.0	435.5	345.7
Norwegian	23.0	18.8	296.8	262.4
South African	119.0	96.0	708.5	603.0
Swedish	13.0	15.8	188.0	172.0
Swiss-French	24.0	36.0	229.0	256.0
Swiss-German	16.0	31.0	278.0	320.0
Time International:				
Time-Asia	60.9	76.4	595.6	617.1
Time-Atlantic	56.6	71.1	705.1	694.4
Time-Canada	87.1	70.1	1,004.1	901.5
Time-Latin America	60.1	73.2	436.7	482.4
Time-South Pacific	133.9	162.9	922.7	965.2
Visao—(52X)	123.5	95.0	907.7	722.5
Vision/Latin America—(26X)A.	37.1	34.6	246.3	266.1
Total Group	4,102.4	4,420.2	33,425.6	34,048.7
% change	−7.2%		−1.8%	

voice of the advertiser

THIS DEPARTMENT IS A READER'S FORUM. LETTERS ARE WELCOME

Expenditure figures need comparison

To the Editor: I was most interested to read Sid Bernstein's column in the issue of June 21 about advertising spent in European countries.

Seymour Banks has, I believe, pulled the wool over your eyes, because the figures he gave you as having been gathered by himself from various sources are, in fact, exactly to the second decimal place the figures which appeared in Starch INRA Hooper's "World Advertising Expenditure" book (1980 edition).

In fact, if you look at the make-up of these figures a little more closely, you will realize that they are not truly comparable, as stated by Mr. Banks. Ad expenditure as a per cent of GNP relates to all forms of advertising in some countries whereas other countries only report expenditure in the mass media. Therefore, before one issues such figures, they should be compared on a common basis. This is something I always do by using just the figures for newspapers, magazines/consumer and technical/outdoor/transit, cinema, radio and television.

Attached is a chart (above, right) based on figures from the Starch INRA Hooper/IAA reports for 1979 and 1980. This shows advertising expenditure in mass media as a per cent of GNP.

Very little change in the pecking order, but U.K. and Norway certainly gained in 1980 over 1979.

Unfortunately, with statistics of this kind they are always historical by the time one gets them. We are a long way from push-button instant figures for what is happening today.

M. J. Hook,
Managing director, Ogilvy & Mather International Media, London.

Advertising Age welcomes letters to the editor, but we ask that they be held to 400 words. The editors reserve the right to edit letters.

Advertising expenditure in mass media as a percentage of GNP

1979		1980	
1. United Kingdom	1.58	1. United Kingdom	1.84
2. Finland	1.47	2. United States	1.36
3. United States	1.35	3. Netherlands	1.33
4. Netherlands	1.30	4. Finland	1.30
5. Switzerland	1.14	5. Switzerland	1.01
6. Ireland	0.94	6. Norway	0.98
7. Austria	0.84	7. Denmark	0.83
8. Norway	0.84	8. Ireland	0.80
9. West Germany	0.84	9. Austria	0.68
10. Denmark	0.83	10. West Germany	0.67
11. Sweden	0.78	11. Spain	0.63
12. Spain	0.71	12. Italy	0.62
13. France	0.56	13. Sweden	0.56
14. Belgium	0.49	14. France	0.53
15. Italy	0.46	15. Belgium	0.41
16. Greece	0.33	16. Greece	0.28
17. Portugal	0.21	17. Portugal	0.23

Source: Starch Inra Hooper/IAA and OMMedia Ltd.

Countries' definitions of advertising vary

To the Editor: In catching up with my copies of Advertising Age after two months teaching at the Keio University graduate school of business, I ran into Sid Bernstein's column on variation in advertising expenditures country by country (AA, June 21). Along with Seymour Banks, Gordon Miracle and many others, I have been interested in the reasons for variations in advertising expenditures, creative approaches, media strategy, research methodology and various other fascinating national characteristics. One of the problems which Seymour has, along with Starch INRA and the International Advertising Assn., is trying to get countries to agree on just what they will include under the advertising rubric. Some of them will include gray areas like sales promotion expenditures, public relations and many others, while some of the other countries are not so generous in their accounting consideration. Perhaps all of us internationalists can at least get together again at the next American Academy of Advertising meeting, if not earlier.

S. Watson Dunn,
Professor of marketing, University of Missouri-Columbia.

Preference for 'Ms.' is considered quaint

To the Editor: A. Jean Lesher does not speak for New York women or their grandchildren either in her long letter to Ad Age (July 9) suggesting that Mr. Bernstein's attitude toward the term "Ms." is 19th Century.

Actually, it is Lesher's preferred form of address that is passe. Regardless of its adoption by organizations that sell training courses, most of the young career women here find it quaint.

Jo Foxworth,
New York.

Sunday a convenient time for car buying

To the Editor: Relevant to Sid Bernstein's column of July 19 questioning the lack of door-to-door marketing by car dealers, I've always marveled why dealerships aren't open on Sundays.

At least in New York (Westchester County) they're not, and to me it is the most logical day to be open. Car buying is usually a family decision, and midweek and evening hours are totally inconvenient.

Yet in my area when I wanted to go shopping for a new car, the dealerships were closed the one day most suitable for my availability.

But then again, I'm never amazed at car dealer acumen.

The few times I went shopping for a new car, I knew more about the models than the salesman who was serving me. I did his homework.

No wonder the industry is in such a sad state.

Steve Davis,
Davis Public Relations, New York.

Editor's note: Auto dealers are open on Sunday in many areas; in others, local ordinances prevent Sunday openings. Dealers in Illinois have just succeeded in securing passage of a law preventing Sunday car dealer openings, claiming such openings are expensive and nonproductive.

Stereotyping in-house agencies is prejudicial

To the Editor: Leonard Matthews' comments ("Accounts continue move outside," AA, Aug. 9), were totally biased in his interpretation of the people who comprise the staff of an in-house agency.

Stereotyping an in-house agency as either, "young folks getting experience so they can move on to a bona fide agency, or those who have been in the bona fide agency world and were flushed out somewhere along the way," is exactly the type of advertising we can do without—untrue.

Perhaps he is unable to see past his agency steps, for people in an in-house agency are also "concerned with the whole marketing process."

Perhaps, they are more versed with product knowledge and marketing strategies because of everyday working familiarity. Did it ever occur to Mr. Matthews that the "bona fide agency" may not be the Utopia of the advertising world?

In order for the advertising world to prosper in the future, we must stop prejudiced thoughts. It can only hurt our future careers as advertising professionals, whether it be in an agency or in-house situation.

William D. Field,
Advertising services manager, Dresser Industries, Stratford, Conn.

Time to move toward a meaningful forum

To the Editor: Contrary to what your advertising pieces tell when it is time to renew my subscription, Ad Age did not come on Monday "to put me right back into Monday...", nor did it arrive on time for me to enjoy it over a warm cup of coffee.

Nevertheless, when it did finally arrive, on Tuesday, late, I duly turned the pages to my favorite column, The Voice of the Advertiser.

Then it hit me.

For the last ten years we've been reading one long-running series of letters carrying essentially the same message about the misuse of the female form in out-of-context ads.

We've had our fun, for sure. Humorous letters from female colleagues, a guessing game when letters are signed with initials or androgynous names, worried AE's explaining why, etc.

Now it all seems so repetitive. Why not give a little less space to these letters, and a bit more to more substantial comments from the field, such as legislative implications of a given campaign, political input, media bias, a forum to expose the enemies of our profession, etc.?

Let's make it a true voice of the advertiser.

For those who cannot do without the ads they can do without, let's make another "Crain Book." If they want these letters so badly, let them pay for them, not the rest of us.

Ed Marzola,
Ed Marzola & Associates, Hollywood, Cal.

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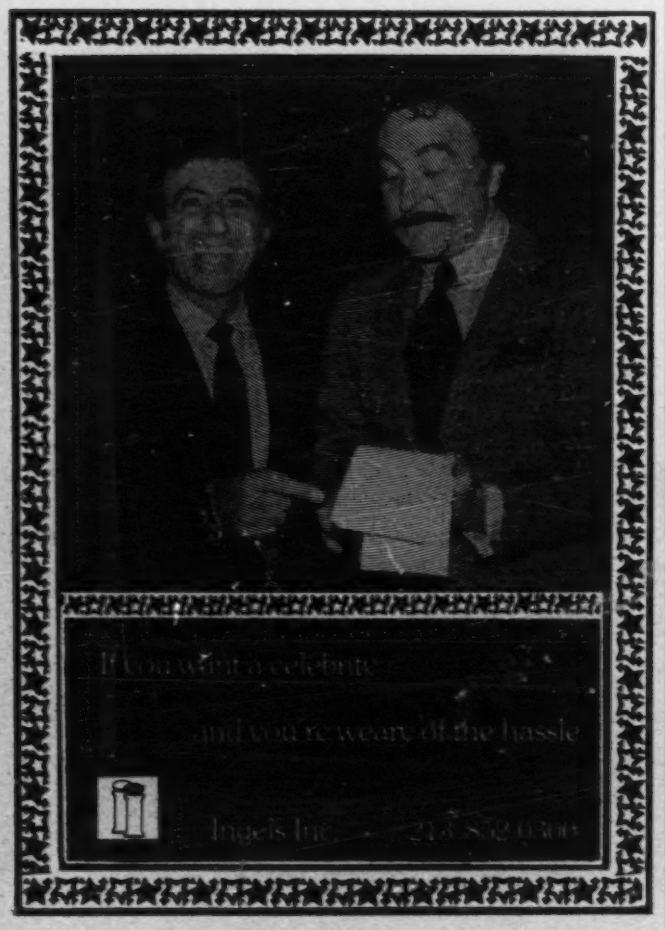

Lavinia says finishing school is doing wonders.
I'll say. Her letter's on Classic® Crest.
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Classic Crest — prestige paper with a smooth, formal finish.
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Spectator Sports: The Media at Play—Magazine special report

Advertising Age

®

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(Staff photos by Mary Herlehy.)

John Houseman, Ad Age selection as Star Presenter, accepts congratulations from AA editor-in-chief Rance Crain at 25th annual Creative Workshop awards banquet. Emanuel Gerard (2nd l.) of Warner Communications accepted the Adman of the Year plaque for Warner chairman Steven Ross. Amil Gargano received the Agency of the Year award for Ally & Gargano. Workshop welcome was supplied Monday night by New York Mayor Edward Koch (inset).

U.S. creativity still best seller: Coke's Keough

By NANCY GIGES

New York—Coca-Cola president Donald Keough, before an audience of over 650 advertising/marketing people from 45 foreign countries, voiced a ringing proclamation that American creativity still leads the world.

Addressing himself to the critics of American advertising, the soft-drink executive defended it against those who malign it and claim that U.S. creativity has lost its lead. If any fault exists with the American creative process, he said, it is with those ad agencies that have sought to save a few dollars by cutting their creative staffs.

Delivering a keynote address at the opening of the 25th Advertising Age Creative Workshop here, Mr. Keough paid tribute to those generations of creative people who, he suggested, have been key to the success of Coca-Cola and other brands like it, especially those that are sold purely for human enjoyment.

"Please accept the simple, straightforward premise that advertising—creativity implied—exists for one reason: To sell, to sell goods and services," Mr. Keough said. "I'd say unequivocally that American creativity is 'selling' harder and more effectively than ever before." Of the 145 countries in which Coca-Cola is now being sold, he said, "I do not know a single one which offers for sale the almost inconceivable variety of products and services that we offer consumers in these United States."

While advertising in other countries may be appropriate there, he asserted that the American creative product is the world's most advanced because "we've been at it longer and we've escaped the adolescent notion at long last of creativity for the sake of creativity."

Other Creative Workshop coverage on Pages 6, 14, 48 and 54.

He described advertising in Japan as "selling without really selling," in keeping with that country's cultural tradition. The principal job of advertising in Japan is to get attention by whatever film and graphic techniques are available and thereafter to entertain and enthrall, he said. While Coca-Cola copy in Japan talks about kindness and friendship and the "gentle refreshment of the morning's dew falling from sweet green leaves to the thirsty earth," that's not exactly the Coca-Cola copy we are buying these days for presentation to the American consumer, he noted.

Mr. Keough suggested that anyone who sets out to make comparisons between the crea-

(Continued on Page 54)

Apple prepares battle plans

New York—Faced with increasing competition in the personal computer industry it pioneered, Apple Computer plans to step up its ad spending and probably will begin to advertise on tv throughout the year, Frederick M. Hoar, vp-communications, told AA Creative Workshop attendees.

Mr. Hoar, whose responsibilities at Apple include advertising, indicated that Apple will spend $24 million to $30 million on advertising in the fiscal year ending next month, or 4% to 5% of the company's projected sales this year of about $600 million.

Apple intends to remain the industry leader despite the entry of large computer companies—most notably IBM—into the personal computer field, Mr. Hoar said. But he acknowledged that that will require spending more money on marketing and advertising. (*See story on ad plans for Timex's new low-price computer on Page 3.*) He declined to project actual spending in the next few years, but said it will remain at 4% to 5% of sales even though sales are expected to reach $1 billion "not too far down the road." In 1977, its first year, the California-based company had about $700,000 in sales.

Apple will break a new campaign "in about a month" that will stress the variety of uses for Apple computers, Mr. Hoar said. He said a recent print ad that merely listed 1,100 Apple-compatible computer programs was very successful.

Though he said he couldn't predict the company's media mix in future campaigns, Mr. Hoar indicated that tv will be used more heavily. "Typically, we've been fallow in broadcast" for three-quarters of the year, he said, referring to the company's practice of

(Continued on Page 52)

last minute news

DDB joins Volkswagen in moving to Detroit area

Detroit—Doyle Dane Bernbach will join client Volkswagen in moving to the Detroit area. DDB will open a full-service office in Troy, Mich., to serve the VW division, which will shift from Englewood Cliffs, N.J., next March. The DDB office, expected to open about the same time, will be headed by Robert Rees as president. He is currently exec vp of the agency in its New York office. Volkswagen of America, the parent, also has headquarters in Troy. *(See related DDB story on Page 56.)*

Mitsubishi to top $6 million in 1st separate effort

Detroit—Mitsubishi Motor Sales of America will invest between $6 million and $10 million in advertising this fall in its maiden ad effort. Ads break in 22 markets in mid-September via Cunningham & Walsh. Ads will hail "the most advanced technologies to meet the needs of our times." Until now, its vehicles were marketed here only through Chrysler Corp.

(Continued on Page 8)

NEWSPAPER

AA
DC2001ACONGLI FHJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

$20 million fall introduction—its largest ever

AMC puts its all into Alliance

By JAY McCORMICK

Southfield, Mich.—The American Motors/Renault Alliance, to bow next month, will have a thick French marketing accent despite being built in Kenosha, Wis.

"We have a hybrid here," said Howard I. Mosher, director of Renault marketing for AMC. "But it's a first-generation import; it hasn't been here since the Mayflower. It's almost a foreign car as opposed to an imported car."

The baby-boom generation is the target audience for the Alliance marketing program. As the bulge in the population moves ahead in years, car makers' mouths water with the prospect of increasing market size.

"By 1990, they [baby boomers] are going to account for about 42% of our business, being 60% of the population—an enormous market exploding, wanting new cars," said AMC's general marketing manager David J. Van Peursem. "The opportunity in the decade of the 1980s has never been greater for the car company that brings the right products marketed correctly to these boomers. Success is virtually guaranteed."

To take best advantage of the boomers' current attitudes, and get the proper marketing angle for the first all-new car AMC has introduced since the ill-fated Pacer of 1975, the Alliance will be treated as a European car. "We found that European, in the minds of the market, stood for craftsmanship, quality, durability and generally positive associations. European means modern technology," said Mr. Mosher. "With 'made in America,' we had a very ambivalent reaction. 'Made in America' is a plus for the average consumer in our target group...with two qualifiers: They won't pay more money for it and they won't give up quality to buy American."

Alliance tv commercials—breaking Sept. 4 on an NFL football game—and print ads (from Grey Advertising) will play off these feelings. A voiceover in a 30-second spot says: "For years, European excellence was priced out of reach. But one car maker, Renault, believes a car can't be the best unless people can afford it. Introducing the alliance of quality and affordability, Renault Alliance. Front-wheel drive, rack and pinion steering, electronic fuel injection. Alliance, European technology now built in America to be affordable. $5595. Renault Alliance, the alliance of quality and affordability is here."

AMC will spend more on the Alliance during its introductory quarter than it has spent on a vehicle before. The Pacer had previous

(Continued on Page 56)

Car makers' theme: Hands across the sea

By RALPH GRAY

DETROIT—Domestic auto makers are flaunting their meaningful relationships with foreign car companies nowadays. It wasn't so long ago Detroit was telling import companies not to call them at the office.

Nowhere is that change more marked than at General Motors, where president F. James McDonald said last week the pressure to marry couldn't be avoided any longer.

"All the American car companies have entered into creative new relationships with foreign companies. Although some people question these moves, competitive economics at the lower end of product offerings make them mandatory at this time.

"Importing smaller vehicles from abroad is not a new idea," he told the *Automotive News* World Congress. "But today, small cars are taking about 60% of all U.S. auto sales, and foreign competition accounts for 40% of this market segment.

"These arrangements with foreign companies will assure that U.S. car makers retain a strong, competitive presence in this growing segment of the car market.

"I doubt if any American producer prefers to take this route, and I am hopeful that our current research and development work will prove that in the future we can competitively build small cars in this country," Mr. McDonald said.

GM will import some 200,000 Suzuki-made small cars as a Chevette supplement and has started joint venture negotiations with Toyota. Ford Motor Co. has a deal with Toyo Kogyo for small cars, and Chrysler has been working with Mitsubishi and is seeking stronger ties with Peugeot of France.

American Motors Corp., now controlled by Renault of France, was the first to make it legal. "I think the type of relationship between AM-Renault is now an industrywide trend," said Jose Dedeurwaerder, president of AM and former Renault exec, another speaker at the World Congress, which this year featured more foreign-auto speakers than ever.

He was joined by Robert J. Sinclair, president of Saab-Scania of America, who said, "We are headed into a future of automotive re-alignment and alliances. The situation today is leading to all sorts of joint activities among the world's producers—driven by the intense competition among high-volume manufacturers and everyone's need to share the enormous cost of design.

"These alliances will continue and one day there will likely be less than a dozen major car marketers in the world," Mr. Sinclair said. He quickly added that would leave plenty of room for smaller manufacturers—like Saab.

■ "The line to the altar continues to lengthen," observed AMC's Mr. Dedeurwaerder. "The reason is simple. The costs of playing in the global automotive poker game have become too high for any of us to go it alone. We are proud of having led the way. Others are doing today what we did three years ago," he said.

The auto execs gathered at the World Congress had mostly nice things to say about the free, open markets that have to exist if the multinational operations are to succeed.

The issue of local content that would bar sale of vehicles without substantial U.S. content was received cooly. Voluntary import restrictions to which Japan agreed were played down.

The natural order of local content is just fine with Mr. Dedeurwaerder. He pointed out the French-designed Renault Alliance being built here has 74% local content.

GM's Mr. McDonald also mildly suggested the car makers who sell here ought to make investments here. "How you get there—through voluntary restraints, tariffs or local content—is for someone else to decide," he said. Any local-content law should make

(Continued on Page 56)

Eve
LIGHTS
THE FIRST THING YOU NOTICE IS TASTE.
Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

Noticeable taste

Liggett & Myers Tobacco Co., Durham, N.C., breaks a national campaign for Eve Lights in October magazines, including *Better Homes & Gardens, Family Circle, People, Self* and *Southern Living*. Ad features a model in b&w photo with cigaret package in color. Bloom Agency, Dallas, handles.

Pepperidge Farm rolls vegetable-pastry line

By GAY JERVEY

Pepperidge Farm, having met with success with its Deli's pastry-sandwich line, will roll national with a decidedly gourmet, vegetarian offshoot, Vegetables n' Pastry.

Previously tested in Portland, Me. (AA, March 22), the new line currently is being shipped to retailers in the East and South. It will be available nationwide by February.

Vegetables n' Pastry is described by Bill Sanders, general manager-frozen foods division at the Norwalk, Conn., company, as vegetables in a sauce that are wrapped in puff pastry. The five varieties include asparagus in mornay sauce; mushrooms dijon; zucchini provencal; spinach almondine in a light cheese sauce, and broccoli in cheese sauce. The asparagus mornay will retail for $1.59, the others, $1.29.

Pepperidge Farm is hoping to cash in on the growing gourmet cooking fetish that is infiltrating the kitchens of middle America. Just as the Deli line thrived on Americans' faster-paced life style (*see story, Page 54*), the new entry should go over well with aspiring Julia Childs who don't necessarily want—or perhaps lack the time—to do all that cooking.

Mr. Sanders described the line as a natural by-product of the Deli introduction. "It was the outgrowth of some consumer input we got," he said. "The trick is to listen to what consumers are saying. And they were saying they wanted some sort of premium product like this."

Like its predecessor, Vegetables n' Pastry will be targeted at smaller households, particularly working women and men cooking for themselves, who need something fast and convenient, yet nutritious. Pepperidge Farm said the products contain no additives nor preservatives and have about 220 calories a serving.

There also appears to be some wishful

(Continued on Page 51)

highlights

Monday, August 30, 1982

Ed McCabe, president-executive creative director of Scali, McCabe, Sloves, envisions a computerized creative department. *See Page 6.*

Subscription tv operators are disgruntled with restrictions imposed by 20th Century-Fox on the promotion and broadcast of "Star Wars," saying the situation threatens the future of pay-per-view films. *See Page 10.*

The purpose of the planned US Festival in California may not be money-making, but it's one aspect its backers have not neglected. *See Page 10.*

X-rated videogame cartridges that are compatible with Atari home videogame systems will reach the market in October. *See Page 22.*

Two views of the auto industry's future, predicting either good times or marketing disaster, clashed during a Management Briefing Seminar at the University of Michigan. *See Page 22.*

Pontiac is only two cars away from having a full line of cars that will fit its "exciting" new image. *See Page 25.*

The president of ABC Publishing is hoping to build on the results of the first two quarters, when the division achieved record profits. *See Page 31.*

Kraft is appealing a federal judge's decision that allows competitors to use the word "whip" in salad dressing labels. *See Page 31.*

Grocery marketers can be encouraged by data collected by SAMI, which shows the threat from generic products is beginning to wane and that the industry has "dynamic" prospects. *See Page 33.*

Independent record retailers are fighting sluggish sales, home taping and competition from discount-oriented national chains with a new merchandising method: Rental of new albums. *See Page 36.*

NBC has broken the unspoken rule of never mentioning the competition with its new season promotions. *See Page 42.*

After 4½ months of publishing, the *Washington Times* starts taking ads this week. It has switched ad agencies and is gearing up for a new circulation drive. *See Page 51.*

After being ousted from top positions at two publications this year, Peter Bonnani last week joined *The Dial* as its new publisher. *See Page 51.*

Militant service station groups are trying to turn consumers against the gasoline industry's discount-for-cash strategy by calling for an FTC investigation. *See Page 52.*

New York Daily News and its unions reach final agreement. *See Page 55.*

Nadler & Larimer acquires Altman, Stoller, Weiss. *See Page 55.*

Goodlife, a network of city magazines sent free to selected affluent homes, makes its debut this week. *See Page 56.*

Nicolas Charney, who founded *Psychology Today* 15 years ago, returns to the magazine. *See Page 56.*

Paul Paulson's Doyle Dane Bernbach successor will come from within. *See Page 56.*

CORPORATE CLOSEUP

The founder-president of The Limited talks about his plans for recent acquisitions, including the 80-year-old Lane Bryant chain. *See Page 4.*

MAGAZINE

The marketing of home videogames is embroiled in such hot competition that it could mean $100 million in fourth-quarter advertising. *See Page M-2.*

How simplicity and supergraphics can drive home the message is shown in an analysis of a group of effective outdoor ads. *See Page M-28.*

SPECIAL REPORT

The unique relationship between sports and the media continues to evolve—on the printed page, over the air and through the cable. *See Page M-5.*

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FIGURES TO FILE

SMOKELESS TOBACCO MARKET IN 1981 25

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Young now old at Sanka

WHITE PLAINS, N.Y.—General Foods has decided that its Sanka (brand) decaffeinated coffee no longer requires the services of likable Robert Young, alias Dr. Marcus Welby.

A Young-replacement campaign will soon break nationally.

When word surfaced last week that GF had retired its longstanding Sanka spokesperson, talk began as to why. Could it be Mr. Young's health? It is well known that Mr. Young several years ago was hospitalized for a metabolically caused bout with depression, and his well-being has been in question ever since.

Or, possibly, did increasing competitive pressures from Procter & Gamble's High Point decaffeinated coffee—which opted for a new approach itself last year featuring actress Lauren Bacall—lead to the strategic shift?

The marketer is saying no to both, claiming that the decision was made simply because it was time.

Several months ago, when columnist James Brady reported in the *New York Post* that GF had decided to drop Mr. Young, strong

(Continued on Page 55)

Low-price computer to get $30 million sendoff

Timex raises its ad sights

Low-cost computer gets a high-tech sendoff from Timex in this color magazine ad set to break next month as part of a heavy introductory campaign.

By ROBERT RAISSMAN

If added evidence is needed to show the beginning of an explosion in the personal computer market, Timex Computer Corp. is providing it with its announced intention to spend between $25 million and $30 million this year on an introductory campaign for its Timex Sinclair 1000.

The campaign, via J. Walter Thompson USA, breaks this week and comes on the heels of announcements of sharp price cuts by other personal computer manufacturers (AA, Aug. 23). In Timex's case, its price—$99.95—is lower than the competition's.

When the Timex computer was introduced last spring (AA, April 26), the Sinclair ZX81 computer, which is similar to the Timex model, was selling for $149.95. Peter A. Schweitzer, JWT senior vp, said Timex realized that major personal computer marketers would cut prices below $200 before the Timex Sinclair could reach the market and, in part, based its price on that expectation.

At the time of the Timex computer's unveiling last spring, industry sources estimated that Timex's ad spending would be somewhere between $6 million and $10 million. Timex executives would only say at the time that spending would be based on potential sales. Timex still declines to reveal its sales projections for the Timex Sinclair, but its ad expenditure appears to point to a greatly increased sales projection.

Mr. Schweitzer said the volatile state of the home computer market led Timex and JWT to delay the final implementation of its introductory ad campaign. The tv spots went into production on Aug. 2. "We waited as long as possible to get a better reading of what was going on in the marketplace," Mr. Schweitzer said, "but it got to a point where we had to go."

Pricing is one key to the cam-

(Continued on Page 52)

CBS, industry prepare for life after Paley

By MAURINE CHRISTOPHER

NEW YORK—With 81-year-old William Paley finally getting ready to leave his beloved CBS Inc., the company he founded, Black Rock insiders wait to see if president-chief executive officer Thomas Wyman, 52, has the necessary board support to run the $4 billion conglomerate.

Mr. Wyman, heir apparent under Mr. Paley since June, 1980, was on vacation last week. And the CBS founder-chairman was traveling in Africa, far from reporters who were trying to learn whether he, as first reported in *New York* magazine, will retire next January and become a partner in Whitcom Investment Corp., owner of Whitney Communications and its 10 magazines, newspaper, some cable systems and part of CapCities Cable. It was reported earlier that Mr. Paley was attempting to buy into Whitney (AA, July 26).

As the retirement report gained momentum, sources at CBS, where many top executives were away, seemed—not surprisingly—to have no inkling of the unpredictable, close-mouthed chairman's plan to leave CBS and invest some of his estimated $500 million fortune in a concern headed by his old friend, Walter Thayer, and started by his late brother-in-law, Jock Whitney. Mr. Thayer was out of the office and not available. Nor were CBS board members reachable.

Insiders at CBS characterize Mr. Wyman as a strong, people-sensitive manager. They see him as a fast learner who has taken firm control at CBS and has displayed a diplomat's tact in dealing with the legendary Mr. Paley and with group presidents and middle-line executives, who have had to teach the former Pillsbury executive the intricacies of the communications business.

He works through and with a management committee comprised of the group heads—Gene Jankowski, broadcast; Walter Yetnikoff, records; Thomas Kirwan, CBS/Columbia, and Peter Derow, publishing. Also sitting in on these thrice-monthly sessions are James Parker, law; Paul MacCowatt, administration; William Lilley III, corporate affairs; Roger Moody, development, and Fred Meyer, finances.

While associates like him, Mr. Wyman has not scored any great new triumphs for CBS. The audio-record business has plummeted, CBS Cable is floundering and CBS-TV, though conquering in the nighttime Nielsens, continues to lag behind ABC-TV in the more crucial network tv billings race. Many observers think CBS has become too diversified for its best financial interests.

CBS Inc.'s president has handled his sessions with Wall Street analysts adroitly, but the numbers have given him little to elaborate on. Per-share earnings and income for the first six months of 1982 declined 12% from the 1981 levels. Revenues were up slightly—4%—to $2.04 billion.

If Mr. Paley retires and leaves his corporate baby in the care of Mr. Wyman, Mr. Jankowski and the others, it may be because he wanted to be part owner of the *International Herald Tribune*. (His CBS colleagues also point out the obvious, that the aging chairman tires more easily and is less energetic these days. For example, he is said to be standing aside as they deliberate over a way to salvage

(Continued on Page 51)

Technical snags remain

Jan. target for 'WSJ/Europe'

By DENNIS CHASE

Officials at Dow Jones & Co. will announce next month that the new European edition of the *Wall Street Journal* will debut in early January, according to sources in Europe. The startup date mentioned most often by sources is Jan. 17.

The working name of the publication is the *Wall Street Journal/Europe*, but the final name has not yet been determined.

Top Dow Jones officials are scheduled to meet in Europe on Sept. 10 and may issue a press release on the launch shortly afterward, following a press conference. They have nearly completed marketing plans for the new publication and have hired a staff of reporters and distributors. Ads in the trade press will coincide with the announcement next month. The ad agency is Jim Johnston Advertising in New York.

This week a production and editorial team for the new publication is in Europe to prepare for the launch. Sources say much of the editorial staff will move into its Brussels offices this week, although others have been told to report later.

The launch, expected later in the year by some competitors, has caught them off guard. "I am surprised it is coming out so soon," said a spokesman for the *Financial Times*. "We were expecting March or April." The *FT* is planning a huge promotional campaign for its European Frankfurt edition this fall.

One hitch that possibly could delay the *Wall Street Journal/Europe* startup is the technical problem of matching the *Journal's* Composition Systems Inc. system with another system used by its printer, the *Limburgs Dagblad* newspaper in Heerlen, a tiny south Holland mining town on the German border.

Interfacing the two systems and waiting for outside vendors to write software for it is causing Dow Jones officials to shy away from announcing hard-and-fast startup dates which they may have to retract later.

■ Sources say another technical problem is reproducing full-color ads. *Limburgs Dagblad* allegedly has problems producing four-color ads for small pressruns. The prototype issue has 10 to 15 four-color pages, sources say, and one alternative is to produce the ads in France.

The newspaper likely will have 10 reporters based in Europe—most of them in Brussels and London—and another based in New York. It also will use the staff of the Associated Press/Dow Jones

(Continued on Page 55)

world news roundup

HONG KONG—Cathay Pacific Airlines tapped Leo Burnett Co. last week to handle its $15 million account over Sydney-based DFS affiliate Fortune, which handled the account for 22 years, and Ogilvy & Mather's Hong Kong subsidiary Meridian.

ATLANTA—Ted Turner is in Europe this week lining up contracts for his 24-hour Cable News Network, and the first is likely to be with Italian private tv. Mr. Turner already has signed contracts in Japan and Australia; his next stop is Latin America.

MANILA—Coca-Cola's Philippine subsidiary has won a court injunction against the local Pepsi bottler, which was ordered to halt ads claiming the two colas sell for the same price. Coke sells for 12¢ for a 12 oz. bottle, compared with Pepsi's 14¢.

LONDON—Campbell Soup Co. will spend $2 million here to launch new upmarket condensed soups via Saatchi & Saatchi Compton.

PARIS—Pernod-Ricard's Austin Nichols will launch two wines (red and white) in the U.S. next month under the brand name Devereaux. The company, stepping up its U.S. presence, will eventually launch Pacific, an anise-flavored soft drink, recently rolled out in France.

CARACAS—Venezuela's Health Ministry banned Adams Gum, of Warner-Lambert's American Chicle division, from airing its worldwide Dentyne commercial, which "promotes poor oral health by recommending chewing Dentyne over toothbrushing in public."

Soft-drink brands staying on top—top-of-mind, that is

By JOSEPH M. WINSKI

Soft-drink brands increased their already substantial visibility among consumers in July, snaring five of the top 10 spots among all advertisers in consumer awareness, as determined by adWatch, a monthly survey by ADVERTISING AGE and SRI Research Center Inc., Lincoln, Neb.

Coca-Cola and Pepsi-Cola ranked one and two, respectively, in over-all awareness, as they have each month since the adWatch polling began in April.

7UP, which had ranked No. 8 in April but had not reappeared among the top 10 since then, jumped to fifth place in July, while Shasta (which recently broke a new ad campaign) broke into the top 10 for the first time. Dr Pepper, No. 8 in July, made the top 10 for the third straight month. Shasta tied for ninth with Bell Telephone, which also made its first appearance in the top 10.

adWatch

Top 10 In awareness, July
Advertising named most often

July	June		July % of responses
1.	1.	Coca-Cola	4.56
2.	2.	Pepsi-Cola	4.00
3.	4.	McDonald's	2.40
4.	3.	Miller	1.52
5.	—	7UP	.88
6.	5.	Budweiser	.64
6. (tie)	6.	Ford	.64
8.	8.	Dr Pepper	.48
9.	—	Shasta	.40
9. (tie)	—	Bell Telephone	.40

Question: Of all the advertising you've read, seen or heard in the last month, which ad first comes to mind?

Source: SRI Research Center Inc., Lincoln, Neb.

AdWatch measures consumer awareness of advertising by asking a random sample of 1,250 consumers age 18 or over: "Of all the advertising you have read, seen or heard in the last month, which ad first comes to mind?" In July, one of every 10 Americans (10.3%) named a soft-drink brand when asked that question.

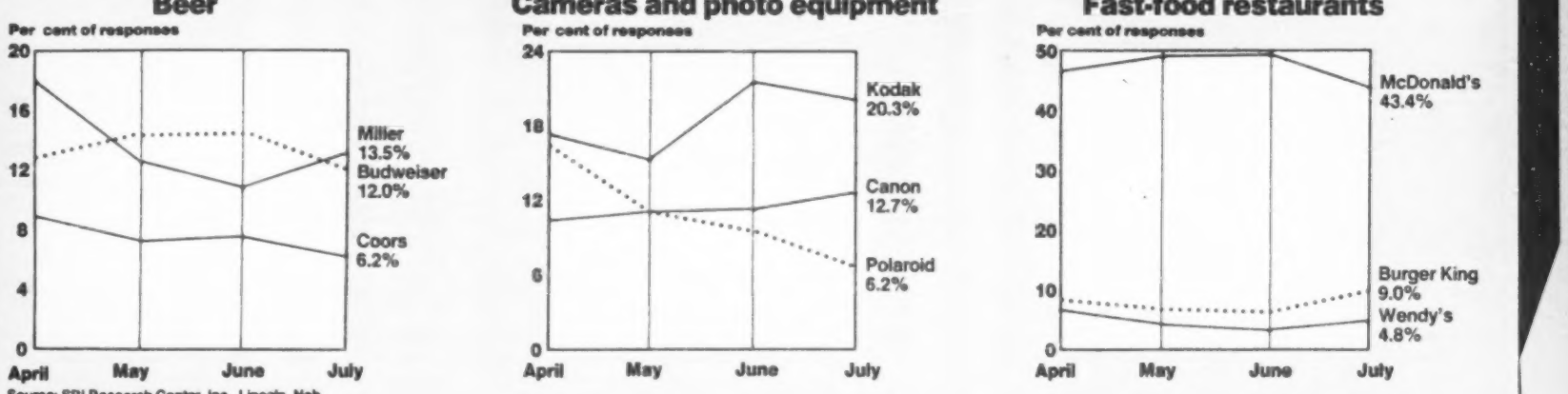
Displaced by 7UP, Bell and Shasta in the top 10 were Chrysler, Chevrolet and Tide detergent, which were seventh, tied for eighth and 10th, respectively, in June. In the most notable position switch in July, McDonald's moved up to No. 3 from No. 4 in June, changing

(Continued on Page 36)

adWatch

Trends in ad awareness

Question: Of all the ads for (product category) you've read, seen or heard in the last month, which ad first comes to mind?



Source: SRI Research Center, Inc., Lincoln, Neb.

Soft-drink brands staying on top-of-mind

(Continued from Page 3)
places with Miller beer.

In product-specific questioning, however (consumers are also asked to tell which advertising comes first to mind for each of 20 product categories), McDonald's fell significantly in awareness of fast-food advertising. Although it retained its solid hold on No. 1 in the category, McDonald's share of the responses fell 5.76 percentage points in July, the largest decline recorded by any advertiser. No. 2-ranked Burger King, meanwhile, scored a gain of 3.52 percentage points, the largest increase scored by any advertiser.

McDonald's was named by 343 consumers in July, or 43.4% of the total, down from 615 consumers, or 49.2% in June. Burger King was named by 113 people, or 9.04%, up from 69, or 5.5%, in June.

In other categories in July:

Beer: Philip Morris' Miller/Miller Lite regained the No. 1 spot from Anheuser-Busch's Budweiser/Budweiser Light. Miller received 13.5% of the responses, up from 10.8% in June, to Budweiser's 12%, down from 14.5%. Miller and Bud each have led the category in two of the four months of the survey. Coors, which received 6.2% of the responses in July, down from 7.7%, has ranked third all four months.

Cameras: Polaroid, No. 3 in the category, continued its slide, receiving 6.2% of the responses in July, down from 9.4% in June and from 16% in April. Polaroid's score has dropped every month since April, when it was No. 2 in the group with 16% of the responses and within striking distance of Kodak, No. 1 in the category that month and each month since. Canon strengthened its hold on No. 2, but remained well behind Kodak.

Cars/trucks: Ford remained No. 1, but its awareness score fell to 13.4% from 16.7%. Chevrolet was second with 10.2% and Toyota third with 8.7%. The rankings in this group have not changed in the four months of the survey.

Coffee/tea: General Foods' Maxwell House (12.8%, up from 11.8%) reclaimed the top spot, after having dropped to third and yielding No. 1 to Procter & Gamble's Folger's (11.5% in July, down from 12.6%). GF's Sanka was third (11.3%, down from 12.5%).

Cosmetics/fragrances: Maybelline, which was No. 3 in June, marking its first appearance in the top three, moved up to No. 1 in July, with a score of 4.3%. Avon, No. 1 in June, was second with 2.7%, and Revlon's Charlie, No. 2 in June, was third with 2.5%.

Home electronics: Mattel's Intellivision (3.3%) ranked No. 3 for its first appearance among the category leaders. Radio Shack reappeared with a No. 2 ranking (3.7%) while Warner Communications' Atari continued its comfortable lead (15%).

Paper products: P&G's Charmin (8.5%) regained the top spot from Scott's (7.68%), which fell to third behind P&G's Bounty (7.76%).

Soap/shampoo: Coast and Ivory, which weren't in the top three in June, tied for No. 1 with 4.6% of the responses. Both are from P&G, as is Prell, No. 1 in June, which fell to No. 3 in July with 4.1%. Armour-Dial's Dial, No. 2 in June, fell from the top three.

Soft drinks: Coke (25.36%) narrowed Pepsi's (25.76%) three-month lead to just five mentions, or an insignificant 0.46 percentage points. Seven-Up (8.3%) was third again.

Toiletries/hygiene: Charmin (6.7%) led here also, thus repeating its May feat of being No. 1 in two different categories. Johnson & Johnson's Stayfree (3%) was second and P&G's Crest (1.8%) third.

The top three in the remaining categories:

Airlines: United (14.3%), Eastern (9.4%), American (7.9%).

Breakfast foods: Kellogg's (5.4%), General Mills' Cheerios (3.84%), GF's Fruit 'n Fibre (3.76%).

Gum/candy: Wrigley (8.2%), Doublemint, a Wrigley brand, (5.4%), Warner-Lambert's Trident (4.4%).

Laundry products: Tide (15%), Cheer (4.2%), Solo (3%). All are from P&G.

Medicine/drugs: J&J's Tylenol (17.5%), American Home Products' Anacin (6.8%), Sterling Drug's Bayer (2.8%).

Packaged, canned, frozen foods: GF's Birds Eye (4.7%), Pillsbury's Green Giant (3.5%), Stouffer's (2.7%).

Pet food: Purina (7.9%), Allen Products' Alpo (6.6%), Ralston Purina's Chuck Wagon (3.2%).

Tobacco products: Philip Morris' Marlboro (7.2%), R.J. Reynolds' Winston (3.8%) and Salem (2.6%).

Wine/liquor: Gallo (5.12%), Villa Banfi's Riunite (5.04%), Brown-Forman's Cella (3.6%).#

For additional information on adWatch, contact: Gary Gabelhouse, SRI Research Center Inc., 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

adWatch Extra: Magazines

Question: What magazines have you read or paged through in the last two days?

	Per cent of respondents who mentioned
1. *Time* (weekly)	13.0%
2. *Reader's Digest*	10.6%
3. *Good Housekeeping*	8.2%
4. *Newsweek* (weekly)	7.2%
5. *Better Homes & Gardens*	5.6%
6. *National Geographic*	5.5%
7. *McCall's*	5.2%
8. *Sports Illustrated* (weekly)	4.4%
9. *Family Circle*	3.9%
10. *Ladies' Home Journal*	3.8%

Note: Respondents were allowed to name up to five magazines

Source: SRI Research Center Inc., Lincoln, Neb.

Album retailers try rentals

By JENNIFER PENDLETON

Some independent record retailers that have watched their businesses get zapped by sluggish sales, home taping and competition from discount-oriented national chains, are fighting back with a new method of merchandising that threatens the powers in the record industry. They're renting new albums at a fraction of the retail price as an incentive to stimulate sales.

As new album prices have soared to $8 and $9, record album sales have dropped dramatically in the last few years. Many retailers, especially the independents, have seen their profits dwindle.

CRC Records, San Jose, Cal., is one record retailer that decided to do something about it. At its San Jose outlet, CRC is offering two-day rentals of new albums at $1.98, with the hope that once customers preview albums, they will pay the difference in the retail price and keep the merchandise in the home. CRC believes the rental service has done a lot to help its business in San Jose and believes there's a big future in other markets.

■ CRC currently has only one outlet, but the company is planning to open 14 additional locations in the Bay Area sometime in the next year. CRC also is looking to expand into Southern California.

While it's apparent the intent of many rental record customers is to record the albums on blank tape to avoid today's hefty record price tags, CRC executives are unconcerned. CRC vp Al Clem shrugs off criticism that record rental is improper with the argument that record companies are charging too much for albums. "If albums were still at reasonable prices, no one would rent records," he says.

CRC has never mentioned home taping in its advertising for its record rental services. Instead, it refers to its rental service as "no-risk record buying." The company is using in-house produced radio spots, with plans to expand into Bay Area tv spots next month.

CRC is not alone. By one estimate there might be as many as 200 record retailers renting records throughout the country. Overseas, especially in Japan, there are reportedly thousands of retailers renting records.

Music Odyssey, West Los Angeles, is another high-volume retailer renting records that believes the practice is the legitimate fulfillment of consumer needs, instead of a way to rip off record companies. "People can't afford $8 for a record," argues Music Odyssey president Steve Gabor, "so we are letting them preview the music to see if they want to buy it." Music Odyssey charges $1.99 for rental of the first record, plus 99¢ for each additional record rental. But rentals are not promoted, and there are no plans to do so.#

FCB 'repositions' creative dept.

The creative department of Foote, Cone & Belding, Chicago, has been "repositioned" since the departure of Alvin Hampel, who was executive creative director until becoming president of D'Arcy-MacManus & Masius/-New York. Now the duo of Lou Centilivre and Mike Rogers is in charge—presented in this ad as returning control "to the workers." The b&w ad, which ran in *Screen*, a local newsletter for the commercials production industry, spoofs the alleged hierarchical structures of rival agencies.

"If I can get it through my ACD before the CD sees it, we might be able to catch the ECD and schedule an AMI. So how're things over at FCB?"
Simple:
We've cut out the middlemen and done away with the alphabet soup.
We don't have a lot of empty titles and a lot of supervisors and a lot of hassle.
This is pretty much a place where you show it to the boss, and then you show it to the client. At FCB, controlling the work is back where it belongs.
With the workers.
FCB
FOOTE, CONE & BELDING

Followers explain new wave and its impact

McCabe envisions computerized creative dept.

NEW YORK—Computers are coming to his creative department at Scali, McCabe, Sloves, and Ed McCabe, president-executive creative director, is thrilled about it.

"I want to get rid of the gap between the inspiration and realization of an idea," Mr. McCabe told an audience at the ADVERTISING AGE Creative Workshop session last week. "Computers offer tremendous usefulness for writers to be able to retrieve old copy, to edit, to work more quickly. One year from now, I plan on having a computerized creative department."

Computers (word processors) also would allow creatives other advantages: "A writer not only won't have to go through account management, he won't even have to go through the client," Mr. McCabe said. "He will have access to that information in the machine." Some of the account and client data he envisioned being fed into the computer includes historical copy; marketing and technical information; jobs being worked on now by the client, and exactly who is working on what.

After the writer composes his copy, he can then transmit it to Mr. McCabe, who in turn can make notes in the margins (and on the computer), zip it back to him, get it back revised and then hit the print-out button, the executive explained.

This is not the first time Mr. McCabe has made news with an idea to revolutionize the creative department, he reminded the audience. About 18 months ago, he decided to wipe out the traditional, vertical creative group structure, wherein copy supervisors, art supervisors, associate creative directors were all assigned to specific accounts (AA, April 6, '81).

The vertical was replaced with a horizontal setup, and Scali's creative operation now consists of four associate creative directors assigned to specific accounts and then an army of writers and art directors who can work on one account one day, another the next. Their assignment is determined by

CREATIVE WORKSHOP

where they can be most effective, where they want to be and where they are needed; Mr. McCabe describes it as free lancers working on assignment.

The experiment has worked well, Mr. McCabe reported. While he expected client resistance, he got none. "Instead of clients worrying about what writer they had, they started looking at the advertising being done," Mr. McCabe said. And, he boasted, the advertising was as good or better than it had been in the past.

"Everyone grew substantially," he added. Although the restructuring was only made in the creative department (the only place it was suitable), Mr. McCabe said it has served to make the account management people work harder, too.

■ David Tree, creative director of Young & Rubicam, Los Angeles, answered the ponderous question, "What is New Wave?" by noting that, commercially speaking, new wave means strong visuals, strong music, strong colors, a minimum of copy. It is the Lincoln-Mercury ads for Lynx, the Chanel "fantasy" spot, the Diet Pepsi "Now you see it, now you don't" commercials. New wave also is a 3-year-old reel of European commercials that native Londoner Mr. Tree brought along for his Creative Workshop presentation.

"The heart of new wave is visual impact," Mr. Tree told attendees. He also explained that new wave advertising reinforced the basic advertising tenet that "an ad message should be simple and clear, relevant—and the product is hero."

Asked whether he thought new wave might be old wave in a year, Mr. Tree said he doubted that it would happen in that way. He said

(Continued on Page 55)

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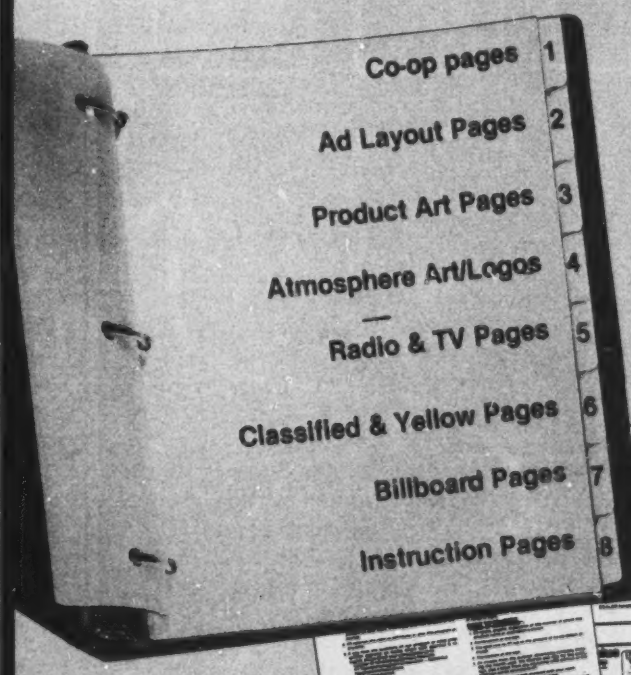

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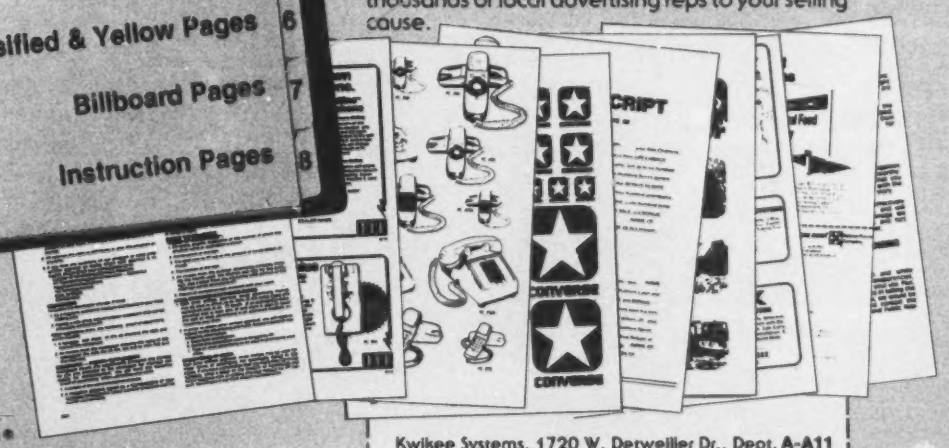

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corrections & clarifications

- In the table of figures in today's Magazine (P. M-3), the total number of estimated consoles already installed in U.S. homes (in thousands) should be 15,450 in the Merrill Lynch column and 17,500 in the Becker column.
- The spoonable yogurt market totals more than $525 million, of which the Dannon Co. share is about 25%. Both figures were incorrect in an earlier story (AA, Aug. 9, P. 2).
- The *Washington Post* said it sold ad space to, rather than swapped with, the *Detroit News* (AA, Aug. 23, P. 43). The *News* had said it swapped space with the *Post*, along with five other newspapers, to publicize its editorial awards.
- *Rolling Stone's* cpms have been lowered, contrary to an earlier item (AA, Aug. 9, P. 38). The b&w cpm is $16.60, down from $17.02, and the four-color cmp is $24.76, down from $25.38.

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Pontiac building image for lineup

By JAY McCORMICK

PONTIAC, MICH.—Now the image building really begins for Pontiac.

The General Motors division is only two cars away from having a full lineup of "exciting" models, according to general manager William E. Hoglund. It took several years for Pontiac to get this close.

"I don't think our basic problem or challenge has been advertising; it's been getting the product," Mr. Hoglund said. "Then the advertising has to complement that."

The division has been building a sporty image since last year with various "excitement" themes, leading to this year's "Pontiac, we build excitement" (AA, Aug. 9). "Image is perception, a gut feeling. Right or wrong, image can help or hurt, and you don't change it overnight," Mr. Hoglund said.

One of the two cars needed to fill out Pontiac's image, the P-car two-seater, will come out during 1983 as a 1984 model. Another model, the subcompact 2000, will have its image improved when a convertible version, dubbed the Sunbird, debuts next spring. "The convertible has an excitement image," Mr. Hoglund said. "Not every car you do is going to be a BMW, but there's an aura of excitement about the convertible."

Pontiac has had trouble building name awareness for its alphanumeric models, such as the J2000, T1000 and 6000, which may account for the Sunbird nameplate on the new convertible. "We're moving in that direction by taking the alpha part of the alphanumerics, and you may see the rest of it go eventually," said Jim Graham, Pontiac's director of merchandising.

Pontiac's image-building is really a resurrection of the old "wide track" image the division had in the late 1960s and early 1970s, according to Mr. Graham. "When Pontiac was riding high, third in the industry, it was because we had a very special image, our own image, and it was stylish, sporty, fast, muscle, partly shed off the old GTO image," Mr. Graham said.

When the oil crunch came, Pontiac dropped that image as untenable. "Burning rubber down Woodward Avenue became not only bad judgment, but almost sinful. In a way, we overreacted. In retrospect, we shouldn't have pulled our image back as far as we did and made it bland," Mr. Graham said. "We were trying to be a mirror to other attitudes—trying to out-value the low end of the market and out-velour the top end of the market."

When Pontiac decided to go back to its sporty image, it found it lacked the necessary hardware to carry it off. The division did not want to promise something it could not deliver. "I worked for Bill Bernbach at Doyle Dane and he told me, 'The quickest way to destroy a bad product is through good advertising.' We knew we could not come out last year with the product line we had—the whole line—and say, 'You've got to accept it.' There were cars in that line that just didn't make it," Mr. Graham said.

Now with the Firebird, a peppier 2000 on stream and a European-style 6000 STE coming later in the fall, Pontiac is closer to the product mix it desires. But other GM divisions have the car lines Pontiac has, so the burden of building a distinct image falls to advertising. "If products are more alike, then the difference can be merchandising and advertising," Mr. Graham said.

■ So Pontiac is requesting a larger ad budget from GM. If the added money comes through, it will go into the division's normal media mix—80% for tv and 20% for print, mostly newsweeklies and special-interest magazines.

The banner headline in some of the ads will be the name of the car and a smaller head will be below a shot of the car. The 2000 will be: "Pontiac 2000. Five speed, overhead cam, fuel injection." The 6000 will get a similar layout: "Pontiac 6000. European performance, American technology, world class." The Grand Prix gets a longer headline: "There's new excitement in our '83 Grand Prix."

The "image" cars—2000, 6000, Grand Prix and Firebird—will get most of the ad weight and all of the tv time. Bonneville, 1000 and Phoenix will get print support but no tv. Cable buys are "exploratory only," according to Mr. Graham. "If Ted Turner indeed comes up with the fourth network, if ESPN [Entertainment & Sports Programming Network] becomes a giant factor in the business, then we'll make some giant moves," he said.

To push the sporty image a little more, Pontiac is using Richard Petty, the race car driver, in its catalog. "Goodyear is helping us out a lot," Mr. Graham said. "They use Richard Petty with their Eagle tires on our Grand Prix [in Goodyear ads]. When you see our catalog, you'll see an awful lot of Goodyear tires on the cars, and in our ads, too. It's a one-hand-washes-the-other thing; we didn't make a deal with them."#

Sun Wave tests apparel

MIAMI—Sun Wave of Miami is testing Sun Wave athletic apparel and plans to take the line national within two to five months. AB&R handles.

Smokeless tobacco market in 1981

Plug

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
R.J. Reynolds	7,702	64.7	8,108	63.2
Conwood	2,610	21.9	3,000	23.4
Brown & Williamson	1,177	9.9	1,207	9.4
Pinkerton	420	3.5	510	4.0
Total	11,909	100.0	12,825	100.0

Soft Plug

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
Pinkerton				
Redman Moist Plug	2,200	34	1,070	28
R. J. Reynolds				
RJR Gold	1,651	25	1,234	32
Conwood				
Taylors Pride	1,250	19	1,500	40
Levi Garrett Plug	1,400	22	—	—
Total	6,501	100	3,804	100

Dry Snuff

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
Conwood	5,250	43.0	5,400	42.7
General Cigar	3,950	32.4	4,051	32.0
U.S. Tobacco	2,132	17.5	2,251	17.8
Brown & Williamson	848	7.1	953	7.5
Total	12,200	100.0	12,700	100.0

Moist Snuff and Fine Cut

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
U. S. Tobacco	27,300	88.3	25,987	95.2
General Cigar	1,200	3.9	400	1.5
Conwood	2,400	7.8	913	3.3
Total	30,900	100.0	27,300	100.0

Twist/Roll

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
Conwood	1,000	54	1,022	54
R.C. Owen	850	46	864	46
Total	1,850	100	1,886	100

Loose Leaf

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
Pinkerton				
Redman	24,300	34	23,410	34
Total	28,000	39	27,190	39
Conwood				
Levi Garrett	17,150	24	17,150	25
Total	19,410	27	18,046	26
Lorillard				
Beech-Nut	12,299	17	12,550	18
Total	13,315	19	13,220	19
General Cigar	5,710	8	4,630	7
R.J. Reynolds	3,454	5	3,522	5
Scotten, Dillon	1,447	2	1,536	2
Total	71,336	100	69,143	100

Total Smokeless Tobacco
Volume and Market Shares

Company	1981 Pounds	1981 Share	1980 Pounds	1980 Share
Conwood	31,920	24.0	30,880	24.2
Pinkerton	30,620	23.0	28,770	22.5
U.S. Tobacco	29,432	22.1	28,238	22.1
Lorillard	13,315	10.0	13,220	10.4
R.J. Reynolds	12,807	9.6	12,864	10.1
General Cigar	10,860	8.1	9,081	7.1
Brown & Williamson	2,025	1.5	2,160	1.7
Scotten, Dillon	1,447	1.1	1,536	1.2
R.C. Owen	850	0.6	864	0.7
Total	133,276	100.0	127,613	100.0

Source: Lehman Bros. Kuhn Loeb Research.

Pontiac dealer intro to become tv special

PONTIAC, MICH.—Detroit's all-out effort to get more bang for the buck in these troubled times has extended to its customary new-car introduction hoopla.

Pontiac division of General Motors will tape its Las Vegas extravaganza to introduce new models to its dealers next month and develop it into a tv show that will air in 85% of the U.S. in January.

"We've made an investment [in the dealer show] anyway; why not get a bigger audience with it?" said Jim Graham, Pontiac director of merchandising. The show will air on an ad hoc network created from various independent and network affiliate stations around the nation. It will run on Sunday, Jan. 23, from 8 p.m. to 9 p.m. (ET).

Stars lined up for "Me and my car, an American love affair" (the current working title) include Dick Van Dyke, Norm Crosby, Morgan Fairchild, Lee Majors, Isabelle Sanford and Scott Baio. The stars will appear in taped location shots that will be inserted into the edited Las Vegas show.

"We will make a sizable investment in an entertainment vehicle to introduce our new cars to our dealer organization in Las Vegas. By taping the big production elements of that, adding to it the inserts with the star names and so on, subtracting from it the overcommercialism of the car reveals what we will be doing for the dealer organization—what we're doing is getting more bang for our bucks," said Mr. Graham.

Pontiac and two sister GM divisions, AC-Delco and GM Parts and Service, will take the four minutes of "network" time and the local stations will get the other four. "We are urging dealer tie-ins on that," said Mr. Graham. "The stations have been enjoined to offer [the time] first to Pontiac dealer associations or dealers, then to offer it to other sponsors if that doesn't sell. In no case are they going to offer it to any other auto company, since we have the basic buy anyway."

Pontiac tried to work with syndication tv before but the effort failed because no ad hoc network was set up, Mr. Graham said. Because the show in January will be on at the same time and same day on all the stations, Pontiac and its dealers can promote it.

"We think it's going to work," said Mr. Graham. "If it does, you can be sure that we will do it again."#

Conwood still leads in smokeless tobacco

By JOHN C. MAXWELL JR.

As usual, we question U.S. Department of Agriculture statistics and have modified them as best we can. We also have broken out the soft-plug category for the first time. It seems wiser to show soft plug as a separate product rather than a subdivision of loose leaf.

Conwood continued as the industry leader in 1981, with Pinkerton and U.S. Tobacco in a tight race for the No. 2 position. The fine cut and semimoist area (up 13.2%) is receiving new entries. Conwood has added to its product line with Kodiak, while Reynolds is testing Timberline in Texas and Liggett Group recently came out with Culver Brothers. This and soft plug (up 71%) are the only growth areas of the smokeless tobacco industry, and this is where new product activity is occurring.

Industry volume was up about 4% in 1981, against rises of 3% in 1980 and 6.7% in 1979. We are aware that this industry has been affected by the economic downturn. Many blue-collar work sites, such as mines and auto plants, prohibit smoking—and this encourages the use of smokeless tobacco products. We guess that some laid-off workers have returned to cigarets, but will revert to the smokeless area when they are rehired.#

Two join 13-30 Corp. in executive changes

KNOXVILLE, TENN.—13-30 Corp. has named two outsiders to new, key executive posts in a reorganization that also involves five of its current managers (AA, Aug. 23).

The moves were essential, said Christopher Whittle, chairman, "if 13-30 Corp.'s growth is to continue in an orderly fashion." Gross income more than doubled, to more than $20 million, in five years, he said, with $31 million projected for the current fiscal year. It and *Esquire* are owned by 13-30 Group.

Ivan Samuels has joined the publishing company as chief operating officer, a new post. He previously served as president-chief executive officer of Ciba Vision Care Co., Atlanta, a division of Ciba-Geigy Corp. This new position ranks below that of Mr. Whittle and Phillip Moffitt, president, and above that of Mike Collins, exec vp-general manager.

Ron McDougall has joined 13-30 as exec vp of a newly created division, the Business Group. He had been senior vp-marketing and strategic development at the Dallas-based Steak & Ale Restaurants division of Pillsbury Co.

Within the Business Group, which will handle all of 13-30's multiple advertiser operations, there were two promotions: Bob Hanggi to vp-publisher, student publications and sampling from vp-sampling operations, and Warren Guy to vp-publisher, wall media from vp.

Ed Smith formerly vp-circulation and field operations, has been promoted to a new position, senior vp-planning. He will oversee development of new products.

Replacing Mr. Smith is Jim Rinehart who takes the new title of vp-field marketing. He formerly was director, national advertising sales, student publications. Laura Eshbaugh who was vp-creative development, becomes vp-research and development.#

The big bang marketing of home VIDEOGAMES

Hot competition could mean $100 million in 4th quarter advertising

By Matthew F. Mansfield

Like the astronomic scores and pulsating beats of Space Invaders and Astro Smash, the numbers and the competitive pace in the home videogame industry continue to escalate. Consider that:

- Factory sales estimated at $2 billion for 1982 will nearly double last year's figures and will equal 20% of all American toy sales.
- At least 14 million U.S. tv homes will have game consoles by Christmas—an increase of between 6 million and 8 million homes over a year ago.
- Some 50 million to 70 million game cartridges will be plugged into those consoles in 1982, depending on whose figures you believe.
- Competition has become so fierce that marketers are spending at least $1 million and in some cases perhaps as much as $3 million to market each new videogame that enters the field.

We are in a gold rush era of home videogames. No one agrees on the figures, and everyone is talking deals. Marketers ranging from free-wheeling, one-shot entrepreneurs to corporate giants are crowding the marketplace. Retailers are at once ecstatic and anxious over the fall invasion.

With five and possibly as many as seven incompatible game consoles being offered at $100 to $250 retail, a major shakedown by January seems inevitable. Atari and Intellivision (made by Mattel) are expected to continue dominating the market, although a major battle looms for third place.

The hot spot today is software. At least 15 companies, including some that barely existed last year, will ship more than 300 different game cartridges priced from $20 to $40. Atari will still lead the way, but Atari-compatible cartridges from competitors are sure to make inroads. Capable of instant millions in console and game sales, this segment is the leading edge of the business.

What makes the game cartridges exciting? There are several factors: The emotional pull with customers whose word-of-mouth can make or break the game; the short product life span, with 50% of sales achieved in the first six months; the lucrative margins for manufacturer and retailer with a box office hit. At an estimated $6 cost-of-goods, software is where the money is.

Already, opposing schools of software design and marketing have drawn lines. Graphics versus playability, action versus strategy, solitaire versus multi-players, original vs. presold titles—all these are weighed as to importance. The scramble to segment the market is on.

Illustration by Jeanette Adams

Atari: Leader of the pack

A point on which everyone can agree: Atari is big. *How big* is in dispute. Skimpy with details, Atari itself claims 85% market penetration. A cross-section of competitive, retail and Wall Street opinion is more conservative and specific estimates are that Atari has a 65% to 75% unit share of the installed videogame consoles and a 50% to 55% unit share of the videogame cartridges, with 20% to 25% of remaining cartridges Atari-compatible.

Several advantages make Atari big: Pioneer game development and marketing of the original organization before its 1976 acquisition for $27 million by Warner Communications; willingness to invest in research and development as well as sales and promotion; unique cross-marketing experience from coin-operated service operations.

This game plan leads to the largest variety of cartridges, more than 50 by yearend, for one of the least expensive consoles, the Atari 2600 VCS. With cartridges competitively priced at slightly more than $30, the VCS retails at $130, about $100 below its major rival, Mattel's Intellivision.

By October, the Atari 5200 Home Entertainment System (HES) with a $250 suggested retail price, will be shipped. This stripped down Atari 400 Home Computer is being introduced to counter complaints about the VCS quality and limitations, relative to Intellivision, and to be an intermediate price level between game consoles to home computers at $350 and up.

A total of 14 Atari games will be compatible only with the 5200 HES. (Atari VCS games will not be compatible with the 5200 HES until 1983, when a special adapter will be ready for separate purchase.)

Retail and competitive reactions to the 5200 HES have been skeptical. A production unit has not been seen by many buyers. The unit may not have enough potential for those seeking add-on home computer capability. The two-tiered positioning of the VCS for children and the 5200 HES for the family may frustrate purchasers with the price-value spread. In fact, Atari unexpectedly lowered the suggested retail price of the 5200 HES by $50 after its debut at the June Consumer Electronics Show in Chicago.

Atari division president Michael Moone maintains that the 5200 HES will be well received by players demanding state-of-the-art videogame technology. Put another way, game graphics will be touted as highly as they are with Intellivision.

At the same time, Atari is reinforcing its VCS library. Following the heralded success of Space Invaders, Asteroids and Pac-Man, 13 new games will be launched this fall. Two titles reflect corporate ambitions to step beyond its arcade experience: "SwordQuest," a unique four-cartridge series of interrelated strategy games with supplemental clues to appear in issues of Warner-owned D.C. Comics books, and "Raiders of the Lost Ark," an adventure game based on the movie. Four sports cartridges also will be fielded against Mattel's Intellivision lineup.

Pac-Man's initial performance as a home videogame, may have accelerated this corporate imperialism. Atari management says 9 million cartridges have been shipped. But at the retail end of the business, the picture is somewhat different; Not only is the home version of Pac-Man a disappointing translation of the arcade format, critics say, but also graphic "flickering" hints at poor programing. Retailers report selling at—or even below—the $22.50 cartridge wholesale price.

Game concept segmentation for different player appeal is also coming. The key group now is 8 to 18 year-old males. Preschooler importance is growing as indicated by Atari licensing arrangements: Aerobics games with Mickey Mouse and other Disney characters as well as educational games with the Sesame Street gang are planned for 1983.

Both published and internal company sources put 1982 Atari advertising spending at $75 million—under the industry 10% advertising-to-sales ratio but still the largest budget. At least $30 million and probably more will be spent in this year's fourth quarter because of seasonality and increased competition.

The bulk of second half 1982 dollars will go to lengthy network tv and radio schedules. Print ads will extend reach in mass, male-oriented, sports and specialty magazines. Informational ads for parents will apear in some of these plus shelter and women's service magazines.

Copy for the 10 30-second tv spots to air will support separate corporation and software title stores. The intended customer take-away is edging away from "Have You Played Atari Today?" According to Janet L. Soderstrom, Atari vp-corporate advertising, the new concept will assert: "Only for Atari from Atari."

Mattel smashes back

Despite Atari's dominance, Mattel has built a strong second position in the market. Intellivision's estimated 18% to 20% of installed U.S. consoles has proven its hardware and software endurance to retailers and customers. But marketplace turmoil is pressing Mattel to go after Atari even more aggressively during the balance of 1982.

Mattel has convinced a lot of people that the Intellivision master component is the best of the videogame consoles, especially for graphics. This image is important to justify competitive value and premium pricing. The sophisticated controls, a larger memory and other features

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compare very favorably with the Atari VCS. Complementing the hardware has been a limited, 27-cartridge library with notably successful sports games.

Intellivision's state-of-the-art position is being challenged, first with the imminent arrival of the Atari 5200 HES and other hardware promising more computer capability at competitive prices and, second the headlong rush of software marketers to market new game cartridges, most of them Atari-compatible.

Intellivision has prepared counterattacks. Hardware advertising will draw customer attention to the product's superiority over the Atari VCS. Promotions and new features will parry other hardware challenges.

A $50 cash rebate plan for an Intellivision purchase (begun Aug. 16 and ending Sept. 18) will match expected ColecoVision and Commodore Max introductory prices and undercut the Atari 5200. Intellivoice, a voice module for more player-computer interaction, will be a console add-on available this fall for $69. Except for Odyssey, other rivals will not offer this feature until 1983.

Another thrust will be the expansion of the cartridge line with 13 new Intellivision titles and the M Network, consisting of 11 Atari-compatible games. Four more also will be sold for the Intellivoice module.

"We are developing software with broad segmentation potential," says Peter Pirner, senior vp-marketing at Mattel. "We have wide appeal now because average cartridge sales per game title are higher across the Intellivision line than the Atari line. Atari gets its large sales from a small number of titles."

Mr. Pirner admits the success of Pac-Man to attract marginal players has pricked Mattel's desire "to pursue all entertainment areas of interest." New Intellivision titles reflect efforts to diversify with traditional hand-eye coordination games such as "Astrosmash" to the video fantasy, "Advanced Dungeons and Dragons."

While statements about Intellivision advertising plans come easily, budget figures do not. Based on $9 million in 1981 measured media industry, estimates for Mattel advertising in 1982 range from $20 million to $25 million, with the big push this fall.

For Intellivision and Intellivoice, George Plimpton will continue to assail Atari on tv as well as in 1,000 movie theaters and major trade and consumer publications. Separate M Network advertising will be directed to teen males.

In view of increasing competitive sophistication, Mattel is testing a keyboard module and nine programs to expand Intellivision to home computer capability. Whether the company will pursue this direction and Atari into home computers remains to be seen.

For the time being, Mattel is holding to a clear and simple course of marketing electronic games.

In search of Odyssey

The situation is considerably more complex for North American Philips' (NAP) Odyssey. The good news for the company: With a 6% to 8% console unit share, its Odyssey² unit has a clear third place. The bad news: Big investments in compatible game development and console defense are needed to keep the franchise viable. Relative to Atari, Mattel and other companies, Odyssey² promotion dollars are limited. NAP will only say the budget is "In multiples of the 1981 figure," at most $15 million to $18 million.

Until the court decision barring entry of its K.C. Munchkin, rival to Pac-Man, Odyssey² intentions were quiet. Since spring, 1982, the adverse ruling and hot competition have brought NAP to the surface churning with activities.

According to marketing vp Gerald Michaelson, 60% of the advertising this fall will support the hardware with the "Wizard of Odyssey" extolling the virtues of the console with computer keyboard. This feature is the Odyssey² point of difference: The alphanumeric keys enrich game playability and perceived value at its current retail price of $150.

The remaining funds will go to software advertising of specific game titles. The listed 43 Odyssey-compatible cartridges contain many original titles with sports, arcade-type, competitive, strategy and education series.

Certain ones, among them Pick Axe Pete, have been designated for special advertising and promotion blitzes. Mr. Michaelson feels that, used together, "promotional events can extend the advertising campaign." Bridging both hardware and software will be the September introductory blitz of a voice synthesizer, the "Voice of Odyssey," available for less than $100.

While not specific, retail comments about Odyssey² games have been lukewarm. Possibly the presold title and advertising fanfare of Atari and Mattel have been missing. Mr. Michaelson stoutly replies: "Our cartridge sales per main frame are better than anyone else's."

Megabucks: Estimated videogame advertising budgets for 1982

Maker	Estimated advertising budget ($ thousands)	Period covered	Agency
Atari	$75,000	calendar '82	Doyle Dane Bernbach
Mattel	25,000	calendar '82	Ogilvy & Mather
Activision	20,000	4/1/82 to 3/31/82	J. Walter Thompson USA
Commodore	20,000	last 5 months of '82	Ally & Gargano
Odyssey²	15,000	calendar '82	Campbell-Ewald
Coleco	15,000	last 6 months of '82	Richard & Edwards
Parker Bros.	15,000	6/1/82 to 5/31/82	Dancer Fitzgerald Sample; Humphrey Browning MacDougall
Astrocade	12,000	last 8 months of '82	Keller, Rubinstein, Jacobs
Imagic	7,000	10/1/82 to 2/28/83	Keye/Donna/Pearlstein
Fox Video Games	6,000	last 6 months of '82	BBDO/West
Spectravision	2,000	last 3 months of '82	In-house
CBS/Gabriel	2,000	12/20/82 to 1/20/83	Cunningham & Walsh
Emerson Radio	being determined	—	Unannounced
Apollo	being determined	—	Benton & Bowles
U.S. Games	being determined	—	AdCom

Sources: Advertising Age Magazine survey of videogame manufacturers and Wall Street.

Home videogames– how Wall Street counts hardware, software

Estimated consoles already installed in U.S. homes, 1982 (thousands)

	Goldman Sachs	Merrill Lynch	Becker
Atari	10,700	10,500	10,500
Mattel Intellivision	2,700	2,300	3,000
Odyssey²	1,000	1,450	1,000
Others	*	1,200	3,000
Total	14,400	1,200	3,000

Estimated consoles shipped in U.S., 1982 (thousands)

	Goldman Sachs	Merrill Lynch	Becker
Atari	*	4,600	3,600
Intellivision	*	1,500	1,250
Odyssey²	*	800	600
ColecoVision	*	500	*
Astrocade	*	200	*
Arcadia (Emerson)	*	300	*
Others	*	100	*
Total	6,800	8,000	5,450

Estimated game cartridge shipments in U.S., 1982

Goldman Sachs	72-75 million
Merrill Lynch	68-73 million
Becker	38-50 million

*No specific estimate made.

Sources: Richard P. Simon, Goldman Sachs; Harold J. Vogel, Merrill Lynch Pierce, Fenner and Smith; Anthony Hoffman, Warburg, Parivas Becker.

Software wars

The play's the thing, agrees the new crowd of software makers. Just what makes for good play spurs endless debate. With a short product life and no guarantee of success from one title to the next, these differences translate quickly to the bottom line.

One software maker is Activision, with Atari and Intellivision compatible cartridges. James Levy, Activision president, believes software is a "creatively driven" business based on the game designer skill to reach the customer emotions.

Activision has assembled what it considers an elite design group and shuns pre-sold titles. "We do not want to mislead the customers about quality, says Mr. Levy. The company just completed a $66 million sales year, up from $6 million a year ago. Its $20 million ad budget makes for one of the highest advertising-to-sales ratios.

A different philosophy is espoused at Parker Bros., building on its games expertise. "What happens if all the games offer similar quality?" Asks Richard Stearns, consumer electronics vp. "Strong advertising and licensing will be essential to draw customers." The company crows about the success of its "Empire Strikes Back" game and plans to spend $3 million advertising per title.

Making cartridges compatible for three consoles, Imagic co-founder James Goldberger says that "Most successes to date had origins in arcades. Future hits will be based on other sources." He stresses consumer research to separate winners and losers because bad word-of-mouth can rapidly undo the best advertising campaign.

New wave systems

One approach to a better game has been to build a better console. "Better" has varying meanings to these manufacturers attracted by the unsatisfied console demand. A common point seems to be the quality comparison to arcade games.

Anticipated to sell under $200, according to Michael Katz, Coleco vp-corporate communication, ColecoVision claims superior controls, graphic resolution and open-ended capacity to add on steering wheel, computer keyboard and modules for Atari games. Arcade-quality comparisons are encouraged by the high number of licensed coin-op titles among the 24 ColecoVision games, including the recent leader, Donkey Kong. If customers still prefer Atari VCS, Intellivision or Sears systems, Coleco will offer compatible system games at competitive prices.

The Arcadia 2001 from Emerson Radio will be targeted for a lower price range. This unit presents itself as an advance system, comparable to Intellivision, with plans for a module that will accept Atari games. The makers promise retail profitability at $100 in-store price based on limited distribution. Two units with varying approaches are being marketed in the $300 range: Astrocade (formerly known as Astrovision and Bally Arcade) and Commodore's VIC 20.

Astrocade has the same custom microprocessor set as Bally/Midway coin-operated games and four-player capability.

Two unusual games are Creative Crayon, with a pen for drawing electronically on console screens, and Music Maker, for composing electronic music.

VIC 20 is practically a reverse case: A home computer adding cartridges to attract current console buyers to the franchise. A lower-priced model, the Commodore Max, is scheduled for December arrival at about $180.

Milton Bradley, which in July acquired General Consumer Electronics Co., with arcade-style vector scan technology, is not commenting on future plans, although it will enter seven markets this fall.

'Mega-Tron'

Is the movie "Tron" in effect the longest, most expensive commercial ever made—a commercial for videogames? Despite its mixed reviews, Mattel will market exclusive "Tron" games based on the recently released, $20 million Disney film set inside a console. The assumption is children will not be affected in their decision to play the game or see the movie by the reviews.

In search for marketing momentum, various videogame deals with tv and film production companies have been struck.

Lucasfilm has straightforward licensing with Atari, and Parker Bros. and co-venture production arrangements with Atari.

Robert Lee Hunter, director of CBS Video Games, will this December ship two Atari-compatible licensed games and expand the library in the post-Christmas market. Intellivision-compatible and Odyssey²-type en-

(Continued on Page M-30)

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On the Legal Front

By Sidney A. Diamond

More than a slap on the wrist

Between Congressional cutbacks and the conservative attitude of President Reagan's appointee as chairman of the Federal Trade Commission, the FTC clearly is limiting the number and breadth of deceptive advertising cases it plans to file. But this does not reduce the potentially sharp impact on any company that happens to lose one of those cases.

When the U.S. government wins, the typical conclusion of an FTC proceeding is an order to cease and desist—in other words, to stop violating the law in the particular area the case involves. Some advertisers and agencies consider this kind of an order the equivalent of a slap on the wrist because there are no fines or monetary damages to pay. But that attitude ignores the expenses of defending the case, including attorneys' fees, the expert witnesses often called in to help and the lost time of company executives in preparing for the defense and testifying at the trial, which often is a very lengthy affair with many interruptions. It also ignores the risk of an embarrassingly broad order and the financial consequences of failing to obey the order scrupulously, as we shall see.

A recent court decision enforcing an FTC order against Sears, Roebuck & Co. provides an example of how things can get out of hand. While the original case was started some years ago and conceivably might not have been filed under today's policy, the FTC's remedies against any loser are not being changed.

In the early 1970s, Sears decided to reposition its top-of-the line private brand dishwasher, the "Lady Kenmore." J. Walter Thompson USA prepared a memo for Sears stating that the objective was to "transfer the consumer image from a 'price' brand to a superior product at a reasonable price."

The detailed strategy focused on two major product claims: First, the Lady Kenmore completely eliminated the need for scraping and prerinsing of the dishes. Second, the machine would clean dishes on the upper rack as thoroughly as those on the bottom rack.

An advertising campaign based primarily on these claims ran in various forms of print and electronic media over a four-year period at a cost to Sears of some $8 million. It was a success. From 1971 to 1973, sales of Lady Kenmore dishwashers rose from 35,029 to 105,570 units, an approximately threefold increase.

The trouble was that the claims were untrue. In particular, the owner's manual that the purchaser received after buying the dishwasher contradicted the "no scraping, no prerinsing" claim. It specifically advised the purchaser to presoak or lightly scour certain dishes.

The FTC ordered Sears to cease and desist from making the "no scraping, no rinsing" claim and the "top rack, bottom rack" claim. But it went much further, ordering Sears not to make any claims for any major home appliances unless they were true and unless Sears had a reasonable basis for relying on the statements, consisting of reliable tests or other substantiating evidence.

The major home appliances covered by the additional part of the order included a total of 14 big-ticket items such as air-conditioning units, clothes washers and dryers, refrigerators and freezers, stoves and humidifiers. These particular products were listed on the basis that Sears tested them in the same laboratory it uses to test Lady Kenmore dishwashers.

Sears took the FTC decision to the U.S. Court of Appeals in California in an effort to have it reversed. But the court upheld the FTC by a vote of 2 to 1.

Sears made no real effort to justify the dishwasher claims, where it had been caught in a contradiction between its media advertising copy and the instructions in the owner's manual. Its main problem was the extra burden of having to use special care to avoid stepping over the line on those 14 other items.

There is a big difference between defending a separate FTC proceeding for violating the law and defending an FTC proceeding for violating an existing cease and desist order, which will be explained later.

The lengthy majority opinion of the Court of Appeals excoriates Sears, saying that the Lady Kenmore advertising campaign demonstrated "blatant and utter disregard" for the law.

The judges on the majority side believed that making false claims for a major ticket item was a serious violation because it would be effective for a considerable period of time, with great benefit to the merchant but great cost to the consumer. The court reasoned that the same selling strategy easily could be transferred to the marketing of other home appliances.

FTC orders that extend to more products than the specific item that led to the particular proceeding are nothing new. So the Court of Appeals had no difficulty in upholding the FTC order, including its coverage of the additional 14 products.

The single dissenting judge would have been willing merely to give Sears another chance before the FTC to prove that the other big-ticket items were so unrelated to dishwashers that the commission had gone too far in its order. Sears now has the legal right to ask the U.S. Supreme Court to review the case, so it is possible we have not yet heard the last of it.

When an advertising agency is responsible for the alleged false claims, the FTC does not hesitate to include it in the proceeding. An agency may risk even more than an advertiser by one of these broad orders. The FTC has ordered agencies to cease and desist from misrepresentations not only about the products of the particular advertiser who ordinarily is the main target of the proceeding but also about the products of other clients of the agency.

In the Sears case, J. Walter Thompson originally was named as a party by the FTC. It settled by consenting to the entry of a limited order against it, conceivably to avoid the danger of having its work for other clients subjected to the kind of broad order just described.

The significance of all this is the difference between a violation of the law and a violation of an existing cease and desist order. A violation of the law may lead to a separate FTC proceeding depending on whether the commission ever finds out about it, whether it falls within the new guidelines and how busy the FTC is with other matters. But that kind of case can be defended on the particular facts applicable to the product and the campaign. A violation of an order is potentially much more serious. The order already is in effect and the only question is whether it was obeyed.

The law states clearly that the penalty for each separate violation of a final FTC order can go as high as $10,000. If the violation consists of a passive failure to observe the order, each day is a separate $10,000 (maximum) violation.

Just last year *Reader's Digest* got involved in an enforcement proceeding growing out of an earlier FTC order affecting its sweepstakes promotions. The court found that there was evidence of 17,940,521 separate violations; there were that many improper sweepstakes mailings. Under the circumstances, the penalty of $1.75 million imposed on the *Digest* could be considered a relative bargain. The propriety of charging that amount was sustained by the U.S. Court of Appeals in Philadelphia.

Even though the FTC may limit its future false advertising activities to "hard-core" cases, its present enforcement and penalty procedures remain intact. Any advertiser or agency trapped in an FTC proceeding should be aware of the possibility of an embarrassingly broad order to cease and desist and conceivably a very expensive penalty, if the FTC charges that it has failed to comply with the order.

Sidney A. Diamond, a former U.S. commissioner of patents and trademarks, is counsel in the Washington office of the law firm of Sidley & Austin.

Videogames

(Continued from Page M-3)

tries also are possible. Mr. Hunter's hope is to get into areas away from horizontal, vertical and maze patterns.

At Fox Video Games, the first four games rely on such familiar movie titles as "9 to 5" and "Porky's" in addition to two new ones. Target group feedback is essental to guide the Fox programers and designers. Says Fox staffer Kandes Bregman: "We feel the kids are entrepreneurs and should tell us what they want."

Another entry is expected from MCA Universal. Marketing vp James Fieldler hints that a direction contemplated creates more "sense experience, less observation" with new video technology.

These companies gaze covetously at the millions of television households in the virtually untapped European South American and Pacfic markets. And Japan is returning the gaze: A TOMY Toys official confirms possible U.S. entry of home computers with game cartridges by the huge Japanese toy company during 1983.

What's the guy minding the store going to do? High interest rates and inventory turn make store managers move very carefully. Too many consoles and too few cartridges can be retail nightmares. On the other hand, with the new consoles, customers will shop hardware more closely. Cartridges will relate to the status they confer on customers. Giftgivers will be looking for safety.

Bill Silverman, editor of the *Merchandising*, sees store buyers hedging: They will stay with traditional console successes, take a variety of cartridges for new consoles, see which cartridges move and stock accordingly, he predicts. *Chain Store Age* associate editor Jeff MacCallum hears the retailers want simplicity of equipment and games so that store personnel are free to move. Steve Smith at *Electronics for Kids*, a toy and hobby publication, expects toy stores to try electronic game boutiques staffed with qualified people. Finally, George Kopp of *Video Business* has found overnight cartridge rentals for $2.50 to be big business and a retail safety valve before big stock commitments.

There is agreement on this: Retailers will first look at the company reputation and its ability to fill orders. Next they will establish logical price points with clear value differences and build game variety. Finally, the importance of coin-op success and/or heavy advertising can rapidly affect opinion.

To some extent, the megamarketing of home videogames has become a mirror image of itself. In conference rooms or on corporate jets strategies are created and implemented. Products are launched and invade alien space. Advertising and promotion are brief blips lighting the screens as opposing forces struggle for supremacy.

As in "Tron," the players *are* the game.

Major 1982 videogame marketing events

Manufacturer	Event	Concept
Atari	"Pac-Man Day" (4/3)	27-major market same-day, live appearance of Pac-Man and Ghosts with free games and hoopla
	McDonald's "Rub Away" (8/15-10/15)	Instant-win contest with Atari prizes at participating restaurants
	"SwordQuest" (late fall)	Promotion related to new 4-cartridge game of same name
Mattel	"Astrosmash Shootoff" (3/1-8/11)	National game contest with $100,000 in prizes (finals near Houston Astrodome)
	"Videochallenges" (8/1-12/31)	18-site contests with primarily sports games and $180,000 in prizes
	"Tron" Sweepstakes"	Product tie-ins with Scott Paper contest
Odyssey²	"Pick Axe Pete Pick-Off" (7/1-8/30)	National game contest with pound of gold bullion as main prize (finals at World's Fair in Knoxville)
	"Otto C. Robot"	Robot spokesmachine at World's Fair
Coleco	$5 Consumer Refund (9/1-11/30)	Joint promotion with Hostess Cakes supported by $1 million in network and spot TV
Astrocade	Diamond Vision Contests (summer)	Game contest projected on giant ballpark screens before ballgame (Chicago, New York, Seattle)
Imagic	"Defend Atlantis" (9/15-10/24)	National game contest with $10,000 in gold as top prize (finals in Bermuda)
U.S. Games	"Name That Game" (fall)	National contest to name untitled game cartridge

Sources: Videogame manufacturers

The network tv connection

The majors—and minors—scramble for the contract

By Anita Seelig

Traditional seasons have become sports seasons. In the fall and winter months—with spring soon to follow—there is football; in the summer there is baseball, and now, just about year-round, save July and August, there is basketball.

But one thing ties them all together: Network television. Watching sports on tv has, in fact, become a way of life: Our viewer settles into a large comfortable chair, a cool brew in hand, eyes concentrated on the illuminated television screen, taking in everything from professional bowling to professional football.

Cable and subscription tv may have attracted his attention lately, but it is network tv that maintains his greatest loyalty.

Professional sports leagues, too, remain loyal to the networks. A tv contract has often reached proportions akin to life and death situations for a league. That may be a bit exaggerated, but a recent contract with ABC-TV breathed life in the fledgling United States Football League (USFL) even before nicknames, coaches or players were selected for the teams.

This is not a one-sided relationship, however. As much as network tv means for the people who are in the sports business, pro sports is just as vital to the fortunes of television companies themselves.

And of all the major sports, pro football is the king of tv. According to 1981 A.C. Nielson Co. tv index sports ratings, football has the highest average audience of all tv network sports with an 18.3% rating.

Baseball ranks behind football, and basketball comes in some distance behind.

It should not be surprising, then, that in the National Football League, few things are as sacred as tv contracts. In the past, the network season package budget has hovered around nine figures. But this year a new high was reached when the big three networks—ABC, NBC and CBS—agreed to pay a combined $2 billion for the right to carry the NFL games for five years. The combined total of the last contract was $650 million.

Although the new figure may bring gasps from some, there are reasons that explain what might seem extravagant folly.

For one, the NFL is one of the most popular shows on the network schedule. ABC's Monday Night Football had its highest rating ever last year with a 21.7 share. CBS also made record ratings with a 17.5 share for regular season games. NBC was the exception, dropping from 14.9 to 13.9.

Anita Seelig is a Dallas-based writer whose articles have appeared in Texas Business *and other business publications.*

Then there is the Super Bowl. That frenzy of football watching broke new territory this year with a 49.1 rating, making it the third-highest rated program after the "Who Shot J.R.?" episode of "Dallas" and the final segment of "Roots." Football's popularity may be one reason NFL commissioner Pete Rozelle decided on the record figure for the football contract. Another may center on the way the NFL itself is operated. It is substantially different from professional baseball and basketball.

In all three major sports, the teams share the money from the network contracts. With the increase in the football contract, this year—for the first time—the NFL teams will make more money from the tv agreement than from gate receipts. With the new contract, teams will average $15 million each, up substantially from the $5.5 million average last year. The Los Angeles Rams will receive the most—$19.8 million. But even the Cincinnati Bengals, at the bottom of the 26-team list, will gross more than $14 million. The Rozelle rule: Everyone makes money and everyone is happy.

Even the networks are happy because they too come out ahead. The negotiations for the "happy are we" contract are easy. As one network source quipped, "Rozelle tells us what he wants and we pay it, and we all make money."

That doesn't mean the networks will get off without some wincing at the bill. CBS will pay the most for its broadcast rights, probably because of its high ratings and schedule of National Football Conference games. The amount is estimated at $700 million to $750 million, or about 2½ times more than all three networks paid previously. ABC, with its prime-time package, is paying the least, several million less than the estimated $625 million to $650 million NBC will pay for its American Football Conference lineup.

Virtually the only debatable question, it seemed, was whether to add ABC to the Super Bowl rotation—previously held by the other networks. The agreement was to allow ABC to carry the Super Bowl once during the five-year contract, in 1985.

And where will all this money come from, you ask? Advertising, the networks answer. The way the system generally works is this: Instead of terrifying sponsors with sudden skyrocketing prices, the networks are creating a scale, asking advertisers to pay more each year. This will slowly edge the current $200,000 paid per minute for the regular season closer to this year's Super Bowl minute of $690,000. The Super Bowl, in the meantime, is expected to settle near the magic million mark early next year.

Advertisers are more than aware of the circumstances. "The money has to be passed on," says Jerry Solomon of D'Arcy-MacManus & Masius, New York, network buyer with Anheuser-Busch. "Two things happened. All three networks had a higher rights fee. And the NFL has granted each network an extra [preseason] game to sell, and within each game, they added an extra minute."

But this isn't an immediate cure, he says: "They have to charge more per unit. I don't think the networks are near a sellout position. They're all having problems. They may have a lot of revenue, but not as much as they need.

"I believe the networks in 1982 will have to generate $120 million more in new revenue to sell-out football as they did in '81."

But how far are advertisers willing to go in terms of dollars spent on commercials?

"As long as it's doing the job," says Mr. Solomon, "I imagine we [Anheuser-Busch] will continue to pay unless we can field another vehicle to achieve the same results."

But the NFL isn't the only football fish in the sea, at least not if the USFL proceeds as planned. ABC reportedly paid from $17 million to $24 million for a two-year contract with the new league, a gamble few feel was much of a risk.

"Football is football," Mr. Solomon says. "It's not really a gamble on ABC's part. It's not prime time and it's not preempting anything."

Moreover, the new league was sought by not one but two networks, pairing ABC and NBC in a bidding war. CBS was the only network sitting this one out, mostly because of its heavily committed spring basketball schedule.

The founders of the USFL seemed to be thinking tv when they announced franchise sites and season. The inaugural season in 1983 is scheduled from March 6 to July 10. And eight of the top 10 markets were included in the 12 franchise sites—New York, Boston, Philadelphia, Washington, Tampa, Chicago, Denver, San Francisco, Los Angeles, San Diego, Detroit and Birmingham, Ala.

The biggest test will be whether football will hold its attraction through the spring and how well the leagues will be managed by its founders. That hasn't seemed to discourage advertisers. In fact, Anheuser-Busch is eagerly waiting to invest.

"We have been looking for an advertising vehicle for that time of the year," Mr. Solomon says. "We're just waiting for ABC to come to us with a package."

If football has proved the most popular sport on tv, what about basketball and baseball?

Although basketball and baseball teams share revenues from network contracts, the similarities to football end there. Gate receipts make up more than half of the revenue picture, so if a team doesn't draw crowds, the franchise is in financial trouble. Trouble has been no stranger to pro basketball—specifically, the National Basketball Assn. This once-acclaimed sport of the 1970s is struggling for survival in the 1980s.

Commissioner Larry O'Brien said earlier this year that "the NBA is at a crossroads." The news, he said was good and bad. Although the NBA has "the finest athletes in the world playing a game that has nonstop action," he said, the financial picture "is a mixed bag." In fact, only five of the league's 23 teams finished in the black in the 1980-1981 season, while the total league lost $13 million.

There is some good news, however, to help the sagging NBA. It recently signed a four-year, $22 million contract with CBS. In 1981, CBS refused to carry the playoffs live because the series fell in the important May ratings sweeps period. To get the network to carry the games live this year, the NBA pushed its entire season back one week.

The championship series began the night after the ratings period ended; CBS obliged.

Also, game attendance has in

(Continued on Page M-10)

Super spots: Past, present and future

Cost of 30-second commercial

1983	Super Bowl XVII	$400,000
1982	Super Bowl XVI	345,000
1981	Super Bowl XV	324,300
1980	Super Bowl XIV	275,000
1979	Super Bowl XIII	222,000
1978	Super Bowl XII	185,000
1977	Super Bowl XI	162,000
1976	Super Bowl X	125,000
1975	Super Bowl IX	110,000
1974	Super Bowl VIII	107,000
1973	Super Bowl VII	103,500

Sources: Broadcast Advertisers Report, NBC-TV

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COMMENTARY CORNER

By Jack Craig

What's all the fan fare for?

The explosion of hard cash and high energy into the cable industry and sports is a reminder of television's commercial origins 35 years ago. Legend holds that NBC's primary motive then for producing tv shows was not so much to sell advertising as to help parent company RCA push sales of tv sets.

We shouldn't laugh at such absence of foresight because people were just as keen and incisive then as now. Similarly, it is altogether possible that the current attitude of sports franchises toward pay tv/pay cable is misdirected, too. A bonanza of cash may not be the end result.

Nonetheless, a recent example of that inclination to pay tv can be found in Boston. There, conventional judgment once ruled that pay cable should be restricted to covering home games while conventional tv should bring back road games. The rationale for the conventional approach is that the limited penetration of pay cable or pay tv for home games protects the live gate while far-flung exposure of road telecasts via conventional tv sustains fan interest. Sounds reasonable.

However, in Boston, that traditional approach is soon to be a thing of the past.

There, scheduled for spring, 1983, the combined Red Sox-Bruins pay cable plan will place all baseball and hockey games, Monday through Friday, on the pay channel and all weekend games on free tv. Game location will not be a factor.

Why the new formula? To eliminate confusion among fans about when a game is on free or pay tv. Fans in Boston unwilling to pay the monthly cable fee at least will know enough not to turn on the regular tv set during the week to see local sports action.

Yet there is still fundamental disagreement about how to market sports on pay cable and how profitable it actually will be. And the disagreement emphasizes how little empirical evidence there is to support any theory. But sports franchises continue to speculate and experiment.

One successful pairing of pay cable and sports became apparent last season with the National Basketball Assn.'s Seattle SuperSonics. They charged subscribers $120 for the entire schedule and made close to $1 million after paying production and other costs of $1.2 million. Onward and upward next season? Maybe, unless the first 17,000 fans were the easiest to sign on.

And in terms of really big money, there's the 15-year contract the New York Yankees are negotiating with Woodbury, N.Y.-based SportsChannel.

Reportedly, the Yankees would generate a whopping $100 million over a 15-year time span.

The contract calls for the Yankees to eventually shift all their games away from WPIX-TV, which is paying the Yankees $5 million this year, to SportsChannel.

This brings up a fundamental question: Should sports fans be asked to pay for what they have previously enjoyed for free? The issue is fast turning into a public relations problem for professional sports.

The Yankees-SportsChannel arrangement is a good example of this. A little history is in order. Last spring, the ballclub had a chance to form its own pay channel. It decided against it. Now, it has returned to SportsChannel on tiptoes. This spring, after it was agreed that 45 Yankee games would appear on the pay channel, there was not one press release sent out, nor one press conference called. Why not? Basically, the Yankees did not want fans to realize that although they would still have 100 free games on WPIX-TV during 1982, 45 games had been winnowed away, available for view only at a monthly fee.

There's the rub. The whole premise of pay cable or pay tv is that fans will pay to watch sports on tv.

Now this might make sense on the West Coast, where local tv coverage is limited because of the expensive line costs to the Midwest and East. But in those regions where a higher percentage of a team's games traditionally have been televised at no cost, it is unsubstantiated, and seems presumptuous, that these same fans, in sizable numbers, now will pay.

The manner in which the shifting from free to pay is being done in many cases might impede or even prevent the union of pay tv/cable and sports in a major way.

The ideal tie-in would be for teams to use cable to supplement conventional tv revenue, not replace it. How many franchises would or could accept a sizable cutback in existing tv revenue while waiting for the cable bonanza?

All of this optimism about cable enriching sports is natural enough, though. Just as there is no real evidence that it will happen, there is no real evidence that it won't. And just the possibility of its success increases the value of the franchises. AA

Jack Craig writes a column on televised sports for the Boston Globe *and the* Sporting News.

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Networks

(Continued from Page M-7)

creased after a 9% dip in 1980-1981. Cable also has made an impact, adding an estimated $5.5 million in revenues to the league.

Cable tv, particularly on a regional basis, has been the salvation for a number of teams. The Seattle SuperSonics last year offered their 82-game package for $120 per household on cable systems in the Pacific Northwest. The target was 12,000 subscribers to cover costs; by the end of the season, more than 17,000 had signed, with up to 25,000 expected for next season.

Major league baseball is somewhere between the NFL and NBA. As an industry, baseball is larger than basketball and smaller than football. It also fits the No. 2 position in popularity on tv.

But that doesn't mean the financial picture is any better. Baseball is in trouble, or so says commissioner Bowie Kuhn. Only nine of the 26 teams reported making money in 1980 (the strike last year discounts 1981). Seventeen clubs claimed total losses of about $40 million.

As Mr. Kuhn says: "It appears that we are well on our way toward the very considerable losses over the five-year period [from] 1980 through 1984 that I predicted last year. It is clear that our industry continues to operate in a precarious financial condition." Baseball fans' response to the commissioner, can, at times, be laced with sarcasm. As one reader wrote to one columnist: "This condition would never have happened if Bowie Kuhn were alive today."

Mr. Kuhn is definitely not a Pete Rozelle. In fact, the team owners recently met to offer a reconstruction proposal, which would merge the American and National Leagues. The 26 owners would operate as a board of directors with the commissioner in the role of chief executive officer. (Also, there is speculation that Mr. Kuhn may be losing his job as commissioner after baseball team owners meet soon to decide on the renewal of his contract.)

The owners are trying to act as one unit, with the primary goal to solidify the finances of the clubs. More questions will arise next year when the current $94 million contract with ABC-TV, NBC-TV, CBS Radio and USA Cable expires. At the moment, each team receives about $2 million each from the network package. But the secret to baseball's survival may be on the local level with cable franchises.

The leader of this crusade is the Atlanta Braves, with access to owner Ted Turner's broadcast empire, Turner Broadcasting System. In addition, the Philadelphia Phillies, New York Yankees, Montreal Expos and Chicago White Sox have local cable contracts that promise success.

Professional sports can barely exist without tv. Hockey and soccer remain minor sports because of the lack of network tv contracts. League leaders interested in success should follow in the footsteps of Pete Rozelle, who proved $2 billion is not an ugly word. AA

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100 Leaders spend 14% more in 1981

Campbell Soup Co.

Visibility is key, $14.8 billion in ad spending shows

By Marion Elmquist

In an economy where corporate bottom lines are hard-hit the decision makers among ADVERTISING AGE's 100 Leading National Advertisers chose to keep their identities and products visible by raising advertising expenditures 14%, to an estimated $14.8 billion in 1981. In 1980, the 100 Leaders spent an estimated $13 billion in national advertising.

Procter & Gamble, the perennial No. 1 advertiser, held on to its title although Sears, Roebuck & Co. made its annual challenge to the advertising king.

Procter & Gamble first wrested the No. 1 position in ADVERTISING AGE's 1964 Leaders report, when its spending for 1963 toppled General Motors Corp. from the top spot. The automobile marketer had held the top spot since AA began ranking Leading National Advertisers in 1956.

P&G spent an estimated $671.8 million in advertising and promotion in 1981, a modest 3.4% increase over the $649.6 million spent in 1980.

Sears boosted its spending to $544.1 million, 16% more than it spent in 1980. (Local newspaper advertising is not included in AA's estimate for that retail giant or the other major retailers on the 100 list; however, nationally generated preprint newspaper inserts are. Sears' ad spending figure for 1980, as a result, has been adjusted accordingly from last year's report.)

Merger mania has afflicted the 100 Leaders, with no fewer than 10 of the companies making major acquisitions. The combined advertising spending resulting from the marriage of R.J. Reynolds Industries and Heublein Inc. will undoubtedly propel RJR to the No. 3 position, this year held by General Foods. It is estimated that the combined ad spending of the two companies will exceed $500 million in 1983.

Other companies whose advertising spending are skyrocketing as a result of mergers or acquisitions are General Foods, which bought Oscar Mayer & Co.; Jeffrey Martin Inc. (new to the Leaders in last year's report), which has bought a number of Purex brands; Coca-Cola Co., which acquired Columbia Pictures and P&G, which picked off MortonNorwich Products' Norwich-Eaton Pharmaceuticals. Other acquisitions are: Clorox Co., Olympic stains; Sears, Dean Witter Reynolds and Coldwell Banker; Esmark Inc., Jhirmack; Beatrice Foods Co., Buckingham Corp. and a number of Coca-Cola bottlers; Chesebrough-Pond's, Prince Mfg., and Campbell Soup, Mrs. Paul's Seafoods.

On the other hand, Stroh Brewery Co.'s purchase of Jos. Schlitz Brewing Co. may

(Continued on Page 190)

100 Leading National Advertisers

(Total ad dollars in millions: 1981)

Rank	Company	Advertising
1	Procter & Gamble	$671.8
2	Sears, Roebuck & Co.	544.1
3	General Foods Corp.	456.8
4	Philip Morris Inc.	433.0
5	General Motors Corp.	401.0
6	K mart Corp.	349.6
7	Nabisco Brands	341.0
8	R.J. Reynolds Industries	321.3
9	American Telephone & Telegraph Co.	297.0
10	Mobil Corp.	293.1
11	Ford Motor Co.	286.7
12	Warner-Lambert Co.	270.4
13	Colgate-Palmolive Co.	260.0
14	PepsiCo Inc.	260.0
15	McDonald's Corp.	230.2
16	American Home Products Corp.	209.0
17	RCA Corp.	208.8
18	J.C. Penney Co.	208.6
19	General Mills Corp.	207.3
20	Bristol-Myers Co.	200.0
21	B.A.T. Industries PLC	199.3
22	Coca-Cola Co.	197.9
23	Johnson & Johnson	195.0
24	Chrysler Corp.	193.0
25	Ralston Purina Co.	193.0
26	U.S. Government	189.0
27	Unilever U.S.	188.9
28	Anheuser-Busch Cos.	187.2
29	Heublein Inc.	187.0
30	Dart & Kraft	177.0
31	Esmark Inc.	175.0
32	Gillette Co.	171.9
33	Beatrice Foods Co.	170.0
34	Consolidated Foods Corp.	166.4
35	General Electric Co.	164.7
36	H.J. Heinz Co.	160.2
37	Warner Communications	159.0
38	International Telephone & Telegraph Co.	153.0
39	Norton Simon Inc.	149.9
40	Richardson-Vicks	149.0
41	Seagram Co. Ltd.	145.0
42	Loews Corp.	141.4
43	Time Inc.	141.1
44	American Cyanamid Co.	138.0
45	Chesebrough-Pond's	136.2
46	CBS Inc.	134.0
47	Pillsbury Co.	131.0
48	Schering-Plough Corp.	119.8
49	Mattel Inc.	110.6
50	Revlon Inc.	106.6
51	Toyota Motor Sales	106.2
52	Gulf & Western Industries	106.1
53	E.I. du Pont de Nemours & Co.	105.0
54	Kellogg Co.	102.1
55	Eastman Kodak Co.	101.0
56	Quaker Oats Co.	95.6
57	Trans World Corp.	95.2
58	Union Carbide Corp.	90.0
59	Sterling Drug Co.	89.7
60	SmithKline Corp.	89.3
61	Nestle Enterprises	88.0
62	Nissan Motor Corp., U.S.A.	87.9
63	CPC International	87.0
64	Xerox Corp.	84.2
65	North American Philips Corp.	83.9
66	American Brands	82.2
67	Volkswagen of America	81.0
68	Clorox Co.	80.8
69	Mars Inc.	78.4
70	Brown-Forman Distillers Co.	78.0
71	American Express Co.	76.0
72	Greyhound Corp.	75.6
73	Miles Laboratories	72.1
74	Campbell Soup Co.	70.8
75	UAL Inc.	70.6
76	American Motors Corp.	70.0
77	Beecham Group Ltd.	69.1
78	American Honda Motor Co.	68.3
79	S.C. Johnson & Son	66.6
80	MCA Inc.	63.6
81	Wm. Wrigley Jr. Co.	63.5
82	Kimberly-Clark Corp.	62.4
83	Pfizer Inc.	59.0
84	Exxon Corp.	58.1
85	Jos. Schlitz Brewing Co.	56.8
86	Hershey Foods Corp.	56.5
87	Eastern Air Lines	54.1
88	Polaroid Corp.	51.8
89	American Airlines	51.5
90	Columbia Pictures Industries	47.5
91	Delta Air Lines	44.5
92	Borden Inc.	44.0
93	Liggett Group	43.5
94	MortonNorwich Products	42.5
95	Hiram Walker Resources Ltd.	42.3
96	Noxell Corp.	41.1
97	Jeffrey Martin Inc.	41.0
98	International Business Machines Corp.	40.7
99	American Broadcasting Cos.	40.0
100	Canon U.S.A.	36.5

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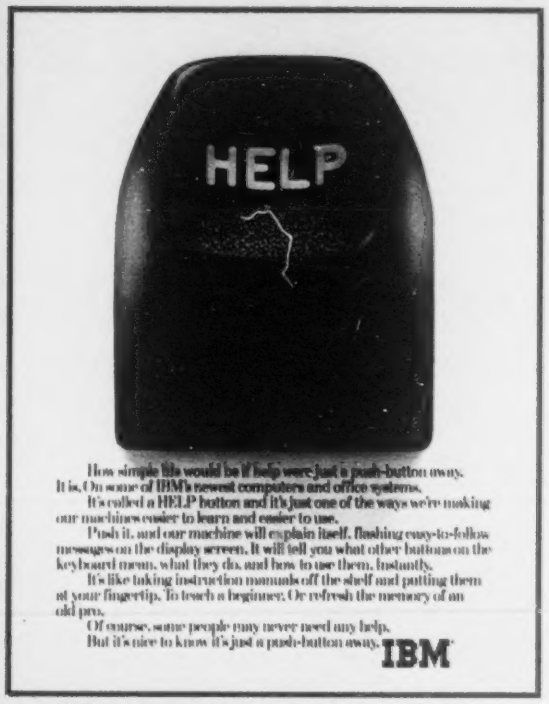
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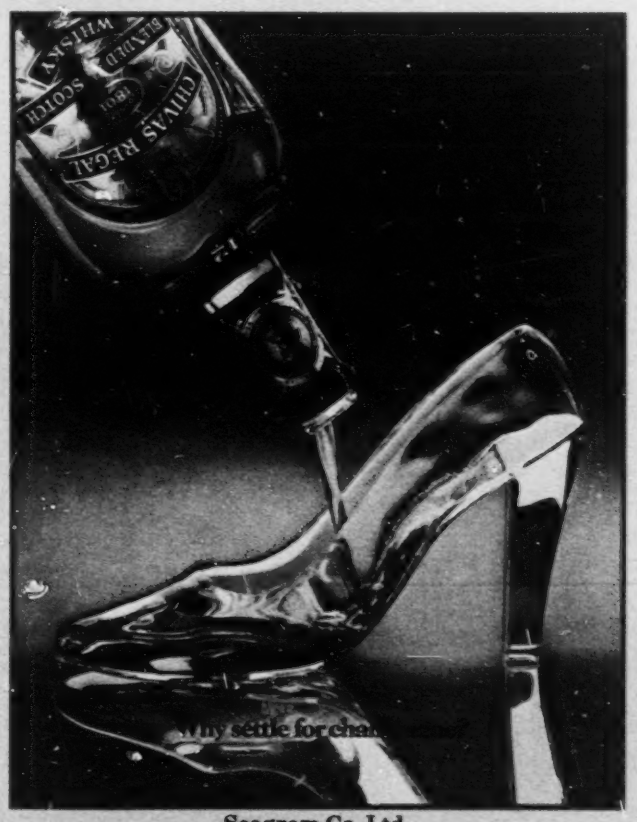
Push it, and our machine will explain itself, flashing easy-to-follow messages on the display screen. It will tell you what other buttons on the keyboard mean, what they do, and how to use them. Instantly.
It's like taking instruction manuals off the shelf and putting them at your fingertip. To teach a beginner. Or refresh the memory of an old pro.
Of course, some people may never need any help.
But it's nice to know it's just a push-button away.
IBM

International Business Machines Corp.

Eastman Kodak Co.

Unilever U.S.



Seagram Co. Ltd.

Leaders' ad portfolio

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American Airlines

	1981	1980
Sales	$4,108,899,000	$3,820,976,000
Earnings	47,440,000	(75,792,000)*
Advertising**	51,496,900	46,315,720

*(Loss)
**AA estimate

Advertising expenditures for American Airlines, Dallas/Fort Worth Airport, the nation's 89th largest advertiser, increased to $51.5 million in 1981, up from the previous year's $46.3 million. The 11.2% increase is partially due to the growing intensity of the major domestic air carriers' battle for passengers and sorely needed revenue.

The airlines' total measured advertising in 1981 was $45 million, compared with $42.1 million 1980.

American recorded its first $4 billion revenue year in 1981 and had net income of $47.4 million. While the airline was able to make a profit in 1981, compared to a $75.8 million net loss in 1980, American suffered a first quarter 1982 loss of $41.6 million. The first quarter 1982 loss followed a fourth quarter 1981 loss of $20.3 million.

American's executives attribute the first-quarter loss to the discount fare war the airline waged with crosstown rival, the now-bankrupt Braniff Airways. When Braniff officials announced in November that they were cutting their systemwide fares by at least 45%, American wasted little time in matching the move made by its main competitor at the Dallas/Fort Worth Regional Airport.

While American's strategy to almost duplicate ailing Braniff's route structure paid off in increased passenger traffic, the adamant stance taken on matching Braniff's fares dealt a severe blow to American's bottom line. In its last days, Braniff was struggling to trim down to what its management referred to as "flighting weight" and find its niche in the marketplace as a medium-size trunk carrier; American was aggressively expanding its operations. American employed more than three times the number of employes than Braniff had on its payroll before its May 13 bankruptcy filing, and offered service to almost twice as many cities. Consequently, American executives estimated the airline was losing $12 million a month at the peak of the battle.

In an effort to cut losses, American's employes were asked to accept a pay reduction effective for the first quarter of the year. While the airline's nonunion employes voted in favor of the proposal, American's union leaders refused to submit the plan to a membership vote. The airline's executives withdrew the proposal. In order to finance new aircraft and maintain its

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Advertising's hot one hundred

competitive posture in the industry, American officials say they must achieve an operating margin of 5%. The airline's profit margin was 0.3% in 1980 and climbed to 4.3% in 1981. Because of losses suffered in late 1981 and early this year. American officials fell short of the desired margin once again this year.

As a result, in February, the airline discontinued plans to purchase 15 Boeing 757 airplanes valued at $600 million and defer the delivery of Boeing 767 jets scheduled to arrive beginning in September.

American chairman Albert V. Casey attributed the move to the eroding effect caused by the excessive discount fares and the inability to obtain labor productivity improvements.

While Braniff's bankruptcy is a positive factor for American, the airline was not left alone to fill the void. American's top rival nationwide, United Airlines, landed its first flight at the Dallas/Fort Worth Airport only two days after Braniff was grounded. Chicago-based Midway Airlines moved in, followed by Northwest Airlines. Airlines already serving the Dallas Fort/Worth Airport, including Delta, Pan Am and TWA, raced for a piece of the action by increasing their service, and in several cases, discount fares, not as severe as Braniff's, remained popular in the market.

In June, American announced it would leave its advertising agency of 20 years, Doyle Dane Bernbach, and hire smaller, Bozell & Jacobs, which has a Dallas office. The major factor contributing to the switching of the $45 million a year account was the heavy strain that developed on the working relationship with Doyle Dane after American moved its corporate headquarters from New York to the Dallas area in 1979. American officials asked Doyle Dane to set up shop in Dallas, but the agency declined, citing the difficulty in providing the same quality out of Dallas as it could offer out of New York.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$20,068,100	17,477,600
Magazines	4,342,600	4,080,600
Spot tv	10,417,700	10,948,700
Network tv	2,966,630	1,056,300
Spot radio	8,763,600	7,977,400
Outdoor	418,300	564,600
Total measured	44,996,900	42,105,300
Unmeasured	8,500,000	4,210,530
Estimated total	51,496,900	46,315,720

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Top 25 advertisers:	
In newspapers	**18**
In magazines	**20**
In spot radio	**22**
In network radio	**28**
In spot tv	**32**
In network tv	**40**
In outdoor	**44**
In farm papers	**48**
100 Leaders' share of national media	**131**

27th annual study

Presented here is ADVERTISING AGE'S 27th annual collection of facts and figures about the marketing operations of the nation's advertising giants—what they spend on advertising, how they're doing in sales and profits, how their leading product lines and brands rank nationally, what share of the market they hold—and many other vital details. The profiles include listings of each company's marketing executives, the agency lineup and a rundown of account personnel serving the various product lines. Much of the material has never been published before, including estimates of total advertising and promotion expenditures for the 100 advertisers covered, and sales figures for privately owned companies.

AMERICAN AIRLINES
MARKETING PERSONNEL

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Thomas G. Plaskett, senior vp-mktg
William P. Shannon, vp-field sales/service
Robert W. Baker, vp-passenger sales and adv
Robert H. Phillips, vp-passenger services
Wesley G. Kaldahl, vp-mktg-resources
George A. Shipman, vp-freight mktg
Carney H. Wenrich, senior director-freight sales/adv
Willard J. Dreslin, director-freight sales plans/adv
Ann S. Boylan, senior director-adv
Bruce S. Goodyear, mgr-adv
Judith A. Kirvan, mgr-adv
William Quackenbush, mgr-adv
Frank J. DiNuzzo III, director-sales promo
Ronald C. Scott, mgr-sales promo
Vincent L. Rohloff, sales promo
Sandra L. Styer, mgr-creative services
Robert W. Mann, mgr-frequent traveler programs

ADVERTISING AGENCY

Bozell & Jacobs/Southwest, Dallas—passenger & freight—Paul H. Gold, senior vp, acct service director; Tom Stumpf, Tom Hooke, Peter Mitchell, acct supers; Mark Soloman, Mitch Roberts, Catherine Ice, Larry Hinson, Barbara Truhlsen, acct execs.

American Brands

	1981	1980
Sales	$6,338,161,000	$6,801,456,000
Earnings*	386,127,000	377,883,000
Advertising**	82,218,900	85,598,900

*Revised
**AA estimate

American Brands, New York, the 66th largest national advertiser, spent an estimated $82.2 million on advertising in 1981, a 3.9% decrease from the previous year.

The company's net sales record of 1980 went up in smoke as sales dropped from $6.8 billion to $6.5 billion. This 4.4% decrease is mainly caused by lower foreign currency exchange rates experienced by the company's United Kingdom subsidiary, Gallaher Limited.

Net income reached $386.1 million in 1981, a record level. Operating income was $783.5 million, up $22.5 million from 1980. Operating income for American Brands has swelled 35% since the tobacco producing company began diversifying in 1965. International tobacco as well as nontobacco lines presently account for 60% or more of the company's total operating income.

American Brands reported sales of $3.21 billion for the first six months of 1982, a 0.3% drop from the same period in 1981. Net income for the first half was $184 million, down 6% from $196 million for the same period in 1981.

But American Brands' operating earnings jumped 18% from first half 1981's $284.9 million to $336 million.

Domestic tobacco operating income rose to $302.2 million in 1981, up 3% from the previous year. This increase is partially due to the closing of American Brands' 50-year-old plant in Richmond, Va. Production was transferred to its Reidsville, N.C., facility, where high-speed equipment was installed.

Cigaret output fell from 66.63 billion units for the domestic market in 1980 to 61.64 billion in 1981. The company's share of the domestic market also fell, from 10.8% in 1980 to 9.7%

Of American Brands' five major cigaret products only Pall Mall is among the top 10 sellers. Pall Mall's sales, however, dropped from 31.69 billion units in 1980 to 25.59 billion in 1981. As a result, the brand moved down from the fifth-largest seller to ninth in 1981. Pall Mall's market share dropped to 4.7% from 1980's 5.1%, despite measured spending of $7.4 million. The bulk of that ad spending was concentrated on Pall Mall Light 100s, according to Leading National Advertisers. Despite spending of $7.4 million on the product, sales slipped from 1.16 billion units in 1980 to 0.63 billion in 1981.

Total sales of Carlton filter cigarets were down 13.1% in 1981, reducing its market share from 2.6% to 2.2%. However, Carlton is still the No. 1 ultra-low-tar cigaret, with 24% of that category. Carlton box, with less than 0.01mg. of tar, suffered a sales decline from 0.35 billion units in 1980 to 0.07 billion in 1981. American Brands has expanded the Carlton line to eight styles with the addition of Carlton 120s regular and menthol.

Tareyton consumers may well have decided to switch rather than fight, as sales dropped from 10.77 billion units in 1980 to 9.13 billion in 1981—a 15.2% decrease. Tareyton's market share dropped to 1.4% in 1981. The company is focusing the bulk of ad spending on Tareyton Lights filter cigarets, spending $7.7 million on combined magazine and outdoor pitches.

Lucky Strike, together with Pall Mall, continues to dominate the nonfilter market with a combined 58% share. Lucky filters, however, have dropped in sales from 0.14 billion units to 0.11 billion in 1981, making its total market share negligible. Rollout of Lucky Strike low tar filters began in the fourth quarter of 1981, backed by print and outdoor ads using the theme, "Lucky Strikes Again. The moment is right for it." Ad spending in that quarter was $94,800.

American Brands holds fifth place in the low-tar segment behind R.J. Reynolds, Philip Morris, Lorillard and Brown & Williamson. The company holds a 4.2% market share, down 4.9% in 1980. Low-tar sales fell one billion units to 10.78 in 1981, and ultralow from 17.31 billion in 1980 to 14.81 billion.

The company's cigaret output for the export market remained stable at 1.30 billion units in 1981. Gallaher Ltd., American Brands' U.K. subsidiary, reported a sales increase of 5%, and a record operating income. However, due to lower exchange rates for the depressed British

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pound, operating income in dollars lowered 11% to $167.8 million, and sales dragged down to $3.89 billion, a 9% decrease from the previous year.

A 30% excise tax increase failed to deter Gallaher's Home Trade cigaret business, which gained one million in pounds. The company held 29% of the U.K. cigaret market, and its product, Benson & Hedges Special Filter, remained the top-selling brand, and Silk Cut as the leading low-tar brand. Filter cigarets hold 93.5% of unit sales in the UK, and Gallaher's filter cigarets hold 90% of the total unit sales. In 1981, Gallaher introduced Sobranie Virginia Blend, a premium price cigaret; Silk Cut Extra Mild, a low-tar cigaret; and Berkeley Extra Mild King Size.

Berkeley may be threatened by the pending introduction of British American Tobacco's product Barclay, in limited distribution in the United Kingdom as of December, 1981. Since the British pronunciation of "Barclay" is perilously close to Berkeley, American Brands will fight the distribution should it go full scale. Said an American Brands spokesman, "We wouldn't want to see them confused."

The tobacco industry may be hard hit in the U.K. in the coming years. Tobacco companies have agreed with U.K. health ministers to follow new guidelines that may restrict the cigaret trade severely. Advertisements for products with 20 mg. of tar will be discontinued, and poster ad spending is to be significantly decreased. Ad spending for products with 17 mg. of tar or less, including Benson & Hedges and Silk Cut, is to be emphasized. The U.K. will also require warning labels on cigaret packs and advertisements.

American Brands, as well as four other major U.S. tobacco producers last year were fined $100,000 by the Federal Trade Commission in connection with health warnings on billboard advertisements. The commission had charged that health warnings were in undersize type of two inches instead of five. The companies also agreed to string the warning out along the bottom of the ads, rather than picture it on the cigaret box.

American Cigar, the fourth-largest cigar company, experienced a 1.2% decrease in the market share of little cigars in 1981. Antonio y Cleopatra, which accounts for 63% of the division's cigar sales, dropped from 2.5% of the little cigar market in 1979 to 2.1% in 1980.

In the large cigar market, American Cigar commanded a 7.5% share in 1980, as compared with 7.3% in 1981. Total unit sales dropped to 288 million units from 295 million in 1980. Antonio y Cleopatra's sales rose from 180 million units in 1979 to 181 million the following year. Roi-Tan and La Corona's sales decreased slightly, yet American Cigar's market share for large cigars rose 0.2%. Operating income for the division rose 11% to $3.7 million and sales reached $39.7 million.

In 1981, Russell P. Truitt was appointed vp-tobacco. Mr. Truitt continues as executive vp of the American Tobacco division as well as director on American Brands' board.

In March, 1982, the company sold its Duffy-Mott subsidiary, a fruit juice producer holding 11% of the apple juice market, to Cadbury Schweppes for $60 million in cash and a note. Duffy-Mott's operating income for 1981 was a record $8 million on sales of $110.2 million.

Sales climbed 8% in 1981, mostly due to the popularity of Mott's apple juice. Ad spending was pared down to $70,200 in 1981. American Brands called the sale of the subsidiary, acquired by AB in 1968, for $34 million, a "redeployment of assets" in a nongrowth area. Cadbury Schweppes, a British confectionery and soft drinks concern, picked the apple juice market to augment its already successful line of lime juice.

The company did see a growth area in Ofrex Group Ltd., which Gallaher Ltd. acquired in 1981 for $70.2 million. An office products marketer in the U.K., Ofrex will give the company more access to overseas markets.

The company's overseas market is already assured with Jim Beam, which, distributed in 150 foreign markets, is the world's largest-selling bourbon. Beam is also the top-selling domestic bourbon and the fifth-largest liquor brand in the industry.

Countering an industry slump, case sales of Jim Beam shot up 5% from 1980. With measured spending of $2.7 million, case sales rose from 3.5 million to 3.7 million.

Beam's 8-Star blended whisky, introduced in 1981, is enjoying success. Other non-bourbon product sales escalated 39% to $38.2 million. The company also is responding to the liqueur market rise with a new entry, Kamora, a coffee liqueur.

The distiller began a new marketing drive by sponsoring the Jim Beam Spiral Stakes, a thoroughbred racing event. The race, held in March of 1982 at Latonia Race Course in Kentucky, offered a purse of $150,000. The company also ran sweepstakes ads in *Playboy* for a trip to England to the Royal Scot race, and a trip to the Kentucky Derby. Riding high on spirited sales of $241.8 million, James B. Beam Distilling Co. had operating income of $32.5 million, up 16% from 1980.

Andrew Jergens Co.'s sales rose 22% to $119.6 million in 1981. The introduction of new products—Jergens lotion-enriched soap and Jergens aloe and lanolin skin conditioning lotion—accounted for record ad expenditures and couponing. American Brands also invested $2.3 million on media advertising for Gentle Touch soap, $2.7 million for Jergens soap, and $2.1 million on Jergens lotion.

New products introduced over

Where Ad Age got its data

Advertising figures listed for each of the 100 leaders include "measured media" expenditures published by various statistical bureaus and associations. These include Leading National Advertisers Inc., the Publishers Information Bureau, Radio Expenditures Reports, Agricultural Marketing Information Service (Agricom), LNA-Broadcast Advertisers Reports, Media Records, Institute of Outdoor Advertising and the Outdoor Advertising Assn. of America.

In the eight media so measured, the 100 leaders dominate, accounting for just over half ($9.5 billion) of all the advertising dollars invested there (*see charts on Pages 130 and 131*).

In addition to the measured media figures, "unmeasured media" spending is added to get a grand total for each of the 100 companies.

These unmeasured expenditures include point-of-purchase, direct mail, premiums and other forms of national advertising and sales promotion. All estimated expenditures are calculated by Advertising Age.

Measured media figures generally include gross space and time costs only, while production and talent costs are included in unmeasured expenditures. Exceptions are the network tv figures, which include net time and talent.

Advertising Age would like to make it clear that the selection of the "100 leading national advertisers" was based on measured media expenditures only. Final ranking, however, is based on the combined total of measured and unmeasured spending.

If other criteria were used, other advertisers not now on the list would need to be included. Among such advertisers would be those who spend many millions annually in local advertising, which is not measured, and who spend relatively little in national advertising. Such companies include many of the large retailers.

Because there are not yet reliable measurements of money spent in national cable television advertising, cable advertising is not included in our ad expenditures totals.

Several profiles, however, contain references to what these companies' are doing to enter the cable advertising arena. We hope next year to include cable tv advertising as a category in our measured media calculations.

Advertising Age

The International Newspaper of Marketing

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Other staff

This special issue was edited and produced by the members of the Advertising Age Magazine staff.

Company profiles were written by Advertising Age reporters listed on the masthead at the left, Magazine staff members, and various free lance writers.

Members of the Magazine staff are:

- **Marion Elmquist,** editor.
- **Mark Watanabe,** managing editor;
- **Geoffrey Shives,** art director.
- **Cecelia Reed,** associate editor.
- **Nancy Scrivner Tiffen,** associate editor.
- **Reven Uihlein,** associate editor.
- **Kristin Blom,** assistant editor.
- **Karen Brodsky,** copy chief.
- **Pat Thomas,** production editor.
- **Sarah Stiansen,** a summer intern, worked on over-all coordination of this issue.

the last five years accounted for 35% of domestic net sales. Operating income for 1981 was up 14% to a record $9.5 million; the international division's sales rose to $7.6 million, up 11%.

Sunshine Biscuits is "tasting the difference" in a sales rise of 9% to $405.7 million. Operating income soared, reaching $26.4 million, up 25% from 1980's level.

The biscuit division, with a new advertising theme emphasizing the use of 100% vegetable shortening, experienced the largest gains.

New products introduced in 1981 included Snack n' Sesame, Swisstyle Grahams, Cafe Crackers, Snack n' Onion, Chocolate Sugar Wafers and Chipples, a potato chip snack.

Sunshine's ad expenditures were estimated to be in excess of $2 million. According to Leading National Advertisers, spending in six measured media reached $700,000. In 1981, Sunshine eliminated spot tv from its media list.

Franklin Life Insurance Co., acquired by American Brands in 1979, posted revenues of $502.3 million in 1981, a 6% increase. Operating income was up 14% to $134.2 million.

For Master Lock Co., the world's largest padlock manufacturer, sales picked up 9% to $86.9 million. Operating income, at $29.6 million, was up 10% over 1980.

Advertising for home Master Locks was $611,900, in magazines and network tv.

Swingline Inc.'s sales and operating income rebounded in 1981 to $97 million and $12 million, respectively. The Swingline division, which accounted for 68% of dollar volume, began an aggressive product development program in 1981.

Acushnet Co.'s sales hit a record $131.8 million in 1981. Operating income was $18.6 million, up 16%.

New entries, the Power-Step golf club shaft and Mallet I Bulls Eye putter, contributed to a 19% sales increase for the Titleist Golf Division.

MCM Products, a spin-off from Swingline, had sales of $78.4 million in 1981, and operating income of $6.3 million. W.R. Case & Sons Cutlery Co.'s sales were sliced to $27.1 million, a 9% decline from 1980, despite ad spending of $58,300 on Case Hunting Knives. Marson Corp. Marvel Lighting and Swingline of Canada's sales also gained in 1981.

Acme Visible Records' sales dropped 6% to $60.5 million in 1981. Domestic sales decreased 2% to $38.96 million, and operating income plunged 51%. The subsidiary is introducing a new line of terminal stands, modular cabinets and transport carts to step up sales.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$13,243,100	$12,210,500
Magazines	34,947,000	34,233,300
Spot tv	899,500	1,483,500
Network tv	5,031,700	5,950,400
Spot radio	318,200	38,900
Network radio	195,500	291,700
Outdoor	10,086,000	10,787,700
Total measured	67,718,900	69,566,900
Unmeasured	14,500,000	16,000,000
Estimated total	82,218,900	85,596,900

AMERICAN TOBACCO CO.

MARKETING PERSONNEL

T.C. Hays, exec vp
W.J. Moore, adv director
N.H. Chester, media director
W.C. Stevenson, mktg controller
M.J. O'Neill, mktg services director
E.T. Bonnett, senior research analyst
H.W. Bahrenburg, product mgr, Carlton
E.J. Gesoil, product mgr, Lucky Strike, Tareyton
J.A. McGinn, product mgr, Pall Mall
J.J. Mellett, media super
W. Degenhardt, media specialist

SALES PERSONNEL

C.H. Mullen, vp, sales
T.F. McGuire, mgr, sales operations
A.S. Roses, sales promos and merchandising director

ADVERTISING AGENCIES

SSC&B, New York—Pall Mall, American lights filter and menthol, Tall filter and menthol, all smoking tobacco—William V. Weithas, chairman-ceo; Douglass Bomeisler, senior vp-mgmt super; Hugh Craigen, acct super; Dan Bellucci, acct exec.

Laurance, Charles & Free, New York—Carlton, Lucky Strike, Tareyton, Silva Thins filter and menthol—Charles Goldschmidt, ceo; Laurence Dunst, president; F. William Free, vice-chairman; George Forney, vp-mgmt super; Albert Magnane, vp-mgmt super; Malcolm Minor, vp-mgmt super; Thomas Keane, acct exec; Paula Stack, acct exec; Deborah Hernan, acct exec.

SUNSHINE BISCUITS

New York

MARKETING PERSONNEL

Jay R. Neidenberg, vp-brand mgmt
Edward W. Smith, group product mgr
Joel Sherman, group mktg mgr
Robert Lorys, cracker product mgr
Hedy Britton, cookies product mgr
Alfred E. Byrn, adv mgr
Alan Hiller, new products mgr

ADVERTISING AGENCY

Marsteller Inc., New York—Bert Rosenberg, senior vp, director/acct mgr, mktg; Alan Campbell, vp-mgmt super; David Brown, acct super; Thomas Neely, acct exec.

ACME VISIBLE RECORDS

Crozet, Va.

MARKETING PERSONNEL

W.D. Oliver, director of sales and mktg

ADVERTISING AGENCY

Al Paul Lefton Co., New York—G. William Wolfston, vp.

WILSON JONES CO.

Chicago

MARKETING PERSONNEL

J. Yates, vp sales and mktg
R. Smock, director mktg services
M. Rosenfeldt, adv mgr

ADVERTISING AGENCY

Al Paul Lefton Co., New York—G. William Wolston, vp.

ACUSHNET CO.

New Bedford, Mass.

MARKETING PERSONNEL

Golf Division

R.B. Forbush, director mktg
B.V. Pinsky, business mgr, golf balls
M.M. Foegen, business mgr, clubs, putters and accessories
W.R. Uihlein, director sales/distribution
N.W. H. North, intl mktg mgr

Rubber Division

J.S. Wileczka, director mktg
R.C. Bernier, gen sales mgr
R.T. LaCrosse, business mgr, CMP
C.A. Calder, business mgr, O-Ring
J.A. Avery, business mgr, ElastaCast
C.C. Gregory, business mgr, Fort Worth
R.A. Bugg, mkt devel mgr, automotive

ADVERTISING AGENCIES

Humphrey Browning MacDougall, Boston—golf division, Terrence O'Leary, acct supr.

Creamer Inc., Providence, R.I.—rubber div—Robert Lynch, vp-adv and media sup.

JAMES B. BEAM DISTILLING CO.

Chicago

MARKETING PERSONNEL

V. Zast, director, mktg and adv

ADVERTISING AGENCIES

Lee King & Partners, Chicago—Jim Beam bourbon—Charles Brom, acct super.

BBDO, Chicago—Beam's Black Label bourbon, Beam's Choice bourbon, Dark Eyes vodka, Chateaux cordials—J. Duncan, acct super.

Marsteller Inc., Chicago—Kamora Imported Coffee Liqueur, Spey Royal Scotch, Beamero Tequila—D. Brashears, acct super.

SWINGLINE INC., THE SWINGLINE CO.

New York

MARKETING PERSONNEL

David B. Miller, vp-sales and mktg, The Swingline Co.
Dick Shuneson, director-sales and mktg, consumer products div, retail stationery div
John Sheridan, director sales and mktg, business machines div
Fred Weiss, vp, mktg dvlmt and admin
Karen Hahn, mktg mgr, Office Products div
Anne Beirne, mktg services mgr, consumer products div and retail stationery div

ADVERTISING AGENCY

Al Paul Lefton Co. New York—G. William Wolfston, president-mgmt sup; Robert H.D. Ellis, acct exec, Office Products.

MASTER LOCK CO.

Milwaukee

MARKETING PERSONNEL

Dwight W. Boyer, vp, mktg
Harv Schneider, mgr, mktg services

ADVERTISING AGENCY

Cramer-Krasselt, Milwaukee—consumer trade, intl adv—W. Faude, acct super.

ANDREW JERGENS CO.

Cincinnati

MARKETING PERSONNEL

R.G. Chandler, exec vp
R.L. Dom, vp-mktg
E.K. Eanes, vp-new products

Sales

R.R. Culpin, vp-sales

ADVERTISING AGENCY

Cunningham & Walsh, New York—Jergens lotion, Jergens aloe and lanolin lotion, Gee Your Hair Smells Terrific shampoo and conditioner, Jergens lotion-enriched Soap, Gentle Touch soap—Frank Vernon, vp-mgmt super; Carole Foxley, vp-acct super; Judy Block, acct super; Tom Carroll, Katherine Day, Tom Loughran, acct execs.

AMERICAN CIGAR

New York

MARKETING PERSONNEL

G.L. Theophilos, exec vp
K.P. Noone, mktg mgr
T.P. Tiernan, exec mgr, sales admin
E.M. Totty, sales mgr, Central
E.A. Vega, sales mgr, South
G.F. Ward, sales mgr, East
S.G. Dye, sales mgr, West

ADVERTISING AGENCY

SSC&B, New York—Roi-Tan, Antonio y Cleopatra, Bock y Ca, La Corona cigars, RoiTan Little Cigars, A & C Little Cigars, Sail, Flying Dutchman, Clan and Blue Boar smoking tobaccos—William Weithas, Jr., chairman; H. Rover, vice-

Only Gift-Pax sampling "brands" them FIRST...

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How do you get started with your brand? Just drop us a line on your letterhead, or call collect anytime. When you get in touch with GIFT-PAX, you're getting in touch with your market in a very special way.

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25 Hempstead Gardens Dr.
West Hempstead, N.Y. 11552
(516) 485-0660
Offices: Canada, United States.

chairman; Harold Becker, senior vp, Hugh Craigen, vp-acct super; Carel Lindenmeyr, acct exec.

FRANKLIN LIFE INSURANCE CO.
Springfield, Ill.
MARKETING PERSONNEL
R.L. Kehrli, senior vp-agency mktg operations
T.M. Costa, vp, director of sales promo

MCM PRODUCTS
New York
MARKETING PERSONNEL
E.S. Abrain, exec vp, mktg, W.R. Case & Sons Cutlery Co.
A. Ritchie, exec vp-Marson Corp.
L. Pintak, vp-mktg-Marvel Lighting Corp.
G. Radler, director mktg, Swingline of Canada Ltd.
ADVERTISING AGENCIES
Al Paul Lefton Co., New York—Bob Ellis, Rob Grundy, acct execs, W.R. Case & Sons.
Ingalls Associates, Boston—Marson Corp.—Joseph Maynard, chairman.
Kolker, Talley, Hermann Inc., New York—Marvel Lighting Corp.—Stanley Kolker, president.
Leslie Advertising Ltd., Don Mills, Ontario—Swingline of Canada Ltd.—Jerry Leslie, president.

American Broadcasting Cos.

	1981	1980
Sales.....	$2,443,713,000	$2,280,380,000
Earnings.....	146,313,000	146,304,000
Advertising*.	40,000,000	46,764,800

*AA estimate

American Broadcasting Cos., New York, the 99th largest national advertiser reduced its advertising budget 14.5% to an estimated $40 million in 1981.

Not surprisingly, the ABC Television Network was the top corporate spender with most of its advertising concentrated in magazines. But, its measured media spending of $12 million was nearly 25% below 1980. Also, the network also spent $3 million in the promotion of its "Movie of the Week."

The company's other big spender was ABC Radio, comprised of six radio networks and 13 am and fm stations. ABC Radio spent $6.1 million in measured media, nearly all of it on spot tv. Among others, ABC cable programing spent $175,700 and WABC-TV, a network-owned station, spent $376,400 in measured media.

ABC reported record revenues of $2.4 billion for 1981, an increase of nearly 7% over 1980 revenues of $2.3 billion. However, net earnings of $146.3 million in 1981 were approximately equal to 1980 earnings.

The company reports that uncertainty in the advertising marketplace affected all of its principle operating units, especially in the first half of 1981. Other negative influences on included write-downs of certain publishing assets and the disruption of network programing and sales efforts by the previous year's actors' strike.

In 1981, ABC's broadcasting operations had revenues of $2.1 billion and net earnings of $316.1 million. Both revenues and earnings registered increases over 1980. In fact, broadcasting accounted for 86% of the company's revenue increases in 1981.

As usual, the ABC Television network was broadcasting's primary revenue source but the unit was plagued by increased costs in entertainment as well as

100 Leaders' advertising as a per cent of sales

Covering total 1981 ad expenditures, including measured and unmeasured media

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Airlines

Ad rank	Company	Advertising	Sales	Adv. as % of sales
57	Trans World Corp.	$95,235,900	$5,265,500,000	1.8%
75	UAL Inc.	70,585,100	5,141,174,000	1.4
87	Eastern Airlines	54,100,000	3,727,093,000	1.5
89	American Airlines	51,496,900	4,108,699,000	1.2
91	Delta Airlines	44,500,000	3,533,326,000	1.3

Appliances, Tv, Radio

17	RCA Corp.	208,798,300	8,004,800,000	2.6
35	General Electric Co.	164,696,300	27,240,000,000	0.6
65	North American Philips	83,881,400	3,030,044,000	2.8

Automobiles

5	General Motors Corp.	401,000,000	62,698,500,000	0.6
11	Ford Motor Co.	286,686,600	38,247,100,000	0.7
24	Chrysler Corp.	193,000,000	10,821,600,000	1.8
51	Toyota Motor Sales	106,186,700	17,014,984,000	6.2
62	Nissan Motor Corp., U.S.A.	87,884,100	15,680,000,000	5.6
67	Volkswagen of America	81,000,000	16,118,505,500	0.5
76	American Motors Corp.	70,000,000	2,588,923,000	2.7
78	American Honda Motor Co.	68,346,800	7,945,401,000	0.9

Chemicals

44	American Cyanamid Co.	138,000,000	3,649,073,000	3.8
53	E.I. du Pont de Nemours & Co.	105,000,000	22,810,000,000	0.5
58	Union Carbide Corp.	90,000,000	10,168,000,000	0.9

Communications, Entertainment

37	Warner Communications	159,000,000	3,237,153,000	4.9
43	Time Inc.	141,133,000	3,296,382,000	4.3
46	CBS Inc.	134,010,000	4,125,954,000	3.0
80	MCA Inc.	63,600,000	1,328,988,000	4.8
90	Columbia Pictures Industries	47,500,000	686,600,000	6.9
99	American Broadcasting Cos.	40,000,000	2,443,713,000	1.6

Drugs

40	Richardson-Vicks	149,000,000	1,088,100,000	13.7
48	Schering-Plough Corp.	119,768,600	1,808,000,000	6.6
59	Sterling Drug	89,700,000	1,792,925,000	5.0
60	SmithKline Corp.	89,265,000	1,985,341,000	4.5
73	Miles Laboratories	72,084,700	767,606,000	9.4
83	Pfizer Inc.	59,000,000	3,249,700,000	1.8

Food

3	General Foods Corp.	456,800,000	8,351,100,000	5.5
7	Nabisco Brands Inc.	340,983,000	5,819,200,000	5.9
15	McDonald's Corp.	230,248,200	7,129,000,000	3.2
19	General Mills	207,306,100	5,312,100,000	3.9
25	Ralston Purina Co.	192,984,000	5,224,700,000	3.7
30	Dart & Kraft	177,042,100	10,211,000,000	1.7
31	Esmark Inc.	175,065,000	3,132,349,000	5.6
33	Beatrice Foods Co.	170,000,000	9,023,520,000	1.9
34	Consolidated Foods Corp.	166,399,700	5,800,000,000	2.9
36	H.J. Heinz Co.	160,175,000	3,688,500,000	4.3
39	Norton Simon Inc.	149,875,600	3,191,898,000	4.7
47	Pillsbury Co.	131,015,100	3,385,100,000	3.9
54	Kellogg Co.	102,111,300	2,321,300,000	4.4
56	Quaker Oats Co.	95,597,100	2,599,500,000	3.7
61	Nestle Enterprises	88,000,000	2,387,000,000	3.7
63	CPC International	87,000,000	4,343,100,000	2.0
74	Campbell Soup Co.	70,757,000	2,950,000,000	2.4
92	Borden Inc.	44,019,000	4,415,174,000	1.0
94	MortonNorwich Products	42,483,800	957,584,000	4.4

Gum, Candy

69	Mars Inc.	78,400,000	1,350,000,000	5.8
81	Wm. Wrigley Jr. Co.	63,526,300	607,834,000	10.5
86	Hershey Foods Corp.	56,516,000	1,451,000,000	3.9

Photographic equipment

55	Eastman Kodak Co.	$101,000,000	$10,337,500,000	1.0%
88	Polaroid Corp.	51,750,000	1,419,600,000	3.6
100	Canon U.S.A.	36,525,800	705,000,000	5.2

Retail chains

2	Sears Roebuck & Co.	544,104,500	27,360,000,000	2.0
6	K mart Corp.	349,611,000	16,527,012,000	2.1
18	J.C. Penney Co.	208,600 000	11,860,000,000	1.8

Soaps, Cleaners (and Allied)

1	Procter & Gamble Co.	671,757,400	11,944,000,000	5.6
13	Colgate-Palmolive Co.	260,000,000	5,261,364,000	4.9
27	Unilever U.S.	188,878,800	2,840,170,000	6.7
68	Clorox Co.	80,761,000	714,023,000	11.3
79	S.C. Johnson & Son	66,560,000	2,000,000,000	3.3

Soft drinks

14	PepsiCo Inc.	260,000,000	7,027,443,000	3.7
22	Coca-Cola Co.	197,831,700	5,889,035,000	3.4

Telephone service, equipment

9	American Telephone & Telegraph Co.	297,000,000	58,214,000,000	0.5
38	International Telephone & Telegraph Co.	153,000,000	17,306,189,000	0.9

Tobacco

4	Philip Morris Inc.	432,971,400	10,885,900,000	4.0
8	R.J. Reynolds Industries	321,279,600	11,691,800,000	2.7
21	B.A.T. Industries PLC	199,301,800	4,592,259,000	4.3
66	American Brands	82,218,900	6,538,161,000	1.3
93	Liggett Group	43,500,000	1,192,481,000	3.6

Toiletries, Cosmetics

12	Warner-Lambert Co.	270,400,000	3,379,092,000	8.0
16	American Home Products Corp.	209,000,000	4,131,237,000	5.1
20	Bristol-Myers Co.	200,000,000	3,496,700,000	5.7
23	Johnson & Johnson	195,000,000	3,025,900,000	6.4
32	Gillette Co.	171,900,000	2,335,000,000	7.4
42	Loews Corp.	141,384,400	4,776,000,000	3.0
45	Chesebrough-Pond's	136,241,000	1,529,674,000	8.9
50	Revlon Inc.	106,638,750	2,365,938,000	4.5
77	Beecham Group Ltd.	69,123,200	2,947,950,000	2.3
96	Noxell Corp.	41,062,100	239,112,000	17.6
97	Jeffrey Martin Inc.	41,000,000	75,000,000	54.7

Wine, Beer, Liquor

28	Anheuser-Busch Cos.	187,228,500	4,409,600,000	4.2
29	Heublein Inc.	187,000,000	2,050,121,000	9.1
41	Seagram Co. Ltd.	145,000,000	2,772,733,000	5.2
70	Brown-Forman Distillers Corp.	78,000,000	860,556,000	9.1
85	Jos. E. Schlitz Brewing Co.	56,763,500	881,674,000	6.4
95	Hiram Walker Resources Ltd.	42,283,000	2,945,300,000	1.4

Miscellaneous

10	Mobil Corp.	293,103,200	68,587,000,000	4.3
26	U.S. Government	189,026,000	—	—
49	Mattel Inc.	110,600,000	1,134,252,000	9.8
52	Gulf & Western Industries	106,140,900	7,409,000,000	1.4
64	Xerox Corp.	84,150,000	8,691,000,000	1.0
71	American Express Co.	76,036,000	7,211,000,000	1.1
72	Greyhound Corp.	75,592,100	5,164,000,000	1.5
82	Kimberly-Clark Corp.	62,140,000	2,900,000,000	2.2
84	Exxon Corp.	58,062,000	115,148,321,000	0.1
98	International Business Machines Corp.	40,700,000	29,070,000,000	0.1

news programing. According to the company, the late start of the 1981 new fall season—approximately three weeks late due to the 1981 Writers Guild of America strike—and the residual effects of that strike caused a sharp increase in prime time program costs. At the same time, news programing costs also soared due to the expansion of the news division and coverage of special events. The special coverage included the attempted assassinations of Ronald Reagan and Pope John Paul II, the Royal Wedding, the death of Anwar Sadat and the flight of the space shuttle.

ABC-owned tv stations also had increased revenues for 1981, but the increases were moderated by cost increases. As a result, the stations registered a second year of earnings decline. Many of the tv stations expanded their news coverage during the day and evening, adding significantly to their costs. WABC-TV in New York introduced "The Five O'Clock Eyewitness News," while WLS-TV in Chicago began "Eyewitness News Tonight" at 10 p.m. In Los Angeles, KABC-TV expanded "Eye on L.A.," a magazine-format series, from three to four nights weekly. All five stations led in ratings in their five markets from sign-on to sign-off.

Even though ABC Publishing also showed revenue increases for 1981, its earnings dropped drastically. In 1981 earnings of $4.4 million were down 71% from 1980.

The increase in revenues earned by the magazines, including *Los Angeles*, *High Fidelity* and *Modern Photography*, increased book sales and the inclusion of revenues from the newly acquired Ames Publishing Co. The losses came from write-downs of the assets of the company's R.L. White Co.

ABC's other operations consist of ABC Video Enterprises, ABC Motion Pictures, ABC Entertainment Center in Los Angeles and three nature-oriented parks in Florida. The combined revenues of these operations were $32.4 million in 1981. However, the extensive investments in the start-up and development of the video and motion pictures segment offset the revenue gains and the units showed an earnings loss of $10.6 million.

ABC underwent a year of transition in 1981. While continuing to dominate in the area of broadcasting, it made a major decision to diversify into the new communications technologies as well as motion picture production. ABC and Westinghouse continued to develop their all-news cable service launched in the spring of 1982. It also joined with Getty Oil's Entertainment & Sports Programming Network (ESPN) to develop a pay sports network. And, with the Warner Amex Satellite Entertainment Co. it launched the Alpha Repertory Television Service (ARTS), an all-arts cable network, now programed by Hearst/ABC Video Services.

Based on the averages for all 90 shows broadcast during the 18 weeks that ended on Feb. 7 this year, ABC and CBS tied at a 13.9 rating among women 18 to 49. Among men 18 to 49, ABC's 13.6 easily beat CBS' 11. ABC also topped CBS, 14.1 to 12.4, in viewing by men 25 to 54.

Published research about the November, 1981, sweeps also showed that ABC affiliates, as in the past, emerged as the top

We lifted the spirits of a total community,

excited thousands of premium beer lovers,

and smoothed out coffee all over America.

The richness of coffee. The smoothness of Coffee Rich.

Coffee Rich. Its smooth creaminess has made it America's leading frozen non-dairy creamer. It makes coffee more mellow, yet doesn't hide its hearty taste. Coffee Rich costs less than cream. But it's just as versatile. Delicious on cereal or fruit. And it stays fresh 3 weeks in the refrigerator.

Free Recipes. Enjoy the convenience of Coffee Rich in cooking and baking, too. For your free booklet, send a self-addressed, stamped business size envelope to Cooking with Coffee Rich, PO Box 117, Buffalo, New York 14240.

Coffee Rich. The cream of the non-dairy creamers.

Buffalo. The home of over a million positive thinkers. A city "Talking Proud" about its assets, growth, and the organization that brought the city's pride out into the open.

Healy-Schutte & Comstock, a big-city thinking agency located out of the big-city rat race. An agency with style, strategic planning services and polished, hard-working creative.

In addition, our costs are reflective of the area in which we work, so the bottom line is better. Healy-Schutte & Comstock does a Class A job without the Class A cost.

Healy-Schutte & Comstock. Talking Proud for a lot of good reasons. Why not let our Chief Executive Officer, Alden Schutte, show you some of our other award winners. (716) 884-2120.

HEALY-SCHUTTE & COMSTOCK
564 Franklin Street, Buffalo, New York 14202

YOUR NEW PRODUCT.

You have great hopes, but do you have great creative?

You know you need great creative.
To go with your great marketing.
How can you make sure you'll have it?
Give us a call.

We specialize in doing great creative work for new products. From name generation and concept development to outstanding finished commercials.

We know that nothing needs great creative work more than a new product.

Most of our regular clients are new-product marketing people at some of America's largest advertisers. Yet we're a small, personal creative service.

To find out more about us, call me, Tom Attea, at (212) 371-5588.

With marketing like yours and creative like ours, you'll have the best chance of having something better than great hopes:

A great success.

THE TOM ATTEA COMPANY, INC.
220 EAST 65TH STREET, NEW YORK, NEW YORK 10021
Nothing needs great creative work more than a new product.

100 Leaders' media expenditures compared in 1981

In measured media only, grouped by industries; ad dollars in thousands

Rank	Company	Total	% of total dollars: Newspapers	Genl mags	Farm pub	Spot tv	Net tv	Spot radio	Net radio	Outdoor
	Airlines									
60	UAL Inc.	57,560.5	33.1	8.1	—	29.1	14.4	14.6	—	0.7
61	Trans World Corp.	56,486.3	30.7	11.1	—	21.1	26.8	8.4	1.2	0.7
77	American Airlines	44,996.9	44.6	9.7	—	23.2	6.6	15.0	—	0.9
78	Eastern Air Lines	43,622.6	54.3	9.0	—	11.2	4.0	16.0	—	5.5
86	Delta Air Lines	39,954.7	54.2	3.1	—	12.7	0.2	25.8	—	4.0
	Appliances, Tv, Radio									
25	RCA Corp.	107,828.2	27.4	25.3	—	11.2	33.6	0.3	1.9	0.3
42	General Electric Co.	72,749.5	13.8	26.3	—	12.2	41.2	2.7	3.5	0.3
93	North American Philips Co.	34,152.9	4.1	21.0	0.7	12.8	59.9	—	1.3	0.2
	Automobiles									
4	General Motors Corp.	335,075.8	19.6	19.5	0.5	4.2	43.8	9.7	1.6	1.1
6	Ford Motor Co.	264,175.7	12.1	20.8	1.1	8.5	43.1	12.2	1.7	0.5
10	Chrysler Corp.	182,320.0	17.0	13.8	0.5	9.6	30.1	27.8	1.2	0.0
33	Toyota Motor Sales	91,186.7	12.3	11.1	—	42.4	28.0	4.1	0.2	1.9
45	Volkswagen of America	68,978.7	13.0	35.5	—	19.0	30.8	0.9	—	0.8
46	Nissan Motor Corp., U.S.A.	68,884.1	12.8	14.3	—	29.0	31.4	11.1	—	1.4
69	American Motors Corp.	50,150.9	10.4	29.8	—	39.2	20.1	0.5	—	0.0
72	American Honda Motor Co.	47,846.8	11.0	25.9	1.2	9.5	38.2	11.5	—	2.7
	Chemicals									
62	Union Carbide Corp.	56,193.6	3.8	0.7	2.6	6.1	75.4	10.3	0.2	0.9
63	American Cyanamid Co.	54,774.0	0.2	13.8	7.8	17.9	56.0	4.3	—	—
68	E. I. du Pont de Nemours & Co.	50,487.4	1.6	49.9	6.2	4.3	37.2	0.7	0.1	—
	Communications, Entertainment									
28	Warner Communications	99,230.5	13.4	21.1	—	16.3	47.9	1.0	0.2	0.1
32	Time Inc.	91,536.1	19.5	39.8	—	32.8	7.5	—	0.2	0.2
59	CBS Inc.	57,647.5	27.4	51.4	—	10.6	2.9	0.2	5.7	1.8
87	Columbia Pictures Industries	39,871.1	0.2	3.1	—	6.9	81.8	7.8	0.1	0.1
92	MCA Inc.	34,311.7	12.0	1.5	—	14.3	52.3	18.8	0.3	0.8
96	American Broadcasting Cos.	33,485.5	30.7	45.6	—	18.3	—	0.3	3.2	1.9
	Drugs									
31	Richardson-Vicks	93,539.1	0.2	6.6	—	16.2	72.3	2.4	2.3	—
36	Sterling Drug	82,787.4	1.1	15.0	—	10.9	66.9	0.9	5.2	—
43	Schering-Plough Corp.	69,962.6	0.8	22.4	—	9.7	57.9	1.8	3.9	2.6
79	Miles Laboratories	43,687.7	—	6.9	—	13.0	79.0	0.1	1.0	—
89	SmithKline Corp.	38,865.5	—	15.0	2.5	12.4	66.5	—	3.6	—
90	Pfizer Inc.	38,226.1	—	10.9	5.8	1.1	82.2	—	—	—
	Food									
2	General Foods Corp.	377,690.4	1.6	9.8	—	22.3	63.1	1.7	1.5	—
8	General Mills	195,240.3	2.3	7.6	—	42.5	44.3	2.6	0.7	—
16	Dart & Kraft	145,366.7	6.7	21.4	—	30.4	36.7	4.3	0.5	—
18	McDonald's Corp.	138,148.2	—	0.1	—	54.4	39.2	1.2	2.4	2.7
22	Nabisco Brands	120,983.0	4.9	14.6	—	21.0	49.6	0.2	8.7	1.0
26	Ralston Purina Co.	103,502.0	1.1	11.2	0.8	17.6	64.5	4.8	—	—
27	Pillsbury Co.	102,355.7	2.1	5.5	—	31.8	57.9	2.3	—	0.4
29	Kellogg Co.	97,111.3	3.9	5.3	—	17.8	69.3	2.1	1.5	0.1
37	Consolidated Foods Corp.	81,300.2	3.6	13.7	—	18.5	61.6	2.3	0.2	0.1
39	Nestle Enterprises	75,167.6	4.1	9.7	—	36.2	46.6	0.4	2.8	0.2
40	Norton Simon Inc.	73,652.0	13.5	29.2	—	12.2	38.9	1.4	1.4	3.4
44	Esmark Inc.	69,523.6	1.9	16.2	—	12.1	67.9	—	1.7	0.2
57	Quaker Oats Co.	58,624.7	3.0	13.9	—	24.6	58.3	0.2	—	—
58	H. J. Heinz Co.	58,407.4	5.1	8.3	—	29.2	57.1	0.2	0.1	—
73	Campbell Soup Co.	47,599.6	9.1	9.7	—	24.7	42.4	5.1	9.0	—
74	Beatrice Foods Co.	46,567.0	12.3	26.6	2.2	34.0	9.6	10.2	0.5	4.6
80	CPC International	42,837.4	3.1	15.5	—	30.5	50.0	—	—	0.9
88	MortonNorwich Products	39,663.8	4.9	6.7	—	17.7	64.8	—	5.8	0.1
94	Borden Inc.	33,875.9	6.7	14.1	—	18.4	52.8	3.0	4.5	0.5
	Gum, Candy									
49	Mars Inc.	65,876.8	1.4	2.2	—	48.9	47.3	0.2	—	—
52	Wm. Wrigley Jr. Co.	62,777.5	—	—	—	21.8	67.2	2.8	8.2	—
76	Hershey Foods Corp.	45,676.1	4.7	5.0	—	21.5	65.9	1.4	1.5	—
	Photographic equipment									
51	Eastman Kodak Co.	65,009.3	3.9	20.4	—	8.6	64.0	1.4	0.8	0.9
84	Polaroid Corp.	41,349.2	5.6	15.6	—	3.6	73.9	1.3	—	—
97	Canon U.S.A.	33,205.3	3.0	27.8	—	14.5	50.0	—	4.2	0.5
	Retail chains									
11	Sears, Roebuck & Co.	178,171.5	—	33.5	—	7.8	49.4	3.5	5.8	—
64	K mart Corp.	53,497.3	—	15.4	—	42.6	22.1	14.7	4.9	0.3
21	J.C. Penney Co.	47,941.5	—	18.5	—	27.0	53.3	0.7	0.2	0.3
	Soaps, Cleaners (and Allied)									
1	Procter & Gamble Co.	563,697.4	1.1	6.3	—	22.8	69.8	—	—	—
12	Unilever U.S.	158,878.8	2.2	10.8	—	27.1	59.9	—	—	—
35	Colgate-Palmolive Co.	88,920.3	4.2	10.6	—	25.0	54.0	6.2	—	—
50	Clorox Co.	65,070.5	1.6	8.7	—	11.6	76.4	—	1.7	—
67	S.C. Johnson & Son	51,564.4	2.3	23.9	—	12.4	61.0	—	0.4	—
	Soft drinks									
13	PepsiCo Inc.	157,219.1	1.7	2.3	—	44.4	43.8	7.2	—	0.6
19	Coca-Cola Co.	134,922.1	3.4	4.1	—	35.4	45.2	9.3	0.5	2.1
	Telephone service, equipment									
7	American Telephone & Telegraph	209,646.4	10.3	16.8	—	28.5	32.9	7.8	3.5	0.2
53	International Telephone & Telegraph	62,220.3	6.0	14.1	—	44.4	33.8	0.1	0.6	1.0
	Tobacco									
3	Philip Morris Inc.	372,971.4	24.3	27.6	—	5.4	26.7	4.8	—	11.2
5	R. J. Reynolds Industries	316,066.3	45.1	28.3	—	9.6	1.1	—	—	15.9
17	B.A.T. Industries PLC	142,607.0	32.2	42.9	—	5.4	—	—	—	19.5
47	American Brands	67,718.9	19.5	51.7	—	1.3	11.9	0.4	0.3	14.9
83	Liggett Group	41,614.5	5.9	47.6	—	13.7	25.3	0.6	—	6.9
	Toiletries, Cosmetics									
9	American Home Products Corp.	190,264.7	0.8	5.4	0.3	21.2	69.1	1.0	2.2	—
15	Bristol-Myers Co.	151,504.7	1.0	15.6	0.1	7.7	72.6	2.9	—	0.1
20	Johnson & Johnson	132,568.7	3.5	17.0	0.2	2.9	73.3	2.5	0.6	—
21	Warner-Lambert Co.	123,250.1	0.5	7.4	—	24.2	62.4	0.6	4.9	—
23	Loews Corp.	116,384.4	42.6	31.4	—	3.4	1.1	—	—	21.5
30	Gillette Co.	96,441.0	2.0	9.8	—	8.9	79.3	—	—	—
41	Chesebrough-Pond's	73,561.6	3.4	18.1	—	11.1	67.1	0.3	—	—
48	Beecham Group Ltd.	66,400.8	0.2	8.1	1.1	7.8	82.7	0.1	—	—
54	Revlon Inc.	61,972.6	0.7	17.7	—	37.7	39.9	1.0	3.0	—
85	Noxell Corp.	39,963.1	—	24.9	—	9.2	64.9	0.2	0.8	—
99	Jeffrey Martin Inc.	32,246.8	0.2	5.9	—	26.5	42.7	—	24.7	—
	Wine, Beer, Liquor									
14	Anheuser-Busch	154,124.3	1.6	4.0	—	20.4	47.8	22.4	2.5	1.3
24	Seagram Co. Ltd.	114,380.4	11.2	59.1	—	5.6	12.2	0.2	—	11.7
34	Heublein Inc.	90,279.5	3.3	16.3	—	32.9	37.3	3.2	—	7.0
81	Jos. E. Schlitz Brewing Co.	42,763.5	0.9	6.1	—	25.1	42.8	19.5	0.2	5.4
91	Brown-Forman Distillers Corp.	37,942.4	7.5	45.0	—	20.9	9.7	0.5	—	16.4
98	Hiram Walker Resources Ltd.	32,525.4	6.4	71.4	—	0.3	—	—	—	21.9
	Miscellaneous									
38	U.S. Government	78,951.1	11.1	21.6	2.9	8.9	33.7	11.4	9.2	1.2
55	Gulf & Western Industries	61,450.5	8.2	7.6	—	37.7	44.0	1.4	0.7	0.4
56	Mobil Corp.	60,395.3	14.1	4.0	2.4	55.7	18.8	4.2	—	0.2
65	American Express Co.	52,794.7	12.2	17.0	—	18.0	48.2	2.7	1.9	—
66	Greyhound Corp.	52,192.1	4.4	10.4	—	4.5	63.5	16.8	0.2	0.2
70	Mattel Inc.	48,677.9	4.8	8.5	—	33.0	53.3	—	—	0.4
75	Kimberly-Clark Corp.	46,344.6	3.6	19.5	—	27.9	45.6	1.4	2.0	—
82	Exxon Corp.	42,482.5	3.6	15.9	0.6	14.7	57.0	6.9	0.7	0.6
95	International Business Machines Corp.	33,535.3	13.2	31.8	—	3.0	45.9	4.7	1.3	—
100	Xerox Corp.	30,336.8	16.6	36.2	—	3.9	38.1	1.0	3.9	0.3

draw among the key 18-to-49-year-old viewer in major urban centers. ABC stations were the demographic leaders in all of the top 10 markets, with CBS breaking ABC's stranglehold in markets 17 and 18, St. Louis and Tampa/St. Petersburg. In terms of the top 10 stations in the top 50 markets, WBRC, Birmingham, Ala., an ABC affiliate, was the biggest draw among women 18 to 49, notching an average 54 share.

"Good Morning America," hosted by David Hartman, held a substantial ratings edge over NBC's "Today" and the revamped "Morning" on CBS. Later during the day the network attracted the majority of soap addicts with its legendary "General Hospital," "All My Children," "One Life to Live" and "Ryan's Hope." These shows were among the top-rated programs in daytime television and helped increase ABC's lead over its competitors for the fourth consecutive year.

The network's Afterschool Specials scheduled 15 shows for 1981-1982, many on controversial and provocative topics. In 1981, programs included "The Wave," a chilling recounting of a history teacher's classroom demonstration of fascism, and "Don't Hit Me, Mom," dealing with child abuse.

ABC's prime time programing continued with its mix of successful series drama, blockbuster films, made-for-tv movies and program specials. The successful series drama included veterans such as "Happy Days," "Laverne and Shirley," "Three's Company" and "Too Close for Comfort" as well as the newcomers such as "The Fall Guy." At the same time audiences continued to be loyal to "The Love Boat" and "Fantasy Island." The motion picture segment featured

some of the biggest films of recent years: "Superman," "Close Encounters of the Third Kind," "Grease," "The Goodbye Girl," "Moonraker," "Slap Shot" and "Airport '79-The Concorde," while "Jacqueline Bouvier Kennedy," "Sizzle" and "A Long Way Home" highlighted the made-for-tv list of movies.

But ABC's most marked success was in the area of newsprograming. "World News Tonight," with its unique three-anchor format, nibbled away at the network news ratings led by CBS. In several weeks, "World News Tonight" finished ahead of the others in the Nielsens. Later on in the evening, "Nightline" was expanded to a half-hour format. On Sundays, ABC expanded its "Issues and Answers" to the one hour "This week With David Brinkley." Anchored by David Brinkley, this public affairs program not only deals with interviews of people in the news but provides extensive news analyses through some of the country's major media and electronic journalists.

The telecast of the World Series helped cap a fine year for ABC. For the six Los Angeles Dodgers/New York Yankees games—four in prime time and two in the afternoon—ABC averaged a 30.0 rating and a 49 share. For the entire series, ABC estimated that 130 million people had watched all or part of the games.

This year ABC plans to spend nearly $24 million for the rights to its baseball programing, a package that includes Monday night games, the All-Star game and the championship play-offs. ABC charged $150,000 per 30-seconds for its prime time All-Star game July 13. The rate was $15,000 more than NBC sought last season, and $40,000 higher than the 1980 rate.

However, 1981 saw more than the dominance of ABC in tv, it saw the company move boldly into the new communications technologies. In April, ABC launched ARTS, the cultural program service that marked the network's first entry into the cable programing field.

ARTS provided programs in the areas of drama, music, opera, dance, painting, sculpture and literature to over 7 million homes. Hearst/ABC Video Services estimates that ARTS has been drawing an average rating of 1 to 1.5 in the homes it reaches, for an average hourly audience of about 600,000. Since the announcement of ARTS' much vaunted Mobil Showcase programing on various arts, General Motors, AT&T, Ford Motor Co., Chevrolet Motor Division, Eastman Kodak, Exxon, Mobil Oil, Polaroid and Atari have come on board.

ARTS began as an independent ABC venture and slowly evolved into a joint presentation of Hearst/ABC Video Services carried on Warner-Amex Satellite Entertainment Co.'s Nickelodeon Channel. It has not been the only Hearst and ABC joint venture. Also in the works has been "Daytime," a women's cable service that was finally launched in March.

The content of "Daytime" is original programing that deals with three areas: Self, home and family. The subjects covered include fashion, careers, homemaking, finance and interpersonal relationships. The four-hour weekday format of "Daytime" is advertiser-supported and distributed on SATCOM III-R. For advertising, "Daytime" has been making a pitch for three-to-five minute "infomercials" and traditional 60 and 30-second spots. It has targeted for one "infomercial" per hour and a combination six additional 60-second spots for a total of nine to eleven minutes of advertising time per hour.

ABC also joined forces with Westinghouse to form Satellite News Channels, a joint venture to produce two 24-hour advertiser-supported cable news networks. SNC offers cable system operators one-time-only signing and launch bonuses totaling 75 cents per subscriber for carrying the service, as well as 10 cents per subscriber annually for a co-op advertising fund.

Even though the two news services put SNC in direct competition with Ted Turner's Cable News Network, SNC executives insist that their service will be markedly different. According to them, SNC will provide subscribers an up-to-the-minute briefing on the top news stories of the moment, plus other important information—all in a relatively short period of time—18 minutes.

SNC was launched on June 21, and beamed to nearly 2.6 million subscribers via Westar IV. There were 12 charter advertisers: Ace Hardware, American Fur Industry, American Motors Corp., Charles Schwab, Corvo Wines, Chrysler Corp., Ford Motor Co., General Motors' Chevrolet division, Kraft Inc., Olympic Stain, Radio Shack and United Van Lines. ABC and Group W Satellite Communications estimate that SNC will have 10 million subscribers by the end of 1983.

SNC has also developed a series of reciprocal advertising arrangements with a number of cable services, including Black Entertainment Television, ESPN and the USA Network.

At the National Cable Television Assn. convention this year, ABC announced two more communications technologies ventures. The first, Home View Network, will use ABC's broadcast distribution system to transmit overnight a four-hour, five- to six-day service of movies and other special programs to subscribers. The signal will be recorded on special home videocassette recorders for playback at a future time. The signal, which will be sent in scrambled form, can only be decoded by a special unit to be supplied by Sony according to ABC specification. The new network will be launched in 1983 through the network's five owned-and-operated stations and participating affiliated stations. ABC estimates that if it captures 20% of the VCR market in 1985 estimated at 10 to 12 million units, it will have a yearly revenue stream of $480 million.

The other venture brings ABC Video Enterprises together with Cox Cable Communications in developing one and two-way interactive cable technology, as well as transactional services and videogames. Even though the nature of the joint venture wasn't clearly specified, ABC plainly wants a piece of the software industry that INDAX is capable of providing.

Hand in hand with these ventures, ABC also plans a sports pay cable television service—a joint venture with Getty Oil's ESPN—to offer major sports events on a pay subscription basis. The venture has been stalled since its announcement last September because of technical glitches.

With this large-scale move into cable and pay-tv, ABC is also looking toward increasing its motion picture production capabilities. It has established ABC Motion Pictures for the production of movies for theatrical distribution. The division began production on "Young Doctors in Love," a satirical movie released this summer.

Other films set for a 1982 production are "National Lampoon's Class Reunion" and Mike Nichols' "Chain Reaction," starring Meryl Streep.

While video was positioning itself for the expanded marketplace, radio was repositioning itself for the rapidly evolving radio environment and emerging technologies, principally satellite distribution. The company established a Radio Enterprises unit to produce and develop new programing and business opportunities. The unit is producing ABC TALKRADIO for the ABC Radio Networks, which have also expanded their operations from four to six full-service networks in the past year.

ABC also acquired Watermark Inc., a major syndicator of radio shows, and the company is a subsidiary of ABC Radio Enterprises. Watermark's "American Top 40," radio's most widely syndicated weekly series, now airs exclusively on ABC's Contemporary Radio Network.

The ABC Owned Radio Stations continued to increase audience delivery and in several markets have moved to answer demands for more informational programing. WABC in New York has adopted a news and talk format, patterned after the successful KABC, Los Angeles, move in the early 1960s designed by Ben Hoberman. Mr. Hoberman, vice-president and general manager of KABC then, is now president of ABC Radio.

On the personnel front, there were a number of changes. John C. Severino was named president of ABC Television, Robert G. Burton was named president of ABC Publishing, and Herbert A. Granath was named president of ABC Video Enterprises. Other appointments included that of Mark Cohen, senior vp, ABC Television, to the additional post of corporate vp and that of David Johnson to the post of vp, strategic planning, ABC, Inc.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$10,270,300	$11,899,800
Magazines	15,265,500	15,030,400
Spot tv	6,116,500	4,809,300
Spot radio	90,800	212,600
Network radio	1,097,000	2,066,600
Outdoor	655,400	812,400
Total measured	33,495,500	37,931,100
Unmeasured	6,514,500	8,833,500
Estimated total	40,000,000	46,764,600

MARKETING PERSONNEL

ABC-TV Network

H. Weller (Jake) Keever, vp in charge of sales
Warren Boorom, vp-genl sales mgr
Robert Silberberg, vp-natl sales mgr
Gordon Link, vp-director eastern sales
John Lazarus, vp-sports sales
John Tiedemann Jr., vp-daytime sales
Robert Cagliero, vp-early morning sales
Marvin Goldsmith, vp-prime time sales proposals
William Breen, vp-news sales
Anthony Rocco, vp-business devel
Charles Allen, vp-sales admin
Symon Cowles, vp-creative services
Pete Barrett, vp-natl adv director
Charles Gabelmann, vp-sales promo

ABC Sports

Peter Dimmock, vp-intl

ABC-Owned TV Stations

Jon Olken, vp-creative services

ABC-TV Spot Sales

Walter Flynn, vp-genl mgr
Georgia Breza, director-planning and admin

ABC Radio Networks

Louis J. Severine, vp-director of sales
Arthur Sulzburgh, vp-natl sales mgr
Francis Boehm, vp-western sales mgr
Joseph Kelly, vp-Detroit sales mgr
Robert Watson, vp-eastern sales mgr
Dennis Glynn, vp-central sales mgr
Rhonda Hack, mgr-southwestern sales
Tom Rocco, mgr-special programs sales
Michael A. Winter, director-creative services
Linda Meilan, director-sales admin
David Logan, sales mgr-mkt development
Blaise Leonardi, sales mgr-youth networks
Frank Leoce, sales mgr-adult networks

ABC Video Enterprises

James T. Shaw, vp in charge of mktg

ADVERTISING AGENCIES

Grey Advertising, New York—ABC-TV movies for tv, theatrical, miniseries—Donald Foley, genl mgr-entertainment & leisure; Bob Griffin, acct super.

McCaffrey & McCall, New York—ABC-TV sports, news, other entertainment—Norman Freedman, group acct mgr; Bill Bolster, mgmt super-news; Patrick Corrigan, acct super-sports; Barry Weintraub, acct super-entertainment.

Muller Jordan Weiss, New York—ABC Radio Networks—William Nightingale, mgmt super; Fran Meneker, acct super; Jerry Coleman, creative director.

American Cyanamid Co.

	1981	1980
Sales	$3,549,075,000	$3,453,934,000
Earnings	197,054,000	159,195,000
Advertising*	138,000,000	125,000,000

*AA estimate

American Cyanamid Co., Wayne, N.J., increased its ad spending 10.4% in 1981 to an estimated $138 million, to become the 44th largest U.S. advertiser.

Worldwide sales for American Cyanamid and its subsidiaries increased 5.6% to $3.65 billion in 1981, a slight increase from 1980's record $3.45 billion sales. Net earnings inceased to $197 million, up 23.8% from $159.2 million in 1980.

American Cyanamid's second-quarter 1982 earnings dropped a whopping 42% to $28 million from $48.4 million in the same 1981 period. Earnings for the second quarter were down as a result of the company's withdrawal from certain pigments and rubber chemicals businesses. James G. Affleck, Cyanamid chairman-chief executive officer, said the sales and earnings drops stemmed from severe recessions in many of the company's key markets and the continuing strength of the dollar against foreign currencies.

For the first six months of this year, Cyanamid earnings were $66 million, down 32% from the same period last year. Sales in 1982's first half dropped 2% to $1.75 billion.

The company, which celebrates its 75th anniversary this year, began operations in 1907 in a plant built on the shores of the Niagara River in Ontario, Canada, producing cyanamide, the first synthetic fertilizer. With chemistry as the thread binding its diverse operations, Cyanamid has expanded throughout the years into five major businesses: Agriculture, which accounts for 23% of the company's total sales; medical, 21%; specialty chemicals, 31%; consumer, 14%, and Formica brand products, 11%. Sales were up in all segments in 1981.

Operating earnings were higher for chemicals, consumer products, and Formica brand products and lower for the agricultural group, while medical earnings were about even with the 1980 figures. This is in direct contrast with the past two years when only the medical and agricultural segments showed higher earnings, while the other three areas declined.

Agricultural sales rose to $844 million, up from $837 million in 1980, while earnings fell to $120 million. Earnings in 1980 were $132 million.

The decline in earnings was attributed to a worldwide recession in the livestock industry, a severe over-supply and reduced prices of phosphate fertilizers, and the impact of the strong dollar on overseas revenues. An outstanding performance by pesticide products helped to offset the effect of these problems and produce increased sales for the division.

Sales of Cyanamid's major pesticides, Prowl and Avenge herbicides and Counter and Amdro insecticides continued to set new records for the company.

These four products, all introduced since 1975, accounted for about 65% of all pesticide sales in 1981.

Sales of animal industry products were about even with those of 1980. The U.S. livestock industry continued to slump because of high interest rates, overproduction and low prices.

A sharp drop in U.S. exports of phosphates, particularly upgraded diammonium phosphate products, left fertilizer producers in the U.S. with an extended inventory position, and prices suffered a severe decline. These conditions, coupled with continuing high raw material and operating costs, resulted in sharp lower profit margins.

Sales for the medical group increased to $773 million, up 11.3% from $695 million in 1980. Due to the negative impact of the foreign exchange rates, earnings remained even for the past two years at $88 million.

Medical products, which are made and marketed in the U.S. by Lederle Laboratories division, benefited from the first full year of sales of a new antidepressant, Asendin amaxapine; continued consumer acceptance of Centrum multivitamins, and increased sales of Orimun oral polio vaccine and Davis and Geck sutures.

Lederle announced it is in the

early stages of research to create a new series of surgical devices that will diversify and expand Davis and Geck's business in hospital operating rooms. The first of these new products, Appose disposable skin stapler, was introduced at the annual meeting of the American College of Surgeons late in 1981.

In 1981, the company spent $6.9 million advertising Centrum vitamin and mineral tablets. Network tv got $6 million, with the remainder going to magazines and spot tv. This represents a large increase from the $2.6 million spent in 1980 to promote Centrum in magazines and spot tv. Centrum was Cyanamid's most heavily supported product outside the consumer products division.

Media spending for Stresstabs 600 was down from $5 million in 1980 to $2.9 million with the bulk being spent in magazine ads and the rest in newspaper supplements and spot tv. Last year, Stresstabs was the most heavily advertised product outside the consumer products division.

Chemical sales increased 7.6% to $1.1 billion and operating earnings increased to $78 million up 61.6% from $48 million in 1980. Operating earnings were up to 22% of the company total primarily because of the impact of increased sales and a 1980 provision of $13.6 million for business withdrawals. Cyanamid withdrew from the polyester tire yarn and certain other businesses in 1980.

Sales of paper chemicals increased dramatically in 1981 while mining, water treating and plastics chemicals showed moderate improvement. Sales of Cymel methylated resins increased as a result of a shift by the appliance and automotive industries to water-based, high-solid, high-performance industrial finishes.

Sales of Creslan acrylic fibers increased as price improvements offset a decline in volume caused by a weakness in the U.S. textile industry. Despite this weakness, textile chemicals also performed well.

The consumer products division consists of Shulton toiletries (including household products), Jacqueline Cochran prestige fragrances and Shulton International. Consumer product sales increased 5.3% to $519 million in 1981, up from $492 million last year. The sales figure represents 14% of the company's total sales for the fifth consecutive year. Operating earnings rose to $34 million up from $28 million in 1980.

The established prestige fragrances of Nina Ricci's L'Air du Temps for women and Goeffrey Beene's Grey Flannel for men had a banner year in 1981.

L'Air du Temps received $2.4 million in measured media spending with $1.9 million on spot tv and the rest on magazine ads. Grey Flannel got $688,800 with $359,100 on magazines, $257,800 on spot tv and the rest on newspaper supplements.

Pierre Cardin cologne for men received $2 million, mostly in spot tv.

Cie women's fragrance was transferred back to Shulton in 1981 after being handled by the Jacqueline Cochran division. Total media spending for Cie was $2.1 million in 1981, with most being allocated to network tv followed by spot tv and magazines.

Blue Stratos aftershave/cologne for men was successfully introduced in the United States in 1981. With a measured media budget of $6.4 million, $5 million was spent on network tv with emphasis on sports programing. The remainder went to magazines and spot tv.

The line was first launched abroad in 1975, and to a certain extent, the ad theme is borrowed from Shulton's overseas cousins. In preparation for U.S. entry, Dancer Fitzgerald Sample adopted the hang gliding focus concept, added new music and copy for the campaign that is themed, "Unleash the spirit... Blue Stratos for the free spirit in men."

Shulton made a five-year, $1 million buy on cable tv's ESPN for Old Spice, Blue Stratos and Pierre Cardin men's products in 1981, becoming the biggest new client for the round-the-clock Entertainment & Sports Programming Network.

Old Spice, which commands a 21% share of the men's fragrance market, continues to increase in sales. Old Spice solid dry antiperspirant deodorant received $6.7 million.

Old Spice cologne for men totaled $5.3 million in media spending with $4.8 million spent on network tv and $525,900 going to spot tv. A new antiperspirant product, Lady's Choice, has completed successful test marketing and is being launched nationally in the U.S.

Last fall, American Cyanamid folded its household products division into Shulton toiletries leading to speculation that the company was planning on de-emphasizing its consumer products division. Although company spokesmen have denied this, rumors still persist that the company is looking to sell off Breck haircare products.

Miss Breck hairspray, with 10% of the market share, had its ad budget cut to $1.8 million, with the bulk placed in network tv and the rest in spot tv. Last year the budget for Miss Breck hairspray was $3.5 million.

The over-all ad budget for Breck products was cut more than half for the second year in a row from $5.7 million in 1980 to $2.5 million in 1981.

Pine-Sol liquid cleaner continued as the No. 1 liquid cleaner in the U.S. in 1981. Pine-Sol continues to receive the largest ad budget of any product from the company with a budget of $7.3 million. About $5.9 million is spent on network tv and $1.4 million on spot tv. The cleaner is promoted in ads themed, "Pine-Sol cuts through grease better than any leading liquid cleaner."

Bowl Gard was introduced to join the Pine-Sol cleaner/disinfectant/deodorizer and subsequently got caught in the controversy surrounding toilet bowl cleaners containing the chemical calcium hypochlorite and never carved out a place for itself. It has been withdrawn from the market.

Although the U.S. market for laminates decreased from 1980 to 1981, sales and earnings of Formica brand products increased through strict management control, an effective cost reduction program and an expansion of the distribution network. Sales increased slightly in 1981 to $412 million, up from $406 million in 1980. Operating earnings were up to $33 million in 1981, accounting for 9% of the company total—an increase from $26 million in 1980.

New creative designs helped boost sales of Formica brand laminates in 1981. The group of Design Concepts laminates for commercial construction, introduced in the U.S. in 1980, contributed to the increased sales.

The Color Grid system of laminate color selection was introduced late in 1981 to the U.S. market. This system coordinates 72 colors in two separate grids and offers all designers and architects a logical, integrated method of matching and selecting colors. Early sales of the line have been ahead of forecasts.

The company is concentrating on product and design innovation, efficient management and aggressive marketing to place Formica brand laminates in a strong position to capitalize on the anticipated revival of the housing and construction industries.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$130,800	$159,600
Magazines	7,526,300	6,580,900
Farm publications	4,382,400	4,053,600
Spot tv	9,811,200	13,536,700
Network tv	30,881,900	19,293,900
Spot radio	2,371,400	1,322,600
Total measured	54,774,000	44,847,300
Unmeasured	83,226,000	80,952,700
Estimated total	138,000,000	125,800,000

AGRICULTURAL DIVISION
MARKETING PERSONNEL
T.J. Raser, adv mgr-pesticides
W.J. Reynolds, adv mgr-animal industry
ADVERTISING AGENCIES
Bergelt Advertising, New York—Poultry food prods, feed additives—E.C. Bergelt, acct supr.

Tucker, Wayne, Atlanta—Counter, Avenge, Prowl, Thimet—Robert Schaeffer, mgmt super; William Dickson, acct super; Dutch Versteegh, John Freebairn, acct execs.

Richardson, Myers & Donofrio, Baltimore—Animal industry prods—Cy Halada, acct super.

CONSUMER PRODUCTS SHULTON U.S.A. DIVISION
MARKETING PERSONNEL
R.G. Bryan, vp-mktg
J.J. Johnson, mgr, new prods
T.J. Kuhn, group prod mgr, lotion, cologne
R. Kellner, group prod mgr, hair prods
V.H. Sandham, group prod mgr, antiperspirants/deodorants
L.J. Lent, dir, mktg services
J.B. Gibbs Jr., director adv services

JACQUELINE COCHRAN INC. DIVISION
MARKETING PERSONNEL
A. Rowland, senior vp-mktg
F. Robinson, vp, mktg Ricci prods
M. McAuliffe, mktg director, new prods
ADVERTISING AGENCIES
Ted Bates Advertising, New York—Breck prods & Lemon Sol—Sheila Paterson, acct director; Ellen Feldberg, acct exec.

BBDO, New York—Pine-Sol, Bowl Gard, new prods—Lonnis Strum, acct super; Pamela Selby, Alex Carlin, acct execs; David Park, asst acct exec.

Dancer Fitzgerald Sample, New York—Old Spice deodorant, Lady's Choice deodorant, Cie, Blue Stratos—Barbara Gyde, Michael Leahy, acct supers; Gay Clark, mgmt super; Barbara Bergsen, acct exec.

Sacks & Rosen, New York—Ricci, Cardin, Carven—Leonard Sacks, Michael Rosen, mgmt supers; Rob Brello, creative director.

FIBERS DIVISION
MARKETING PERSONNEL
W. DeMartine, mgr
Jeanne Budde, mgr-mktg communications
ADVERTISING AGENCIES
Grey/Conahay & Lyon, New York—Creslin-Mary Devlin, acct exec.

FORMICA CORP.
MARKETING PERSONNEL
James Plumpton, vp
V.P. Langon, mktg director
R.H. Kilbury, communications mgr
ADVERTISING AGENCY
Michael R. Abramson & Associates, New York—Michael Abramson, president.

SHULTON INC. INTERNATIONAL DIVISION
MARKETING PERSONNEL
I.A. Forsythe, director of mktg
G.F. Hardy, mktg director CAFE
M.T. Pursell, mktg director CEMA
Roland Vigue, mgr mktg services

INDUSTRIAL PRODUCTS DIVISION
MARKETING PERSONNEL
M.R. O'Rourke, mgr, adv & sales promo
ADVERTISING AGENCY
Hazard, Barbetta & Miller, Fairfield, N.J.—Tom Brogan, acct exec.

LEDERLE LABORATORIES
MARKETING PERSONNEL
Pharmaceutical Department
R.F. Saydah, genl mgr-Lederle Pharmaceuticals dept
David Bethune, director, prod mgmt
R.M. Lynch, director mktg proprietary prods
Davis & Geck Department
T.R. Lind, genl mgr
D.P. Pfarr, director prof relations
ADVERTISING AGENCIES
Carrafiello, Diehl & Associates, Hudson, N.Y.—T. Sweeney, acct exec.

Klemtner Advertising, New York—Gavin Scotti, acct super.

Rolf Werner Rosenthal Inc., New York—Herb Messinger, mgmt acct super; Rob Recobs, acct super.

Dugan/Farley Communications, Montvale, N.J.—E. John Farley, exec vp.

CHEMICAL PRODUCTS DIVISION
MARKETING PERSONNEL
M.R. O'Rourke, mgr adv & sales promo
ADVERTISING AGENCY
Hazard, Barbetta & Miller, Fairfield, N.J.—Tom Brogan, acct exec.

ORGANIC CHEMICALS DIVISION
MARKETING PERSONNEL
G.W. Busch, color prods mktg mgr
S.G. Manolakis, asst mktg mgr
G.M. Ruhf Jr., plastic additives mktg mgr
M.P. DiGiamao, intermediates mktg mgr
F.G. Pinto, specialty elastomers mktg mgr
P.A. Signoretti, rubber chemicals mktg mgr
J.S. Druzbacky, textile chemicals mktg mgr
E.W. Galloway, phosphines mktg mgr
ADVERTISING AGENCIES
Foss & Evers, Franklin Lakes, N.J. Chemical Light—C. Chiappori, acct exec.

J.M. Kesslinger & Associates, Newark, N.J.—Phosphines, Specialty Elastomers and Rubber Chemical—J.M. Dietz, acct exec.

Wildrick & Miller, Inc., New York—Textile Chemical and Organic Intermediates—W. Doyle, acct exec.

CYANAMID EUROPE/-MIDEAST/AFRICA AND CYANAMID AMERICAS/-FAR EAST DIVISION
MARKETING PERSONNEL
Medical Products
K.M. Sethna, director mktg planning-CEMA
D.H. Shepherd, mktg mgr Davis & Geck-CEMA
B.L. Moore, mktg rsch mgr-CEMA
R.A. York, mgr training & adv productions-CEMA
D.M. Leech, director-mktg, CAFE
W.D. Hough, mktg mgr Lederle-CAFE
M.G. Woosley, mktg mgr Davis & Geck-CAFE
E.F. Steinhauser, mktg rsch mgr-CAFE
L.R. Nadal, adv production mgr-CAFE
ADVERTISING AGENCIES
AM/PM Advertising, Newark, N.J.—R. Saks, R. Hodes, partners.

D.M. Advertising, New York—D.F. McGuillicuddy, president.

Klemtner Advertising Inc., New York—L.A. Davies, acct super.

Landi & Handler, New York—M. Handler, acct exec.

Naimark & Barba, New York—G.M. Naimark, president; D. Barba, art director.

MARKETING PERSONNEL
Chemicals
Dr. J.B. Bell, director mktg rsch chemicals-CAFE/CEMA
B. Coopersmith, director organic prods-CAFE
C.C. Corcoran, director water treatment mining & paper chemicals-CAFE
R.A. Roeder, director chemicals-CEMA
ADVERTISING AGENCY
Rebell International—Warren Rebell, president.

Top 25 newspaper advertisers

Rank	Advertiser	Expenditures 1981	1980
1	R. J. Reynolds Industries	$142,344,700	$113,099,600
2	Philip Morris Inc.	90,602,700	77,624,200
3	General Motors Corp.	65,502,100	52,209,100
4	Loews Corp.	49,591,300	45,624,400
5	B.A.T. Industries PLC	45,909,600	13,644,800
6	Ford Motor Co.	31,989,700	24,379,500
7	Chrysler Corp.	30,955,700	21,320,600
8	RCA Corp.	29,536,900	25,122,100
9	Eastern Air Lines	23,670,000	20,160,700
10	Delta Air Lines	21,653,100	20,409,900
11	American Telephone & Telegraph	21,530,600	19,180,900
12	American Airlines	20,068,100	17,477,600
13	UAL Inc.	19,034,400	16,245,200
14	Pan American World Airways	17,984,300	13,902,300
15	Time Inc.	17,825,300	10,901,200
16	Trans World Corp.	17,354,100	17,546,100
17	CBS Inc.	15,822,600	14,969,100
18	Warner Communications	13,324,000	1,728,300
19	American Brands	13,243,100	16,816,500
20	Seagram Co. Ltd.	12,758,300	18,042,600
21	Toyota Motor Sales	11,229,100	7,023,300
22	American Broadcasting Cos.	10,270,300	11,899,800
23	General Electric Co.	10,065,400	12,128,400
24	Norton Simon Inc.	9,925,500	5,461,800
25	Dart & Kraft	9,788,100	6,683,300

Source: Media Records.

American Express Co.

	1981	1980
Sales	$7,211,000,000	$6,366,000,000
Earnings	518,000,000	462,000,000
Advertising*	75,036,700	63,000,000

*AA estimate

Last year proved to be a

highly productive one for American Express Co., New York, the 71st largest national advertiser. The company recorded its 34th consecutive year of earnings growth, the average share gaining 40¢. American Express revenues worldwide increased 13% last year, reaching $7.2 billion, while consolidated assets climbed to $25 billion. The company's net income rose sharply by 12%, totaling $518 million.

American Express' domestic advertising expenditures were up 20.7% from 1980 to an estimated $76 million. Worldwide, the company's advertising and promotional expenditures totaled $254 million.

Perhaps the most significant corporate move in 1981 was the merger with Shearson Loeb Rhodes, the second-largest securities company in the U.S. The addition strongly bolstered American Express' position in the evolving financial services industry. The merged unit promptly became one of the four units in a newly reorganized American Express that now includes American Express Travel Related Services; Fireman's Fund Insurance; American Express International Banking Corp., and Shearson/American Express Inc.

Within the collective effort, certain other key American Express developments in 1981, relating to the company's four business units, prominently advertised services and products, are as follows:

American Express Travel Related Services Co.: TRS net income rose by 18% in 1981, hitting $209 million, while revenues were $2.2 billion. TRS reorganized Card and Travelers Cheque divisions, representing two of the most widely identified products in the American Express family into a new entity, the Consumer Financial Services Group (CFS), to enable the company to develop and market integrated financial services as well as single products.

The American Express Card, despite rising interest rates and consumer costs worldwide, improved its membership base 12%, totaling 13.3 million cardmembers. Also, three new foreign currency cards were introduced in 1981: Thailand, Ireland and Brazil. Advertising to support the card represented expenditures of $26.2 million with $12.3 million spent on network tv, $7.5 million on spot tv and $6.2 million on magazines.

Early in 1982, American Express began a "Good Samaritan" marketing strategy that uses newspaper ads in certain cities to tie its card's usage to fund-raising needs of a local charity. Ads announced that each time the card was used locally over several months, an important community activity would receive 3¢ from Amex. Test campaigns helped such causes as the Neighborhood Arts program in San Francisco and the ballet in Dallas. Card transactions in Washington, D.C. were earmarked to help the maintenance of historic Mt. Vernon.

The company's Gold Card program increased membership by 29% to 2 million. Over-all, at year's end some 558 million establishments worldwide honored the American Express Card, up 27% from 1980.

American Express enhanced its existing travelers cheque product in 1981 by adding five new services, at no additional cost, for refund claimants in the U.S., Canada, Virgin Islands and Puerto Rico. These were check cashing, credit card cancelation assistance, temporary I.D. card, reservation assistance and message service. Advertising to support this program represented $13 million in expenditures for 1981.

Also, a number of new American Express Traveler Cheque partnerships were established overseas—including agreements with Lloyd's Bank in the U.K., the Dutch Postal Office and German savings banks. In addition, the Bank of China was authorized to sell and refund travelers cheques in the People's Republic of China.

Developments in the travel division included acquisition of Haley Corp., a San Francisco-based travel agency with sales of nearly $50 million. A new commercial business unit was also created to better serve the corporate traveler. American Telephone & Telegraph joined the Corporate Card program as the largest account ever, raising the total Corporate Card membership to 1.2 million. Also, a new, convenient Business Travel Account was introduced, permitting corporate clients to charge all airline travel to a single American Express card account. Ad expenditures in 1981 for the Corporate Card program were $106,400.

Shearson/American Express: Net income for the year jumped 25% over 1980, to $107 million while revenues were up to $936 million. Fiduciary service soared 252% to $30 billion, due mainly to Shearson's acquisition of the Boston Co., a 110-year-old Massachusetts holding company. In a highly volatile stock market, Shearson remained the largest maker of over-the-counter purchases. The company's Real Estate Corp. managed $325 million in residential mortgages, despite steep interest rates and a depressed housing market.

With the merger completed on June 29, 1982, Shearson/American Express launched a dramatic awareness campaign with spots on prominent tv programs such as the Super Bowl XVI.

In other developments, gold and foreign exhange trading were expanded to 24 hours daily in the New York, London, Hong Kong and Singapore offices, while new domestic offices were opened in cities including Birmingham, Knoxville, Sebring, Fla., and Wichita, giving Shearson 248 offices in 217 U.S. cities. And, to qualifying real estate clients, Shearson introduced a floating credit line on home mortgages, with no prepayment penalties.

Most recently Shearson/American Express added two regional brokerages to its organization. Foster & Marshall, a Pacific Northwest regional investment banking company based in Seattle with 52 offices, was acquired on March 23, 1982. Also, Shearson agreed in principle to acquire Robinson-Humphrey Co., an Atlanta-based regional investment company. This transaction is expected to be completed this summer.

Fireman's Fund Insurance Companies: Net income reached $231 million and total revenues rose to $3.1 billion—both substantial increases from a year ago. Gross investment for the year was up 13% to $351 million.

In efforts to keep up with rapidly expanding international markets, the Fund established a new subsidiary, the San Francisco Reinsurance Co., to pursue new business overseas. It also joined with seven other international companies to form a Singapore-based reinsurance company, which will focus on the Pacific Basin and other parts of Asia. Domestically, the Fund began a major push to help independent agents develop automated data and computer systems. An extensive list of new rural markets was organized to concentrate on insuring America's agribusiness. And a large-scale reorganization was started within the Fund's property-liability operations, thus freeing independents for much-needed individualized marketing programs.

Warner Amex Cable Communications: A 50/50 joint venture of American Express Co. and Warner Communications, Warner Amex registered strong gains last year throughout its 146 cable tv systems nationwide. Subscribers jumped 17% to 863,000 in 27 states, while major franchise approvals were granted for suburban Chicago, Queens and Brooklyn, N.Y., Winter Haven, Fla., and Houston. Warner Amex was also awarded the exclusive franchise for Dallas—the largest single municipal cable award in the industry, with 400,000 homes. Qube, Warner Amex's two-way interactive service, was inaugurated last year in Cincinnati and over the next several years will begin operating in Pittsburgh, Dallas, Houston, St. Louis and Chicago. The Warner-Amex Satellite Entertainment Co. (WASEC), already the largest single seller of national cable advertising, reached agreement with Turner Broadcasting to represent all advertising sales for that system's highly successful Cable News Network (CNN) and CNN2.

WASEC introduced a new satellite-delivered service last summer—"MTV: Music Television"—ordered by cable systems serving over 3.6 million households in 1981. The 24-hour a day service offers stereo music with related video productions. Distributed free to basic subscribers, the service received significant advertiser support. "Nickleodeon," WASEC's young people's channel, experienced large subscriber gains in 1981. The channel reached 6.3 million subscribers, an increase of 135% from 1980. "The Movie Channel," is also satellite delivered. The service features only current films 24-hours a day. Carried by 1,700 cable systems, the number of subscribers totaled 1.7 million in 1981, an increase of over 188% from last year.

American Express International Banking Corp: AEIBC was active in pursuing expanded long-range foreign business, opening new offices in Istanbul and Mexico City. Wholesale Banking Operations set up a new marketing arm in Singapore to service product development throughout Southeast Asia. Also introduced was Datamex—a cash balance and account reporting service for clients' correspondent bank holdings in the U.S. Latin American transactions were especially strong in 1981, as was project financing in Nigeria, Saudi Arabia and Portugal. One major development was the $40 million financing of a major petrochemical plant expansion in the People's Republic of China—the first syndicated loan ever guaranteed by a Chinese municipal authority.

American Express' two publications enjoyed growth in 1981: *Travel & Leisure* posted ad revenues up 20% and ad linage up 13%. *Food & Wine*, produced by an affiliate of the publishing division, increased its ad rate base 50% to 300,000. In 1982, advertisers who bought space in the same issue of the two magazines, beginning with the February issues, were offered a 10% discount under The Lifestyle Impact plan.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$6,429,600	$5,797,300
Magazines	6,952,600	6,145,300
Spot tv	9,497,900	11,343,500
Network tv	25,454,700	18,726,300
Spot radio	1,440,100	1,639,900
Network radio	1,033,700	933,400
Outdoor	1,100	4,800
Total measured	$53,794,700	$41,578,500
Unmeasured	23,243,000	21,431,300
Estimated total	76,038,700	63,009,700

MARKETING PERSONNEL

Card Division

Michael Strauss, senior vp-mktg
Richard D. Rosenbloom, vp-adv
Robert Gilman, senior vp-service establishment mktg & sales

Travel Division

Michael L. Musgrave, vp-adv & sales promo

Travelers Cheque Division

Edward J. O'Hare, senior vp-U.S. mktg & sales
Tom Cash, vp-mktg
Barbara Ehrlich, adv director

ADVERTISING AGENCIES

Ogilvy & Mather, New York—card, travel, intl banking, travelers cheque services—Kenneth Roman, president; Brendan Ryan, senior vp-acct director; John Heston, Shelly Lazarus, Michael Newbrand, mgmt supers.

Cunningham & Walsh, San Francisco—Fireman's Fund—Emory Winship, acct super.

McCann-Erickson, New York—Gold Bank Card—Ian Hooper, senior vp-mgmt rep.

Top 25 magazine advertisers

Rank	Advertiser	Expenditures 1981	1980
1	Philip Morris Inc.	$102,835,100	$ 79,326,700
2	R. J. Reynolds Industries	89,264,400	118,530,200
3	Seagram Co. Ltd.	67,598,500	70,624,500
4	General Motors Corp.	65,437,100	55,478,600
5	B.A.T. Industries PLC	61,167,800	32,823,900
6	Sears, Roebuck & Co.	59,725,500	32,057,700
7	Ford Motor Co.	55,077,200	35,918,500
8	General Foods Corp.	37,165,200	34,170,100
9	Loews Corp.	36,486,400	38,210,100
10	Time Inc.	36,455,200	35,611,800
11	Procter & Gamble Co.	35,737,400	37,162,300
12	American Telephone & Telegraph	35,167,200	34,521,100
13	American Brands	34,947,000	34,233,900
14	Dart & Kraft	31,175,900	27,538,200
15	CBS Inc.	29,652,000	29,833,200
16	RCA Corp.	27,329,500	24,176,800
17	Chrysler Corp.	25,197,200	16,387,300
18	E. I. du Pont de Nemours & Co.	25,190,400	21,701,600
19	Volkswagen of America	24,473,500	21,708,600
20	Bristol-Myers Co.	23,646,500	18,386,700
21	Hiram Walker Resources Ltd.	23,230,600	17,572,400
22	Johnson & Johnson	22,516,600	18,359,700
23	Norton Simon Inc.	21,486,000	17,278,100
24	Warner Communications	21,001,700	3,859,500
25	Liggett Group	19,788,200	12,524,500

Source: Leading National Advertisers, farm publications not included.

American Home Products Corp.

	1981	1980
Sales*	$4,131,237,000	$3,798,524,000*
Earnings*	297,332,000	445,889,000
Advertising**	209,000,000	197,000,000

*AA estimate

American Home Products, the nation's 16th largest advertiser, increased its U.S. advertising in 1981 to an estimated $209 million, a 6.1% increase over the previous year, which brought advertising expenditures back to 1979 levels.

The company continued to show record sales and earnings, with sales increasing by 9% and earnings 12% over 1980.

Earnings continued to post strong gains during the first quarter of 1982, increasing 14% to $145.1 million from $127.5 million in the comparable quarter a year ago. First-quarter sales rose 6%, to $1.11 billion from $1.1 billion last year. First-quarter data included the operations of the Sherwood Medical Group, which AHP acquired from Brunswick Corp. in March 1982 for about $425 million. The purchase of Sherwood underscores AHP's commitment to its prescription drug divisions.

In 1981, both prescription drugs and Brach candy sales led U.S. sales, and in fact posted better U.S. sales growth than foreign. Just the opposite held true a year ago. Foreign sales,

Top 25 spot radio advertisers

Rank	Advertiser	Expenditures 1981	1980
1	Chrysler Corp.	$50,760,500	$49,366,600
2	Anheuser-Busch Cos.	34,432,200	27,399,700
3	General Motors Corp.	32,431,100	32,159,400
4	Ford Motor Co.	32,199,600	19,599,000
5	Philip Morris Inc.	18,113,200	11,107,300
6	American Telephone & Telegraph	16,367,100	11,942,200
7	U.S. Government	13,374,900	12,708,200
8	Coca-Cola Co.	12,480,500	9,988,400
9	PepsiCo Inc.	11,416,600	8,649,600
10	Delta Air Lines	10,310,200	8,044,500
11	Greyhound Corp.	8,766,000	2,552,100
12	Jos. E. Schlitz Brewing Co.	8,343,300	5,894,400
13	UAL Inc.	8,421,300	8,148,900
14	Adolph Coors Co.	8,274,000	3,197,600
15	K mart	7,884,400	8,549,400
16	Southland Corp.	7,804,600	8,131,700
17	Nissan Motor Corp. U.S.A.	7,666,800	5,850,400
18	Fotomat Inc.	7,472,700	5,792,900
19	Van Munching & Co.	7,155,600	5,501,900
20	Eastern Air Lines	6,967,800	5,342,100
21	American Airlines	6,763,600	7,977,400
22	MCA Inc.	6,446,600	4,899,600
23	General Foods Corp.	6,422,600	5,473,400
24	Dart & Kraft	6,200,100	5,495,700
25	Sears, Roebuck & Co.	6,181,900	2,543,400

Source: Radio Advertising Bureau and Radio Expenditure Reports.

representing 34% of gross sales at AHP, recorded a slight 3% rise in 1981, to $1.39 billion from $1.34 billion in 1980. Sales in this area were adversely affected by the decline in foreign exchange rates.

Prescription drug sales once again accounted for the bulk of company sales and earnings—42% of total sales and 57% of earnings. In 1981 the unit posted sales of $1.737 billion with operating income before taxes of $548.7 million.

In addition to the acquisition of the Sherwood Medical Group, AHP is accelerating its research and development efforts in the pharmaceutical arena. R&d expenditures have increased from 1979 to 1981 at a compound annual rate of 16% while sales were increasing at a 10% rate. For 1982 the planned increase in r&d expenditures is greater than the average for the last three years. Some current projects include seeking therapeutic compounds in the fields of cancer, cardiovascular diseases and diabetes.

In 1981, AHP signed two agreements with European pharmaceutical companies to pursue various research efforts. Ayerst Labs' Inderal was found effective in preventing deaths among patients who suffered heart attacks, according to a study released by the National Heart, Lung and Blood Institute. The division launched its first major consumer campaigns for over-the-counter products. Both Riopan Plus antacid and Beminal Stress Plus vitamins received spot tv support, Riopan getting $266,800 and Beminal $71,200. Distribution of Riopan was expanded to food outlets in preparation for a national tv ad campaign. Dermoplast Anesthetic Spray, for sunburn pain relief, also received consumer support, $126,500 in magazines.

Wyeth Laboratories received some adverse publicity earlier this year when it recalled 2.3 million cans of SMA infant formula, due to an uncertainty that they contained the amounts of vitamin B6 required by federal law. The company had also recalled Nursoy Ready to Feed and Nursoy Concentrate, which had been mixed without any vitamin B6.

While prescription drugs continued to be the brightest star in AHP's stable, advertising is basically confined to trade journals and marketing to physicians.

The company division hit hardest in ad expenditures in 1981 was its Whitehall Laboratories' line of packaged medicines. The division accounted for $565.9 million or 14% of total sales and pretax income of $118.9 million.

Interestingly, two products that received a sizable share of Whitehall's advertising dollars —Anacin and Preparation H— have been involved in court battles over their and other companies' ad claims.

The Anacin franchise received the bulk of ad dollars, with spending slightly above 1980's $43.5 million to $44.8 million. The company is in the midst of a court battle over an FTC ruling that AHP must have rigorous scientific support for claims regarding Anacin and its other analgesics. The ruling also requires that the products containing aspirin must disclose that ingredient as the pain reliever, eliminating blind references to "the pain reliever most recommended by doctors."

With the bulk of the ad dollars going into network tv, AHP is hard pressed to increase its 12.3% market share in the analgesic market against competitor Tylenol, with 31% of the market.

Going after that market, Anacin 3 nonaspirin tablets had the support of $6.6 million, trailing only behind the $27.5 million spent on Anacin tablets and capsules. Both the capsule and the aspirin-free markets offer the greatest areas of growth for otc marketers.

The company began a national rollout in January of aspirin-free maximum strength Arthritis Pain Formula, with advertising by Kornhauser & Calene, New York.

Preparation H also was involved in a court battle, but this time on the offensive. AHP took out a lawsuit against Abbott Laboratories, challenging the company's introduction of its hemorrhoid remedy, Tronolane. Preparation H has a stronghold on the hemorrhoid remedy business, with an estimated 63% market share. AHP disputed Tronolane's wording in several instances and the agreement reached at the end of 1981 stipulated that Tronolane ads state "relieves pain immediately," rather than "stops pain immediately." Abbott also has to refer to the product as a "new product" rather than a "new treatment." Consumer preference testing may be continued by Abbott.

The challenger budgeted more than $6 million in advertising time and distributed 31 million mail-in sample offers to introduce Tronolane to the estimated 25 million hemorrhoid sufferers. By the September/October auditing period, Tronolane had attained a 9% dollar share of the $100 million category, with Preparation H's 63% share whittled down to 56%. Other challengers include Bristol-Myers' Hemtrex and Upjohn's Cortef.

Preparation H's ad support increased in 1981 to $14.6 million from $10.8 million in 1980, which had been a drop-off from 1979 levels. AHP also has formulated an entry in this market with hydrocortisone, Prepcort cream, which received $619,800 in ad dollars, mostly on network tv.

Dristan's ad spending increased to $23.7 million from 1980's $21.2 million, although it is still below 1979 levels. Market share continues to hold at 11.4% and analysts say that without major flu outbreaks, marketers of cold remedies over-all will only attain 1% to 2% annual unit growth. The company did introduce a new 12-hour relief formula in the Dristan spray line.

Several new products were introduced by Whitehall in 1981. Diet Gard appetite suppressant entered the weight control market with a program that combines diet pills with a nutritional supplement. The supplement received $1.1 million in ad dollars, with $9 million on network tv and the remainder in magazines and spot tv. The appetite suppressant capsules were introduced with $171,600 in magazines.

Spending on Denorex medicated shampoo continued to increase, from $2.8 million in 1980 to $3.3 million in 1981. AHP went national with Denorex shampoo and conditioner, with the two benefits previously unavailable in a single product.

Testing of Youth Garde moisturizer continued in spot markets. Multimedia support is estimated at a $3.5 million rate, handled by Kornhauser & Calene.

AHP's second-largest ad spender was the home products and housewares group. The division showed a 4% increase in sales, to $1.04 billion from $997.3 million. Pretax income declined by 1%, to $110.1 million from $111.5 million. The decrease is attributed to the decline of the Prestige affiliate in the United Kingdom, a line of housewares, and the cost of plant consolidation in the U.S. and U.K.

The group consists of Boyle-Midway, Dupli-Color, Ekco Housewares & Products, The Prestige Group Ltd. and E-Z Por.

Boyle-Midway's group of home products saw their ad expenditures increase after a downturn in 1980. The two leaders in the field, Woolite cold water wash and Pam cooking spray, have benefited from manufacturers' recommendations and recipe recommendations. Woolite's ad budget grew from $8.9 million to $9.4 million, as the cold water wash continued to lead the division in sales. Pam's dry cooking sprays also saw an upturn in ad expenditures, from $6.1 million to $7.6 million.

Wizard air fresheners and Fire Starters exhibited a drop in spending, decreasing from $4.7 million to $2.5 million. Wizard Island Flower, a new aerosol fragrance, was introduced nationally.

By comparison, the Sani-flush line of toilet bowl cleaners regained its competitiveness in the burgeoning area, increasing its ad budget from $1.9 million to $4.1 million. Boyle-Midway introduced Sani-flush automatic 4-month in-tank bowl cleaner. The four-month cleaners have accumulated approximately a 40% dollar share of the automatic in-tank segment of the toilet cleaner category.

New products include Aerowax Pine 'n Shine, which is being test marketed in several cities, and Black Flag Dead Aim ant and roach killer.

Ekco's media expenditures continued to fall, from $2.2 million to $1.9 million. In the products line, Ekco is moving into supermarket sales with Ekco's Showcase line of clear plastic containers and lids. Foil containers also have been designed for bulk salads and layer cakes. In housewares Ekco has added all-nylon kitchen tools to its kitchen helper line and Cool Tools has increased sales in barbecue tools.

American Home Foods, which includes Chef Boy-Ar-Dee and Brach candy items, had sales of $790 million on pretax income of $104 million, up from the $724 million and $84 million shown in 1980. Advertising remained basically the same, in the mid-$15 million range. The company introduced Zooroni, animal-shaped macaroni in tomato sauce, with or without meatballs, aimed at young children. Five new main meals and one new snack item went into test markets. Upgraded label designs were developed for a number of products.

The Brach candy business, with a 16% sales increase, was the major factor in the 25% increase in operating profit for the food and candy segment. Spending grew from $3.6 million to $4.8 million. Network tv was added to the advertising schedule, with magazines still receiving the majority of the dollars. The number of spot tv markets was increased from 54 to 59.

A new line of candies in hanging bags, the Impact Line, was introduced in 1981, featuring 37 of Brach's most popular candies. Chelsea Chips, a chocolate-covered toffee candy, was expanded from regional to national distribution. Teaser Beans, a new jelly bean, was also introduced nationally.

In other maneuvers, AHP gutted its in-house agency in early 1982. Everything except media buying has moved to five AHP agencies.

The company had reached outside agencies for advice on the problems of several brands, including Anacin, whose unit share has dropped from 21% to 13%. Soon after that, Murray's president, Frank Donino, left. Immediately on his heels Murray was disbanded.

Industry observers said Murray was constrained both fiscally and creatively. They also said there is no difference between the quality of work between house agencies and outside firms.

AHP was ranked No. 3 by the Television Bureau of Advertising in tv spending, behind P&G and General Foods. The company spent about $172 million on net and spot tv, up 9% from 1980.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,681,300	$1,561,200
Magazines	10,262,300	9,337,700
Farm publications	510,500	448,700
Spot tv	40,376,700	36,433,400
Network tv	121,449,500	122,911,900
Spot radio	1,840,300	5,305,500
Network radio	4,135,100	3,471,800
Total measured	190,264,700	180,388,300
Unmeasured	16,776,000	16,711,900
Estimated total	200,000,000	197,000,000

AMERICAN HOME PRODUCTS
New York

MARKETING PERSONNEL

William F. Laporte, chairman, exec committee
John W. Culligan, chairman
John R. Stafford, president
Marvin E. Schmalzried, senior vp
George DeMott, vp
Ernest Harper, vp
John Horsman, vp
Albert Pezzillo, vp

WHITEHALL LABORATORIES
New York

MARKETING PERSONNEL

Stanley F. Barshay, president
G. Prince, vp-mktg
W. Tauriello, vp-mktg
L.R. Yates, vp-new prod devel
Steve Kubinski, adv director

ADVERTISING AGENCIES

Rosenfeld, Sirowitz & Lawson, New York—Maximum Strength Anacin, Oxipor, Bronitin, Semicid, Freezone, Infra-Rub—Sid Lawrence, mgmt super; Debra Foreman, Kevin Heffernan, acct supers.

William Esty Co., New York—Anacin, Anacin 3, Anbesol, Compound W, Dristan tablets, Aspirin-Free Dristan tablets, Momentum, Quiet World, Viro-Med—George Biava, mgmt super; Edgar Peck, R. Black, Tom Paratte, acct supers.

John F. Murray Advertising Agency—responsible for all AHP network and spot broadcast time.

Kornhauser & Calene, New York—Arthritis Pain Formula, Preparation H, Trendar, Sudden Beauty, Denalen denture cleaner, Bisodol, Dry & Clear, Outgro, Denorex medicated shampoo, Dristan Long Lasting nasal mist and vapor spray, Heet, Neet, Predictor, Primatene—Allan Yarnoff, mgmt super; Jim Harragan, Ric Kornhauser, acct supers.

BEST AVAILABLE COPY

FRANKLIN LABORATORIES
Denver

Richard L. Wilde, president
John D. Baker, vp-mktg

ADVERTISING AGENCY

Ad Print, Elmhurst, Ill.—Larry Josephson, mgmt super.

AMERICAN HOME FOODS
New York

MARKETING PERSONNEL

D.P. Jaicks, president
T. Host, vp-mktg
K.H. Becker, vp-mktg services
Bill O'Brien, vp-prod mgmt
Jules Newberger, adv director

ADVERTISING AGENCIES

Young & Rubicam, New York—Chef Boy-ar-dee, Dennison's—Mat Crisci, mgmt super; Jordan Stanley, acct super; C. Ponzio, C. Valenda, acct execs.

Cunningham & Walsh, New York—Gulden's mustard, G. Washington's seasoning and broth, Jiffy popcorn, Franklin nuts, Crunch 'n Munch popcorn, Luck's Food—Steve Tart, mgmt super; Cathy Mendell, acct exec.

Kornhauser & Calene, New York—Chef frozen prods, Tin & Glass pizza sauces, Pizza Magic—J. Caldwell, mgmt super; R. Hirsch, acct exec.

E.J. BRACH & SONS
Chicago

MARKETING PERSONNEL

Ned E. Mitchell, president
R.B. Hecklau, senior vp-mktg & sales
Richard G. Secrist, vp-mktg
S.R. Thompson, vp-natl sales mgr
Robert C. Wells, vp-special accts & trade relations
Robert J. Urban, new prod mgr

ADVERTISING AGENCY

BBDO, Chicago—Harry Ellsworth, acct super.

BOYLE-MIDWAY
New York

MARKETING PERSONNEL

Donald G. Grummer, president
Chris duLaney, vp-mktg
R. Kubl, vp-new prods
Joe Palminteri, Ellen Schapps, Jack Shepherd, George Wooley, group prod mgrs
Ed Kolodny, director—new prods
Ken Lagana, adv director

ADVERTISING AGENCIES

Cunningham & Walsh, New York—Antrol, Aerowax window cleaner, Pine & Shine, Depend-O, Diaper Pure, H2R rug shampoo, Snarol, Wizard Charcoal Lighter, Woolite, Woolite rug cleaner—Steve Tart, mgmt super.

Kornhauser & Calene, New York—Sani-flush, Griffin Shoe Polish, Black Flag, Easy-Off—Henry Kornhauser, president; Ron Herlihy, Jack Rothenberger, acct super.

Arthur Meyerhoff Associates, Chicago—Pam, Aero-shave, Quick Dip, Wizard air freshener—Bob Pingrey, mgmt super.

Hicks & Greist, New York—Noxon, Sani-Flush 4 Month, Sani-Flush-in-Tank, Zud, 3-in-One Oil, Plastic Wood, Easy-On Starch, Old English polishes, Golden Touch, Savor—Ken Silvers acct super.

DUPLI-COLOR PRODUCTS
Elk Grove Village, Ill.

MARKETING PERSONNEL

R.R. Miller, president
Fred Freiden, vp-mktg

ADVERTISING AGENCY

Jack Levy & Associates, New York—Allan Lieberman, acct exec.

EKCO HOUSEWARES CO.
Chicago

MARKETING PERSONNEL

Z. George Zephries, president
L. Blair, vp-mktg, sales & pr
Jack Theobold, adv mgr
J. Cline, group prod mgr-bakewares, kitchen tools and gadgets
E. Black, vp-mktg
T. Landy, mktg mgr dept & hardware lines

ADVERTISING AGENCY

William Esty Co., New York—John Scott, mgmt super; Stan Joyce, senior acct exec; Karen Tully, acct exec.

ECKO PRODUCTS CO.
Chicago

MARKETING PERSONNEL

Packaging Group

L.W. Schumm, president
Ed Heiser, vp-mktg & sales
Jan Schuh, adv mgr

GLACO Group

J. Morris, president
A. Inzerillo, vp-sales & mktg

ADVERTISING AGENCIES

Jaqua, Grand Rapids, Mich.—packaging group.

Mills, Fife & MacDonald, Des Plaines, Ill.—GLACO.

AYERST LABORATORIES
New York

MARKETING PERSONNEL

W.L. Davis, president
A. Somm, vp-operations
Jay St. John, exec vp-operations

ADVERTISING AGENCIES

Sudler & Hennessey, New York—Antabuse, Fluothane, Gristactin, Inderal, Inderide, Auralgan, Sonacide Premarin—T. Fochetta, vp-mgmt super; Paul Trunk, mgmt super.

Klemtner Advertising, New York—Antromid-S, Kerodex, Riopan, Riopan Plus, Beminal Family, Mysoline—J. Conlan, vp-group super; Jack Slonoker, acct super.

WYETH LABORATORIES
Radnor, Pa.

MARKETING PERSONNEL

Richard Bigaah, president
Charles H. Brantley, vp-mktg
John Spitznagle, vp-director of promo

ADVERTISING AGENCIES

William Douglas McAdams, New York—Oral, Lo-Oral, Phenergan, Tubex.

Kallir, Phillips, Ross, New York—Ativan, SMA, Nursoy, Collyrium.

Sieber & McIntyre, Chicago—Cyclapen.

IVES LABORATORIES
New York

MARKETING PERSONNEL

T. Cavanaugh, president
J. Donovan, vp-asst director mktg
Joseph Flaherty, vp-finance
Herbert Loewnkron, sr vp-mktg
Paul Flagg, adv mgr

ADVERTISING AGENCIES

Robert A. Becker Inc., New York—Cerubidine, Isordil—Raymond Perry, Nick Lorenzo, acct supers.

Klemtner Advertising, New York—Cyclospasmol, Synalgos-DC, Orudis—Gary Gemian, acct super.

Wesson, Choen, Menglia, New York—Surmontil, Sectral—Bob Beckman, acct super.

FORT DODGE LABORATORIES
Fort Dodge, Ia.

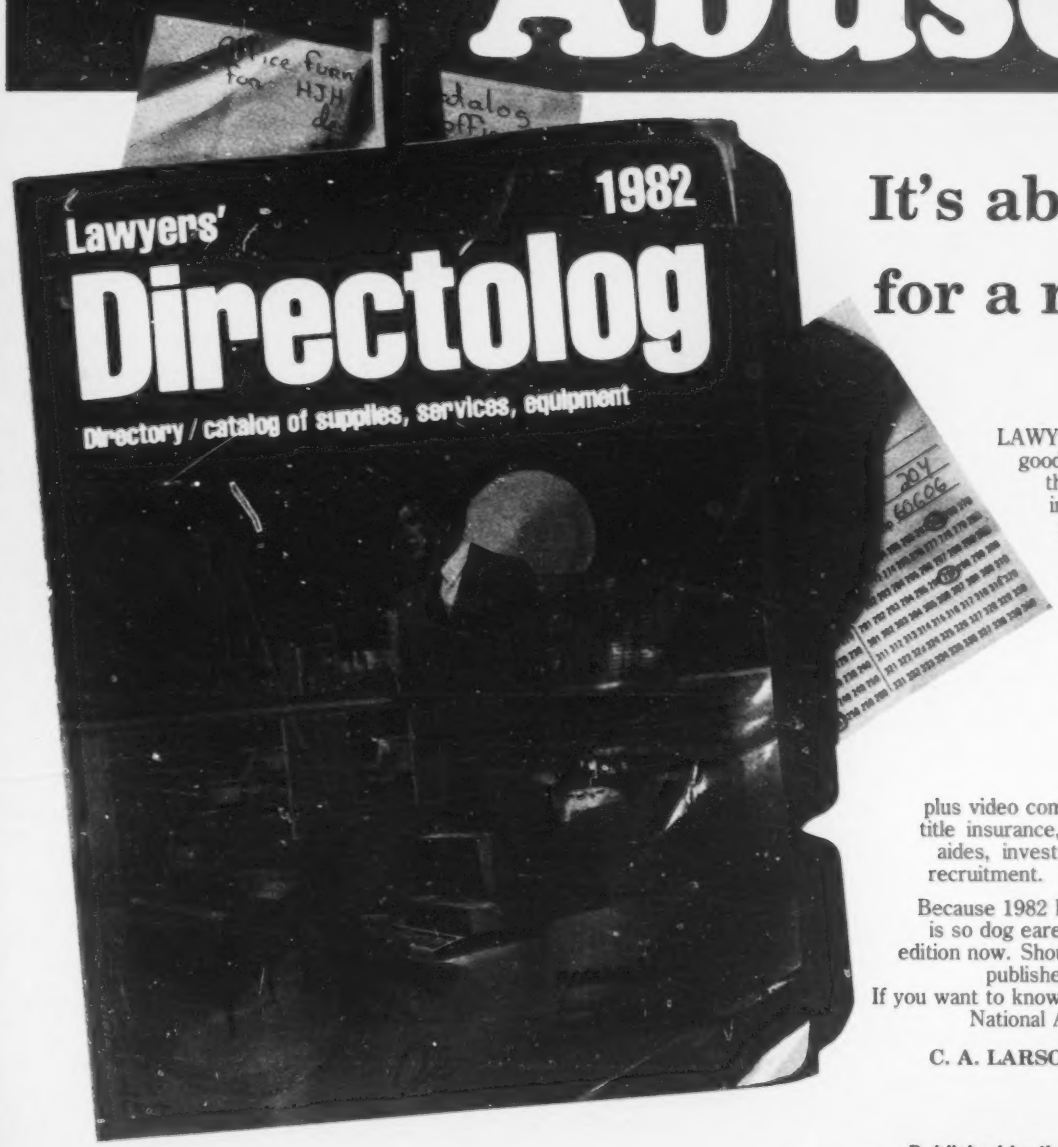
MARKETING PERSONNEL

Thomas W. Freeze, president
O.W. Whitcomb, director of mktg
W.E. Ryan, director of adv

ADVERTISING AGENCY

Sander Allen Inc., Chicago—Cecil Barge, acct super.

Used and Abused



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8639

American Honda Motor Co.

	1981	1980
Sales*	$7,945,401,000	$7,970,903,000†
Earnings*	277,177,000	396,630,000†
Advertising**	68,346,800	64,339,063

*Worldwide; fiscal 1982 ended Feb. 28, 1982
**For calendar years
†AA estimate

American Honda Motor Co., Gardena, Cal., the 78th largest national advertiser and the third largest auto importer in the U.S., is a wholly owned subsidiary of Honda Motor Co. Ltd., Tokyo, Japan.

The U.S. unit is estimated to have increased its total ad spending for calendar 1981 to $68.3 million, up 25.7% from the $54.3 million in 1980.

The company, which markets Honda automobiles, motorcycles and a line of consumer power products, posted a 12% gain in worldwide sales for its fiscal 1982, with about 71% of its consolidated net sales made outside Japan. However, consolidated net income for the year dropped to $277 million, a decline of 16% from the record high of the previous year, reflecting a depressed world economy and higher sales promotion expenses in Japan.

Honda cars continued to sell well in world markets, thanks in part to their fuel-efficient engines and the front-wheel-drive technology, which has been a

Top 25 network radio advertisers

Rank	Advertiser	Expenditures 1981	1980
1	Nabisco Brands	$10,554,900	$ ——*
2	Sears, Roebuck & Co.	10,340,200	5,366,500
3	Jeffrey Martin Inc.	8,459,500	7,436,000
4	American Telephone & Telegraph	7,299,500	5,936,900
5	U.S. Government	7,293,900	3,249,700
6	Warner-Lambert Co.	6,061,400	4,878,300
7	Dow Jones & Co.	5,611,900	3,418,500
8	General Foods Corp.	5,582,000	4,194,200
9	General Motors Corp.	5,428,000	3,718,500
10	Wm. Wrigley Jr. Co.	5,166,700	1,478,300
11	Phillips Petroleum Co.	5,155,000	3,279,700
12	Cotter & Co.	4,922,900	5,693,100
13	Ford Motor Co.	4,368,600	5,559,800
14	Sterling Drug	4,321,500	6,699,700
15	Campbell Soup Co.	4,280,400	2,923,300
16	American Home Products Corp.	4,135,100	3,471,800
17	Anheuser-Busch Cos.	3,825,100	2,554,800
18	CBS Inc.	3,260,300	3,443,100
19	McDonald's Corp.	3,255,400	41,900
20	Hartz Mountain Industries	2,848,800	3,162,100
21	Schering-Plough Corp.	2,745,900	3,958,900
22	K mart	2,635,600	2,160,200
23	General Electric Co.	2,513,200	2,765,100
24	MortonNorwich Products	2,291,600	3,459,800
25	State Farm Mutual Auto Insurance Co.	2,257,000	1,835,500

*Standard Brands spent $450,000 in 1980.

Source: Figures are from Broadcast Advertisers Reports and supplied to Leading National Advertisers.

feature on all its passenger car models since 1967. The company's last fiscal year recorded worldwide car sales of 1,044,000 units, 56% of the company's total sales, and for the first time in Honda history, its automobile sales have exceeded the million-unit level. The U. S. accounted for 370,705 units in 1981, down from 375,388 units sold the previous year due to import quota restrictions placed on all Japanese auto manufacturers last year. In terms of units of production, Honda has ranked as Japan's third largest producer of passenger cars. It accounts for 16% of all imports into this country, with a 4.3% share of the total U.S. market.

Honda continued to use its "We make it simple" ad theme into its fifth model year, positioning its cars as more dependable and simple than its competition. Network television represented the major expenditure in the company's support of its 1982 models, with Honda involved as a corporate sponsor of men's professional golf tours (PGA) in the Honda Inverrary Golf Classic this spring.

Last October Honda introduced its new auto line for '82, including its new gas-saving Civic 1300 FE (fuel economy) $5,899 hatchback model which carried an EPA estimate of 41 mpg city, 55 mpg highway, for a time making it the highest gas mileage car available in the U.S. However, the introduction of Nissan's new Sentra this spring and its EPA estimate of 43 mpg city and 58 mpg highway, brought a halt to Honda advertising of the highest mileage claim.

The popular Honda Civic line offered six new models for '82, priced from $4,799 to $6,949. Television and magazine advertising supported these units as well as the new Accord series, which had been redesigned and offered in three models, all featuring a larger 15.8-gal. fuel tank to provide a longer cruising range. Prices for the more luxurious Accord models and the top of the line Prelude sports coupe range from $7,399 to $8,445.

Worldwide sales of Honda motorcycles during the past fiscal year rose 20% to 3,518,000 units, which accounted for 25% of the company's total sales. In the U.S., Honda accounted for 37.5% of total motorcycle retail sales for '81, the largest share of the market and ahead of Yamaha (25.3%), Kawasaki (16.2%), Suzuki (14%) and Harley-Davidson (5.2%). Unit sales in North America accounted for 19% of total motorcycle unit sales outside Japan. At the same time, output at Honda's motorcycle plant in Marysville, O., continued to move to its full capacity of 60,000 units a year.

Honda introduced a variety of new models in '81, backed by a motorcycle ad budget estimated near $25,000, the largest in the company's history. The aggressive promotion featured a media mix that included a heavy concentration of network and spot tv and radio, mass consumer print and a variety of vertical enthusiast magazines in the motorcycle field. The over-all campaign was set to the theme of "Follow the leader," now in its third year. But due to slumping street bike sales, Honda still wound up the year dropping a few market share points to Yamaha.

A generally lack-luster 1981 for Honda motorcycles was bolstered by booming sales in the three-wheel ATV (all terrain vehicle) market, where Honda managed to capture over an 80% share of U.S. sales which topped 200,000 units last year.

The company kicked off its 1982 push for motorcycles with two commercials during the Super Bowl telecast on CBS-TV in January. The Super Bowl buy, the first for a motorcycle marketer, was matched by Honda's auto group which also bought two spots.

The intensified promotional spending in '82 supported the introduction of several new top of the line street bike models. This included a vee-four (750cc) turbo performance twin in both the Magna and Sabre lines; a CB radio and stero-equipped Aspencade model, an extension of its touring-oriented Gold Wind line, and the CX500 Turbo, the first production turbo motorcycle offered by any marketer.

Power products, the third major group in Honda's worldwide operations, encompasses some 40 different products built around Honda's small, high-efficiency engines. Currently receiving advertising support estimated at $3.5-million level, more than ever before, power products have been receiving a omnibus approach in consumer magazines. Major expenditures are going to spot tv in behalf of Honda lawnmowers and the EM500 electric generator.

Honda's share of the U.S. lawnmower market, estimated at 5.7 million units in 1980, is currently about 1%. But company executives point out that Honda is not competing for the entire lawnmower market, just the high-priced end.

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$5,301,400	$3,193,700
Magazines	12,371,000	10,648,300
Farm publications	596,600	416,800
Spot tv	4,529,900	1,283,000
Network tv	12,375,100	15,635,300
Spot radio	5,466,000	2,623,500
Network radio	—	399,400
Outdoor	1,357,900	830,900
Total measured	47,946,800	34,910,700
Unmeasured	16,363,100	19,428,363
Estimated total	64,309,900	54,338,563

*From AA's usual sources

ADVERTISING EXPENDITURES†
Auto division only

	1981	1980
Newspapers	874,800	410,506
Magazines	8,770,100	9,354,001
Spot tv	—	637,499
Network tv	12,977,500	11,833,849
Spot radio	127,700	49,958
Total measured	23,149,900	23,285,813
Unmeasured	13,000,000	12,064,250
Estimated total	36,209,900	34,350,063

†Figures supplied by company

MARKETING PERSONNEL

T. Chino, president
C. Schmillen, vp-auto div
K. Fukatsu, vp-motorcycle div
T. Kanazawa, vp-power products div
J. Haight, natl adv mgr—auto div

ADVERTISING AGENCIES

Needham, Harper & Steers, Los Angeles—William Hagelstein, mgmt super, autos.

Dailey & Associates, Los Angeles—Mike Nyerges, senior vp-mgmt super, motorcycles; Roger Van Remmen, vp-acct super, power prods.

American Motors Corp.

	1981	1980
Sales	$2,588,923,000	$2,252,587,000
Earnings*	(136,563,000)	(200,775,000)
Advertising**	70,000,000	71,000,000†

*(Loss)
**AA estimate
†Restated

American Motors Corp, Southfield, Mich., the 76th largest national advertiser, decreased its 1981 estimated advertising spending slightly to $70 million over the revised 1980 estimate of $71 million.

AMC sold fewer vehicles in 1981 than in 1980. The net loss was $136.6 million, down from $200.8 million in 1980. Sales of $2.6 billion were up slightly over 1980.

AMC is basing its automotive future on Renault products and its own 4-wheel-drive Jeeps and Eagles. Renault Le Car and 18i sales in 1981 were up 22% over 1980 sales. The hot sporty Renault Fuego went on sale in March with a $5 million ad campaign. "This vehicle will tell the public a lot about Renault," said Howard I. Mosher, director of Renault marketing at AMC. "We're spending ad dollars relatively heavily to increase awareness not only of this car but for Renault as a whole."

The marketing of the Fuego paves the way for the September, 1982, introduction of the Alliance, the first domestically-produced Renault.

Behind the Alliance will be what AMC calls "the most comprehensive and far-reaching marketing program in the company's history." The ad budget will be increased to $72 million in 1982.

AMC introduced a corporate ad campaign in 1982 for Renault, building on Renault's front-wheel-drive leadership and Formula One racing. Gatefold ads read: "Quick. Who's sold the most front-wheel drive cars in the world?" The answer: "Voila, Renault."

The Renault-AMC "arrangement" was formally started in December, 1980, with Renault's purchase of 46% of AMC stock and options to buy up to 59%. Two years later, Jose J. Dedeurwaerder was elected president-coo. Mr. Dedeurwaerder joined the company in September, 1981, as exec vp after serving 23 years with Renault. W. Paul Tippett Jr. moved from the presidency to chairman-ceo following the resignation of chairman Gerald C. Meyers, the man instrumental in the AMC-Renault pact.

While Renault is the future hope, present woes were blamed on the recession, high interest rates and "a lack of consumer confidence." Spirit and Concord sales were down, but Eagle sales were up 32%. The company says it will continue to produce Spirit and Concord as long as there is a demand.

Eagle had the best percentage increase in 1981, with unit sales of 43,221. Sales of AMC's other 4wd units—Jeep Corp.'s CJ, Cherokee, Wagoneer, Scrambler and pickup—were off 19% to 63,275 vehicles. AMC is waiting for its XJ Jeep series, which will come out in 1983 along with a doubled Jeep ad budget.

Renault sales in 1981 stood at 30,869 units, up 22% from 25,365 in 1980. AMC hoped to sell 10,000 Fuegos in 1982, and it plans on 100,000 Alliances in the 1983 model year. That would make the Alliance, a five-passenger subcompact, AMC's top seller.

The Spirit and the Concord, leftovers from the 1970s, had sales declines of 33% and 8%, respectively. Spirit sales were 33,504 in 1981, against 49,723 in 1980. Concord sales were 59,957 in 1981, down from 64,991 in 1980.

Total AMC vehicle sales dropped 9% to 230,826 in 1981 from 252,655 in 1980. Automotive losses came to $149.4 million in 1981, compared with $210.9 million in 1980. AM General, which makes military and postal vehicles, was AMC's only money maker. It turned in record orders and a record profit of $13.2 million, an increase from $10.1 million in 1980.

While AMC's auto sales were down 9% in 1981, the company increased its share of the total U.S. market to 2% in 1981 from 1.9% in 1980. Jeep sales slumped 19% in 1981, but AMC's share of a depressed domestic 4wd market increased to 15.8% in 1981 from 14.9% in 1980.

In the fall of 1980, AMC tried to consolidate its market position somewhat. The 4wd version of the Spirit was introduced as Eagle SX/4 to tie-in with the existing Eagle line. Both Concord and Spirit came under the umbrella theme, "The Tough Americans," and Jeep continued with the "legend" theme.

AMC also introduced the Renault 18i in September but had a more important Renault announcement later in the fall. Renault agreed to pump $200 million into the ailing AMC for additional stock.

In January, AMC shifted the $12 million Renault ad account from Marsteller to Grey, thereby giving Grey all of AMC's 2wd car business and Compton all of the 4wd car and Jeep business. The agency announcement caught Renault's European agency by surprise. Publicis-Intermarco thought it had an inside track for the Renault account in the U.S., but AMC wanted to consolidate advertising in two rather than three agencies and that left the French company in the cold.

Price rollbacks on Spirit, Concord and Eagle models followed later in January. The rebate substitute ran under the theme: "While others raise prices, the Tough Americans give you a 10% rollback." The rollback did not apply to Renault because consumers "don't perceive imports to be too high in price," said Mr. Tippett. Jeep didn't get it because "price isn't the issue with Jeep," he added.

A couple of new models came out in the spring as part of AMC's 6x6 plan—a new model every six months for six years—a Jeep entry into the small pickup field, the Scrambler, and a Le Car four-door hatchback.

The name Le Car got second billing in ads for the new model. AMC wanted to build the quality image of Renault in the advertising as well as sell different models. So the new Le Car ads read: "Renault presents the 5-door Le Car. Renault was designing cars around people before Ford or General Motors even began putting pistons in an engine block...Renault has made more front-wheel-drive cars than anyone else in the world."

Renault, Jeep and AMC lines

were so distinct executives decided to create a brand management system during the summer. "Lodged in one company are three very distinct lines of products that serve three distinct sets of consumers. The marketing problems are really quite different," said David J. Van Peursem, general marketing manager.

Thomas A. Staudt, vp of AMC's marketing group, resigned that post to become general marketing manager of Chevrolet, where he had been director of marketing before his two years at AMC. Six months later, Joseph E. Cappy left his job as general marketing manager at Lincoln-Mercury to replace Mr. Staudt.

Marketing strategies and ad plans for the fall introduction period continued along lines set the year before. Renault advertising kept building awareness of the French auto maker, setting the stage for the introduction of the Kenosha car (later named Alliance). The Renault theme was, "Where great engineering lives in great design." That covered the Le Car, 18i and later the Fuego.

Eagle, Concord and Spirit ads kept the "Tough Americans" theme. Rust protection was emphasized in one spot that sent a Spirit off a pier into salt water. Variations of the "legend" message continued the previous year's Jeep strategy.

AMC found it had to work hard just to stay even in the soft market in the fall of 1981, and it introduced a $750 rebate on Jeep Wagoneers, Cherokees and big trucks as well as a 10% rebate on the 18i, Concord and Eagles. In December, AMC changed the wording on warning stickers put on Jeeps to comply with a Federal Trade Commission settlement. The stickers warned of possible rollover of the high-center-of-gravity Jeeps in "sudden sharp turns and abrupt maneuvers." With the tougher language on the sticker in place, the FTC dropped plans to file a complaint against Jeep advertising.

In an attempt to avoid more rebates, AMC introduced the "old car retirement program" in January, 1982. The plan offered consumers cash bonuses on top of the trade-in value of their old cars, the older the car, the better. The imitation rebates ranged from $300 for trade-in of 1977-78 models to $500 for 1974 cars or older.

The "old car retirement program" was still alive when AMC decided to roll back prices once again, this time on Jeeps. Jeep CJ and Scrambler models were given the uniform base price of $6,765. The theme line for the widespread Jeep ads was, "Great little number, Jeep."

Even as all the incentive programs were being aired, AMC concentrated on building Renault image through advertising to prepare for the Alliance due in the fall. The sporty Fuego, based on the 18i platform, was introduced in early April. Ads showed the car superimposed on a Renault Formula 1 race car with the headline: "New. Racy. Fuego."

AMC posed the question in the Jeep summer campaign: "Why drive a car when you can drive a Jeep?" Again the ads were stepping stones to a future AMC product, a downsized Jeep.

Incentives kept pestering AMC, and when other car companies went in for warranty incentives, AMC was forced to follow. In April the company brought out a five-year expanded warranty program and began a comparison ad campaign to support it. The special $6,765 price on some of the Jeeps was held until the end of the model year and a $500 price cut on AMC cars ran through July 12 along with the warranty offer.

Jeep products again led AMC international operations to record sales outside the U.S. and Canada. Worldwide sales of AMC cars stayed about even while Jeep sales rose 31%. In Indonesia, Jeep sales nearly doubled.

Improved sales of military vehicles to the government increased AM General's earnings in 1981. AM General won a big contract for a five-ton truck and had hopes of winning another contract for a tactical vehicle dubbed the "hummer".

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$5,233,100	$2,048,900
Magazines	14,943,600	9,834,900
Spot tv	19,676,900	15,933,900
Network tv	10,058,100	17,733,900
Spot radio	236,300	347,400
Outdoor	13,000	7,300
Total measured	50,150,900	45,896,300
Unmeasured	19,849,100	25,103,700
Estimated total	70,000,000	71,000,000*

*Revised total

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$1,708,577	$2,048,900
Magazines	14,432,697	9,834,900
Spot tv	23,758,773	15,933,900
Network tv	9,791,800	17,733,900
Spot radio	1,388,988	347,400
Outdoor	8,092	7,300
Total measured	$1,083,927	45,896,300

*Provided by other sources

MARKETING PERSONNEL

Joseph E. Cappy, vp-mktg group
David J. Van Peursem, genl mktg mgr
Howard I. Mosher, director-Renault mktg
D. Dean Greb, director-Renault mktg
Robert F. Donovan, director-AMC mktg
Eugene L. Richmond, mgr-mktg devel
David G. Garfield, mgr-mktg services
James D. Jandasek, adv mgr-AMC
Ray Avedian, adv mgr-Jeep
Marvin Klein, adv mgr-Renault
Ray Dreyfus, mgr-media planning & budgets
R. Schwartz, vp-North American & operations

ADVERTISING AGENCIES

Grey Advertising, New York—Bob Borgan, vp-mgmt super, deputy genl mgr, Detroit; AMC Renault cars—Robert L. Bersenson, exec vp-mgmt rep; Bruce McRitchie, senior vp-genl mgr, Southfield, Mich.; Richard Krain, vp-mgmt super, New York.

Compton Advertising, New York—Jeep—William Williams, vp-office mgr, Detroit; Richard Rasor, exec vp-managing director, New York; John Dunmar, senior vp-mgmt super, New York.

American Telephone & Telgraph Co.

	1981	1980
Sales	$58,214,000,000	$50,554,000,000*
Earnings	6,888,000,000	6,058,000,000*
Advertising**	297,000,000	259,170,000

*Revised
**AA estimate

American Telephone & Telegraph Co. increased its advertising 14.6% to an estimated $297 million in 1981 to become the ninth largest advertiser in the U.S. Of this, measured media spending amounted to $209 million, an increase of 16% over 1980 expenditures.

Financial and operating results showed that 1981 Bell System revenues rose 14.5% to $58.2 billion while earnings rose 13.7% to $6.9 billion. Almost 90% of net income came from telephone operations, the remainder from the company's Western Electric subsidiary. Return on average capital was up by 0.4% to 10.3%, still a far cry from the 13% return Bell has hoped for since 1979 to assure sound financing of service growth and improvement.

The year 1981 was of historic importance for AT&T. As the year drew to a close, the company and the Department of Justice began discussions which led to a modification of the 1956 Consent Decree, the basis for the government's action in agreeing to drop its 7-year-old antitrust suit. This modified final judgement requires AT&T to divest the local service facilities of the Bell operating companies, representing more than $80 billion in assets. The System's inter-exchange facilities and the customer premises equipment business, as well as manufacturing operations and research and development (Western Electric, Bell Laboratories and Long Lines) would be retained by AT&T.

At press time, the agreement was before a federal judge in Washington to determine if it was in the public interest.

Meanwhile, AT&T has set up a planning model which structures the Bell System's 22 principally-owned operating telephone companies into seven regions. The model is being used as the basis for the further planning which must be accomplished to prepare for the divestiture of its local exchanges. Additionally, chief executive officers have been designated for these seven regional holding companies.

On the legislative front, the House is now discussing H.R. 5158—a new telecommunications bill that AT&T opposes. As proposed, the bill would force AT&T to purchase 30% of its equipment from outside suppliers. It would place restrictions on the amount of capital that AT&T could give to a new subsidiary. In addition, it provides specific guidelines on how the new subsidiary should be structured.

In other major developments, AT&T announced the formation of American Bell Inc., a wholly-owned, fully operated subsidiary, to provide enhanced communications services. Under the FCC's Computer Inquiry II decision, all enhanced communications services—those where customers' information is changed or where customers interact with stored information—and new customer premises equipment must be provided through a fully separated subsidiary by Jan. 1, 1983. American Bell said its first service offering would be Advanced Information Systems/Net 1, a communication processing service that provides data storage and transmission, programing capability and the management of data communication networks.

A capitalization plan for another subsidiary, Advanced Mobile Phone Service (AMPS) that will offer domestic public cellular radio telecommunications systems and service, was filed with the FCC on May 25. On June 8, AMPS and 19 other companies announced plans aimed at ensuring the expeditious offering of cellular radio service to customers in 29 major metropolitan areas.

In 1981, AT&T's growth in volume of business accounted for 60% of the $7.4 billion increase in revenues; the remaining 40% was due to rate hikes. Some $4.4 billion in earnings was declared in dividends, the rest reinvested in the business.

About 700,000 new phones were added to the system in 1981, for a total of more than 142 million in service. There was a gain in access lines of 2.1 million compared with 2.5 million in 1980, and $18.1 billion was spent largely to expand the capabilities of the telecommunications network.

Long distance calling within and between states rose 6.6%,lower than the 7.8% increase the year earlier, while international calls increased 17.8%. Revenues from 800 Service and OUTWARD WATS grew 35% and 17.1% respectively.

Business services provided 52% of Bell System operating revenues in 1981, while residence services contributed 41%. Together they accounted for $6.9 billion of the year's $7.4 billion growth in operating revenues.

During the year, Bell operating companies were awarded $3.2 billion in interstate rate increases. Pending state requests totaled $3.2 billion at year's end. The FCC granted AT&T higher rates for interstate long distance messages, WATS and private line services, increasing revenues by $1 billion annually.

The Bell System continued to place strong emphasis on marketing new ventures, including Dial It 900 and Dial It National Sports programs.

Dial It 900, a mass polling and marketing device introduced in June, 1980, was first used by ABC to obtain viewer response to the Carter/Reagan debate. In 1981, the service was used by national and local broadcast media to conduct 160 straw polls on various issues. In addition, AT&T continued to offer Dial It National Sports, a recorded sports report which is updated every 15 minutes. Callers to Dial It services are charged 50 cents for each call. In 1981, more than 11 million calls were made to Dial It services, generating $5.6 million in revenues.

The largest share of AT&T ad spending went to long distance lines, which received $47.8 million in measured media spending, up from $39.9 million in 1980. More than half went to network television. Magazine buys followed with $12.8 million. Yellow Pages had a budget of $16.2 million, the bulk of which went to tv, both spot and network.

The regional Bell System companies had autonomous budgets, ranging from a high of $10.7 million for Southwestern Bell to a low of $4.2 million for the New York/New Jersey Bell Telephone Co.

Pacific Telephone & Telegraph was budgeted for $5.8 million while Chesapeake & Potomac Telephone Co. allocated $5.8 million for its advertising. AT&T's manufacturing subsidiary, The Western Electric Co, received an ad budget of $2 million, down from a 1980 expenditure of $9.5 million.

Nine new "Reach Out And Touch Someone" spots were aired in 1981. During 1982, AT&T is celebrating a year-long "100 Years of Bell Quality Phones for the Home" campaign with actor Don Ameche as spokesperson in broadcast and print interviews and in personal appearances throughout the U.S., including the opening of the Bell system "Home of the Future" exhibit at the Knoxville (Tenn.) World's Fair. New commercials for 1981 were designed to stress the low cost of reaching out on weekends, and spots for Long Lines continued to push the "20-minute visit."

The Bell System spent $18.1 billion on construction in 1981, an increase of $800 million. About 55% of the construction budget went to meet current and anticipated growth, 24% to replace older equipment and facilities with new technology, and the balance largely for the rearrangement of facilities and provision for customer movement.

Allocations were also made for new electronic switching equipment. Local electronic switching offices were serving 50% of the nation's customers, a 7% increase from the year earlier.

Seventeen long distance electronic switching systems were also installed in 1981. These large digital systems handle more than 500,000 calls per hour—more than four times the capacity of earlier systems. The new systems, which take up less space and require less maintenance, brought the total in service to 70.

To remain in the forefront of technological development, the Bell System invested $1.7 billion in research and development in 1981.

During the year, a trial by AT&T and Knight-Ridder newspapers enabling users to perform shopping and banking transactions from home terminals came to a close. Knight-Ridder announced plans to begin an expanded commercial market test of the system in 1983 using Bell System terminals and communications facilities. During 1982, CBS Inc. and AT&T will begin a seven-month test of another videotex system in New Jersey.

The Bell System also announced plans for the largest lightwave system in the world, a 767-mile system connecting Moseley, Va., and Cambridge, Mass.

International Dialing came to 723 additional cities in the continental U.S. in 1981. Some 54

Top 25 spot tv advertisers

Rank	Advertiser	Expenditures 1981	1980
1	Procter & Gamble Co.	$128,360,400	$135,275,400
2	General Foods Corp.	84,034,900	83,436,100
3	General Mills	83,036,100	65,464,100
4	McDonald's Corp.	75,272,400	70,715,700
5	PepsiCo Inc.	69,767,500	57,949,500
6	American Telephone & Telegraph	59,759,800	50,772,600
7	Coca-Cola Co.	47,758,900	47,726,300
8	Dart & Kraft	44,106,300	33,188,900
9	Unilever U.S.	42,949,900	38,502,500
10	American Home Products Corp.	40,376,700	36,433,400
11	Toyota Motor Sales	38,616,400	33,035,600
12	Mobil Corp.	33,641,500	33,117,600
13	Pillsbury Co.	32,590,600	31,915,600
14	Mars Inc.	32,217,700	29,545,200
15	Anheuser-Busch Cos.	31,486,800	24,197,800
16	R. J. Reynolds Industries	30,361,400	8,183,600
17	Time Inc.	30,025,200	30,380,700
18	Warner-Lambert Co.	29,822,000	21,311,300
19	Heublein Inc.	29,743,700	17,888,100
20	International Telephone & Telegraph	27,614,700	30,677,200
21	Nestle Enterprises	27,199,900	25,600,800
22	A. H. Robins Co.	25,701,700	32,383,400
23	Nabisco Brands	25,452,400	13,313,800*
24	Revlon Inc.	23,372,500	22,310,600
25	Gulf & Western Industries	23,160,400	12,464,800

*Prior to merger with Standard Brands. In 1980 Standard Brands spent $10,629,500.

Source: Net time figures from Broadcast Advertiser Reports and supplied to Leading National Advertisers.

million telephones in 5,400 cities across the country can now dial direct to 86 foreign countries.

A seventh transatlantic cable, approved by the FCC in 1979, is scheduled for service in 1983. The cable will stretch 3,295 nautical miles from Tuckerton, N.J., to Land's End, England, and will be capable of carrying 4,200 conversations at once, compared with 51 in the first transatlantic cable laid in 1956 (now retired) and will cost $14.23 per circuit mile, compared with $233 for the first cable.

In terms of business marketing, the Bell System took several major steps to reaffirm its leadership in the telecommunications marketplace.

First, Bell announced six advanced capabilities for its DIMENSION PBX product line, making its best-selling family of PBXs even more versatile and cost-effective.

The six advancements are:

- A Distributed Communications System, to provide expanded telecommunications capabilities to over 25,000 stations in a unified system.
- Energy Communications Service, available across the entire DIMENSION PBX Product line, to give customers ongoing management and monitoring of their energy usage throughout their organizations.
- 9.6 KB Data Switching to more efficiently handle voice and data through the same switch.
- Call Management, automated call distribution coupled with sophisticated management reporting systems for organizations with large numbers of incoming calls, such as those involved in telemarketing and teleservicing.
- Message Center Service to insure that calls get a professional response and that messages are delivered promptly.
- Message Center Directory to provide improved message handling in both internal and external communications.

Other significant business marketing-related developments were: Bell's introduction of the DIMENSION Prelude PBX, a low-cost communications system for small PBX customers who need fewer than 100 telephone stations but require relatively sophisticated features; the introduction of System Management, a process whereby Bell System customers will gain more control and responsibility for the full DIMENSION PBX product line, and AT&T's proposal to offer a two-way Video Teleconferencing Service (called PICTUREPHONE Meeting Service) that would allow business people to conduct face-to-face meetings without having to travel long distances.

Dataphone Digital Service, which provides private-line digital transmission at high speed, was extended to 34 additional cities, bringing the total served by the network to 94.

In early 1982, there was activity on three key antitrust cases against Bell.

The Chicago U.S. Appeals Court heard arguments in AT&T's appeal of MCI's $1.8 billion antitrust judgment in 1980. The arguments were virtually the same as those presented a year ago but, because of illness of one judge, a new judge had to be appointed and the arguments were repeated.

AT&T's appeal of the June 29, 1981, verdict in the Litton antitrust case was argued before the United States Court of Appeals for the Second Circuit in New York City.

The verdict awarded Litton Systems some $276.8 million in damages.

And in Washington, a federal district court judge is still deliberating the antitrust suit filed by Southern Pacific Communications Corp. (SPCC) against the Bell System. AT&T has moved that the case be dismissed. During its testimony, SPCC had lowered its original damage claim against AT&T from $567 million to $480.5 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$21,530,600	$19,180,900
Magazines	35,167,200	34,521,100
Spot tv	59,759,800	50,772,600
Network tv	68,936,800	57,388,100
Spot radio	16,367,100	13,062,600
Network radio	7,299,500	5,936,900
Outdoor	595,400	783,400
Total measured	209,646,400	180,665,600
Unmeasured	87,353,600	78,504,400
Estimated total	297,000,000	259,170,000

CORPORATE ADVERTISING PERSONNEL

J.L.Brunson, asst vp
B.E. Strasser, adv director-corporate
D.E. Hutchings, adv director-residence mkts and Yellow Pages
K.W. Weibe, adv director-business mkts

ADVERTISING AGENCIES

N W Ayer Inc., New York—all (except ethnic markets and Yellow Pages)—Tom Maxey, exec vp; Lamar LeMonte, senior vp, mgmt super; Roy Robinson, senior vp, mgmt super; John Nichols, vp, acct super; Tina McDermott, vp, acct super; Duncan Gray, acct super.

Cunningham & Walsh, New York—Bell System Yellow Pages—Carl Nichols, chairman; Nat Allan, senior vp; Tom Kirmayer, acct super; Helen Murphy, acct exec.

Uniworld Group, New York—corporate adv directed to minorities—Byron E. Lewis, president; Tillman deGraphenreed, vp, acct super.

LONG LINES DEPARTMENT

MARKETING PERSONNEL

K.M. Armstrong, adv director
P.C. Shyposh, adv mgr

ADVERTISING AGENCY

N W Ayer Inc., New York—Tom Maxey, exec vp; Joe Dodson, senior vp-mgmt super.

McCann-Erickson, New York—Tom Driscoll, mgmt rep.

WESTERN ELECTRIC CO.

MARKETING PERSONNEL

R. Varner, genl pr director
R.J. Martin, natl adv mgr

ADVERTISING AGENCY

Foote, Cone & Belding, New York—all services—Mike Hoynes, mgmt super; Gary Bahl, acct super; Eileen Lynch, acct exec.

BELL TELEPHONE LABORATORIES

MARKETING PERSONNEL

Jim McMahon, director public info & adv
H. Apfelbaum, head/adv

ADVERTISING AGENCY

Aitkin-Kynett, Philadelphia—George Bernard, mgmt super; William Cass, acct super.

NEW ENGLAND TELEPHONE & TELEGRAPH

MARKETING PERSONNEL

B.B. Sullivan, genl adv mgr
Mike Kramer, district mgr
Geraldine O'Brien, district mgr

ADVERTISING AGENCY

Cabot Advertising, Boston—all services—William H. Monaghan, exec vp-acct super; John Osborne, acct exec; Carolyn Chick, acct exec; Timothy Moroney, acct exec.

SOUTHERN NEW ENGLAND TELEPHONE CO.

MARKETING PERSONNEL

Jean M. Handley, vp
R. Patterson, district staff mgr

ADVERTISING AGENCY

Mintz & Hoke, Avon, Conn.—all services—S.G. Sullivan, acct super.

NEW JERSEY BELL TELEPHONE CO.

MARKETING PERSONNEL

F.J. Griffin, vp-adv
J.D. Simpson, div staff mgr-adv

ADVERTISING AGENCY

Bozell & Jacobs, Union, N.J.—all services—Ronald Verba, senior vp-genl mgr.

NEW YORK TELEPHONE CO.

MARKETING PERSONNEL

E. Westfall, asst vp-adv
Frank McLoughlin, division staff mgr-adv

ADVERTISING AGENCIES

Young & Rubicam, New York—Mort Lowenstein and Joseph Tilli, acct supers.

Wunderman, Ricotta & Kline, New York—mass announcement services—Judy Keane, acct exec.

Chapman Direct Marketing, New York—Bill Sutherland, acct super.

Conill Advertising Associates, New York—Spanish market—Rafael Conill, president.

BELL TELEPHONE CO. OF PENNSYLVANIA

MARKETING PERSONNEL

T. Snowe, asst vp
R.S. Hoffsis, genl pr super-adv

ADVERTISING AGENCY

Lewis & Gilman, Philadelphia—all services for Bell of Pennsylvania and Diamond State Telephone Co.—George Gunn, senior vp-commercial/industrial adv div; Joe Breen, vp; Joseph Patenaude, director-DirectCom div; John Kaiser, exec vp-adv div; Palmer Reed, president-pr div; Tom Tebbens and Al Paris, acct supers.

CHESAPEAKE & POTOMAC TELEPHONE COS.

MARKETING PERSONNEL

Don Williams, asst vp
Paul Truntich, district staff mgr

ADVERTISING AGENCY

Ketchum Communications, Rockville, Md.—all services—William Harrington, vp; Tom Rich, vp-acct super; Gordon Dunlop, acct super.

SOUTH CENTRAL BELL TELEPHONE CO.

MARKETING PERSONNEL

D. Reichardt, asst vp

ADVERTISING AGENCIES

Luckie & Forney, Birmingham—all services—Frank Lee, president.

Godwin Advertising, Jackson, Miss.—media services in Mississippi—John Fontaine, president.

SOUTHERN BELL TELEPHONE CO.

MARKETING PERSONNEL

M.T. Brandt, division mgr-adv

ADVERTISING AGENCY

Tucker Wayne & Co., Atlanta—all services—Sidney Smith, acct super.

MICHIGAN BELL TELEPHONE CO.

MARKETING PERSONNEL

D.J. Gillard, asst vp
D.A. White, genl adv mgr

ADVERTISING AGENCY

Ross Roy Inc., Detroit—all services—R.L. Simmons, acct super.

OHIO BELL TELEPHONE CO.

MARKETING PERSONNEL

L.C. Gilman, vp
D.H. Parker, div mgr-adv

ADVERTISING AGENCY

Marschalk Co., Cleveland—all media—John Willse, vp-mgmt services director.

CINCINNATI BELL

MARKETING PERSONNEL

M.J. Bates, genl mgr-pr
R.R. Brill, adv mgr

ADVERTISING AGENCY

Fahlgren & Ferriss, Cincinnati—all services—John Burpee, vp.

WISCONSIN TELEPHONE CO.

MARKETING PERSONNEL

Dave Nelson, vp
C.H. Schrank, div staff mgr-info

ADVERTISING AGENCY

Cramer Krasselt Co., Milwaukee—all services—William Faude, acct super.

SOUTHWESTERN BELL TELEPHONE CO.

MARKETING PERSONNEL

K. Kaufman, asst vp-adv
Larry Alexander, adv mgr
Ross Markwardt, adv mgr

ADVERTISING AGENCIES

Gardner Advertising Co., St. Louis—Ray Ward, mgmt super.

D'Arcy-MacManus & Masius, St. Louis—Bill Mund, acct super; Stan Sundermeyer, acct super.

Stone & Adler, Chicago—Kevin Wolcott, acct super.

INDIANA BELL TELEPHONE CO.

MARKETING PERSONNEL

James H. Irwin, district mgr-adv

ADVERTISING AGENCY

Handley & Miller, Indianapolis—all services—Mary Burgerson, acct exec.

ILLINOIS BELL TELEPHONE CO.

MARKETING PERSONNEL

R.E. Campbell, adv mgr

ADVERTISING AGENCIES

N W Ayer Inc., Chicago—all services—Gerry Coleman, senior vp.

Vince Cullers Advertising—Vince Cullers, president.

Omar Inc., Chicago—Marcelino Miyares, president.

NORTHWESTERN BELL TELEPHONE CO.

MARKETING PERSONNEL

R.G. Keim, asst vp-adv

ADVERTISING AGENCY

Bozell & Jacobs, Minneapolis—all services except Yellow Pages—Denny Sullivan, acct super.

Bozell & Jacobs, Omaha—Yellow Pages—Charles Ammons, acct super.

MOUNTAIN BELL

MARKETING PERSONNEL

G.M. Fowler, asst vp
S.C. Kanewske, adv mgr

ADVERTISING AGENCIES

Tracy-Locke/BBDO, Denver—John McLagan, senior vp.

Bermudez & Associates, Los Angeles—Hispanic agency—Eduardo Bermudez, president.

PACIFIC TELEPHONE & TELEGRAPH CO.

MARKETING PERSONNEL

P.J. Harleman, asst vp
J. Golightly, div staff mgr

ADVERTISING AGENCIES

Foote, Cone & Belding/Honig, San Francisco—all services—Craig Wiggins, genl mgr; Bill Kelley, senior vp.

Bermudez & Associates, Los Angeles—Spanish language advertising—Eduardo Bermudez, president.

Anheuser-Busch Cos.

	1981	1980
Sales	$4,409,800,000	$3,822,400,000
Earnings	217,400,000	171,800,000
Advertising*	187,228,500	161,278,472

*AA Estimate

Anheuser-Busch Cos., St. Louis, the nation's 28th largest advertiser, boosted ad spending by 3.3% in 1981 to a total of $187.2 million. For the 25th consecutive year, A-B led the brewing industry and set another all-time industry sales record of 54.5 million bbls. sold. That is an increase of 8.6% over 1980's record total of 50.2 million bbls. A-B now outdistances No. 2 ranked Miller Brewing Co. by a record 14.2 million bbls. The brewer's kingpin status grew in 1981 as A-B's market share jumped to 29.5%, an increase over the previous year's 27.8% holding. In 1981 A-B's sales increased 15.4% to $4.4 billion, while net income climbed 26.6% to $217.4 million.

While many of the nation's brewers fight for survival, A-B is striving to keep up with consumer demand by investing an estimated $2 billion-plus toward upgrading and expansion of its breweries. For example, the Williamsburg brewery came on line in late 1980 and early 1981, and the Los Angeles brewery's capacity was tripled in early 1982. The Baldwinsville, N.Y., brewery comes into production in 1983; Houston's may expand by 5 million bbls., and plant No. 12 will be built in Colorado. When these additions are completed, it will give A-B a brewing capacity of more than 70 million bbls.

Budweiser, the company's powerhouse flagship brand, continued to grow at a double-digit rate for the third year in a row. The "king of beers" logged 70% of A-B's beer sales compared to 68% the previous year. A-B continued with its "This Bud's for you" salute to the working man, and increased its roster of vignettes to include tributes to sports referees, deep sea divers

on the *Andrea Doria* treasure mission and lumber camp workers. In addition, A-B beefed up its youth-oriented ad supplements for Budweiser by coining a series of spots smacking of "new wave" video impressions, also backed by the "This Bud's for you" theme. These ads are targeted to the young-adult crowd and are seen mostly in the late-evening regional time slots, in theaters and on cable tv.

The brewery invested $40.5 million on Budweiser in six measured media, up 26% from the $32 million spent in 1980. The bulk of the spending—or $25.8 million—went into network tv buys. Of the remaining, $9.3 million went into spot tv, $2.8 million into network radio and $876,000 into magazines. In addition, A-B continued to spend heavily on local promotions, ranging from outdoor Summerfest concerts to rodeos.

A-B completed its testing of Budweiser Light in 1981 and proceeded to roll it out nationally beginning last March. Bud Light is considered by the brewing industry as the most formidable challenger to Miller Brewing Co.'s segment leader, Lite. In tests, A-B commissioned two ad agencies to handle the new light brew—St. Louis-based D'Arcy MacManus & Masius and Chicago's Needham, Harper & Steers. D'Arcy employed the use of a lone Clydesdale and buffered it with a "Break Away" theme. NH&S went with a sports-oriented approach that showcased the message, "Bring Out Your Best." Both campaigns fared well in tests and consumer acceptance, but A-B opted for NH&S to handle the estimated $35 million to $40 million national rollout for the sake of "agency balance." D'Arcy remains A-B's principal shop, handling Budweiser, Michelob, Michelob Light and Natural Light. In addition to Bud Light, NH&S handles popular-price Busch beer.

Weekends are still made for Michelob, but the superpremium beer expanded its ad approach by enticing drinkers to "Put a little weekend in your week." In 1981, A-B spent $18.2 million for Michelob—$13.2 million on network tv, $2.6 million in spot tv, $1.3 million in magazines, $560,400 in network radio and $49,500 in outdoor.

Supplemental spots have also been forged for Michelob. Two commercials using a format entitled "Mystery Man" are running in late-night and fringe times. The spots showcase the dashing, James Bond-type, cavorting among the upper crust while being tracked by a dastardly bad guy, equipped with black hat, cane and limp. In each spot the bad guy attempts to capture the Michelob "mystery man" but fails, prompting the tag line, "Michelob—one step ahead."

Michelob Light has shaken its comparative taste campaign and replaced it with a sports-oriented look that cashes in on the competitive fires of amateur sporting activities. Spots showcase young men grunting and sweating their way through a no-holds-barred contest of touch football, sandlot baseball, soccer or basketball—all in quest of a Michelob Light, which the losers, of course, buy. A total of $21.5 million was spent on Michelob Light in measured media, with the bulk of the spending going to network tv.

Last year also saw a change in marketing direction for A-B's Natural Light. The brewer opted to take Natural out of the tavern and place it on the buffet table, giving it a new ad campaign linking it with good food. Instead of bumping heads with Miller's Lite, as it did in its series of me-too sports personality spots, Natural is out of the macho fray, as far as its advertising goes. Natural's new campaign promotes the beer's lightness as a counterpart to heavy meals such as pasta and sizzling steaks. The push carries the theme, "The beer with the taste for food." Last year, A-B invested $17.9 million in Natural with the bulk going toward network buys.

Natural will now be positioned as a popular-price light beer, a price leader that will make its strongest sales in the supermarkets where women traditionally are the buyers. The downturn of Natural to popular prices, the debut of Bud Light at premium cost and the growth of superpremium Michelob Light gives A-B a light beer presence in every range.

A-B's other popular-price beer is Busch, which continued throughout 1981 to maintain its "Head for the Mountains" theme. The company invested $7.4 million in measured media; Busch is distributed in 28 states, and showing signs of new vitality throughout its distribution area.

A-B's German import, Wurzburger Hofbrau, received only token support of $266,000. It was also pulled from markets along the lower eastern seaboard, to be sold only in New England. Industry observers believe this scaling down to be an indication that A-B is getting ready to abandon its Wurzburger test and use its bottling capacity for Bud Light instead.

The company continues to distribute its beers internationally—with mixed results. Testing of "Busch" brands in parts of Berlin were discontinued, but the beer has gone national in France. A-B also has set its sights on South America and Sweden, where tests are under way. Budweiser has become the fifth best-selling brand in Canada, where it is brewed under an agreement with LaBatt Brewing Co. Michelob is also distributed in Canada under this agreement. A-B is also making inroads in Japan, where Bud is the largest-selling import at the 200,000 cases per year mark.

A-B had only mild success in its diversification efforts. In September, 1981, the company discontinued its foray into the soft drink business by withdrawing Root 66 root beer, and its diet counterpart, from the market. The brewer spent $248,000 in support of the faded soft drink.

But Eagle brand snacks are doing well. The premium-price snack line was expanded into 100 markets and is available at all major airports. Eagle is also being sold in some convenience foods stores as well as in drinking emporiums. In June, 1982, A-B named TBWA Advertising, New York, to handle the brand, which has had virtually no ad support so far.

The company got out of the direct-mail business as it discontinued its Clydesdale Collection mail order business after the limited venture's second year. In other A-B businesses, Metal Container Corp., its can manufacturing subsidiary, produced a record 3.6 billion beer cans, about 40% of its total annual requirements of more than 9 billion cans, and more than 10% of all the beer cans produced in the U.S.

A-B got out of the corn refining business in 1981 when it sold Busch Industrial Products Corp.'s Lafayette, Ind., plant to A.E. Staley Co., Decatur, Ill. Busch Industrial continues to market bakers yeast.

Busch Entertainment Corp., the company's family entertainment subsidiary, operates major theme parks in Florida and Virginia, a water park attraction in Florida and an educational play park in Pennsylvania. In 1981, the Dark Continent, the brewer's Africa-theme park in Tampa, drew approximately 2.9 million people, a decrease of 6.3% compared to 1980. The Old Country in Williamsburg also saw an attendance decrease of 2% from the previous year's numbers. But Adventure Island, also in Tampa, saw an increase of 11% in 1981 to 365,000 visitors. Measured ad spending was about $1 million compared to the previous year's $3.8 million.

Finally, A-B continues to support the St. Louis Cardinals Major League Baseball team. In 1980, the National League team posted losses of $3 million. Although last year's figures were not released, industry analysts say the loss was in the same neighborhood as the previous year. The brewer also completed negotiations to buy Busch Stadium, home of the Cards.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,484,400	$1,699,400
Magazines	6,324,700	5,075,500
Spot tv	31,466,800	24,197,300
Network tv	75,612,500	65,423,500
Spot radio	34,432,300	27,399,700
Network radio	3,826,100	3,554,800
Outdoor	2,058,800	1,311,400
Total measured	154,134,300	127,661,500
Unmeasured	33,104,200	53,618,500
Estimated total	187,238,472	181,278,472

MARKETING PERSONNEL

Dennis Long, president
Michael Roarty, vp-beer mktg
Michael LaMonica, vp-sales
Jack MacDonough, vp-brand mgmt
Thomas Sharbaugh, group mkt mgr, Budweiser and Budweiser Light
Charles Fruit, vp-natl media
David Drew, mkt mgr, Michelob and Michelob Light
Davis Morris, group mkt mgr, Busch and Natural Light
Richard Brandon, director, mkt services
John Lodge, director of sales promo

ADVERTISING AGENCIES

D'Arcy-MacManus & Masius, St. Louis—Percy Orthwein, senior mgt super, Larry Stillman, creative services; Tim Arnold, senior vp-Budweiser and Natural Light; Bob Gulovsen, senior vp-Michelob and Michelob Light.

McDonald & Little, Atlanta—Busch Entertainment Corp.—Joseph C. Lonsdorf, senior vp-mgmt super; Benjamin S. Tully, senior vp-acct super; John W. Avery, vp-acct super; Lisa J. Hamilton, acct super; A. Ruth Hayden, acct exec.

Busch Gardens and Sesame Place: Joe Lonsdorf, acct exec; Lisa Hamilton, acct super—Williamsburg; Tim Tully, acct super—Tampa; John Avery acct super—Sesame Place and Adventure Island.

Needham, Harper & Steers, Chicago—Ronald Bess, senior vp-mgmt rep, A-B accts; Patrick Martin, vp-acct director, A-B accts; Ralph Kurek, field acct super, A-B accts; John Greening, acct super, Bud Light; Mike Kearns, acct super, Busch Beer.

TBWA Advertising, New York—Barrie Hedge, acct super, new products, Eagle Snacks and Wurzburger Hofbrau.

B.A.T. Industries PLC

	1981	1980
Sales*	$4,592,259,000	$4,161,123,000
Earnings*	179,698,000	196,975,000
Advertising*†	199,301,800	95,757,000

*Figures for Batus Inc.
†AA estimate

B.A.T. Industries PLC, a London-based holding company and the 21st largest national advertiser, spent $199.3 million on advertising in the U.S. in 1981, more than double the amount spent in 1980.

Virtually all of the increase—108.1% higher than the 1980 figure of $95.8 million—is attributable to advertising and promotional support put behind Barclay, the controversial ultralow-tar cigaret marketed by Brown & Williamson Tobacco Co. B&W is a unit of Batus Inc., which in turn is the U.S. subsidiary of B.A.T.

Worldwide sales of B.A.T., the world's largest tobacco marketer, totaled $17.7 billion in 1981, an increase of 21% over the $14.6 billion recorded in 1980. Net earnings in 1981 jumped 55% to $693 million from $447 million in 1980.

At the same time, Louisville, Ky.-based Batus Inc., which operates tobacco, retail and paper units in the U.S., saw its sales increase by 10.4% in 1981 to $4.6 billion from $4.16 billion in 1980. Net income totaled $179.7 million, down 8.8% from $197 million in 1980.

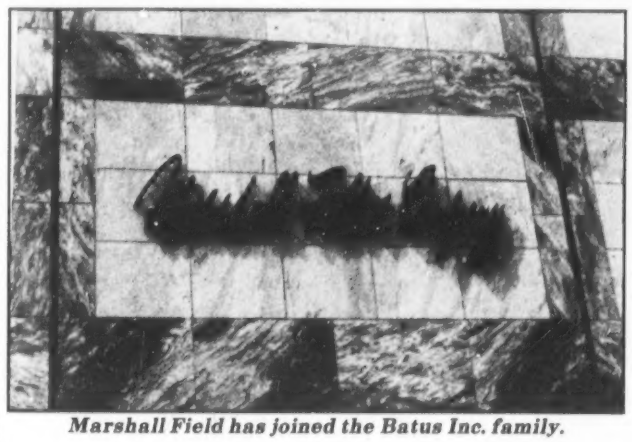
Among Batus' holdings, Brown & Williamson, also based in Louisville, is the biggest single unit. The tobacco operation's sales totaled $1.98 billion in 1981, an increase of 15.7% over the $1.71 billion in 1980. Operating income, however, declined 13.6% during the year, dropping to $252.4 million from $292.2 million in 1980. The company attributed the drop in part to the "substantial marketing investment" it is placing in its brands, particularly Barclay.

Batus' retail holdings comprise Saks Fifth Avenue, Gimbels, Kohl's food and department stores, Thimbles and—acquired in 1982—Marshall Field & Co. In 1981, the retail division's sales totaled $2.16 billion, an increase of 5.9% over $2.04 billion in 1980. Operating income fared better, increasing by 29.4% to $126.8 million in 1981 from $98.0 million in 1980.

Appleton Papers, Batus' paper operation, saw its sales rise by 9.7% in 1981 to $403.2 million from $367.6 million in 1980. But operating income of the Appleton, Wis.-based company declined to $36.9 million in 1981 from $39.0 million the year before, a drop of 5.4%.

The company blamed the decrease on depressed export sales, startup costs on an expanded plant in Harrisburg, Pa., and "unusual" one-time expenses.

Tobacco, of course, provides the basis of much of Batus' operations. During the year, Brown & Williamson, the nation's third-largest cigaret marketer, saw its share of the cigaret market rise to 14% from 13.7% in 1980. In all, the company sold 87.75 billion units in 1981. By contrast, market leader R.J. Reynolds Tobacco Co., which holds on to 33% of the market, had sales of 207.18 billion units.



Marshall Field has joined the Batus Inc. family.

Top executives at B&W and Batus professed to be pleased with B&W's ability to increase its market share, but they expressed even more delight at the progress made by Barclay, the 1mg smoke introduced nationally in January, 1981, with an estimated $150 million in advertising and promotional support.

Given that Barclay's ad budget was the highest for a new product in the tobacco industry's history, it would be expected that the bulk of attention paid to B&W—both inside and outside the company—would focus on Barclay. Industry watchers were not disappointed.

Not only did Barclay accumulate a 1.3% share by the end of 1981—which alone more than accounted for B&W's over-all share increase—but the 1mg tar claim and the cigaret's unique filter system stirred considerable debate and a Federal Trade Commission ruling adverse to B&W's interests.

R.J. Reynolds, one of B&W's chief competitors, lodged a complaint with the FTC in July alleging that Barclay's 1mg rating was inaccurate. The complaint charged that Barclay's filter "fooled" the regulatory agency's conventional method of testing

tar and nicotine levels. Indeed, part of Barclay's marketing effort was to position the cigaret as having fuller flavor than other ultralow-tar smokes, an advantage, B&W claimed, enabled by the different kind of filter Barclay uses.

In late June of this year, the FTC determined that its testing machines, in fact, could not validate the 1mg claim and that independent consultants had concluded the real rating for Barclay lay probably between 3mg and 7mg. The FTC did not take any legal action against B&W's advertising of the 1mg level, but it did advise the company to alter the claim. (The FTC determination could also affect B&W's Kool Ultra and Kool Ultra 100, which use the Barclay-type filter system.)

Shortly thereafter, the company won a temporary court order that enabled it to continue advertising the 1mg level. But, on a larger scale, it proposed a revamping of the FTC's tar reporting system that would halt the reporting of specific tar content numbers entirely, replacing them with four broader categories—ultralow (under 6mg), low (6mg to 10mg), medium (11mg to 15mg) and high (above 15mg).

"Barclay is a 1mg product, comparable in tar delivery to all other 1mg products," B&W said after the FTC action. "We believe we are right, and we stand behind our advertising claims."

That B&W is fighting hard to preserve the momentum that Barclay has developed in its first year should not be surprising. In introducing the cigaret, B&W used some advertising and promotional tactics that caught a lot of attention. There were two-packs-for-one offers, widespread couponing, the development of a sophisticated-looking "spokesman" (the urban cousin of the Marlboro man, some say) and perhaps the ultimate—carton giveaways by calling a toll-free number.

Competitors sought to take some of the luster off Barclay's numbers—termed the most successful cigaret introduction in a decade—by attributing a large portion of the share gain to the promotion. B&W did not say how much can be linked with the giveaways, but the company contended that it has been trying to build up a following with trial consumption, hence the importance of maintaining forward movement in the cigaret's evolution.

The heavy interest in Barclay certainly matched the heavy spending. In fact, according to Leading National Advertisers figures for 1981, total measured media spending for Barclay, $68.8 million, was almost double the $37.4 million spent for the rest of B&W's brands combined. Broken down, Barclay's measured spending (used for a campaign themed, "The pleasure is back") was allocated as follows: $38.3 million went to magazines, $11.8 million to newspaper supplements and $18.7 million to outdoor.

Possibly one reason B&W is putting so much effort into Barclay is to spark life into its other brands, all of which lost share points in 1981. The company's top seller, Kool, has lost its crown as the nation's No. 1 menthol, toppled by Reynolds' Salem. Its market share, moreover, continued to drop, reaching 8.4% in 1981, compared with 8.8% in 1980.

B&W's hopes for recovery in the Kool brand rests in part with Kool Ultra and Kool Ultra 100s, introduced in 1981. Those brands, however, could be affected by the FTC's action with regard to the measurement of Barclay's tar levels.

With the introduction of Kool Ultra, the brand's positioning received a more contemporary setting and the theme line, "There's only one way to play it. . . Kool." The jazz-like ambiance was perhaps appropriate, considering Kool's continuing sponsorship of Kool Jazz Festivals across the nation.

In 1981, measured media spending for Kool totaled $15.1 million, with $10.2 million going to magazines, $1.3 million to newspaper supplements and $3.5 million to outdoor. This compares with total spending of $28.3 million in 1980.

Raleigh, the second-ranking cigaret in B&W's stable, also saw its market share drop—albeit rather more slightly. At the end of 1981, Raleigh had 1.7% of the market, compared with the 1.8% it held in 1980. Unlike the other longtime B&W brands, Raleigh saw its measured media support increase in 1981, rising to $12.1 million in 1981, compared with $8.1 million in 1980. Of the 1981 spending, $5.3 million went to magazines, $3.7 million to newspapers supplements and $3.1 million to outdoor.

B&W's third brand, Viceroy, saw its share drop to 1.5% from 1.7% in 1980. Unit sales declined by more than 1 billion, a drop of 13%. And of all the brands, Viceroy saw its measured media budget slashed the most, down to only $101,200 in 1981, all to outdoor. This compared with a spending figure of $13.8 million in 1980.

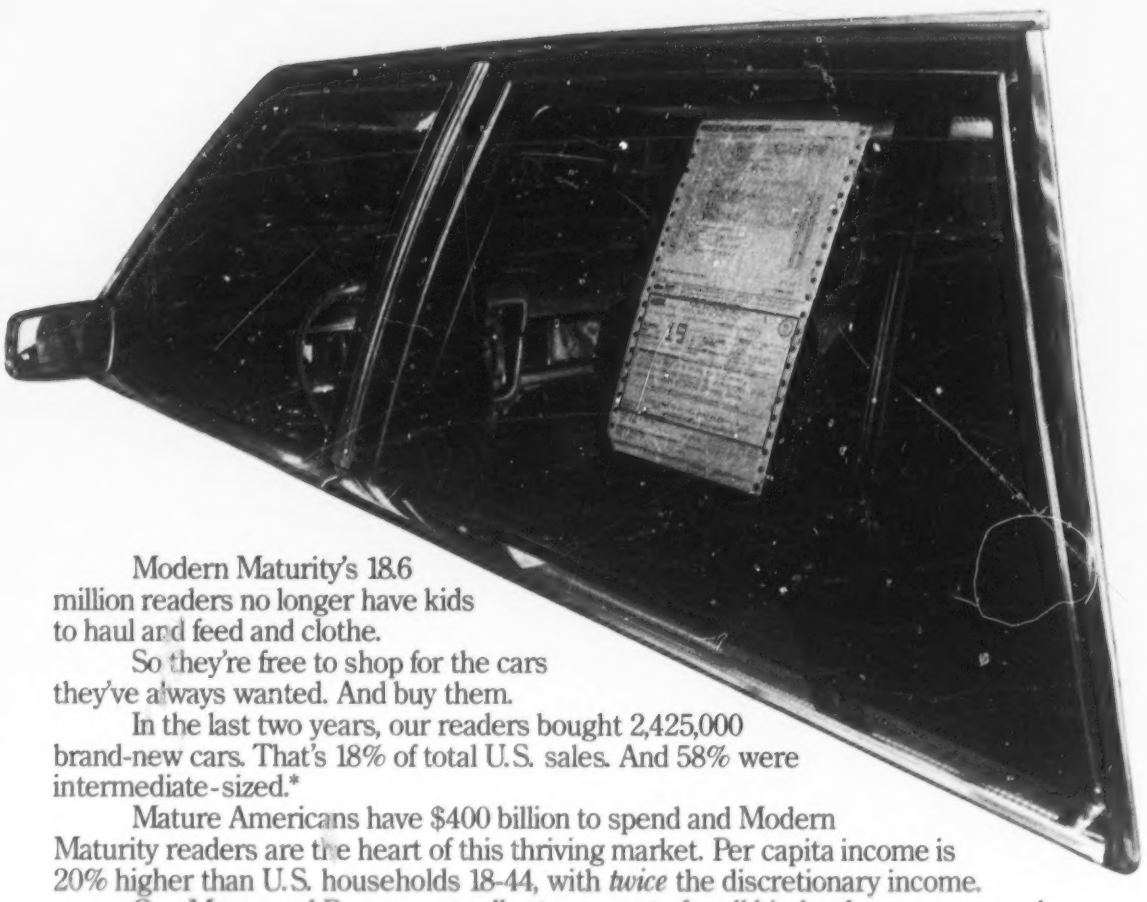
Belair, another B&W menthol, had a share of 1.1% at the end of 1981, compared with 1.2% in 1980. Measured media support declined slightly in 1981, dropping to $10.2 million from $11.2 million in 1980. Of the 1981 spending, $5.4 million went to magazines, $2.6 million to newspaper supplements and $2.2 million to outdoor.

In Batus' retail division, meanwhile, the major news came in 1982, when the company acquired Marshall Field & Co., the Chicago-based retailer. Batus' eventual offer of $30 per common share and $54 per preferred share was accepted by the Field board, despite strong dissent from a group of investors headed by Carl C. Icahn, a New York financier and arbitrageur, that tried to take over the company.

With the acquisition of Field, Batus agreed to cut back the amount of floor space it held in the Milwaukee area in order to win FTC clearance for the merger.

As with other retailers in the current economic environment,

Our Mom and Pop are great window shoppers.



Modern Maturity's 18.6 million readers no longer have kids to haul and feed and clothe.

So they're free to shop for the cars they've always wanted. And buy them.

In the last two years, our readers bought 2,425,000 brand-new cars. That's 18% of total U.S. sales. And 58% were intermediate-sized.*

Mature Americans have $400 billion to spend and Modern Maturity readers are the heart of this thriving market. Per capita income is 20% higher than U.S. households 18-44, with *twice* the discretionary income.

Our Moms and Pops are excellent prospects for all kinds of consumer goods and services. And they're yours at only $3.12 CPM for a color page.

Via Jim Sutherland. (212) 599-1880. Maturity Magazines Group, 420 Lexington Avenue, New York, NY 10170.

* 1980 SMRB/Telmar Simulation

Modern Maturity
Our prospects are excellent.

performance figures at Marshall Field have been somewhat sluggish. In 1981, although the retailer had $1.19 billion in sales, up 17.9%, operating income increased by only 3.4% to $53.2 million from $51.4 million in 1980.

Among Batus' other retail holdings, the specialty stores—Saks Fifth Avenue, Kohl's department stores and Thimbles stores—have performed the best. In 1981, combined sales for the three units totaled $818 million, an increase of 16% over 1980.

Saks opened three stores in 1981—in Las Vegas, Nev.; Oak Brook, Ill., and San Francisco—giving the New York-based retailer 32 units across the country.

Kohl's department stores, positioned as a value-oriented merchandiser that lies between the discount store and the traditional store, opened four new units, three in Milwaukee and one in Rockford, Ill., the first one outside the Milwaukee area.

Thimbles, a specialty business that came into existence in 1980, is still in the development stage, the company said. The stores, located in suburban shopping centers in Detroit, Chicago, Milwaukee, Minneapolis, Short Hills, N.J., and Washington, specialize in women's fashions (particularly for career women) at popular prices.

In the department store category, Gimbels saw a 5.6% increase in sales in 1981 over 1980. Though the retailer shows signs of making some strides, especially in its Milwaukee and Pittsburgh units, it is still hampered by troubles in its New York stores, analysts said. But the parent company in recent years has attempted to revive the retailer through renovations and revised merchandising strategies.

The retailing division's food store unit—Kohl's food stores, with units in Wisconsin and Illinois—suffered from a 5.2% sales decline in 1981, compared with the 1980 total. The company attributed the drop to "increased competition and economic demands." Measured media advertising for the various retailers remained at about 1980 levels. For Saks, measured support totaled $2.2 million, about half of which went to spot tv, with most of the rest going to magazines. In 1980, Saks' spending came out to $2.5 million.

Measured media spending for Gimbels totaled $5.2 million—mostly in spot tv—up from the $4.3 million spent in 1980. Kohl's received $1.2 million in measured spending in 1981, all in spot tv. This was the same amount as that spent in 1980.

One B.A.T. holding with some marketing interest in the U.S. but not under Batus' aegis is Germaine Monteil cosmetics. In 1981, the various lines of cosmetics had measured media spending of $1.1 million, virtually all in magazines; this compares with $806,700 spent in 1980.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$45,909,600	$13,644,800
Magazines	61,167,800	32,823,900
Spot tv	7,722,800	6,785,500
Spot radio	13,800	23,500
Outdoor	27,793,900	26,169,300
Total measured	142,607,000	79,457,000
Unmeasured	56,694,800	18,300,000
Estimated total	199,301,800	98,757,000

BROWN & WILLIAMSON TOBACCO CO.

MARKETING PERSONNEL

S.A. Wallace, senior vp-mktg
R.A. Blott, senior vp-domestic mktg
T.E. Sandefur Jr., senior vp-intl mktg
T.F. Neville, mktg services director
G.T. Reid, group prod director, Kool, Belair, Raleigh, specialty tobacco prods
B.L. McCafferty, group prod director—new prods, Barclay, Viceroy
Senior brand mgrs: M.W. Schofield, Raleigh; L.R. Lewis, Kool
Brand mgrs: A.G. Forsythe, Viceroy; G.P. Ward, Belair; R.L. Chambers, Raleigh; S.M. Finley, new prods; P.S. Wessel, new prods; H.D. Steele, specialty tobacco prods
J.M. Coleman, media mgr
R.A. Veatch, brand promo mgr
T.J. Mooring, financial/admin mgr
B.L. Broecker, prod publicity mgr
Mike Steele, mgr-special mkts

ADVERTISING AGENCIES

Cunningham & Walsh/Chicago—Kool, Raleigh, Belair—Cindy Dillon, acct exec-Kool; Karen Daily, acct exec-Raleigh; Margo Conant, acct exec-Belair.

McCann-Erickson, New York—Barclay—Andrew Millar, acct super.

McKinney, Silver & Rockett, Raleigh, N.C.—noncigaret prods—Fred Schmidt, acct super.

Grey Advertising, New York—Viceroy—Bob Schoenfein, mgr-acct rep.

BATUS RETAIL DIVISION

CORPORATE PERSONNEL

C.I. McCarthy, chairman-ceo
H.F. Frigon, exec vp-chief financial & admin officer

MARKETING PERSONNEL

Saks Fifth Avenue

Paul Leblang, senior vp-mktg

Gimbels

Robert Gottlieb, senior vp-mktg, New York
Donald Oscason, senior vp-mktg and sales promo, Philadephia
Roger Elgar, vp-mktg, Pittsburgh
Roy Boutillier, senior vp-mktg, Midwest (Milwaukee)

Kohl's Food Stores

Arnold Zetcher, chairman-ceo
Daniel Joseph, president-chief operating officer

Kohl's Department Stores

William Kellogg, president-ceo
C. Natvig, director of mktg

Thimbles

Jay H. Baker, president-ceo

BATUS PAPER DIVISION

CORPORATE PERSONNEL

John J. Hangen, chairman-ceo
Thomas W. Busch, president-chief operating officer

MARKETING PERSONNEL

Appleton Paper Co.

J.W. Turner, vp-mktg
D.W. McIntosh, director of mktg
R.P. Scherrer, director of sales
R.D. Suess, director of adv and mktg services
E.D. Mendels, director of intl mkt devel

Beatrice Foods Co.

	1981	1980
Sales*	$9,023,520,000	$8,772,804,000
Earnings*	390,136,000	304,211,000
Advertising**	170,000,000	148,750,000†

*Fiscal year ends Feb. 28
**AA estimate
†Revised

Beatrice Foods Co., Chicago, the 33rd largest national advertiser, had 1981 total domestic advertising expenditures of an estimated $170 million, a 14.3% increase from 1980.

Net sales for the company increased only 3% in fiscal 1982 to $9.02 billion, while earnings rose 28%. Beatrice attributed the minor gains to its switch to LIFO (last-in, first-out) inventory costing method, as well as to a change from the deferred to the flow-through method of accounting for tax investment credit.

The year 1981 was a transitional one for the diversified food company, one marked by a new twist in the acquisition and divestiture strategy it has been following. The extent of these changes became apparent in October, 1981, after Beatrice disclosed plans for a hostile tender offer for AMF Corp., White Plains, N.Y., for $912 million. Although the plan was dropped, industry analysts were surprised at the lengths Beatrice would go in order to expand its operations.

A company official said, "Unfriendly takeovers still aren't our style, but given the current climate, we may have to look at it as an option." A Paine, Webber analyst called the plan "as sharp a departure as you'll see."

James Dutt, chairman-chief executive officer, outlined new economic goals for his company, one of the country's largest food processors, including an increase of equity returns, now at 16.9%, to 18%, and a real growth rate of 5% a year. Divestitures and acquisitions obviously should play a key role in achieving these goals. Since his appointment in 1979, Mr. Dutt has been responsible for divesting operations that accounted for $1 billion in sales in 1979.

The most notable sale in 1981 was that of Dannon yogurt, sold to France's BSN/Gervais Danone for $84.2 million. The decision to sell the highly successful yogurt marketer was based on increasing competition and the rapid maturing of the yogurt market. Sales for Dannon had reached a high point in 1978, although the company has maintained its commanding 35% share of the yogurt market.

On the acquisition side of the ledger, Beatrice seems to be seeking larger food and beverage companies rather than many of the less sizable units upon which it built its empire. The company believes the beverage business will contribute to its long-term success, and that this focus will narrow its base of interest and make it more competitive.

This year, Beatrice paid a controversial $580 million for the beverage segment of Northwest Industries, a sum many industry analysts saw as excessive. The purchase included Coca-Cola Bottling Co. of Los Angeles and Buckingham Corp., a wine and liquor distributor. Although Beatrice's bottling acquisition and the Coca-Cola Co. are separate entities, press reports have noted that the Atlanta-based soft drink marketer's Minute Maid orange juice is a major competitor to Beatrice's Tropicana.

The purchase gives Beatrice an additional entry into the bottled water market with the bottling company's Arrowhead Puritas Waters and Great Bear Spring Co., and strengthens its position in the wine and spirits industry. Buckingham, a marketer of Cutty Sark scotch, also distributes Mouton-Cadet, the leading branded Bordeaux wine in the U.S.; Finlandia, the second-largest imported vodka, and Waterford Irish Cream liqueur, an entry in what has been among the hottest of liquor categories.

Despite criticism of the high price paid for the beverage business the company acquired from Northwest Industries, Tom Kemp, president of Beatrice's soft drink and bottled water division, speaks positively of the tradeoff, favoring the strength of the premier cola: "We're virtually everywhere in our market. When the product is available and reinforced with a strong image through advertising, that adds up to good sales."

In line with this thinking, the company recently purchased two more California-based Coca-Cola distributors, in San Diego and San Bernardino.

In conjunction with Beatrice's shift of allegiance in the beverage industry, the company's nine Royal Crown Cola bottling operations and Seven-Up Bottling Co. of Denver were sold. An agreement was reached in December, 1981, for a sale to a new company owned by Forstman Little & Co., soft drink division executives and private investors.

Meanwhile, among its current holdings, Beatrice increased its measured media advertising support by 48% across the board, up to $46.5 million from 1980's $31.4 million, according to Leading National Advertisers. The company altered its media distribution, increasing newspaper advertising 125% to $5.7 million for the calendar year, and magazine ads 192% to $12.4 million, compared with 1980's $4.2 million. In radio, the company made an even switch, cutting network expenses 60% to $223,100 from last year's $556,500, and increasing spot radio to $4.8 million, a 60% increase from 1980. The budget for network tv was trimmed by 16% this year, while spot tv grew to $15.8 million, an 8% increase.

Tropicana, the company's orange juice operation, had a troubled year, beset by adverse weather in Florida and legal problems. In late 1980, an administrative law judge for the Federal Trade Commission ruled that Beatrice's acquisition of the fresh fruit juice producer was unlawful under antitrust statutes, and that Beatrice must hand over all profits generated by Tropicana to the federal government since its acquisition in 1978. The FTC is reviewing the decision, and although Beatrice management expects a favorable outcome, industry speculation is that the possibility of losing Tropicana—and 61% of all Beatrice's beverage profits—has had an impact on the company's intent on acquiring beverage interests.

Although Tropicana, based in Bradenton, Fla., does not own any fruit groves, production, supply and distribution were adversely affected by the winter freezes in Florida, damaging 85% of the fruit crop. Tropicana buys about 15% of all citrus grown in Florida.

Former Tropicana chairman-ceo Ken Barneby resigned this year and was replaced by Richard Walrack, a Beatrice veteran from the dairy division. Mr. Walrack's appointment accompanies a push for renewed profit growth, and plans are being made to expand the Florida operation. Production capacity reportedly will be increased by 30 million gallons through a $15 million dollar enlargement of Tropicana facilities. Management hopes increased production will boost Tropicana's 24% share of the orange juice market, squeezed down from 30% when Beatrice acquired the company.

Total advertising expenditures for Tropicana increased 35% in 1981 over 1980, and measured media spending alone shot up 160% to $6.8 million, from $2.6 million in 1980. For the first time, other Tropicana juice products, including orange juice made from concentrate, are being supported by their own campaigns.

One such product is Tropicana's new Chugger, a shelf-stable, all-natural, 100% juice from concentrate available in orange, apple and grapefruit flavors. Although no ad budgets were disclosed for Chugger, the tv commercials created for the product achieved some notice when networks questioned the acceptability of the commercial's "Chuck the soda" theme, an interesting campaign in light of Beatrice's hope for growth through its new Coca-Cola bottling acquisition.

Also new at Tropicana is product differentiation, as the company now markets different grades of juice. A premium pack made from fresh juice is being promoted in commercials featuring Olympic decathalon-winner Bruce Jenner. In addition, to alleviate shortages caused by future winter freezes, the company has introduced Tropicana packaged in an orange carton and made from concentrate. The separation is expected to build product awareness. The company is also planning to revamp Tropicana's packaging.

Another step in beverage growth was the introduction in 1981 into Midwest-Mideast test markets of Cap 10, "the perfect adult thirst capper."

Beatrice is also concentrating on growth in the snack and confectionery division. In 1981, sales were $602 million, up 15% from $522 in 1980. Joining its battery of performers were new acquisitions: Good 'N Plenty, Good 'N Fruity and Rothschilds rolled candy bought by Beatrice's Switzer Candy Co. The company also purchased Callard Bowser & Nuttall, a subsidiary of Arthur Guinness & Sons in the U.K.

Eckrich meats, one of Beatrice's most successful companies, had sales of $678 million in 1981, down from the previous year's $689 million. Earnings were up to $53 million, from $50 million in 1980. The specialty meat company introduced nine products in 1982, including additional smoked sausage products, dinner franks and smoked ham. Eckrich had measured media spending in 1981 of $3.9 million, up 9% from 1980's $3.6 million.

La Choy food products gained 6% in sales this year, while earnings grew by 12%. The frozen foods division of La Choy increased measured ad spending 25% for the calendar year, while total ad spending grew 13% to $3.1 million from 1980's $2.8 million.

In November, 1981, Beatrice

Top 25 network tv advertisers

Rank	Advertiser	Expenditures 1981	1980
1	Procter & Gamble Co.	$393,236,000	$361,077,500
2	General Foods Corp.	238,297,900	201,488,400
3	General Motors Corp.	146,919,100	123,498,900
4	American Home Products Corp.	131,449,800	123,911,900
5	Ford Motor Co.	113,900,600	125,701,500
6	Bristol-Myers Co.	109,983,900	106,061,100
7	Philip Morris Inc.	99,558,800	97,377,900
8	Johnson & Johnson	97,132,300	90,471,500
9	Unilever U.S.A.	95,192,000	74,111,800
10	Sears, Roebuck & Co.	88,002,000	86,951,500
11	General Mills	86,408,500	75,751,000
12	Warner-Lambert Co.	76,834,200	63,167,100
13	Gillette Co.	76,429,900	59,509,700
14	Anheuser-Busch Cos.	73,612,500	65,423,500
15	American Telephone & Telegraph	68,926,800	57,388,100
16	PepsiCo Inc.	68,788,100	88,822,100
17	Richardson-Vicks	67,624,700	49,885,200
18	Kellogg Co.	67,260,000	59,803,200
19	Ralston Purina	66,713,500	73,386,200
20	Coca-Cola Co.	61,023,500	57,897,300
21	Nabisco Brands	60,046,300	39,151,400*
22	Pillsbury Co.	59,265,500	53,254,900
23	Sterling Drug	55,410,700	57,406,800
24	Beecham Group Ltd.	54,912,900	43,523,800
25	Chrysler Corp.	54,874,400	65,289,900

*Prior to merger with Standard Brands. In 1980 Standard Brands spent $5,942,100.

Source: Net time and program costs from Broadcast Advertisers Reports and supplied to Leading National Advertisers.

formed a joint venture in the People's Republic of Chi... with Canton's municipal government to produce canned fruits and vegetables, as well as citrus juices and soft drinks. Plans call for the plant to produce goods for export and the Chinese market.

In its consumer, industrial and chemical segment, Beatrice maneuvered to acquire Louver-Drape Co., the vertical blinds maker, while it sold Buxton Leathers, including the line of Bill Blass designer products.

Samsonite, Beatrice's luggage marketer, experienced a decline in domestic sales, but volume increased abroad.

Measured media support for Samsonite was cut 37% during the year, to $2.6 million, as the company switched to pricing promotions. But spending is expected to increase in fiscal 1983 to support a number of new products.

Another Beatrice unit, Culligan International, experienced sagging domestic sales, but gains abroad helped bring revenues by some estimates to $400 million in fiscal 1982. Culligan's ad expenditures jumped from $5 million to $8 million during the year, and dealer prices were cut up to 15% in an attempt to regain its 25% share of the domestic household water conditioning market. Its share has dropped to 14.5% while maintaining a 21% share of commercial markets. Culligan advertises primarily through spot tv.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,736,800	$2,545,500
Magazines	12,360,300	4,256,700
Farm publications	1,019,300	956,400
Spot tv	15,833,000	14,715,300
Network tv	4,473,000	5,346,100
Spot radio	4,752,400	2,969,500
Network radio	223,100	556,500
Outdoor	2,149,100	123,300
Total measured	46,567,000	31,439,300
Unmeasured	123,433,000	117,310,700*
Estimated total	170,000,000	148,750,000*

*Restated

MARKETING PERSONNEL

Dairy Division
Richard L. Chisolm, division president
Ralph Hallquist, dairy mktg director

Grocery Division
Duane Daggett, exec vp-grocery specialties, confectionary & snacks, bakery

Confectionary & Snacks Division
B. Robert Kill, division president

Soft Drink Division
William S. Mowry Jr., division president

Specialty Meats Division
William L. Dehaven, vp-division president

Consumer Arts Division
James Weiss, exec vp-consumer, industrial & chemical
Thomas Mitchell, division exec vp

Leisure Products Division
James Weiss, exec vp
Vernon Davidson, division president

Chemical Division
James Weiss, exec vp
Harry C. Wechsler, vp-division president

Agriproducts Division
Donald G. Stephens, division president

International Foods Division
William W. Granger Jr., exec vp-division president, intl foods
Anthony Luiso, vp-division exec vp

ADVERTISING AGENCIES

Ayres & Associates, Lincoln, Neb.—Snow Co.—Roy Bridge, acct exec.

Benton & Bowles, Chicago—Stiffel Co.—Carol Slinger, vp-acct super; Barbara Nielsen, acct exec.

Benton & Bowles, New York—Peter Eckrich & Sons—Arthur Selkowitz, senior vp-mgmt super; Ren Drews, vp-acct super; Thomas Bollum, acct exec, Erica Gillespie, asst acct exec.

Colle & McVoy, Minneapolis—Sanna Instituitional—Tim Tischer, acct super, Pat Feahr, pr acct exec.

Creamer Inc., Chicago—Charmglow, Mid West Co.—(Charmglow) Edward M. Hechtman, senior vp-acct mgr (acct super); William Spivey, vp-acct exec; (Mid West Co.) Dennis G. Morgan, acct exec.

Cummings/McPherson/Jones & Porter, Rockford, Ill.—special products division, Dell Food Specialties, Sanna industrial division—William W. Jones, president, Larry C. Schubert, vp.

Cunningham & Walsh, Chicago—Aunt Nellie's Foods, Beatrice Frozen Specialties, LaChoy Food Products—Alan Bloomfield, mgmt super; Stanlee Kucaba, acct super; Andrea Barr, acct exec.

Dailey & Associates, Los Angeles—Rosarita Mexican Foods—Jay Heller, acct super.

Eric Ericson & Associates, Nashville—Martha White Foods—Harlan Hauskins, vp-acct exec; Lee Zimmerman, associate acct exec.

Fox, Sweeney & True, Denver—Seven-Up Bottling Co. of Denver—Ken Custer, vp-acct super, Sally Ribley, media director.

Garfield-Linn & Co., Chicago—World Dryer Corp.—Bill Dickinson, vp-acct super, Pattie Sheehan, acct mgr (acct exec).

Geisz & Rose Advertising, Los Angeles—Imperial Oil—Emory Geisz, president, Norma Nieson, intl acct director.

Hackenberg, Normann, Krikovich/CK, Chicago—Culligan International—Frederick Franz, vp-acct super.

Hicks & Greist, New York—County Line Cheese—William Roper, chairman of exec committee; John L. Ferguson, acct super.

Hoffman York & Compton, Milwaukee—Brillion Iron Works— Frank Dysarz, acct super.

Krupnick & Associates, St. Louis—Switzer candy—Tom Connelly, president; Robert Mudd, acct exec; Donna Hyde, media director.

Kurtz & Tarlow, New York—Buxton—Leo Goldman, senior vp-mgmt super.

Mandabach & Simms, Chicago—Bloomfield Industries—Irv Simms, president, Susan Holleb, acct exec.

Marsteller Inc., Chicago—John Sexton Co.—James Reiners, group vp, Sexton; Donald Brashears, vp-mgmt super, Robert Abell, acct exec. Vogel-Peterson—Philip Anderson, vp-mgmt super, Susan German, acct exec.

Fred A. Niles Marketing Systems, Chicago—Meadow Gold dairy division—Fred Niles, president, R. Hamilton, acct exec.

PGM Studios, Chicago—Chicago Specialties Mfg. Co.—Martin Patinkan, vp.

Martin Ruosa/Creative Group, Fort Lauderdale—Standard Drywall Products—Martin Ruosa, president.

J. Walter Thompson USA, New York—Samsonite luggage—Garth Hallberg, senior vp-group acct director, Rick Hendee, vp-mgmt super.

Three Arts, Cedar Rapids, Ia.—Vigortone prods—Stanton L. Priske, president.

Beecham Group Ltd.

	1981	1980
Sales*	$2,947,950,000	$2,676,100,000
Earnings*	458,848,800	337,300,000
Advertising**	69,123,300	56,615,500

*Worldwide figures. AA conversion
**AA estimate

Beecham Group Ltd., Clifton, N.J., the 77th largest national advertiser, spent an estimated $68.4 million in advertising in 1981, a 22% increase from last year's $56.6 million. Worldwide sales for the company increased 10.2% in 1981, up to $2.95 billion.

An increasingly aggressive presence in new product categories, such as skincare and liquid soap, and increased spending for established cosmetics contributed to the increase in ad expenditures.

Beecham changed its media mix substantially this year. Newspaper advertising increased 71% in 1981, farm publication spending grew by 50% and magazine ad spending was up 11%. Expenditures for national tv, the biggest ad medium, were $54.9 million, an increase of 26% from 1980.

The Beecham Group has two consumer products groups in the U.S. The Jovan division handles the company's Jovan, Yardley of London, Lancaster and Beecham cosmetics products.

In May, Jovan entered the suncare products category with Dial-a-Tan with a $2 million ad campaign hyped, "the most revolutionary suncare products in the history of the world."

Jovan is also planning a fall introduction of Glacier men's aftershave, a moderate priced item, and Island Gardenia, a gardenia-based perfume and cologne, using magazines only, according to David Miller, director of advertising for Jovan.

Jovan's creme soaps, introduced in October, received $163,600 of ad support in the last three months of 1981, all in consumer magazines.

Jovan division acquired a new subsidiary called OMNI, which expanded into children's toiletries with a 12-item "Star Wars" line this summer. Network tv broke in July.

Courting other star frontiers, Jovan Inc. signed with Mick Jagger & Co. as sponsors of the Rolling Stones' 45-city U.S. tour to promote its fragrances. Jovan also offered a Stones poster for $1 to customers buying $5 in products and staged a radio contest promotion in about 180 markets.

Beecham Cosmetics' Vitabath, a bathing gel product, received a measured spending increase of 130% this year, boosted to $449,200 from 1980's $188,700. A new campaign touts the bath gel as the "ultimate dimension of bathing."

Yardley of London, another division of Jovan, made its first venture into skincare with the introduction in February of Yardley Liquid Complexion soap and the launch in spring of Yardley of London Aloe Vera, with ads themed, "How to make your skin the best it can be. How to keep it that way." No ad budgets were revealed.

Advertising for Yardley's liquid toilet soap jumped 120% to $1.2 million with $312,200 to magazines, $94,900 to spot tv and $807,900 to network tv, an area that was not used at all in 1980. In addition, Yardley soaps increased advertising to $245,300 in 1981, after spending only $2,000 in 1980.

Aqua-fresh, Beecham's entry in the toothpaste market, holds a competitive 13.5% share of the market only three years after its introduction. Positioned as a decay fighter as well as a breath freshener, the brand is third only to Procter & Gamble's Crest (No. 1) and Colgate-Palmolive's Colgate. Measured media support for Aqua-fresh came to $21.6 million this year, a scant 1.5% increase from 1980's $21.3 million.

Aqua-fresh recently launched a new version, with the addition of a red stripe. The brand was reintroduced as "triple protection" Aqua-fresh. Spending for this push is not reflected in measured media figures as yet.

Beecham Group's parent company, Beecham of London, spent $3.9 million in a June, 1981, for the launch of a liquid soap product, Supersoap. A similar product called Sameta, made by Beecham's German subsidiary, Lingner & Fischer, was introduced in Germany in November, 1981.

Spending for Sucrets lozenges and Sucrets children's lozenges decreased 3% in 1981, down to $4.9 million. Hold cough suppressant cough drops maintained 1980's spending level at $2 million, all in net tv.

Cling Free fabric softener increased advertising expenditures 35% this year, from $5.4 million to $7.3 million; $7.2 million went to buys in net tv.

Massengill disposable douche and Massengill medicated douche increased measured advertising support for the two products 81% this year, to $7.9 million from the previous year's $4.4 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$106,800	$63,500
Magazines	5,365,400	4,254,000
Farm publications	740,300	494,100
Spot tv	5,175,100	5,434,000
Network tv	54,913,900	43,523,800
Spot radio	98,300	13,300
Total measured	66,400,800	54,364,500
Unmeasured	2,723,400	2,251,000
Estimated total	69,123,300	56,615,500

MARKETING PERSONNEL

Beecham Products Divsion
R.A. Snell, vp-mktg
R.F. Creighton, vp-mktg
R.M. Lancaster, sales

Jovan Inc. (Yardley of London, Beecham Cosmetics, Lancaster Cosmetics and OMNI)
R.E. Meyer, president and ceo
B.E. Shipp, exec vp
W.L. Henderson, vp-sales, Jovan
T. Measday, vp-genl mgr, Yardley
J. Small, vp-sales, Yardley
M. Dietz, natl sales mgr, Beecham Cosmetics
A. Kessler, vp-mng director, Lancaster/Beecham Cosmetics
Don Degan, vp genl mgr, OMNI
Bill Gould, natl sales mgr,OMNI

Beecham Laboratories Division
M.M. Jones, exec vp
T.G. Wood, vp sales & mktg
G. Cowell, veterinarian sales and mktg mgr
T. Harrison, mktg mgr
W.F. DeVinney, natl sales mgr

ADVERTISING AGENCIES

Bozell & Jacobs, Chicago—Yardley of London—Peter Werner, vp, mgmt rep; Kathleen Russell, acct exec.

Frank J. Corbett Inc., Chicago—ethical pharmaceuticals—Don Courtney, senior vp; John Kopacz, acct exec.

Cunningham & Walsh, New York—Calgon water conditioner, Calgonite, Cling Free, Fruit-Fresh, Brylcreem, N'Ice, new prods—Warren Albright, group acct director; Roger Groves, mgmt super; Craig Barnes, acct super; Alex Walker, Michael Healy, acct execs.

Grey Advertising, New York—Sucrets, Hold, Calgon bath prods, Aqua-fresh, Massengill, new prods—Bob Burross, senior vp, Mel Sokotch, vp-mgmt super, Larry Geiger, vp-mgmt super.

Charles Tombras & Associates, Knoxville—veterinary pharmaceuticals—Guy Seymour, acct exec.

J. Walter Thompson USA, Chicago—Jovan cosmetics and perfumes, Vitabath, OMNI Star Wars soap line—Harvey Scholnick, senior vp, group acct director; Dinny Cosyns, senior acct super; Alan Rose, Susan Geddes, acct reps.

Borden Inc.

	1981	1980
Sales	$4,415,174,000	$4,595,795,000
Earnings	159,939,000	147,863,000
Advertising*	44,019,000	51,695,700

*AA estimate

Borden Inc., Columbus, O., is the 92nd largest U.S. advertiser. Advertising expenditures in 1981 of $44 million (according to AA estimates) showed a 15% decline over 1980 figures. Sales declined 3.9% to $4.4 million, down from $4.6 million in 1980. Earnings, however, were up 8.2% in 1981, with a showing of $159.9 million as opposed to the previous year's figure of $147.9 million.

For the first quarter of 1982, net earnings included an after-tax gain of $17.6 million or 61¢ a share from the January, 1982, sale of three Pepsi-Cola franchises and provisions for losses on the disposal of other operations.

For the first six months of this year Borden reported a 6.6% increase in net income to $77.2 million and a 13% decline in sales to $1.97 billion.

Borden's chairman-chief executive officer, Eugene J. Sullivan, said income from ongoing opera-

tions of the consumer products division was "moderately" ahead of last year despite the loss of income from its Pepsi-Cola bottling business. The company sold the three bottling franchises to the Pepsi-Cola Bottling Groups (a subsidiary of Pepsico) on Jan. 25, 1982. The sale of the franchises essentially concluded the disposal phase of Borden's assets redeployment program first announced in July, 1980. The consumer products division also withdrew from the nut processing and natural cheese businesses.

Mr. Sullivan said the excellent performance of the pasta, bakery and dairy operations enabled the division to increase operating income from last year's level. The "sharp drop" in the chemical division income for the first quarter of 1982 was blamed on "near catastrophic" conditions in the housing and automotive industries, and higher natural gas costs of $9.6 million. The chemical division is a major supplier of adhesives to the forest products industry and of polyvinylchloride resins and vinyl materials to the housing and automotive markets.

On June 1, Borden acquired Du Pont Co.'s line of car care products, including waxes, polishes, cleaners and sealants under Rain Dance, Rally, and No. 7 brands and "performance" products such as radiator chemicals and gasoline additives under the Du Pont trade name. The line was assigned to the home and professional products group of the consumer products division, with advertising to Grey, Lyon & King.

In the summer of 1981, Borden's dairy division entered the fruit juice category with an aseptically packaged orange juice called Sippin' Pak. The product is still in test market. Another new product that will be rolled out nationally after being test marketed in Albany, N.Y., and Charlotte, N.C., is Cracker Jack Extra Fresh Popping Corn.

The company's earnings over the past five years have shown steady increase. There was a loss of income of $40 million in 1981 from operations that had been divested—but the operating divisions more than made up this amount.

Borden's priority for the future is to channel its resources into fewer areas of business, those that provide the highest return and show the greatest growth potential. Consumer products and chemical products for specialty markets can be expected to benefit from this commitment.

Eagle Brand sweetened condensed milk showed substantial sales with heavy tv and print advertising support (expenditures for network tv increased by $2.2 million in 1981) positioning it as "America's dessert maker." The Borden powdered drink mix line increased volume and market share with the national rollout of ReaLemon lemonade crystals and expansion of the Wyler's unsweetened line. Wyler's will test market a line of drink mixes artificially sweetened with aspartame this year. Orange Burst, a new instant breakfast drink, continued to be test marketed with results satisfactory to the company.

The grocery products group's cheese operations withdrew from the packaging of natural cheeses for sale to retail, in keeping with the redeployment program. Cheese manufacturing operations were consolidated at one plant in Wisconsin, reducing operating costs. Borden continued its No. 1 position in the diet/health segment of the cheese market, with the national rollout of Lite-line Swiss slices. Increased ad spending and promotion (the major portion going to network tv) contributed to the strong performance in this category. Country Meadow slices (a low-cholesterol product) and Cheez Twin slices (a cheese substitute) continued in test market.

The snacks group's corn-based snacks had a good year. Cheez Doodles had a 15% gain in sales, with $689,000 of the ad budget going to spot tv. Corn Crunchies, Borden's entry into the corn chip market, showed sales up 68%, and sales of Wise tortilla chips were up 17%. Single-serve snacks made from ingredients other than corn or potatoes were introduced; also introduced was a no-salt-added potato chip.

The specialty products group includes the consumer products division's confections, pasta and Galloway-West operations, which produces cheese cultures used by the dairy operations and sold to cheese factories.

Cracker Jack's sales growth was helped by a $6 million "Super Surprise Sweepstakes" promotion and by the addition of flexible-bag packaging for Cracker Jack candied popcorn.

Borden's pasta products, under the Creamettes brand, gained greater penetration into the Midwest and expansion into new markets in the West. Pasta operations were bolstered by Borden's acquisition of National Food Products, New Orleans, which is the largest distributor of pasta in its market area.

Borden's bakery operations, under the Drake's brand, expanded its snack cake line with two entries in the large volume sponge cake market—strawberry and banana—and Fudge Mates, a new cupcake entry.

Elsie the cow played a major role in dairy product promotions. The cartoon was featured in all the group's advertising, and Elsie, on the hoof, even took part in the Mardi Gras.

In the chemical products group, the Krylon line of spray paints, backed by $2.4 million in ad support, registered a good performance in 1981. The Elmer's line of adhesives and sealants ($2.99 million total ad expenditures in 1981) gained from a strong market in do-it-yourself home improvement.

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$2,283,500	$1,799,900
Magazines	4,775,100	4,441,500
Farm publications	—	161,300
Spot tv	6,227,800	7,733,600
Network tv	17,894,700	17,589,000
Spot radio	1,013,800	2,385,900

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- Quantification studies on product enclosures
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INSIDE INFO FROM:

- Harvard Business School Professor, **Richard Tedlow**
- WALL STREET JOURNAL Staff Reporter, **Stephen Sansweet**
- Doyle Dane Bernbach Advertising Executive, **Gerald Bagg**
- Media Horizons, Inc. publisher of Marketing Communications and Videography Magazines, Chairman of the Board, **Joel W. Harnett**
- Twentieth Century Fox Film Corp. National Promotion Director, **Bill Minot**
- Columbia Pictures Merchandising Vice President and General Manager, **Lester Borden**
- AFP Inc., Associated Film Promotions President, **Robert H. Kovoloff**

SUCCESS STORIES

Top executives from some of the nation's outstanding consumer product companies

- D.L. CLARK CO., Division of Beatrice Foods, Inc. Vice President Customer-Trade Relations, **John Clampitt**
- WILD TURKEY Senior Brand Manager, **Maralyn Jerome**
- HAWAIIAN TROPIC Tanning Research Laboratories, Inc. President, **Ronald Rice**
- TIMEX CORP. Director, United States Marketing, **Paul Kulavis**

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Network radio	1,518,700	1,575,000
Outdoor	182,500	134,500
Total measured	33,875,900	35,820,700
Unmeasured**	10,143,100	15,875,000
Estimated total	44,019,000	51,695,700

*From AA's usual sources
**1981 figure provided by the company

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$3,926,500	$1,560,300
Magazines	8,020,900	6,120,000
Farm publications	125,600	125,000
Spot tv	11,379,100	8,630,000
Network tv	13,548,600	15,200,100
Spot radio	1,212,600	880,000
Network radio	212,600	1,200,000
Outdoor	411,900	200,000
Other	3,667,600	—
Total measured	42,505,400	33,635,400
Unmeasured	10,143,100	13,100,000
Estimated total	52,648,500	46,735,400

*Provided by the company

CONSUMER PRODUCTS DIVISION
MARKETING PERSONNEL
Frank V. Forrestal, president
George J. Waydo, group vp-snacks
T.O. Doggett, group vp-home and professional prods
Jon G. Hettinger, group vp-grocery prods
Jerry R. Pulley, group vp-specialty prods
Robert P. Kirby, group vp-dairy
S. L. Vladimer, vp-genl mgr-bakery prods
Herb A. Southwell, vp-genl mgr-confectionery
John Dix, vp-mktg, grocery prods
Lee Arst, vp-mktg, refrigerated prods
Peter Duggan, vp-mktg, snacks
Tom Hagerty, vp-mktg, dairy division
Dick Ballard, vp-mktg, confectionery division
Karen Johnson, vp, consumer affairs
Rodney R. Russell, vp, product and mkt devel
Frederick P. Schindler, mgr adv services

ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Bama Foods, Wyler's iced tea, RealLemon, instant breakfast drinks, Sippin' Pak fruit juice, Wyler's drink mixes—Bruce Beach, mgmt super.

Grey Advertising, New York—Cremora coffee lightener, Eagle Brand condensed milk, cheese products, Cracker Jack, Deran candies, Campfire marshmallows, Snow products, NoneSuch, Wyler's soups and bouillon—Tony Thurston, mgmt super.

Bozell & Jacobs, New York—Drake Bakeries, Kava instant coffee, Bama peanut butter—Charles LaRosa, mgmt super.

Caldwell/Reingold Group, New York—military sales—Harry Reingold, mgmt super.

Tracy-Locke/BBDO, New York/Dallas—ice cream and milk products—Rod Underhill, mgmt super., Dick Nye, acct. super.

McDonald & Little, Atlanta—Wise snacks, Old London snacks—Lauren Gehringer, mgmt super.

Grey, Lyon & King, New York—Elmer's adhesives, Krylon aerosol prods, Wall-Tex wall coverings, Car Care prods—Bob Witt, acct. super.

Al Paul Lefton Co., New York—Jean Patou's Joy, Caline Moment Supreme perfumes—Bill Wolfston, acct super.

CHEMICAL DIVISION
MARKETING PERSONNEL
R. W. Gutheil, president
David Gordon, vp-mktg, Columbus coated fabrics, industrial and auto
R. T. Paul, vp-mktg, Columbus coated fabrics, wall covering
Richard Lockman, president, cosmetics and toiletries
J. J. Pointer, chairman, Smith Douglas' agrichemicals

ADVERTISING AGENCIES
Lord, Sullivan, Yoder, Marion, O.—Columbus coated fabrics, industrial film prods—Bob Ackerman, acct super.

Bristol-Myers Co.

	1981	1980
Sales	$3,496,700,000	$3,158,300,000
Earnings	305,800,000	270,600,000
Advertising*	200,000,000	196,286,400

*AA estimate

Bristol-Myers Co., New York, the 20th largest national advertiser, is estimated to have spent approximately $200 million on domestic advertising in 1981, a modest gain over the $196.3 million spent in 1980, but still below the more than $210.6 million spent in 1979. According to Television Bureau of Advertising figures, tv spending was down 3% last year to $121.5 million.

The company's reported worldwide advertising and product promotion expenses of $555.3 million showed a more than 8% increase over the $513.2 million spent in 1980.

The company had record sales of $3.5 billion, an 11% increase over 1980. Net earnings rose 13% to $305.8 million, following increases of 17% and 14% in 1980 and 1979, respectively.

Bristol-Myers markets more than 1,000 products in 100 countries. Its products are grouped into four industry segments: Toiletries and beauty aids, nonprescription healthcare, household, pharmaceutical and medical products. All four segments posted sales and earnings gains last year. The pharmaceutical and medical segment is the company's largest and most profitable segment and contributed 37% of total sales in 1981, with a 13% sales gain. Pharmaceutical, nutritional and medical product sales have been growing at a faster clip than consumer products. The toiletries and beauty aid business segment comprised 25% of the company's total 1981 sales. Sales and operating profit for nonprescription healthcare products were 18% higher last year, and household product sales were up 8%.

For the first half of 1982, worldwide sales were $1.76 billion, a 3% gain over 1981's opening six months. Net earnings meanwhile increased 16% to $160.5 million.

Bristol-Myers is the leading seller in the growing domestic nonprescription drug market, where its sales constitute a 9% share of the total market. Last year's 18% gain in nonprescription health product sales produced a yearend sales volume of $888.7 million. The operating profit margin, meanwhile, topped 19% for the third straight year.

To hold onto the eye-popping sales gains its Comtrex multisymptom cold remedy has chalked up since its debut in 1978, the company boosted spending for the line by at least $3 million, according to measured media figures. The measured media total of $14.7 million is up from 1980's $11.8 million, and is double what it was the year before. The Comtrex line expanded with the introduction of Comtrex Nighttime cold medicine, which received $2.6 million in measured support, with $2.4 million spent on tv. A Maximum Strength Comtrex Nighttime formula is also now on the market. An aggressive door-to-door sampling campaign for Comtrex in the Albany market, aimed at fighting off some newly introduced competition there, drew some criticism during the year.

The company also tested Extra D/M high potency multisymptom cold remedy in North Carolina test markets.

Extra Strength Bufferin was introduced last year, and was

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Top 25 outdoor advertisers

Rank	Advertiser	Expenditures 1981	1980
1	R. J. Reynolds Industries	$50,253,900	$42,563,200
2	Philip Morris Inc.	41,809,000	31,491,200
3	B.A.T. Industries PLC	27,793,200	26,169,300
4	Loews Corp.	25,041,000	21,676,100
5	Seagram Co. Ltd.	13,445,700	11,652,000
6	American Brands	10,086,000	10,787,700
7	National Distillers & Chemical Corp.	7,373,000	5,931,900
8	Hiram Walker Resources Ltd.	7,128,700	5,109,700
9	Heublein Inc.	6,307,500	6,904,700
10	Brown-Forman Distillers Corp.	6,226,600	5,578,900
11	General Motors Corp.	3,809,000	7,972,200
12	McDonald's Corp.	3,682,800	3,185,100
13	Rapid-American Corp.	3,432,000	3,161,400
14	Coca-Cola Co.	2,878,000	3,035,400
15	Liggett Group	2,874,300	2,037,400
16	Norton Simon Inc.	2,510,100	2,254,600
17	Eastern Air Lines	2,403,700	1,910,700
18	Jos. E. Schlitz Brewing Co.	2,328,400	387,400
19	Beatrice Foods Co.	2,149,100	123,300
20	Holiday Inns	2,126,800	2,031,100
21	Nippon Gakki Co. Ltd.	2,089,500	982,700
22	Anheuser-Busch Cos.	2,058,600	1,311,400
23	Bacardi Imports	2,009,000	1,592,900
24	Schering-Plough Corp.	1,816,800	1,388,300
25	Toyota Motor Sales	1,775,100	1,542,500

Source: Leading National Advertisers, in cooperation with the Institute of Outdoor Advertisers and the Outdoor Advertising Assn. of America.

backed with $10 million in measured media spending. Of that, $8.7 million of it went to tv, and $1.4 million was spent in magazines, using the campaign theme: "The pain stops here." Extra Strength Excedrin got a five-fold measured media spending increase last year, and went from $3.3 million of measured support in 1980 to $15.7 million last year. About $14.1 million was spent in tv and $1.6 million in magazines. Excedrin PM, meanwhile, received $2.8 million in measured support. Total Excedrin sales amount to roughly 7% or 8% of the U.S. analgesic market. Congespirin received $1.7 million in measured support, and 4-Way nasal spray received over $2.2 million.

In the deodorant category, market leader Ban Roll-On received $8.5 million in measured support last year, up from 1980. A new Extra Strength Ultra-Ban was introduced and was backed with an $8 million campaign.

To help its major products get off to a solid 1982 start, Bristol-Myers set aside $10 million of this year's national ad budget for distribution to retailers for local tv and radio buys during the first half of the year. The money was distributed according to the amount of products the retailers purchased during 1981's closing six months.

Hemcare, a contender in the $90 million a year hemorrhoid remedy market, was tested in southeastern U.S. cities last year. The company has been trying to get into this market since 1975, when it tested what was then called Hemtrex. It was withdrawn and later reappeared in test markets in 1980.

Clairol is the dominant marketing force in the haircoloring market and its sales add up to an estimated 60% of that market's total sales. Leading products are Nice 'n Easy, which has about a 16% market share; Loving Care, which has a 13% share; and Clairesse, with about a 5% share. According to Clairol executives, Nice 'n Easy and Loving Care sales in 1981 were well ahead of 1980 sales. Final Net, meanwhile, continued to hold down its position as the leading hair fixative.

Clairol's most heavily advertised products, according to the measured media figures were: Nice 'n Easy, which got nearly $7.3 million in ad support (including $5.2 million in tv, with the remainder going to magazine and newspaper supplement support; Clairol Loving Care, which got $6.7 million; Clairol Final Net, $6.7 million; the Clairol conditioner line, backed by over $6 million in spending; Clairesse, $4 million; Miss Clairol color shampoo, which got $3.8 million in tv support; Miss Clairol with color hold, which got $1.6 million in magazine support, and Clairol Frost and Tip haircare kit, which got $1.3 million.

On the new product front, Kindness Body Wave was introduced to the market in December. A $7 million introductory campaign, featuring $4.2 million in network tv and the rest in women's magazines and newspapers, supported the introduction, along with a refund offer, sweepstakes and couponing.

Clairol's ad campaign for Body on Tap shampoo, which focused on comparisons with Sassoon shampoo, got Clairol involved in litigation, and the campaign was eventually discontinued.

As a group, Clairol beauty appliances got a total of $1.4 million in measured media ad support last year. The Clairol Foot Fixer Massager topped $1 million in measured spending but that was a loss from 1980, when it was supported with a budget of nearly $1.4 million. Clairol Kindness hairsetter received approximately $1 million. The division launched several high-tech appliances in 1981, including the Clairol Custom CareSetter, featuring smooth surfaced rollers; the Clairol SST Electronic hair dryer, and the Clairol Kindness Quartz hair dryer, for curly hair.

The company's household products, marketed through the Drackett division, include Windex glass cleaner, Drano drain opener, Vanish bowl care product, Behold and Endust furniture care products, Renuzit air freshener, and O'Cedar mops and brooms. Windex received $4.9 million in measured media spending last year. Drano liquid received $3.1 million, Drano powder got $1.6 million, and Endust received nearly $2 million.

Drackett's Vanish toilet bowl cleaner suffered a vanishing share of market in the face of introductions by several competitors of chlorine-action cleaners. Ads promoting Vanish as "tough on stains, safe on plumbing," helped turn the tide on the declining market share but embroiled Drackett in legal battles with the competition, which charged Drackett with running a disparagement campaign.

An advocate of self-produced programing, Bristol-Myers was one of the first major advertisers to get involved in syndicated tv, sponsoring a variety of syndicated shows in the last decade. The longest running of them is the "In Search of" series, which it uses as a network and spot tv supplement for its major brands. Just as it views syndicated tv as a supplementary ad vehicle, it increasingly is viewing cable tv.

The major cable event was a 10-year, $40 million deal with the USA Network to produce and sponsor the "Alive and Well" health, beauty and life style show, aimed at the women's market. Another major cable deal was a six-figure buy on the ESPN all-sports network. That buy, for Vitalis, for the final commercial break on more than 200 collegiate sports telecasts, also includes options that could see more than $2 million in Vitalis ad money going to ESPN in the next few years.

Other cable ventures include sponsorship of a monthly movie on WTBS, and two-minute medical news bulletins on the Cable News Network. Bristol-Myers executives view cable as a vehicle to promote promising products not heavily advertised, an experimental forum where they can test commercial lengths and patterns, and a vehicle to provide supplementary ad exposure for major brands. With its increased cable tv involvement last year, Bristol-Myers now reaches about 75% of the more than 20 million cabled households in the country.

Internationally, Bristol-Myers markets its pharmaceutical, nutritional and consumer products through its international division and through subsidiaries and distributors. Antibiotics, cardiovascular and anti-cancer products are its major product categories. The major consumer product markets are Europe, Latin America, Australia and Asia, where the important brands include Nice 'n Easy and Miss Clairol haircolorings and Mum deodorants, Clairol Herbal Essence and Body On Tap shampoos. Mum 21, a fragranced deodorant spray, is reportedly doing well in several European, Latin American and Asian countries.

The company's Zimmer USA division is a leader in the biomedical implant field and manufactures and distributes orthopedic, surgical, patient care and hospital products. It had a record sales year, with significant increases in the sales of total knee and hip prosthesis. Several innovative new products were introduced, including a voice prosthesis. Zimmer is also entering diagnostics with an arthroscopy system for visualization of joint surfaces inside the body.

Bristol-Myers is also a major force in the dental products market. Its Unitek division manufactures and markets a wide range of products for orthodontists, endodontists, and other dental specialties, as well as for general dentists and dental laboratories. Professional Positioners Inc., a domestic subsidiary of Unitek, manufactures custom-made positioners and retainers for orthodontists. The Pelton & Crane division, meanwhile, is a designer and marketer of a range of dental products, but is best known for its dental chairs, autoclave sterilizers and operating lights.

Early in 1982, a new science and technology division was formed. The unit includes the industrial division.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,489,100	$2,631,400
Magazines	23,646,500	18,386,700
Spot tv	11,636,300	21,037,700
Network tv	109,983,900	106,061,100
Spot radio	4,397,000	2,683,100
Outdoor	221,000	216,300
Total measured	151,504,700	150,996,300
Unmeasured	48,495,300	45,290,100
Estimated total	200,000,000	196,286,400

CORPORATE MARKETING PERSONNEL

Marvin Koslow, vp-mktg services
Harry Levine, vp-corp communications
Robert L. Turner, director-adv services
Richard J. Glosman, director-media & programing services
Santo A. Critelli, director-Boclaro
Marion A. Klein, director-corp rsch services
William Liptack, Leo Hoffman, Alan Yoblon, assoc directors, Boclaro

BRISTOL-MYERS PRODUCTS DIVISION

MARKETING PERSONNEL

Frank K. Mayers, president
Joseph G. Kelnberger, exec vp
Robert P. Viarengo, senior vp
John J. Sheedy, vp-mktg
Nicholas Cannistraro, vp-mktg-analgesics
Peter J. Spengler, vp-adv serv
Mark S. Rothman, group director-deodorant/antiperspirants
John B. Carles, group director-haircare
Joseph J. Morano, vp-sales promo/merch
Walter R. McCurdy, vp-sales
Peter D. Orahovats, vp-scientific
Melvin D. Harbinger, mkt rsch director
Leonard Chavki, vp-mkt devel

ADVERTISING AGENCIES

Grey Advertising, New York—4-Way nasal spray, Congespirin cold tablets, liquid and cough syrup for children—Art Rosen, senior vp; John Grace, vp.

Laurence, Charles & Free, New York—Ban line, Ultra Ban line, Comtrex, Ammens, Bufferin, Arthritis Strength Bufferin—Martin Smith, exec vp; Bonnie Piven, senior vp; Al Magnane, acct super; Al Evans, senior vp.

Doyle Dane Bernbach, New York—Tickle—John Leonard, group senior vp; Rein Luik, senior vp, mgmt super.

Kenyon & Eckhardt, New York—Excedrin, Excedrin PM—John Horne, senior vp, mgmt rep; James Heekin, vp, mgmt super.

Polykoff Advertising, New York—Body On Tap—Shirley Polykoff, president.

Lois, Pitts, Gershon, New York—Vitalis line—Patrick Dolan, vp, mgmt super; George Lois, chairman-creative director.

CLAIROL PRODUCTS DIVISION

MARKETING PERSONNEL

John W. Melton, president
Robert Oppenheim, president-Clairol salon div
David N. Ruckert, vp-mktg-HC&T div
Harold T. McMenamin, vp-mkt services-HC&T div
Mary Grace Hannon, director-mktg planning & rsch dept
Thomas L. Hogan, senior director-adv devel-HC&T div
William R. Jones, director-materials mgmt
Jack Shor, vp-pr
Mel Josephs, director-mktg-Salon div

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—Final Net, Nice 'N Easy, Sea Breeze, Small Miracle, Happiness, Power Pal—Milt Harkrader, senior vp, mgmt super; Dean Proctor, vp, director sales merch.

Foote, Cone & Belding, New York—Born Beautiful, Frost & Tip, Herbal Essence, Loving Care, Miss Clairol, Silk & Silver, I Like My Gray—Alan Klein, senior vp, group mgmt super; Joe Froschi, vp, mgmt super; Danny Khosravani, acct super.

Kenyon & Eckhardt, New York—Condition*, Condition* shampoo, Condition* II—Jim Heekin, vp-mgmt super, Tom Lentz, acct super; Lana McCalley, acct exec.

Wyse Advertising, New York—Clairesse—Lois Wyse, president ; Gary Bower, vp, acct super; Robert Grossman, acct exec.

CLAIROL APPLIANCE DIVISION

MARKETING PERSONNEL

C. Benjamin Brooks, president
Peter J. Spengler, senior vp
Thomas C. Comella, vp-sales
Ben S. DeYoung, vp-prod mgmt
Wilford A. Smith, mktg director
John A. Piazza, mktg director
Robert W. Sigman, director-sales promo

ADVERTISING AGENCIES

Foote, Cone & Belding, New York—Foot-care, hairdryers, hairsetters, curling irons/brushes, Skinvention, div adv—Jeffrey Fine, group mgmt super; Charles Evans, mgmt super; Marilyn Fidler, acct super; Linda Lustig, acct exec.

Calet, Hirsch, Kurnit & Spector, New York—Kindness Quartz Dryer, SST Electronic Hairdryer—Colin Probert, senior vp, mgmt super; John Stranger, acct super; Jill Wasack, acct exec.

BRISTOL LABORATORIES

MARKETING PERSONNEL

Julius L. Pericola, president
Gary P. Gibson, vp-mktg
Marvin C. Lemons, vp-sales
Alan R. Fox, group director-prod mktg
James E. Rurka, group director-prod mktg
Stephan R. Brennan, director-promo group
J.J. McAuliffe, vp-vet operations

ADVERTISING AGENCY

Sieber & McIntyre, Chicago—Tegopen, Salutensin, Stadol, Prostaphlin, Blenoxane, Mexate, Mutamycin, Platinol, CPE division—Fred Fitzsimmons, Steve Freeman, mgmt supers; Mike Swidler, Terry Lee, Donna Small, acct supers; Linda Basnik, Tam Deplewski, acct coordinators.

WESTWOOD PHARMACEUTICALS

MARKETING PERSONNEL

Wilfred J. Larson, president
Jeffrey B. Marsch, vp-mktg
William K. Seiler, vp-sales
Michael N. Kohos, group prod director
Thomas L. Rigsby, group prod director
Elizabeth P. Brown, mgr-ad/promo services

ADVERTISING AGENCY

Frank J. Corbett Inc., Chicago—Alpha Keri, Desquam-X, Eurax, Fostex, Sebulex, Keri lotion, Staticin, PreSun, Westcort, pharmaceuticals to physicians—John Burns, acct super.

PELTON & CRANE

MARKETING PERSONNEL

Kenneth R. Ferguson Jr., president
James L. Smith, mgr-mktg services

ZIMMER USA

MARKETING PERSONNEL

Thomas H. Hughes, president
Phillip K. Cornett, vp-mktg
Jane Norton, director-mktg services
Steve Herndon, director-prod mgmt
Jack Hetler, director-sales

BRISTOL-MYERS CO. INTERNATIONAL DIVISION

MARKETING PERSONNEL

Flavio Tomassini, president

DRACKETT
MARKETING PERSONNEL
Nicholas M. Evans, president
J.R. Hughes, senior vp-mktg
William Flatley, vp-mktg
Peter Flatow, vp-new prod
Winston Weber, vp-sales
R. Fay Uhlmansiek, director-ad services
ADVERTISING AGENCIES
Daniel & Charles New York—Mr. Muscle, Endust, Nutrament Line, new prods—Martin Smith, Al Evans, mgmt supers.

Grey Advertising, New York—Windex, Behold, Drano—Art Rosen, mgmt super; Dave Amedure, acct exec.

Jordan, Case & McGrath, New York—Miracle White, Renuzit line, new prods—Jack Taylor, exec vp; Niel Tergesen, mgmt super.

Kenyon & Eckhardt, New York—Vanishline—Jim Heekin, mgmt super; Nina Dansky, acct super.

Wilk/Brichta, Chicago—O-Cedar line—Art Wilk, president; Richard Kaplan, acct super.

MEAD JOHNSON & CO.
MARKETING PERSONNEL
Wayne A. Davidson, president, Mead Johnson—nutritional div
W. Richard Kern, president
Winthrop W. Hamilton, vp-nutritional mktg
Donald E. Leslie, vp-mktg services
Phil Wescott, ad director, Mead Johnson pharmaceutical div
Donald G. Harris, president
Fred M. Brubaker, vp-pharmaceutical mktg
Kenneth J. Quakkelaar, vp-mktg services
James R. Garvey, ad director
ADVERTISING AGENCIES
Robert A. Becker Inc., New York—Pharmaceutical prods—Raymond Perry, acct super.

Sudler & Hennessey, Chicago—Pharmaceutical prods—James Robinson, acct super.

Sieber & McIntyre, Chicago—Nutritional prods—Steve Freeman, acct super.

Lee King & Partners, Chicago—Nutritional prods.

Brown-Forman Distillers Corp.

	1981	1980
Sales*	$860,556,000	$768,772,000
Earnings*	86,771,000	67,249,000
Advertising**	78,000,000	65,000,000

*Fiscal year ends April 30
**AA Estimate

Brown-Forman Distillers Corp., Louisville, Ky., the 70th largest national advertiser, increased its advertising to an estimated $78 million in calendar year 1981, some 20% higher than the $65 million spent in the previous year. Ad spending, furthermore, is expected to continue its climb, with the company set to invest $300 million in advertising over the next three years.

Brown-Forman's sales for the 1982 fiscal year were up 11.9% to $860.6 million, compared with fiscal 1981 sales of $768.8 million. Earnings rose 29% in fiscal 1982 to $86.8 from $67.2 a year earlier. It was the 24th consecutive year of increased sales.

Of the $78 million spent on advertising in 1981, which is charted on a calendar basis, $37.9 was for measured media, a 20.3% increase from a year earlier. There was a heavy increase in spot television, with $7.9 spent in 1981 compared with $3.6 in 1980. Spending increased for newspaper, magazine and outdoor advertising and decreased for network television. Spot radio was added to the media list in 1981 with an expenditure of $176,500.

According to Leading National Advertisers, Brown-Forman's most heavily advertised products were Canadian Mist Canadian whisky, $6.97 million, down from $7.5 million; Bolla Italian wines at $5.56 million up from $4.7 million; Cella Italian wines at $6.5 million, up from $4.4 million; Jack Daniel's Tennessee whisky, $4.49 million, up from $3.5 million, and Southern Comfort liqueur at $4.6 million.

Jack Daniel's Tennessee whisky continues to be the company's flagship brand, with Jack Daniel's Black Label worldwide depletions (sales from wholesale to retail) reaching 4 million nine-litre cases.

The Jack Daniel Distillery itself again provided the imagery and focus for advertising and promotional efforts as it has for more than a quarter of a century. Included on the National Register of Historic Places of the Department of the Interior, the distillery, located in the foothills of the Cumberland Mountains in Lynchburg, Tenn., is a top tourist attraction. Routine happenings in Lynchburg are highlighted in the brand's magazine ads which, through "candid" black-and-white photography and home-spun copy, have become a Jack Daniel's trademark and classic example of consistency in marketing communication strategy.

Impact, the wine and spirits newsletter, calls Jack Daniel's "the distilled spirits industry's most dynamic growth brand," predicting the brand will be America's No. 5 brand in sales by 1985. It was No. 31 10 years ago.

In 1970 Jack Daniel's held a 2% share of the American bourbon market. Its share in 1981 was 13%. The winner of *Impact's* 1980 Brand Performance Index for the decade was Jack Daniel's Black Label.

Advertising for Jack Daniel's shifted in the 1970s from newspapers to newsweeklies and publications like *Esquire, Harper's, Atlantic, The New Yorker* and *Sports Illustrated*. Research showed the brand was popular among college-educated 21-to-35-year-old males, a group the company believed was not reached efficiently via newspaper ads. The company advertised Jack Daniel's in 28 magazines in 1977; the list grew to 48 in 1981.

Recognizing a potential market with upscale working women, Jack Daniel's has been one of the first liquor brands to run ads in *Ms., Working Woman, Self* and *Savvy*.

Depletions of Early Times Kentucky bourbon fell 2% in fiscal 1982 to 2 million cases. However, in each of the last three quarters, depletions exceeded those of comparable quarters in the previous fiscal year. The Early Times label has been redesigned and will appear in the fall along with a new theme: "There are no better times than these."

Wholesale to retail sales of Old Forester Kentucky Bourbon, the company's original brand, were off sharply to 600,000 cases. The trend among consumers seems to be away from traditional premium-price bourbons. Old Forester unveiled its first campaign targeted exclusively to the black market during fiscal 1982 with the theme line: "Old Forester. The real taste."

Based on industry data for the top 20 spirit brands, Brown-Forman's leading imported spirit, Canadian Mist Canadian whisky, recorded the second-largest gain in domestic case depletions in calendar 1981, exceeded only by Jack Daniel's. Depletions climbed to 3.5 million cases in fiscal 1982.

According to *Impact*, Canadian Mist holds a commanding position in the bulk-Canadian market segment. In 1981, the brand held a 14% category share, up from 5% in 1970. One of Brown-Forman's most heavily advertised brands, Canadian Mist, ranks as one of the largest outdoor advertisers in the country. The brand's advertising to blacks, which urges consumers to go "Misting," has remained relatively unchanged since 1974. Recently, Canadian Mist has placed increased emphasis on mail-order programs featuring discounted brand premiums ranging from a "Misting" jumpsuit to a scale model of the de-Havilland Beaver, a bush plane produced in the 1950s that still serves rugged northern areas today.

Depletions of Usher's Scotch, the company's second-largest imported spirit, fell by 4% in fiscal 1982 to 500,000 cases as the result of price increases which Brown-Forman says were necessary because of higher supplier prices. Because the value of the U.S. dollar against the British pound improved earlier this year, Brown-Forman was able to reduce prices, a move which the company hopes will considerably strengthen Usher's competitive position.

Worldwide depletions of Southern Comfort fell slightly in fiscal 1982 to 1.8 million cases, although domestic depletions picked up noticeably after the first quarter. Credited with the increase were new general and black marketing campaigns stressing mixability, occasions for usage and the position that "Everyone needs a little Comfort."

Cella Italian wines, the company's largest-selling wine brand, continued to outpace the rapidly expanding market for imported wines as depletions rose 16% to 2.9 million cases. The brand was heavily supported in fiscal 1982 with increased use of tv advertising centered primarily on its popular spokesman, Aldo Cella. A new public relations campaign included a tour of several cities by Aldo Cella highlighted by his appearance on the nationally syndicated "Mike Douglas Show" and the "Today Show."

Bolla's position as the leading premium imported wine in the U.S. was reinforced in fiscal 1982 with one of the largest advertising budgets of any wine brand.

The Bolla sales message was seen and heard on network and cable tv, national consumer magazines, and national and local press. Bolla continues to associate with the affluent life style by sponsoring events such as Louisville's Bolla Hardscuffle Steeplechase and the Bolla Young Artist Series. More recently, the brand was one of the sponsors of the prestigious Wimbledon tennis tournament.

Martell Cognacs remains one of the biggest sellers in the rapidly growing U.S. cognac market.

The brand is aggressively seeking further sales expansion with individual marketing campaigns aimed at general, black and Hispanic markets.

The Korbel line of California champagnes and brandy grew 2% in fiscal 1982 to 930,000 cases. Korbel introduced a new and already critically acclaimed Blanc de blancs champagne in October.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,862,800	$2,736,900
Magazines	17,065,400	14,599,700
Spot tv	7,917,700	3,550,900
Network tv	3,893,600	3,000,500
Outdoor	6,226,600	5,578,900
Total measured	37,942,400	31,466,900
Unmeasured	40,057,600	33,533,100
Estimated total	78,000,000	65,000,000

MARKETING PERSONNEL
B-F Spirits Ltd.
William M. Street, chairman
Daniel E. Schusterman, president
Kenneth W. Wright, exec vp-exec director of brand mgmt.
Charles J. (Jack) Davis, exec vp-exec sales director
Jos. Garneau Co.
William R. Carroll, board chairman
Henry J. (Hank) Wasiak, president
Ray Dryden, senior vp-director brand mgmt.
Joseph E. Herpin Jr, senior vp-exec director sales
Jack Daniel Distillery
Martin S. Brown, president and ceo
Arthur S. Hancock, exec vp-adv and finance
David J. Mahanes, exec vp-sales
Hans L. (Lefty) Stern, vp-director prod devel
Brown-Forman International Ltd.
Robert G. O'Brien, president
William A. Blue, senior vp-mktg
ADVERTISING AGENCIES
Advancers, St. Louis—Jack Daniel's and Korbel (media planning)—Don Stork.

Ted Bates Advertising, New York—Bolla wines, Old Bushmills Irish whisky—Larry Light, acct director; Mark Morris, mgmt rep, Scott Messinger, acct super.

Benton & Bowles, New York—Cella Imported Wines, Martell—Tom Carey, acct director, Peter Green, mgmt rep; Pat Porter, acct super.

BFV&L, St. Louis—Korbel/California champagnes and brandy—Mark Lashley, mgmt super.

Burrell Advertising, Chicago—Gene Morris, mgmt super, Julius Jones, acct super.

Gardner Advertising, St. Louis—Jack Daniel's (creative)—Charlie Haines, mgmt super; Pete Rozell, acct super.

McCann-Erickson, Louisville/New York—Canadian Mist, Early Times, Southern Comfort—John R. Anderson, mgmt rep (all); David K. Edwards, acct super (Canadian Mist); Janita Gaulzetti, acct exec (Canadian Mist); Dana Ferguson, senior acct exec (Early Times); Don Grignon, acct super (Southern Comfort); David Edelberg, acct exec (Southern Comfort).

Tatham-Laird & Kudner, Chicago—Korbel California champagnes and brandies, Tom McDonald, mgmt super.

CBS Inc.

	1981	1980
Sales	$4,125,954,000	$4,062,052,000
Earnings	163,811,000	189,708,000
Advertising	134,010,000	132,372,000

CBS Inc., New York, the country's 46th largest advertiser, raised its advertising expenditures 1% in 1981 to $134 million. In 1980 the company spent $132 million.

CBS measured media spending rose in only two categories: Newspaper and spot radio. All others—magazine, spot tv, network tv, network radio and outdoor—showed substantial declines.

In 1981, CBS revenues rose by 3% to $4.13 billion, but net income fell 14% to $163.8 million, a figure that reflected discontinuation of CBS' mass-market paperback operations. Income from continuing operations in 1981, however, was only slightly lower than in 1980.

Foreign revenues decreased 4% to $719.1 million. Profits on those sales rose 7% to $88.9 million. Domestic earnings decreased 11% on a revenue gain of 5%.

The company reports that the 1981 performance was shaped by three general factors: A recessionary economy, structural changes in certain aspects of CBS' business and ambitious efforts at new business development.

In the first half of 1982, CBS net income showed an 8% decline to $58.3 million from $63.6 million a year ago. Revenue increased 4% to $2.04 billion from $1.97 billion in 1981. The company said it was "satisfied" with these results, given the generally poor economic climate that prevailed.

The CBS/Broadcast Group, the largest and most profitable operation of the company, reported a rise in profits of 21% to $299.6 million. Its performance more than compensated for the difficulties faced by CBS/Records, Columbia and Publishing groups. The second-highest source of revenue was the CBS/Records Group, which contributed $48.6 million on revenues of $1.2 billion. Operating profits for the CBS/Columbia group decreased from $16.6 million to $4.5 million. Operating profits for the CBS/Publishing group decreased from $43.2 million to $41.8 million on a 5% revenue gain.

The company also made some major advances in the new communications technologies—in cable, in teletext and videotex and in home video.

CBS announced plans for a videotex trial in partnership with AT&T. It also received permission from the FCC to purchase a cable system with fewer than 90,000 subscribers to test new technology such as teletext and videotex.

Late in 1981, CBS launched CBS Cable, an arts and cultural channel, the company's first foray into cable software. Finally, CBS also entered into a joint venture with Twentieth Century-Fox for the promotion of cable programing and home video products.

Last year, the CBS/Broadcast Group had revenues of $1.9 billion, nearly 13% more than the 1980 figure of $1.7 billion. Profits rose by 21% to $299.6 million. The group's measured media spending was estimated at $23.4 million, most of which was placed in magazines.

The CBS-TV network continued to be on top of prime time ratings for the second consecutive year. For the first three months of the 1981-82 season eight of the ten most popular regularly scheduled programs on tv were those offered by CBS. These included "Dallas," "M*A*S*H," "Alice," "The Jeffersons," "One Day at a Time," "The Dukes of Hazzard," "Archie Bunker's Place" and "60

Top 25 farm publication advertisers

Rank	Advertiser	Expenditures 1981	1980
1	Elanco Products Co.	$6,621,400	$4,593,600
2	Monsanto Agricultural Products Co.	5,996,600	5,048,000
3	Ciba-Geigy Corp.	5,484,300	3,629,200
4	Deere & Co.	4,822,600	4,393,500
5	American Cyanamid Co.	4,282,400	4,077,900
6	International Harvester Co.	4,082,500	3,854,800
7	Stauffer Chemical Co.	3,940,100	2,862,400
8	E. I. du Pont de Nemours & Co.	3,105,000	2,352,400
9	Ford Motor Co.	2,920,700	2,579,100
10	Mobay Chemical Corp.	2,743,600	1,586,700
11	Sperry New Holland	2,371,500	2,228,800
12	U.S. Government	2,252,900	751,000
13	Pfizer Inc.	2,232,200	1,596,300
14	Dow Chemical Co.	2,105,700	2,050,500
15	Shell Chemical Co.	1,898,300	1,603,300
16	Upjohn Co.	1,759,400	1,810,800
17	Massey Ferguson Inc.	1,622,600	1,283,000
18	FMC Corp.	1,582,100	1,864,700
19	Northrup King Co.	1,483,700	1,305,000
20	Union Carbide Corp.	1,477,100	1,582,900
21	Mobil Corp.	1,454,000	1,925,500
22	Allis-Chalmers Corp.	1,442,000	1,225,400
23	Diamond Shamrock Corp.	1,435,100	1,051,800
24	DeKalb Agresearch	1,410,100	1,534,500
25	Pioneer Hi-Bred International	1,384,200	1,280,000

Source: Agricultural Marketing Information Service (AGRICOM).

Minutes." The success of the series was complemented by a number of blockbuster movies—"Gone With The Wind," "10" and "Every Which Way But Loose."

It was also a successful year for CBS Sports, which registered a 1.4% audience increase over 1980. Capping the year's sports coverage was Super Bowl XVI. The event, broadcast in January, 1982, attracted 110 million viewers, the largest Super Bowl audience ever.

Most sponsors on the Super Bowl telecast shelled out $345,000 to $350,000 per 30-second spot, but early-bird advertisers such as Ford Motor Co, Anheuser-Busch and Miller Brewing Co. were said to have paid closer to $325,000. The event was the first tv attraction to surpass the $300,000-per 30-second barrier, just as it led the way beyond $250,000.

CBS News continued to have an over-all lead in national news viewership even though on individual weeks it was topped by ABC's revamped news. CBS expanded its faltering "Morning" to 1½ hours and replaced anchor Charles Kuralt with Bill Kurtis and Diane Sawyer.

This year, CBS announced that it plans to air a news and information show for late-night viewers. The broadcast will air from 2 a.m. to 6 a.m. on weekdays. The project's editorial startup costs are estimated at $100 million.

The CBS Radio Network led the industry by broadcasting 13 of the top 20 sponsored programs on network radio. The network has secured rights to broadcast 20 NCAA basketball games in 1982 and 1983, and its contract to cover baseball's All-Star Game, league championships and the World Series was extended through 1983.

To capitalize on the growth trend in network, the division is organizing a new network, RADIORADIO, which will be programed to serve the listening interests of young adults 18 to 34 years of age.

CBS Cable launched its cable program service in October, 1981, to rave reviews but lukewarm advertiser support. The advertiser-supported service is available free on more than 350 cable systems as a basic service and reaches nearly 5 million homes.

CBS Cable has presented such programs as "Early Days," starring Sir Ralph Richardson, "Sizwe Banzi is Dead," with John Kani and Winston Ntshona from the original Broadway production, and "Macbeth" starring Ian McKellen. There has also been dance and music featured on CBS Cable. To promote CBS Cable, the company spent $189,500 in magazines.

In February, 1982, CBS announced that it had agreed to purchase an 18,000-subscriber cable television system in the Dallas-Fort Worth area from Black Hawk Cable Communications Co, a unit of American Family Corp. The price was given as $14 million. In a year of major difficulties for the record industry, CBS/Records Group followed suit. Revenues declined to $1.22 billion in 1981 from the $1.34 billion of the previous year and earnings dropped to $48.6 million from $63.7 million. The measured media spending of the group was placed at $20 million. While much of this was in magazine, extensive use was also made of newspaper supplements. Of the $16.7 million spent by the Columbia Record & Tape Club, $6.4 million was placed in magazines and $9.2 million in newspaper supplements.

In spite of the recessionary climate, a number of CBS Records artists did exceedingly well. REO Speedwagon's "Hi Infidelity" topped the album charts for months and sold nearly 6 million copies in records and tapes. Also successful were albums by Journey, Billy Joel, Pink Floyd, Willie Nelson, The Manhattans, Kenny Loggins, George Jones and Bob James and Earl Klugh.

Another way that the division tried to cope with difficult market conditions was to drop its retail list price designation for its records and tapes. The division closed its Santa Maria, Cal., record pressing plant in October, and shifted a substantial amount of recording activity to its new Carrollton, Ga., facility, which incorporates videodisc pressing and audiocassette manufacturing.

In April, 1982, CBS took an innovative record marketing step when it began releasing 45s without a flip side. The company announced that it hoped that one-sided singles will save it money by halving artist and songwriter copyright royalties and will be more attractive to consumers by costing less. The estimated retail price for the one-sided singles will be $1.

The CBS Video Enterprises division of the Records Group took some major steps in the building of new business. For the division, prerecorded videocassettes provided the bulk of sales, although videodiscs and sales of CBS-produced programs were beginning to grow in importance.

The division continued its association with MGM Films in the joint marketing of a wide range of films, musical entertainment and historical programs to home video consumers.

Early in 1982, however, MGM Films announced that it would terminate its joint venture with CBS and strike out on its own. A company spokesman said the company believed that the new entity, the MGM/UA home entertainment group, would be more successful in exploiting its vast library of movies and other entertainment material.

In 1980, the company's Columbia House division was transferred to the CBS Records Group and restructured to focus primarily upon the direct marketing of audio and video home entertainment products. The division reports that it had a major turnaround and made a profit.

All three divisions of the CBS/Columbia Group—Musical Instruments, Gabriel Industries and Specialty Stores (primarily Pacific Stereo)—experienced difficulties because of the economy. Revenues declined for a second consecutive year to $419.4 million in 1981, and operating income dropped to its lowest in five years to $4.5 million. The majority of the revenue and earnings decline came from the Musical Instruments division and this more than offset the other gains. The measured media spending for the whole group was $5.6 million.

The musical instruments division had a particularly difficult year, reports CBS, because the business is highly credit-sensitive and retailers had difficulty obtaining financing for consumers' purchases. The strength of the dollar resulted in higher prices for the division's products in export markets and increased the competitive edge of foreign competitors.

The toy division, despite similar problems, fared much better. In fact, Gabriel Industries (CBS' toy division) had its best year in history. Backed by heavy advertising and measured media spending of $4.7 million—the largest amount of spending in the CBS/Columbia Group—the toy division maintained the sales pace of earlier years. This year, it plans to expand its product line and add various new electronic items.

The CBS/Publishing Group had modest revenues growth of $23.1 million to $510.9 million. Earnings declined to $41.8 million—down $1.4 million from 1980. The profit decline was attributed to the losses incurred by Doin Editeurs, a small French publishing company, and the film portion of BFA Educational Media. Also, the Fawcett magazine subscription fulfillment operation was closed.

Most of the division's strength came from its educational and professional publishing division, especially the publication of college textbooks. However, school sales were hurt by tight funding and delayed book purchasing by many school systems.

The CBS consumer publishing division, which publishes nine major magazines, some 40 newsstand specials and a Sunday newspaper magazine, experienced increased revenues and a slight increase in profits. *Woman's Day* increased its advertising rates and cover price in 1981, but could not build on its spectacular 1980 gains. Other magazines, including *Field & Stream* and *Mechanix Illustrated*, also increased circulation and advertising revenues in 1981, as did some of the special-interest magazines, among them *American Photographer*.

The division's Sunday newspaper magazine, *Family Weekly*, achieved all-time highs in 1981 in both circulation and advertising revenues. The magazine is distributed in 356 daily newspapers and is read by more than 27 million adults.

Last year, CBS created its Theatrical films group for the production and distribution of feature films for theatrical exhibition and licensing them for use by other media such as cable and subscription tv. The division's first production, "Back Roads," was moderately successful, and its second, "The Challenge," directed by John Frankenheimer, was recently released. "Table for Five," with Jon Voight, is in production.

CBS has made a commitment to develop and introduce new technologies in the various aspects of its business. Its joint venture with AT&T for the videotex test is proof of that intent. The company has also become a strong advocate of high definition television—a technology that allows vastly improved resolution of the tv image. The CBS Technology Center is developing techniques for transmitting the associated high-information signals within minimum frequency space, the key to making high definition tv feasible for broadcast.

Early this year, CBS announced a number of acquisition and joint venture plans. It announced that it will purchase Ideal Toy Corp. for $58 million. Thomas M. Kirwan, president of CBS' Columbia Group, described the proposed acquisition as a perfect complement to existing toy lines. Ideal has a strong distribution network in France, England, West Germany, Canada, Hong Kong and Australia, and CBS expects to link up with this network for its Gabriel toy lines. In addition, Ideal has a 1 million sq. ft. manufacturing facility in New Jersey that might help alleviate some of CBS' need for additional manufacturing space.

CBS also announced plans to acquire *Cuisine*, a gourmet food monthly, from Cuisine Magazine Inc., a unit of Forum Communications, Santa Barbara, Cal.

The company also signed an exclusive four-year licensing agreement with Bally Mfg. through which CBS will manufacture and market home video cartridge versions of Bally's coin-operated arcade games. Initially, CBS plans to market cartridges that are compatible with Atari and Intellivision.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$15,822,600	$14,969,100
Magazines	29,653,000	29,853,200
Spot tv	6,988,600	8,748,800
Network tv	1,990,000	5,200,600
Spot radio	145,000	131,900
Network radio	3,360,300	3,445,100
Outdoor	990,200	1,168,800
Total measured	57,647,500	63,495,500
Unmeasured	76,362,500	68,876,500
Estimated total	134,010,000	132,372,000

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$36,619,000	$34,167,000
Magazines	26,601,000	25,052,000
Business publications	3,437,000	2,895,000
Spot tv	7,516,000	8,810,000
Network tv	2,377,000	3,524,000
Spot radio	13,088,000	14,499,000
Network radio	2,056,000	1,743,000
Point-of-purchase	7,302,000	6,561,000
Direct mail	11,794,000	14,400,000
Outdoor/transit	2,940,000	1,704,000
Other	3,303,000	7,975,000
Broadcast & print production	17,177,000	11,143,000
Total	134,010,000	132,372,000

*Figures provided by company

CBS INC.
MARKETING PERSONNEL

Louis Dorfsman, vp-creative director, adv/design
Warren Spellman, vp-media services
James Shumaker, director-operations/admin
Maureen O'Donnell, director-media services
Naomi Andrews, copy chief
Paul Rosenthal, mgr, adv operations
Ted Andreasakes, senior art director
Robert Bolton, mgr, adv operations
Ira Teichberg, director, design services

CBS/BROADCAST GROUP
MARKETING PERSONNEL

George Schweitzer, vp-communications
David Poltrack, vp-rsch
Lynne Grasz, director-communications

CBS TELEVISION NETWORK
MARKETING PERSONNEL

Paul Isaacson, vp-sales
William Cecil, vp-sales planning
John Gray, vp-natl sales mgr

CBS CABLE
MARKETING PERSONNEL

James Joyella, vp-sales
Charlotte Schiff Jones, vp-mktg
Jack Heimerdinger, director-adv & promo

CBS ENTERTAINMENT
MARKETING PERSONNEL

Mort Pollack, vp-adv & promo
Herman Aronson, director-operations
Bruce Weiner, director-affiliate adv & promo
David November, director-creative services
Jerry Taylor, director-admin, on-air promo (LA)

Edwin Gish, vp-on-air promo
Jacques Sammes, exec copy chief
Daniel Stern, vp-promo, East Coast

CBS SPORTS
MARKETING PERSONNEL
Neal Pilson, president
Carl Lindemann, vp-asst to president
James Harrington, vp-program planning and admin
Donn O'Brien, vp, director-programing
Kevin O'Malley, exec producer, college sports
James McKenna, vp, director-finance and business planning
Kay Wight, vp-compliance and admin
Craig Foster, vp-business affairs & compliance
Robert Tassie, vp-communication
Keith Johnson, mgr, adv

CBS NEWS
MARKETING PERSONNEL
Ronald Beck, mgr, program services

CBS TELEVISION STATIONS
MARKETING PERSONNEL
Kenneth R. Hall, vp-sales & mktg
Ron Perth, vp-genl mgr, natl sales
Aaron Sheiden, director-communications
Michael Dainard, director-mktg

CBS RADIO
MARKETING PERSONNEL
Michael Ewing, vp-genl mgr, CBS Radio Network
Judson Niver, director-natl sales, CBS Radio Network
Gail Trell Barker, vp-sales & mktg
Suzanne Sack, director-sales promo, CBS Radio Network
Gregory Lincoln, director-mktg, CBS Radio Network
Robert P. Kipperman, vp-genl mgr, RADIORADIO
Simona McGray, director-sales, RADIORADIO
Edward Kiernan, vp-CBS Radio spot sales
Judith Harper, director-promo, CBS Radio spot sales
Eli Kaufman, vp-CBS FM natl sales
Kathleen Seipp, director-mktg, CBS fm group
Susan Garone, mgr, promo, CBS fm national Sales
Thomas Dawson, vp-mktg devel, CBS Radio Networks

CBS THEATRICAL FILMS
MARKETING PERSONNEL
William Self, president
Gabe Sumner, president, distribution
Ian Jessel, vp-intl distrib
Kathryn Linclau, director-worldwide distribution
Leonard Morpurgo, director-intl adv
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—CBS Inc., CBS-TV Network, CBS-TV Stations, CBS News, CBS Radio—Lloyd Highbloom, acct super.
Oglivy & Mather, New York—RADIORADIO—Carl Lockwood, acct super.
Drossman Yustein Clowes, New York—CBS Cable.

CBS/RECORDS GROUP
MARKETING PERSONNEL
Walter Yetnikoff, president
Cornelius F. Keating, senior vp-direct mktg
Robert Altshuler, vp-press and public affairs

CBS RECORDS DIVISION
MARKETING PERSONNEL
Don Dempsey, senior vp-genl mgr, Epic, Portrait and Associated labels
John Berg, vp-packaging art & design
Bob Sherwood, vp-mktg, Columbia label
Arnold Levine, vp-adv & creative services
Albert Shulman, vp-Columbia special prods
Calvin Roberts, senior vp-operations, mktg
Paul Smith, senior vp-genl mgr, mktg
Ron McCarrell, vp-mktg, Epic, Portrait & Associated labels
Linda Barton, vp-adv planning
Michael Stewart, president, CBS Songs

CBS RECORDS INTERNATIONAL
MARKETING PERSONNEL
Allen Davis, president
Art Bruno, vp-operations
Bernice Freidus, vp-creative operations
Donald Williams, vp-intl distrib & warehousing operations
ADVERTISING AGENCY
Young & Rubicam, New York—CBS Records, tv advertising—Morris Baumstein, acct super.

COLUMBIA HOUSE
MARKETING PERSONNEL
Richard Wolter, exec vp
Leon Graham, vp-music mktg
Diane Aronow, vp-club adv & promo
Richard Archer, vp-creative services
Thomas Allen, vp-Vista Marketing
ADVERTISING AGENCY
Wunderman, Ricotta & Kline, New York—Columbia Record & Tape Club, Vista Marketing—Peter Rabae, group acct super.

CBS/COLUMBIA GROUP
MARKETING PERSONNEL
Edmund R. Auer, senior vp-finance & admin
Charles F. Wassem, vp
S. Allen Selby, vp-mktg

CBS MUSICAL INSTRUMENTS
MARKETING PERSONNEL
John McLaren, president

FENDER/ROGERS/-RHODES/SQUIER
MARKETING PERSONNEL
Bill Schultz, president
Roger Balmer, vp-mktg & sales

GEMEINHARDT
MARKETING PERSONNEL
Glenn Holtz, director-mktg

STEINWAY & SONS
MARKETING PERSONNEL
John Steinway, chairman
Lloyd Meyer, president
Robert Dove, vp-mktg

RODGERS ORGAN CO.
MARKETING PERSONNEL
Thod Madsen, director-mktg & sales

GULBRANSEN
MARKETING PERSONNEL
Thomas Zateslo, director-mktg

LYON-HEALY
MARKETING PERSONNEL
M. Ross Brown, president
ADVERTISING AGENCIES
Phelps & Associates—Fender, Rogers, Rhodes, Squier—Joe Phelps.
Bonsib Inc., Fort Wayne, Ind.—Gemeinhardt—Tom Mattern, acct super
Lord, Geller, Federico, Einstin, New York—Steinway—Victor Emmanuel, acct exec.
Denny, Walls, Ross & Wright—Rodgers Organ—Jim Walls
Freeman, Huenink & Zilbert—Gulbransen.

CBS SPECIALITY STORES
MARKETING PERSONNEL
G. Richard Sabbag, president
Armand Philippi, senior vp-mktg
Robert Murphy, director-adv

GABRIEL INDUSTRIES
MARKETING PERSONNEL
Benjamen Ordover, president
Arthur Barnett, vp-mktg
Dan Weiss, vp-sales
Stan Clutton, director-mktg
Rob Warner, director-CBS Video Games
Judith Sussman, director-promo & pr
ADVERTISING AGENCIES
Nadler & Larimer, New York—Gabriel toys and games, Child Guidance toys, Wonder horses, Gym Dandy playground equipment—Chuck Einach, acct super; Alan Blum, Doreen Hyman, acct execs
Cunningham & Walsh, New York—CBS Video Games

CBS EDUCATIONAL & PROFESSIONAL PUBLISHING, HOLT, RINEHART & WINSTON SCHOOL PUBLISHING
MARKETING PERSONNEL
H. James Harre, vp-mktg & sales
Jan Johnson, mgr, direct mktg
Holt, Rinehart & Winston Trade Book
Steven Dorsky, vp-mktg & subsidiary rights
Karen Mender, director-adv, promo & publicity
Leslie Rowe, natl sales mgr
Sally Owen, mgr-adv
Praeger Publishing
Ernie Hursch, director—mktg
Robert Ryan, direct mail coordinator
CBS College Publishing
John Wood, vp-mktg & sales
Lisa Bayard, director-mktg
Deborah Karpak, adv and product info mgr
CBS International Publishing
Richard Pippert, vp
CBS Medical Publishing (WB Saunders)
Niels Buessem, senior vp-mktg
Susan Hunter, director-mktg
Joan Spaulder, director-adv
George Gorman, natl sales mgr, text
William Moritz, natl sales mgr, subscription

CBS CONSUMER PUBLISHING
MARKETING PERSONNEL
Marketing Services
Robert J. Krefting, president
Thomas O. Ryder, vp-genl mgr
Phyllis Crawley, director-communications
Women's Magazine Group
Peter Diamandis, vp & group publisher, and publisher, *Woman's Day*
Don Q. Davidson, vp-assoc publisher, genl mgr/circulation, *Woman's Day*
Jay Burzon, vp & asst publisher/adv, *Woman's Day*
Bonnie Geller, adv & mktg services director, *Woman's Day*
Gordon Burkhard, adv director & assoc publisher, Woman's Day Specials
Leisure Magazine Group
Michael J. O'Neil, vp & group publisher
John Condon, vp & general manager
Arnold Gluskin, adv mktg director
George Winchester, circulation mktg services director
Anne Sutherland, vp & publisher, *Cuisine*
Eugene Bay, vp & publisher, *Field & Stream*
James S. Berrien, adv director, *Field & Stream*
Joseph Kelly, adv director, *Mechanix Illustrated*
Peter Hanson, vp & publisher, *Mechanix Illustrated*
Special Interest Magazine Group
Michael Brennan, vp-genl mgr
Leon Rosenfield, circulation mktg services director
John Brown, adv promo director
Peter Veronis, director, CBS Magazine Network
Richard Bartkus, vp-publisher, *Road & Track, Cycle World*
Jay Butler, publisher, *Audio*
Gary Fisher, publisher, *American Photographer*
James Hansen, assoc publisher, adv director, *Cycle World*
Marlene Jensen, assoc publisher/marketing, *Audio*
Peter McGrath, adv director, *World Tennis*
Cliff Paris, adv director, *Road & Track*
Carol Smith, assoc publisher, adv director, *American Photographer*
Charles M. Stentiford, vp-publisher, *World Tennis*; exec publisher, *Audio*
CBS Magazine Marketing
Robert Alexander, president
Carl Kopf, vp-genl mgr
Dave Hall, mktg director
Charlene Barasch, director, operations & finance
Newspaper Magazine Group
Morton Frank, chairman emeritus
Patrick Linskey, president & group publisher
Jonathan Thompson, vp-genl mgr
Stanley Rosenfeld, vp-mktg director
Gerald S. Wroe, vp-adv director
Patricia Kyle, promo director
ADVERTISING AGENCIES
Young & Rubicam, special markets and New York—Newspaper Magazine Group/*Family Weekly*—Walter Darragh, mgmt super.
Warren/Kremer, New York—*Field & Stream*—Peter Warren, acct super.
Nadler & Larimer, New York—*Woman's Day*—Howard Berg, acct super.
AMS Advertising, New York—*Mechanix Illustrated*—Stanley Pearlman, acct super.
J.R. Navarro & Associates, Los Angeles—*Road & Track, Cycle World*—Mike Navarro, mgmt super; Charles Fox, acct super.
Evan S. Forgelman Inc., New York—*Cuisine*—Sydney Cohn, acct super.
Lois, Pitts, Gershon, New York—CBS Magazine Network.

CPC International

	1981	1980
Sales	$4,343,100,000	$4,120,300,000
Earnings	218,400,000	197,400,000
Advertising*	87,000,000	77,900,000

*AA estimate

CPC International, Englewood, N.J., the 63rd largest advertiser in the U.S., increased its advertising spending 10% in 1981 to 87 million.

The company's North American division, comprising operations in the U.S., Canada and the Caribbean, recorded sales of $1.68 billion, up more than 12% from the previous year. This total accounts for 39% of worldwide sales, 3% more than last year.

For the first six months of 1982, CPC's earnings rose 9.3%, to $98.2 million from the same period last year. First-half 1982 sales were $2.07 billion, down 6.5% from same period a year ago.

International sales rose 5.4% to $4.3 billion, with earnings reaching a new high level for the 10th consecutive year. The company also celebrated its 75th anniversary in 1981.

CPC International, one of the world's 10 largest food companies, is involved primarily in two major business segments: Branded grocery products, which account for 58% of sales, and corn wet milling. Among minor businesses, which account for less than 5% of sales, are those devoted to specialty chemicals and packaging.

CPC continues to pour money into expanding the two major business areas, investing since 1975 about $950 million in construction and upgrading manufacturing facilities in both segments and had marketing expenditures of about $1 billion, primarily in branded grocery products.

A stronger management/financial thrust is being centered in these operations, which company executives claim "have strong market positions."

Marketing costs for CPC International hit the $242 million level in 1981, up from $228 million the previous year. Worldwide advertising alone accounted for close to $178 million in 1981, an 11% hike over 1980.

CPC is the world's largest marketer to retail consumers of dehydrated soups and bouillons, most sold under the Knorr label; of mayonnaise, including Hellmann's; of corn oil, notably Mazola, and of corn starch, such as Argo's. In addition, it is the world's largest corn-wet miller, with that segment constituting 38% of CPC's sales in 1981.

The North American unit, which had almost a 13% rise in sales in 1981, receives 60% of its sales in grocery products.

This division includes Best Foods; S.B. Thomas Inc.; Corn Products and Canada Starch Co.; Peterson/Puritan, the nation's largest contract packager; Acme Resin, which produces resins and resin-coated sands, and the Penick Corp. and Amerchol Corp., both in specialty chemicals.

Early this year CPC sold the Dutch Pantry restaurant subsidiary to Harley Hotels. The sale, officials at CPC say, will have no effect on the company's earnings since Dutch Pantry had accounted for a minute part of its over-all sales.

Best Foods' mayonnaise, sold under the Hellmann's and Best labels, holds 40% of the U.S. market in that category. Measured ad spending for the mayonnaise totaled nearly $9 million, including $5.4 million spent on network tv.

Skippy peanut butter, supported by a $6.7 million ad budget, held 22% of the market. Despite a production cutback forced by a poor peanut harvest, and a resulting 52% price jump, ad schedules continued running as planned.

Toward the end of the year, Skippy sales improved after an abundant peanut harvest allowed a drop in price.

Sales dropped for Karo syrup and Golden Griddle pancake mix, and neither received a measured cent of the $21.4 million network tv advertising budget put forth by the company.

Most of the funds expended for these products were allocated to magazine ads.

A summer, 1981, promotion pushed Mazola as a light oil for dressings on fruits and vegetables. Health benefits also were emphasized and CPC even sponsored a 1,000-meter Mazola Corn Oil Run in Central Park in New York.

Mazola, which continues as the top-selling corn oil, was backed by almost $10 million in measured spending, the largest amount given to any CPC grocery product in 1981.

A years-long aggressive marketing campaign is geared to peddling English muffins produced by CPC's S.B. Thomas unit. Ads have been targeted to women in the 18-to-49 age group. After a sluggish start, sales improved in the second half of 1981 for Thomas' muffins, which reportedly now leads in market shares in most of the country, with expansion to other geographical areas underway.

Measured spending for the muffins totaled $6.7 million, almost all going to spot tv.

CPC North America also produces such items as Rit color dies, Mazola spray starch, Sahara bread, H-O instant oatmeal and Kingsford corn starch.

While 80% of measured spending for U.S. products was divided between network and spot tv, 14% went for magazine ads. Newspapers were given almost twice as much—$1.3 million—as they received in 1980.

Executives at Best Foods have indicated that with the uncertain economy in mind, the company will devote its energies to developing new ideas for its current products instead of emphasizing introduction of new products. David Newstadt was named president of Best Foods in 1981.

Best also is attempting to build up sales in the South and other "weak" spots.

Activity in the corn wet milling operations, where sales were up 16.5% in the North American division, included expansion of facilities.

Plants in Stockton, Cal., and Winston-Salem, N.C., were completed, and the Argo, Ill., plant was expanded in size.

The Pekin, Ill., plant was sold to Pekin Energy Co. for a fuel-grade ethanol project in conjunction with Texaco.

Just recently, CPC International and six other corn refiners settled a suit brought in 1980 by the U.S. government.

The settlement prohibits the defendants for 10 years from entering into pacts to fix prices, or from exchanging price information.

In the future, CPC officials expect a continuation of sales progress, and marketing expenditures are scheduled to reach $275 million in 1982.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,317,100	$ 676,700
Magazines	6,633,200	5,169,100

Spot tv	13,079,500	12,102,200
Network tv	21,425,800	19,211,800
Outdoor	781,800	270,100
Total measured	42,837,400	37,429,900
Unmeasured	44,162,600	40,470,100
Estimated total	87,000,000	77,900,000

BEST FOODS

MARKETING PERSONNEL

David R. Newstadt, president
Clayton J. Rohrbach Jr, vp-mktg
Jan van Amerongen, exec asst to mktg vp
Leroy F. Reiser, vp-mkt devel
Clifford M. Jennewein, vp-sales
Jean Burtis, consumer service director
Dennis C. Beaumont, director-adv & sales promo
Aaron Strauss, director-mktg rsch
Kenneth Bistany, vp-mktg services

ADVERTISING AGENCIES

Dancer Fitzgerald Sample, New York—Hellmann's and Best Foods mayonnaise, Hellmann's and Best Foods relish sandwich spread, Hellmann's and Best Foods tartar sauce, Hellmann's Spin Blend salad dressing, Skippy and Skippy Old Fashioned peanut butter, Mrs. Fanning's Bread and Butter Pickles, Mazola margarine, Diet Mazola margarine, new prods—George Dean, mgmt director; Bob Weeks, group super; John Kaiser, Ed Padin, Bob Howsam, Richard Horowitz, acct supers: Oliver Payne, Charles Scuba, Ellen Pratt, acct execs.

D'Arcy-MacManus & Masius, New York—Mazola corn oil, Golden Griddle pancake syrup, Karo corn syrups (dark and light), Argo corn starch, new prods—Robert Berman, John Balardi, George Karelekas, mgmt reps; Richard Parillo, acct exec.

S.B. THOMAS INC.

MARKETING PERSONNEL

Michael W. Hogarty, president
Joseph R. Cross, vp-mktg
Donald A. Hermann, natl sales mgr
Dick Zuverm, senior prod director
Robert Anderson, vp-sales

ADVERTISING AGENCIES

D'Arcy-MacManus & Masius, New York—Thomas' English muffins, Toast-r-Cakes and Protein Bread—Joseph Kelley, mgmt super; Steve Voyer, acct super.

Dancer Fitzgerald Sample, New York—Sahara Bread—Dennis Keane, mgmt super.

SPECIAL PRODUCTS

MARKETING PERSONNEL

Albert A. Witz, genl mgr
J. F. Marino, director, sales
K.A. Pirnat, mgr, import dept
D. K. Hotopp, asst prod. mgr

ADVERTISING AGENCY

Warwick Advertising, New York—Rit dyes, Rit Color Remover, Rit Fabric Whitener, Rit Fast Fad, H-O Oats and Farina; Knorr Swiss sauces and gravy mixes. Knorr Swiss bouillons—Tom Fucigna, vp acct super; Ruth Abel, acct exec.

BEST FOODS CARIBBEAN

Plinio Gonzalez, president
Jaime Pericas, vp-mktg
J.F. Tonareoy, a/s mgr

ADVERTISING AGENCY

Premier Maldonado, San Juan, P.R.

CORN PRODUCTS

MARKETING PERSONNEL (domestic only)

Robert J. Gillespie, president
R.W. Spaeth, vp-sales, mktg business mgmt

ADVERTISING AGENCY (domestic only)

Trout & Ries, New York—Sharon Kindel, acct exec.

Campbell Soup Co.

	1981	1980
Sales	$2,950,000,000*	2,797,663,000
Earnings	148,400,000*	129,717,000
Advertising**	70,757,000	57,997,500

*AA estimate; fiscal year closes Aug. 2.
**AA estimate

Campbell Soup Co., Camden, N.J., the 74th largest national advertiser, increased its advertising spending 22% to $70.8 million.

Formerly thought of as a product-oriented company, focusing on growth through improved production, Campbell has adopted a policy of acquisition and aggressive marketing.

When R. Gordon McGovern was appointed president-chief executive officer in December, 1980, Campbell outlined an ambitious five-year plan, setting its goals at a 5% growth in unit volume and an annual sales growth of 15%, assuming 10% inflation. To achieve this, the company says it is determined to learn more about today's consumer, and either develop or acquire product lines that best serve new needs.

One real concern for Campbell is the working mother. Because she spends less time shopping and is harder to target in advertising than in the past, Campbell is adjusting its ad strategy. Consumer magazine annual expenditures decreased 40% in 1981, while yearly newspaper advertising was increased 56%, to $4.4 million, and newspaper supplement ads 175%, to $782,800 from last year's $284,500. Network and spot tv budgets have been increased 23% and 24% this year, respectively.

Campbell is hoping to find a new medium for reaching women in "WomanWatch," a weekly Campbell production that premiered on Turner Broadcasting's superstation WTBS in June. The weekly program, with a half-hour magazine format, features stories of general interest to working women. The series was cooked up at BBDO, and while it is Campbell's first venture into programming for cable tv, Campbell has long believed in associating its products with quality tv, starting in the 1950s with the sponsorship of "Lassie." Although this is Campbell's debut in cable programing, the company spent an estimated 5% of 1981's ad budget, or $3.5 million, on cable advertising.

Branching into cable as a medium is one result of Campbell's increasingly extensive market research, and what a company official called a growing desire to "acknowledge the rapid changes and tough standards of the consuming public." Accordingly, the company is paying more attention to the growing number of single consumers. Ad expenditures for Soup For One, a single-serving canned soup line, were increased 10% this year, and the company is planning to extend the line in 1982.

Additional products aimed at the same market are convenience frozen foods from the Swanson and Pepperidge Farm divisions. Pepperidge Farm's Deli's, combinations of meat, egg and cheese in pastry, are emerging as a real star among products developed for smaller, busier households. Measured media spending for Deli's was only $637,900, but that was for its very early market stages. Deli's went national in February, 1982, and a variation on the Deli theme, Vegetables in Pastry, is currently in test.

Pepperidge Farm is the second largest division of Campbell, with estimated sales of $400 million in 1981, as well as Campbell's fastest-growing segment, both geographically and in product development. Altogether the line received $4.6 million of measured media support, a 108% increase from 1980's $2.2 million. Pepperidge Farm has gone national with fruit-filled snack bars and fruit cookies, and one food industry expert estimates Pepperidge Farm's share of the premium-price baked goods market at from 10% to 20%.

An important new direction for Campbell is focusing on what Mr. McGovern calls a "consumer trend toward health food." Since more than half the adult meal planners in the U.S. are dieting, the company is emphasizing the nutritional and caloric value of its products.

For the soup division, this has meant voluntary labeling of product content and consumer testing to minimize sodium. Seven low-sodium soup varieties have been introduced.

By promoting the dietary benefits of soup, Campbell hopes to increase demand in a market typically seen as mature. The company commands a 65% share of the soup market over-all, and an 80% share of all canned and condensed. Since 40% of total company sales come from soup, one of the 10 largest grocery categories, Campbell's push for an increased market share includes an increase in promotional efforts. Measured ad spending increased 10% in 1981, to $17.6 million, and of all soup advertising, Campbell spent 70%.

Also in test at the soup division are Bisto, a gravy maker product, and a line of premium-price soups, with varieties like clear ox-tail and Serbian bean. Crispy vegetable soups, which can be served either hot or cold, are now available nationally. But despite the numerous newcomers, chicken noodle and cream of tomato are still Campbell's best sellers.

In 1981, Campbell switched the lion's share of its soup advertising account to Backer & Spielvogel, after 27 years with BBDO. The new campaign, "Soup is good food," uses various findings from the American Journal of Clinical Nutrition, documenting the healthful aspects of Campbell soups. The campaign received $16 million in measured support this year. BBDO continues to handle Chunky soups, "The soup that eats like a meal."

Another element of Campbell's bid for the healthy eater is the acquisition of Mrs. Paul's Frozen Foods Co., the largest frozen fish producer in the U.S. Terms were not disclosed, but industry experts estimated a purchase price of $70 million. Campbell is convinced the fish market will expand as consumers look for protein alternatives, and the purchase of Mrs. Paul's would guarantee the company what Mr. McGovern calls "a major entry into the growing market for lighter, lower-calorie foods." Mrs. Paul's, with total 1981 sales amounting to $124 million, has a 25% share of the deep-fried, batter fish market, according to Rick Larsen, an industry analyst with the First Manhattan Co. of New York. The acquisition does not include Mrs. Paul's Arthur Treacher's Fish & Chips Restaurants.

Also acquired was Snow King Frozen Foods, producing uncooked frozen specialty meats. Snow King, with plants located in Pottstown and Stowe, Pa., cost Campbell's $5.1 million, and had $32 million in sales in 1981. Another step in Campbell's growth—and in its growing sensitivity to consumer demands—is its involvement in the produce industry. Campbell's Farm Fresh mushrooms total sales for fiscal 1981 were an estimated $40 million, and the company is looking into acquisitions in celery and other vegetables. This year, $9 million was invested in the DNA Technology Corp., a company that is experimenting with different varieties and recombinant DNA, breeding the ideal Campbell tomato.

Campbell is hoping this investment will pay off for Prego spaghetti sauce, as well as in the soup division. Prego, in a carefully phased rollout, is now available in about 40% of the U.S. (by population) and in 60% of the spaghetti sauce-buying market, and has a 25% share of the prepared sauce category. It is promoting the sauce with the theme, "We put homemade taste in every jar," and in 1981 Prego received $12 million in ads and promotion.

Swanson's, a division that has had to undergo sizable reorganization of priorities to counter slipping sales, is working on product development that will allow it to keep its position in the frozen foods industry. The division is continuing its expansion of the frozen breakfast entree line, and spent $701,600 in measured media support. Varieties now available nationally are pancakes with sausage, scrambled eggs and sausage with hash brown potatoes, french toast with sausage, omelet with cheese sauce, spanish style omelet and pancakes and blueberries in sauce. Also new at Swanson's is Plump 'n' Juicy frozen fried chicken, now in test. Total 1981 sales for Swanson's are estimated at $340 million.

Campbell also is continuing its testing of Country Dawn beverages in the Northwest, and has added a 32-oz. glass bottle for Spicy-Hot V-8 vegetable juice cocktail and Clam V-8 to the existing V-8 on the West Coast. Campbell's beverage division, with a 50% share of the tomato/vegetable juice market, received $2.8 million of measured support in 1981. The $4.5 million account was switched from Needham Harper & Steers to Backer & Spielvogel.

To extend its juice interests, Campbell agreed in principle to purchase Juice Bowl Products, a Florida processor of more than 20 varieties of fruit juice and drinks. The acquisition will increase the company's domestic beverage concerns, which now includes only the V-8 line.

Vlasic Foods increased advertising expenditures 32% in 1981, to $3,031,000. Within this budget, spending for spot tv jumped 153%, to $914,000, while spending for network tv was maintained with a 10% increase. Vlasic is the country's largest pickle producer, with a 30% market share. The division's fiscal 1981 sales were an estimated 150 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$4,351,400	$2,781,300
Magazines	4,601,200	7,298,600
Spot tv	11,749,600	9,428,800
Network tv	20,207,500	16,405,000
Spot radio	2,409,300	1,138,000
Network radio	4,280,400	2,923,300
Outdoor	—	23,500
Total measured	47,599,600	39,997,500
Unmeasured	23,157,400	18,000,000
Estimated total	70,757,000	57,997,500

MARKETING PERSONNEL

H.M. Baum, vp-mktg
Z. Coulson, vp-consumer services
A.J. Adams, director-mktg rsch
P.N. Mulcahy, mgr director-CSC Advertising
D.F. Macaulay, director-design
F.A. Dudowicz, director-promos
J.A. Blood, director-mktg intl
W.C. Culp II, director-special prods

U.S. MARKETING SOUP

MARKETING PERSONNEL

H.M. Baum, genl mgr
J.W. Dodd Jr., director-mktg, condensed soups
D.E. Goerke, director-mktg, ready-to-serve soups
H.P. Pelouze III, director-mktg, special soup projects and Soup-for-One
A.C. Adams, mktg mgr
D.E. Bair, mktg mgr
P.W. Comisky, asst mktg mgr

ADVERTISING AGENCIES

Backer & Spielvogel, New York—red and white label—R. Holmen, exec vp, chief operating officer; J. Prior, senior vp, mgmt super; A. Stone, vp-acct director; C. Nemetz, acct super; J. Kennedy, acct exec.

BBDO, New York—Chunky Soup, Soup-For-One—T. Newlin, exec vp; R. Bonnette, senior vp and mgmt super; Margo Kapor, acct exec; Diane Kilzer, acct super.

MAIN MEALS (Franco-American Pasta, Campbell's Bean Products Swanson Main Dishes)

MARKETING PERSONNEL

D.L. Santangelo, genl mgr
P.M. Masarcchio, director-mktg
T. Noto, mktg mgr, Franco-American
B.B. Elkins, mktg mgr, new prods, Swanson Canned main dishes
J.N. Haring, mktg mgr, beans

ADVERTISING AGENCY

Needham, Harper & Steers, New York—P. Wallace, senior vp-acct group director; R. Murray, senior vp-mgmt rep; P. Atkins, acct exec, beans; L. Mamorsky, acct super, Franco-American, Swanson Canned, new prods; S. McCarthy, acct exec, Swanson Canned.

GROCERY (Prego, Swanson Canned, Franco-American Gravies)

MARKETING PERSONNEL

R. Subin, genl mgr
M.B. Buchalski, director-mktg
A.J. Wilson, mktg mgr-Prego
C.D. Conrad, asst mktg mgr-grocery

ADVERTISING AGENCIES

Leber Katz Partners—Prego— Jerome Davidow, exec vp; Maureen Sage, vp—acct super.

Needham Harper & Steers—Franco-American gravies, Swanson Chunk Chicken—Phil Wallace, senior vp; Richard Murray, senior vp; Leo Mamorsky, acct super.

BEVERAGES

MARKETING PERSONNEL

J.R. Emshoff, genl mgr
G.L. Hess, mktg director
M.E. Newland, prod mktg mgr
P.F. Goodman, asst prod mktg mgr

ADVERTISING AGENCY

Backer & Spielvogel, New York—R. Holmen, exec vp, chief operating officer; T. LaMontagne, senior vp, mgmt super; M. Levine, acct super.

FROZEN FOOD

MARKETING PERSONNEL

S.A. McNeil, genl mgr
R.A. Shea, director-mktg
P.S. Levy, prod mktg mgr
A.D. Levy, asst prod mktg mgr
D.E. Lynn, prod mktg mgr
J.F. VanStone, prod mktg mgr

ADVERTISING AGENCY

Ogilvy & Mather, New York—G. Phillips, exec vp-super; J. Aymar, vp-acct super.

FRESH PRODUCE

MARKETING PERSONNEL

S. Blum, genl mgr

ADVERTISING AGENCY

Ogilvy & Mather, New York—D. Courtney, vp-acct super.

FOODSERVICE

MARKETING PERSONNEL

A. N. Calabrese, genl mgr
R.D. Berryman, director-mktg
W.C. Lehneis, mktg mgr

ADVERTISING AGENCIES

Lewis & Gilman, Philadelphia—R.G. Wilder, president, T.P. Ferguson, D.

Kohri, acct execs.
Conill Advertising Associates, New York—(Spanish-speaking market)—Rafael Conill, president; Alicia Conil, exec vp; Susan Kahn, director-mktg services.

PET FOODS
MARKETING PERSONNEL
R.W. Inpyn, genl mgr
S.M. Regan, mktg director
ADVERTISING AGENCY
Grey North Inc., Chicago—Ernie Brown, acct super.

RESTAURANT DIVISION
MARKETING PERSONNEL
R.E. Johnston, president
L.A. Pizer, director-mktg
ADVERTISING AGENCY
Reichenstein-Jonathan Grief, acct super.

PEPPERIDGE FARM
MARKETING PERSONNEL
W.A. Schmidt, president
E.W. Sweeney, vp-bakery
J.P. Horn, vp-frozen
T.H. Fey, vp-biscuit
T.H. Fey, president-genl mgr, confectionary division
R.S. Wilson, president-genl mgr, retail division
R.L. Schmalz, president-genl mgr, mail order division
E.G. Rawson, mktg director-bakery
W. Sander, mktg mgr-frozen
C.A. Platt, mktg mgr-biscuit
J.E. Tierney, vp, corporate relations
ADVERTISING AGENCY
Ogilvy & Mather, New York—Graham Phillips, exec vp-genl mgr; Charles L. Decker, senior vp-mgmt super; Mary Ellen Kiselick, acct super-frozen; Suzanne Donahue, acct exec-frozen; Mark Goldman, acct super-bakery & biscuits; Connie O'Brien, asst acct super-bakery & biscuits; Carleen Kluss, asst acct exec-bakery & biscuit.

VLASIC
MARKETING PERSONNEL
John R. Scales, president
Tom Bitterman, vp-sales
J.M. Dorsch, vp-mktg
ADVERTISING AGENCY
W.B. Doner & Co., Southfield, Mich.—William Chase, mgmt super; Rich Friday, acct super; Trish Doyle, asst acct exec.

MRS. PAUL'S KITCHENS
MARKETING PERSONNEL
R.J. Baker, genl mgr
R. Boucher, mktg mgr
ADVERTISING AGENCY
Scali, McCabe, Sloves, New York—Phil Cohen, mgmt super; Joseph Goldstein, acct super.

SNOW KING FROZEN FOODS
MARKETING PERSONNEL
H. Litvin, genl mgr
H. Miller, mktg mgr
ADVERTISING AGENCY
Adventure Communication, Great Valley, Pa.—Frank Kaplan, acct exec.

Canon U.S.A.

	1981	1980
Sales*	$705,000,000	$567,000,000
Advertising**	36,525,800	31,339,330

*In North America
**AA estimate

For the first time, Canon U.S.A.'s ad spending ranked among the nation's top 100, with 1981's total advertising expenditures at $36.5 million, an increase of 17% from 1980's $31.3 million, making Canon AA's 100th largest advertiser.

Measured media expenditures accounted for $33.2 million of the total for the company, whose domestic base is Lake Success, N.Y. U.S. sales increased 24%, from $567 million to $705 million. Canon's world headquarters is in Tokyo.

Canon, however, is poised to prime the ad dollar pump by infusing $40 million over the next four years supporting its newly introduced 10.5-oz., 35mm Snappy, the company's answer to an "idiot-proof" camera selling in the under-$100 market.

Spending during 1981 continued heavily on Canon's warhorse, the AE-1, which has attracted an entire line of "A" models since it was first introduced in 1976 via tennis star John Newcombe, as spokesman. The line shares 60% of its parts, but each is equipped with varying features. They range from the premium A-1, a highly advanced electronic camera with six exposure modes, to the economical AV-1.

A new feature added to the AE-1 during 1981 was the AE-1 program, which provides a fully automated programed shutter. The new program, positioned between the AE-1 and the A-1, is being promoted by professional athletes Tracy Austin, John Newcombe, Ben Crenshaw and Joe Theisman.

The company unveiled the AL-1, a model that promises sharply focused images. All of the "A" line camera advertising focuses on simplicity, in tv ads by Grey Advertising, N.Y., and print campaigns by Dentsu Inc., N.Y.

Canon also introduced the F-1, a professional camera with a system of interchangable parts, and the Super Sure Shot, billed as the "world's most automatic lens shutter camera." The new model, which has a built-in flash system, is even more compact than the older model Sure Shot launched in 1979 and which has since captured 25% of the compact 35mm market. In fact, Canon now is responsible for one-third of all 35mm single lens reflex sales annually in the U.S.

Canon's new Snappy entry has crowded into a highly-contested field dominated by Kodak, with an estimated 33% of market and Polaroid, 28%. Canon believes it can wrest a 20% share by 1983. The new camera is available in five colors, and features an automatic film-loading system.

Women, Snappy's target market, account for 75% of instamatic purchases in the U.S. compared with 25% of the high-tech 35mm market.

Measured media support in 1981 for Canon U.S.A. increased most substantially in one of the company's two noncamera divisions—office equipment, which accounts for 45% of domestic

Once upon a time.

Kids all over America sat spellbound watching Saturday morning cartoons. Kids everywhere, all kinds of kids, but not kids who can't hear.

Why would they? It's impossible to read Scooby-Doo's lips. It's no fun to wonder why the Smurfs are so upset. Or guess what Batman wants Robin to do next.

And that's the shame. Because closed captioning can make cartoons exciting for those kids.

Several companies have already begun to fund captioning of some children's programming. But more underwriters are needed. Perhaps your company can help make Saturday morning a happy time for tens of thousands of hearing-impaired kids.

Call the National Captioning Institute at (703) 998-2486. Do it now for the child sitting alone. And do it because a few words from your company can give this story a happy ending.

sales. Copiers contributed most to division revenues, followed by calculators and printing calculators.

In the calculator segment Canon found another first with the SP1260-D, the first printer/display calculator with a voice synthesizer available in the U.S. Also introduced in January, 1981, were 13 new printer/display calculators. Six more of them came to market in December. The calculator account is valued at $3.5 million, and is handled by Dentsu Inc.

Although Canon's copiers are comparative newcomers, they already command a competitive 10% share of the U.S. market, and a commendable 20% in Japan, where the market is dominated by Fuji-Xerox.

The copiers were introduced in this country with an ad budget of $11 million for measured support in 1981, up 58% from last year's $7 million. More than 50% of this, $6.9 million, went to network tv.

One industry analyst estimates that altogether, Canon spent the equivalent of about 10% of total copier revenues on advertising and promotion.

To promote its color copiers, the company is opening a series of Color Copy Centers, featuring the Color Copier II. Branches have opened in New York, Chicago and Los Angeles. The NP-200, a typewriter-size copier, is controlled by a microprocessor and uses fiber optic technology.

In 1981, the company introduced the NP-120, the NP-400 and the NP-400F, as well as two new electronic typewriters, the AP-400 and AP-500. One area of office products rapidly expanding at Canon is the desktop computer, including a complete business software library called Canon MBA (Modular Business Accounting). The CX-1, introduced in May, 1981, is an advanced and economical model, with dual floppy disc drives and a memory of 64K.

The company's developmental innovation extends to other product areas, and Canon's research and development division is looking especially hard at the future. The company, referred to by one analyst as the "wild card in the Japanese deck," is constantly sizing up new markets in video and optical technology.

The optical products division, which began in 1938 with X-ray products, brought in 5% of Canon USA's sales revenues. The division makes machinery for imprinting silicon chips, used by computer manufacturers like IBM, RCA and Texas Instruments.

In addition to its Leading National Advertisers measured spending, the company spent an estimated $3.3 million in other advertising areas. An especially strong attempt was made to associate Canon's products with sports. The company secured exclusive supplier and marketing rights for the World Cup soccer competition, and became the official 35mm camera of the Summer 1984 Olympics. The company is the "photographic consultant" of the National Basketball Assn., the National Football League, the National Hockey League, and the official camera of, among others, the U.S. Auto Club, the New York Yankees and the Chicago Cubs. It also sponsored the Oshkosh Air Show in Wisconsin, the Montreal Grand Prix, the Indianapolis 500, the NFL Pro Bowl in Honolulu, Super Bowl XV, the World Figure Skating Championships, the Lexington Broadcast Service 36-hour World Championship Tennis tv package and the Grand Prix in Long Beach, Cal. The company also sponsored the U.S. Open Tennis Tournament where Canon-endorser Tracy Austin won the women's championship.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$898,300	$1,042,100
Magazines	9,226,600	9,948,400
Spot tv	4,809,900	4,153,600
Network tv	16,585,800	12,294,900
Spot radio	—	31,500
Network radio	1,389,500	840,500
Outdoor	195,200	179,300
Total measured	33,205,300	28,490,300
Unmeasured	3,320,500	2,849,030
Estimated total	36,525,800	31,339,330

MARKETING PERSONNEL

Cameras

E. Yoshinari, adv and sales promo mgr
T. Hirasawa, mkt planning & admin mgr

Copiers

H. Hirai, adv and sales promo mgr
T. Kikuchi, adv and sales promo mgr

Calculators

H. Iwanami, adv and sales promo mgr
J. Sharp, mkt planning & admin mgr

Micrographics

M. Iwasaki, director & genl mgr

Optical Products

T. Sakurai, prod mgr

ADVERTISING AGENCIES

Dentsu Inc., New York—N. Yamamoto, senior vp; H. Kohkiyama, senior vp-creative; Frank Savarese, vp; R. Pressman, acct super; Bill Barrett, media director.

Grey Advertising, New York—William Overend, exec vp, mgmt rep, Harold Greer, vp-senior mgmt super; Laurence Levy, vp-mgmt super.

Chesebrough-Pond's

	1981	1980
Sales	$1,529,674,000	$1,377,484,000
Earnings	114,822,000	100,203,000
Advertising*	136,241,000	128,316,000

*AA estimate

Chesebrough-Pond's, the nation's 45th largest national advertiser, increased its domestic advertising spending nearly 6.2% to $136.2 million in 1981.

Despite an adverse economic climate, Chesebrough-Pond's marked its 26th consecutive year of increased sales and earnings. Sales advanced 10.8% to $1.53 billion, and net income climbed 14.6% to $114.8 million. All seven operating divisions contributed to the sales gain. Moreover, the company was able to take important steps, in terms of expanded manufacturing capacity, to meet the needs of new marketing programs for new products.

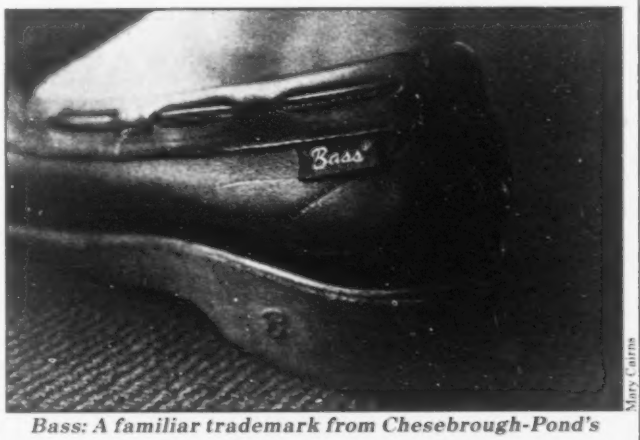
U.S. contribution to sales included: Packaged foods, $265.9 million or 17% of all corporate sales; health & beauty products, $269.5 million, or 18%; Health-tex, $251.4 million, or 16%; Prince Matchabelli, $129.9 million, or 9%; Bass, $123.2 million, or 8%, and hospital products, $45.2 million or 3%. International accounts for the rest, about 29%.

For the first six months of 1982, net income rose 6.5% to $57.2 million, compared with $53.7 million for the corresponding period last year. Sales for the first half of 1982 rose to $782.8 million, up 9.2% from $723.6 million for the same period last year.

Chesebrough-Pond's, always known for its aggressive product campaigns, an intensive focus on marketing and a stress on diversification, along with the care and feeding of newly acquired divisions, continued to follow the time-proven path in 1981.

Heavy competition and lean retail inventory policies, especially in the health & beauty products area, forced Chesebrough-Pond's to step up its advertising spending.

Advertising expenditures for health & beauty care reached $36.7 million, up substantially from 1980. A large chunk of advertising, about $15 million, went to the entire Vaseline product line, including Vaseline Intensive Care lotion and the newly launched Vaseline Dermatology Formula cream and lotion line. Vaseline Intensive Care lotion remains the division's largest-selling product.



Mary Cairns

Bass: A familiar trademark from Chesebrough-Pond's

Vaseline petroleum jelly holds the No. 1 spot with a 90% market share. Vaseline Intensive Care and Pond's Cream & Cocoa Butter lotions also are ranked No. 1, holding a 28% share over the nearest competitor, Jergens.

The Vaseline Intensive Care line was broadened with Vaseline Dermatology Formula, an ultra-therapeutic skincare line backed with a $2.8 million introductory ad budget for print and tv. Because of its therapeutic hand and bodycare positioning, the new line is in direct competition with Westwood Pharmaceutical's Keri lotion.

Pond's Cream & Cocoa Butter lotion was backed with $5 million in network and spot tv and remained strong throughout the year.

In the home permanent product category, Chesebrough-Pond's Rave ranks No. 1, holding a 26% market share. Among hairsprays, Rave currently holds third place, with an estimated 9% market share. The Rave line was expanded last year with the introduction of Rave Body Only, a soft body wave product. Rave, over-all, was supported with an ad budget of about $9.5 million last year, up 12%, according to LNA estimates. Much of that sum was put into network tv, magazines and newspaper supplements.

In early 1982, the company pushed to get the newer Cutex products into the drugstore chains where most of the nail-care business is done. This all-print endeavor was modeled after the early Revlon strategy that pushed that name into national prominence. The campaign consists of several new nail polish shade promotions each year.

Chesebrough-Pond's package foods division launched a major new product carrying the popular Ragu brand name in 1981. Ragu Homestyle spaghetti sauces, designed to appeal to consumers who still make their own spaghetti sauce, provided the division with an important new resource in meeting heavy competition and in increasing its position in the growing spaghetti sauce category.

Part of the Ragu Homestyle strategy is not only to sell the product directly, but to promote growth within the category. The company's share is estimated at 58% over-all, with advertising expenditures for the entire line at $21.9 million. Of that amount, Homestyle spaghetti sauces received $2.9 million for network and spot tv.

Ragu Pizza Quick sauces, launched in 1980, also registered strong sales in 1981, with ad backing of $5.4 million for network and spot tv. Two new Pizza Quick sauces and a pizza crust mix under the Pizza Quick name were launched in 1982 through tv spots as, "homemade pizza, simple as pie."

Chesebrough-Pond's is currently testing Montera Mexican sauces in California. The sauces are promoted for their 100% natural ingredients in print ads, with the theme, "Give your nacho the mark of Montera." Ad spending was $11,400 for magazines.

Future progress for the division involves continued growth of Ragu and Adolph's brand names, as well as new opportunities to expand into ethnic and other specialty foods categories.

The Prince Matchabelli division had strong sales gains in cosmetics, while performance of its fragrances reflected the depressed fragrance industry. Divisional sales were up 4.7% from 1980 to $130 million while operating profit rose 2%.

The Aziza business benefited from increased advertising support of $4.22 million, up 5% from 1981, for magazine and network tv. Aziza shine-on lip gloss was launched in June, 1981, with support of $339,400 in magazines.

Although the division's fragrance business felt the effects of inventory reductions by retailers, four Prince Matchabelli women's fragrances—Chimere, Cachet, Aviance and Wind Song—remain best-sellers. LNA estimates a total $7.3 million spread among network and spot tv and magazines. The Matchabelli men's fragrance introduced in 1980 established a strong position in the men's fragrance category in 1981 with ad support of $2.9 million for network tv and magazines.

Division executives say more Aziza products are expected in 1982, to broaden its base in the fragrance and shaded cosmetics markets. New marketing initiatives for the exclusive Erno Laszlo line of skincare preparations are also planned for 1982.

Sales in the Bass division, which have more than doubled since acquired by Chesebrough-Pond's in 1978, increased 9% to $123.2 million.

Strong consumer demand for Bass footwear resulted in the addition of major new manufacturing facilities in Bangor, Me. and Berlin, N.H. Start-up expenses and delivery delays associated with the assimilation of these new plants reduced the division's operating profit by 16% from record high 1980 levels. However, by year's end, a revamped organizational structure was in place and company officials expect Bass to resume a normal level of growth in 1982.

The Bass product line now includes a wide range of spring and summer footwear, more men's styles and for the first time in 1981, a line for pre-teen girls which proved highly popular. Plans for expansion of the line are currently under way.

The division spent just over $1 million in measured advertising, mostly on magazines and newspaper supplements.

At Health-tex, sales increased 23.5% to $251.4 million and operating profit grew 30.2%. The percentage increase in operating profit was the greatest for Health-tex since it was acquired in 1973.

Health-tex expanded the distribution in 1981 of the new Our Gang line of boys' apparel in sizes 8-14. More new styles were added to the infants' line, which accounts for about 25% of the division's sales. The move into new categories of children's clothing continues in 1982 with the introduction of Beach Babies swimwear for infants and toddlers.

Manufacturing facilities for children's apparel went on line in 1981 in Warrenton, Ga., and Cowpens, S.C. Chesebrough-Pond's, the No. 1 children's apparel manufacturer in a competitive industry, increased advertising to $1.4 million for magazines, newspaper supplements, network and spot tv.

In the hospital products division, sales climbed 13.8% to $45.2 million and operating profit rose 5% despite unusually high expenses for three new products; the Voldyne volumetric exerciser, the Kangaroo feeding pump and Actin-N medicated dressings.

All the major product lines contributed to the division's increased sales, and business was especially healthy for urological devices, respiratory therapy aids

and burn care products.

Sales of Chesebrough-Pond's international division rose 7% to $444.6 million. Growth was particularly strong in Australia, Canada, South Africa and many countries in Latin America. Major product introductions in 1981 included Aziza cosmetics in Mexico and France, Matchabelli men's fragrance in Canada and Rave haircare products in Ireland and Canada.

In August, 1981, Chesebrough-Pond's asked for $23 million plus treble damages in a trademark infringement and unfair competition suit against S.C. Johnson & Son. Although the company did not successfully market a shampoo under its Vaseline Intensive Care brand, it is still unhappy about Johnson's new Agree Intensive hair treatment product.

The suit, ultimately decided in Johnson's favor, asked that Johnson be stopped from using the name Agree Intensive. Chesebrough-Pond's currently uses the Intensive Care name on a baby shampoo and also tested an Intensive Care hair shampoo in 1976 and 1977, although the product is no longer sold.

In July, Chesebrough-Pond's agreed in principle to acquire Princeton, N.J.-based Prince Manufacturing, marketer of high-quality tennis racquets. Prince's sales have increased over the last several years—from $9.4 million in in 1979, to $34.9 million in 1981.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,505,500	$1,897,500
Magazines	13,352,500	11,378,100
Spot tv	8,176,100	6,024,100
Network tv	49,348,000	49,038,300
Spot radio	199,500	90,200
Outdoor	—	500
Total measured	73,561,600	68,428,700
Unmeasured	62,679,400	59,887,300
Estimated total	136,241,000	128,316,000

CHESEBROUGH-POND'S
MARKETING PERSONNEL
Charles J. Chapman, group vp
Donald B. Wiesen, group vp
K.R. Lightcap, vp-investor relations & public affairs
J.A. Russo, creative services director
Carl Ward, specialty mkts director
J.E. Campion, media director

HEALTH & BEAUTY PRODUCTS DIVISION
MARKETING PERSONNEL
Lawrence K. Hathaway, president
Joseph Campinell, vp mktg
ADVERTISING AGENCIES
William Esty Co., New York—C-P acct—Dean Van Nest, senior mgmt super, Vaseline Intensive Care lotion—Tom Mayes, senior acct super; Peyton Sise, acct super; Sharon Spielman, acct exec Pond's Creams—Liz Kimball, senior acct exec.

Ogilvy & Mather, New York—Health & beauty aids—Sharon McGavin, vp-mgmt super, all h&ba; Mark Goldman, acct super, Rave Soft Perm, Body Only, Q-tips, new prods; Ann Faison, acct super, Rave hairspray, new prods.

Waring & LaRosa, New York—Cutex—Larry Weisberg, vp-acct super, Gloria Appel, acct exec.

PRINCE MATCHABELLI DIVISION
MARKETING PERSONNEL
Edward Rabin, president
Charles Kiernan, vp-mktg
ADVERTISING AGENCIES
William Esty Co., New York—Aviance—Pat Vanderkamp, acct exec.

Scali, McCabe, Sloves, New York—Wind Song, Cachet, Chimere, Matchabelli—Richard Roth, exec vp-acct services; Mark Edelman, mgmt super; Vicki Amon, acct super; John Hayes, acct exec; R. Foreman, acct exec; Ken Feinberg, asst acct exec.

Waring & LaRosa, New York—Aziza—Louise Erdman, acct super; M. McCabe, asst acct exec; Susan Quinn, acct exec.

HOSPITAL PRODUCTS DIVISION
MARKETING PERSONNEL
John White, president
R. Rosenthal, vp-mktg
ADVERTISING AGENCY
Klemtner Advertising, New York—Lee Rosenberg, acct super.

ERNO LAZLO INSTITUTE
MARKETING PERSONNEL
C. Crawford Mills Jr, vp-genl mgr
ADVERTISING AGENCY
Murray Salit & Associates, New York—Murray Salit, acct super.

PACKAGE FOODS DIVISION
MARKETING PERSONNEL
Charles Perrin, president
Michael Jeans, vp-mktg
ADVERTISING AGENCY
Waring & LaRosa, New York—Ragu, Adolph's—John McCroskey, senior vp-mgmt super; Irwin Levy, senior vp-acct super; Gen Shoe, acct super; Clark Olver, Don Amira, acct execs; Joyann Gramolini, new prod mgr.

HEALTH-TEX DIVISION
MARKETING PERSONNEL
R.A. Breakstone, president & genl mgr
H.S. Miller, vp-mktg
ADVERTISING AGENCY
AC&R, New York—Alvin Chereskin, president-mgmt super; Joyce Kayhart, vp-acct super; Helen Hedges, acct exec.

G.H. BASS DIVISION
MARKETING PERSONNEL
Richard Bourret, president
Fowler Low, vp-mktg
ADVERTISING AGENCY
Lord, Geller, Federico, Einstein, New York—Bob Henklein, senior vp-mktg director, Marsha Simpson, mgmt super.

PRINCE DIVISION
MARKETING PERSONNEL
Howard Head, chairman
John P. Murray, president

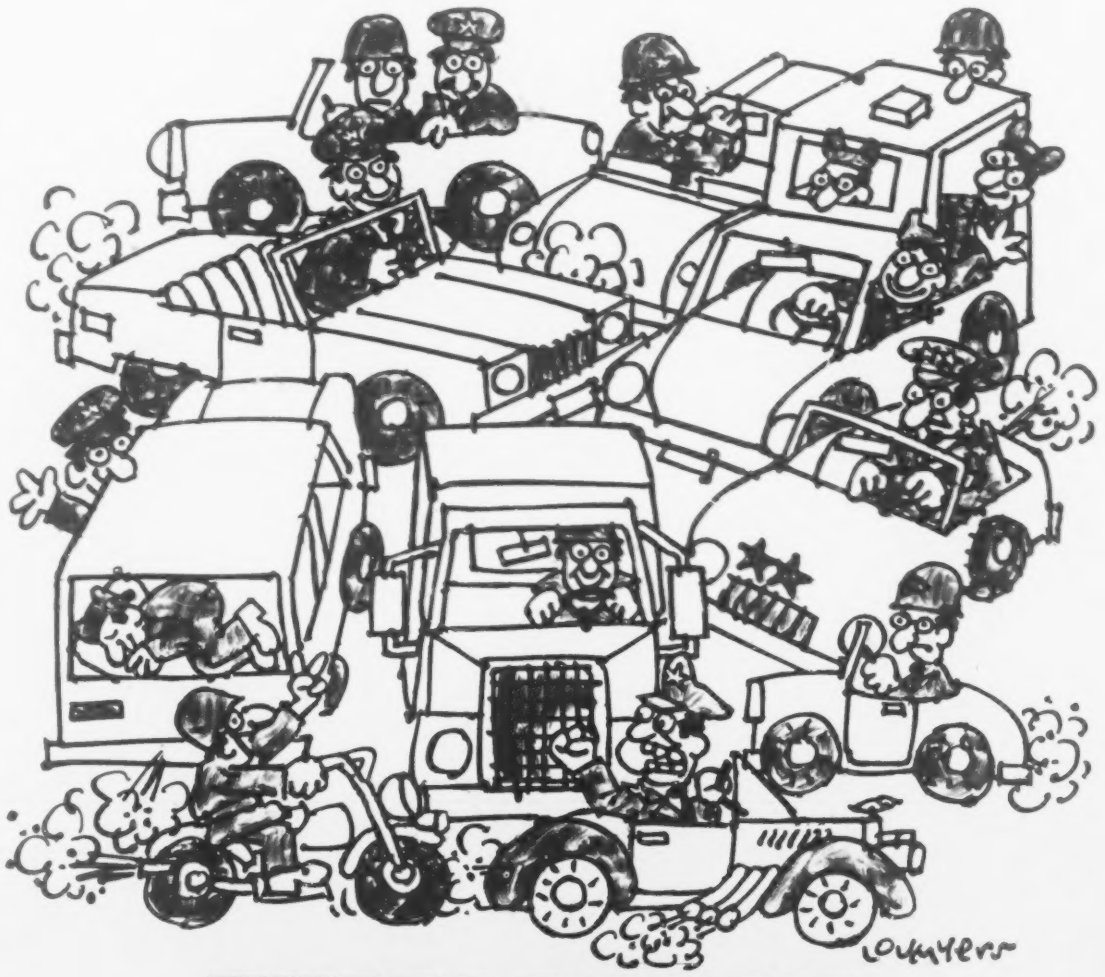
Chrysler Corp.

	1981	1980
Sales	10,821,000,000	9,225,300,000
Earnings	(475,600,000)*	(1700,700,000)*
Advertising**	193,000,000	174,700,000

*Loss
**AA estimate

Chrysler Corp., Highland Park, Mich., the 24th largest national advertiser, increased its ad expenditures some 10% in 1981 to an estimated $193 million over 1980's estimated ad expenditures of $174.7 million.

Chairman Lee Iacocca ticked off these accomplishments to the annual shareholders meeting: Fixed costs reduced by $2 billion; a record $900 million in cash and securities (from the sale of Chrysler Defense); the breakeven point cut to 1.2 million units from 2.4 million units;



THERE'S ROOM FOR MORE BIG WHEELS IN THE ARMY.

The active U.S. military market doesn't sit on its duff. There are more than five million men, women and children out there who love to ride. And they have more discretionary dollars to spend on cars, motorcycles, recreational vehicles, bicycles, and just about anything on wheels you can name, than any other market you can name.

And there's just one big medium that penetrates them all. Army Times, Navy Times, Air Force Times. At every military installation in the world, these are the papers that are read front to back by service people and their families.

If you want to move vehicles in today's economy, grab a market that drives home a lot of sales.

ARMY TIMES, NAVY TIMES, AIR FORCE TIMES.
A MARKET, NOT JUST A MEDIUM.

Army Times Publishing Co. has sales offices in NYC at One Citicorp Center, 153 E. 53rd St., 10022, (212) 753-1040; in Chicago at 20 N. Wacker Dr., 60606, (312) 828-9446; in L.A. at 2049 Century Park East, Suite 430, 90067, (213) 203-8185; and in Washington D.C. at 475 School St., S.W., 20024, (202) 554-7239.

a net profit in the first quarter of 1982; sales up 50,000 over 1980 and a five-year, 50,000 mile warranty.

Sales increased to $10.8 billion from $9.2 billion and unit sales dropped 1% to 1.03 million from 1.04 million. The gain was in car sales, to 840,813 from 789,367. Truck sales dipped to 186,621 from 249,766. Chrysler's share of the car and truck market was 9.5% in 1981, up from 9.1%. Its car market share was up to 9.9%. Its truck market share was down to 8.2% from 9.9%.

The much heralded K car was the only Chrysler entry to hit six figures—196,997 for the Plymouth Reliant and 149,653 for the Dodge Aries. The Omni-Horizon twins and their coupes held about even with 1980 while the only other gains were in the imported Sapporo, to 13,326 from 10,263 and the luxury Imperial, which went to 4,649 from 2,497.

Mr. Iacocca forecast the launch of the 1981 K cars in the fall of 1980 would be "the best marketing job in history." Themes were "The American way to beat the [gas] pump" and "America's not going to be pushed around any more"—a sweeping reference to the Iranian hostage situation and its incumbent feeling of malaise and front-wheel drive vs. rear-wheel drive.

By November, Chrysler had shifted into price ads in the face of a new round of higher interest rates. The K cars also initially came loaded with expensive options and a mid-course correction was made to more Spartan models. By December Chrysler was talking about a 15% slash in ad spending but market pressures negated that. Chrysler introduced an "interest allowance plan" pegged to the prime rate. In effect, it rebated the difference between a 12% rate and the prime and the auto incentive wars began.

Chrysler seemingly counted those periods without a rebate or similar inducement as 10 days down the drain. The interest rate allowance became a 7% rebate and Chrysler sales responded with K cars setting records.

The $50 test drive, revived from "Chrysler's whole new way of doing business," was allowed to languish. When General Motors' J cars debuted in the spring they were greeted with the ad line, "Chrysler bets $50 you won't buy a GM J car after one test drive..." Chrysler ad executives started to hope that model 1982 would bring a return to product instead of rebate advertising. Meanwhile it joined in a "Special K sweepstakes" with K cars as prizes in a Kellogg cereal and Keyko margarine promotion.

By August the rebates were back in a form that was to endure—$300 to $1,000. But first another stab was made at marketing as usual. Chrysler bet some $45 million that advertising just the cars would work. It didn't, even with Ricardo Montalban moving over to new LeBarons and voicing "Lee Iacocca's dream to combine high mileage and luxury." Model Kelly Harmon drove Dodge 400s through beach spray, actor John Houseman touted Horizons and Walt Garrison switched to Dodge pickups from Ford pickups.

Prices were held on some popular models even as Mr. Iacocca said that would erase profits on them. What Chrysler did get was cash flow and a hoped for, and achieved, market share increase.

By October, the $300 to $1,000 rebate was back—this time for cars whose prices weren't frozen. It was called a "Chrysler savings certificate." In November, Chrysler was already looking to spring when it sent out direct mail pieces on the LeBaron convertible. The direct marketing program solicited "advance order reservations," which also stimulated cash flow.

Dodge's Rampage pickup truck was introduced in December as half car, half truck. It was built on the Omni-Horizon two-door chassis.

Cars that Chrysler barely noticed in its advertising started to become stars. The rear-wheel drive New Yorkers benefited from a "payback" of the splurge in small car sales. Factories went into second shifts for the low-volume cars while the high volume plants for front-wheel drive vehicles shut down.

Chrysler extended rebates for the new year with the old theme of "Get a car, get a check." In 1982, the rebates were joined by the extended Chrysler warranty with Chrysler saying it believed the public was tired of rebates. By June, Chrysler was back in the rebate business with the familiar $300 to $1,000 plan.

Chrysler tripled its 1982 truck budget to $20 million as light trucks showed signs of a comeback. Chrysler truck penetration started to rise again and the company split off trucks as a separate operation. Some of those trucks were made by Mitsubishi, which a year before had gained its independence from Chrysler. Hard-pressed Chrysler agreed to allow the Japanese automaker to market its product under its own name in addition to supplying Chrysler. In return Mitsubishi agreed to bankroll the cars it sends to Chrysler until they are in dealer hands and give Chrysler more cars in the future. The possibility of a Mitsubishi investment in Chrysler was also held out.

Chrysler also established in mid-1981 an import operations group, but executive shakeups reduced its initial effect. Chrysler's captive imports will be positioned as imports to attract that segment of buyers.

Kenyon & Eckhardt, Chrysler's agency, was eliminated as the middle man in media billings. Chrysler is being billed directly for the media buys.

In 1981, the billings amounted to a sizeable amount. The $174.5 million in total expenditures, despite efforts to hold the line, was up nearly $25 million above 1980. Rebates helped fuel advances in newspaper and spot tv spending.

The rebate influence was seen more strongly in the amount of Chrysler corporate advertising, which rose to $57.9 million from $39.8 million.

Dodge spending was up 12% in 1981 as increases in spot tv, magazine and newspaper offset a decrease in network tv. Chrysler-Plymouth ad spending was off 1%. C-P's biggest decrease was in network tv, to $23.5 million from $30 millon.

Marketing personnel changes included Jack Givens to vp marketing from director of sales operations; Darrell Davis to general manager of import operations; C. J. Stickford to manager import advertising; John Damoose to director of U.S. auto merchandising and A. C. "Bud" Liebler to director communications programs office.

Chrysler fared less well in Canada. Car sales slid to 116,089 from 125,835 and truck sales dipped to 30,218 units from 36,390. Market share for cars fell to 12.9% from 13.4% and for trucks dropped to 10.7% from 11.1%. Chrysler de Mexico S.A. is the remnant of a once global auto empire which was sold during Chrysler's dark days. Chrysler de Mexico S.A. had sales of 114,833 vehicles up from 106,380 in 1980 and earned $22.3 million on dollar sales of $1.3 billion.

Chrysler Defense, a producer of military tanks, components and other vehicles for the U.S. government, was sold early in 1982 for $335 million to General Dynamics Corp.

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$30,955,700	$21,320,600
Magazines	25,197,200	16,387,500
Farm publications	864,000	1,014,200
Spot tv	17,430,600	11,750,700
Network tv	54,674,400	68,289,900
Spot radio	50,760,500	49,366,600
Network radio	2,084,800	261,400
Outdoor	152,800	60,700
Total measured	182,320,000	168,451,600
Unmeasured	10,680,000	9,248,400*
Estimated total	193,000,000	174,700,000*

*Restated

ADVERTISING EXPENDITURES†

	1981	1980
Newspapers	$14,900,000	$6,990,000
Magazines	27,600,000	23,630,000
Spot tv	26,500,000	9,700,000
Network tv	69,600,000	79,700,000
Spot radio	21,500,000	19,100,000
Network radio	1,200,000	1,058,000
Outdoor	800,000	92,000
Direct mail	2,330,000	—
Retail misc	12,400,000	7,400,000
Total	174,500,000	150,700,000

†Provided by other sources

U.S. AUTOMOTIVE SALES GROUP

MARKETING PERSONNEL

John B. Naughton Sr., exec vp-sales & mktg
E. Tom Pappert, vp-U.S. auto sales
Jack Givens, vp-mktg
Ted Cunningham, field sales mgr
Gino J. Giocondi, genl mgr, sales & parts operations
Darrell Davis, genl mgr, import operations
Joe Campana, genl mgr, truck operations
Doyle W. Lott, director adv
John Damoose, director-U.S. auto merch
J.J. Cronin, adv mgr, Dodge car & truck
M.V. Howe, adv mgr, Chrysler-Plymouth
J.L. Hickey, corp adv mgr
C.J. Stickford, mgr, import adv
R.R. Schneider, mgr, media & budget analysis
A.C. "Bud" Liebler, director communications programs office
F.G. Hazelroth, director-fleet programs
Tom Andre, mgr, dealer merch
Richard C. Hotchkiss, mgr, product merch
William R. Coley, mgr, consumer merch
B.F. (Moon) Mullins, director-sales & mktg pr

ADVERTISING AGENCIES

Kenyon & Eckhardt Advertising,Detroit, New York, Los Angeles—John Morrissey, chairman; Leo-Arthur Kelmenson, president, ceo; Ron DeLuca, exec vp; Vic Olesen, exec vp; Bruce Andrews, senior vp-senior mgmt super, car & truck line national and dealer advertising; David Kerr, senior vp-senior mgmt super, Chrysler corporate, import car, intl, fleet & lease, service & parts, marine, Interparts & performance parts, finance & admin, print production, control, pr and prod info; Dwight Davis, vp, Detroit creative director; Phillip Matz, senior vp-media director; Bill Winn, president, Bill Win Group; Brian Palmer, vp-rsch (Detroit); Lynn Vernon, vp-mgmt super, Chrysler-Plymouth-Imperial; Bill Oswald, senior vp-mgmt super, Dodge car; Jack Hickey, senior vp-mgmt super, Dodge & Chrysler-Plymouth dealer adv assns; John Miley, senior vp—mgmt super, Dodge truck; Walter Dunne, vp-mgmt super, Chrysler corporate, intl, fleet & lease, service & parts, marine, performance parts & Interparts; Ned Brown, vp-acct super, Chrysler-Imperial; Robert MacGregor, vp-acct super, fleet & lease, service & parts, marine, performance parts & Interparts; J. Russell Hamilton, vp—acct super, Chrysler-Plymouth dealer; Bob Williams, vp-acct super, Dodge car; Roy McKechnie, senior vp-creative director, Dodge truck, intl; Dave Hubbard, vp-acct super, Dodge truck; Bruce Montgomery, vp-assoc creative director, Dodge truck, intl; Elton Kruger, vp, media group head, Dodge car & truck; Larry Schneider, vp-production; Paul Stevens, vp creative, Chrysler-Plymouth dealer assn; Richard Ferguson, vp-finance & admin, imports; Glenn Campbell, director pr; Robert Wolf, senior vp-genl mgr, LA; Eric Davison, vp-mgmt super, imports (LA); Mark Curran, vp-acct super, import cars (LA); Bill Donaldson, vp-acct super, dealer assn (LA); John LaPick, senior vp-creative director (LA); Arnold Kusnetz, senior vp-group rsch director (NY); Robert Minicus, senior vp-creative director, Dodge (NY); Ken Duskin, senior vp-creative director, Chrysler-Plymouth (NY); Don Grant, vp-pr (NY); Calvin Mew, vp-director mktg plans (NY).

Ross Roy Inc., Detroit—Ross Roy, chairman; Glen W. Fortinberry, president, ceo; Richard C. Ward, exec vp; Tony Hernandez, senior vp-group acct super; Robert F. Steiger, senior vp-creative director; Jack Hendrie, senior vp-group acct super; Donald F. Baldwin, vp-group acct super; R. John Oliver, vp-group acct super; Francis M. Dattilo, vp-assoc creative director; Donald E. Delozier, vp-admin services; Richard J. Kociels, vp-acct super; Michael L. Labiak, vp-assoc creative director; J.D. Owens, vp-pr; Robert J. Solano, vp-assoc creative director; William I. Taylor, vp-director prod info; James V. Vehko, vp-programs, computer services; Corbin P. Elliot, acct super, truck-TDM; Richard F. Gargano, acct super, intl & special programs; Joseph L. Mason, acct super, catalogs, data books, color & trim, books; T. Mullahy, acct super, service & parts; T. Szczotka, acct super, fleet & lease.

Clorox Co.

	1981	1980
Sales	$714,023,000	$637,433,000
Earnings	38,083,000	33,209,000
Advertising*.	80,761,000	74,554,000

*AA estimate

Clorox Co., Oakland, Cal., the 68th largest advertiser, increased ad spending in 1981 to $80.8 million, from $74.6 million in 1980.

The company's earnings for the fiscal year ending June 30, 1981 rose 14.7% to $38.1 million from 1980 level of $33.2 million. Corporate sales totaled $714 million, up 12% from 1980 level of $637.4 million.

During 1981 Clorox continued on the course it has been following since 1969, when it became independent from its short-term parent company, Procter & Gamble.

Since that time it has been attempting to transform itself from a company dependent upon a single product into a broad-based consumer products marketer via a diversification strategy, including acquisitions and in-house research and development of new products.

Clorox took a major step in this direction in October, 1981, by acquiring Comerco Inc., Tacoma, Wash., marketer of Olympic and Carver Tripp paints and stains. The Olympic brand, a leader in the category, is estimated to have a 40% share of the $200 million to $250 million exterior paints and stains business. While at present the housing industry is experiencing a rather deep slump, analysts in general are high on the acquisition, expecting Clorox's Olympic Stain division to eventually contribute substantially to company profits.

Another benefit of the acquisition is that it opens the possibility of a new avenue for distribution for Clorox's household products in paint and hardware stores. To date, Clorox has not taken steps to use Olympic's distribution system in this way.

It was six months before the Comerco deal was made final that Clorox's president-chief executive officer Edwin H. Shutt Jr. abruptly left the company after a mere eight months on the job. Reportedly, Mr. Shutt left Clorox because of a power struggle between himself and Clorox chairman R.B. Shetterly, over the terms of the Comerco deal and Clorox's growing ties to its West German partner, Henkel. In order to finance the Comerco deal, Henkel in 1981 took steps to increase its stake in Clorox to 25%.

On July 1, 1981, Mr. Shutt became president-chief operating officer of Tampax Inc. Calvin Hatch, a Clorox executive vp and a member of the board since 1976, succeeded Mr. Shutt as president and chief executive officer. Mr. Shetterly continued as chairman. In July, 1982, Mr. Hatch was named chairman to succeed 67-year-old Mr. Shetterly, who is retiring. Mr. Hatch continues as ceo. At the same time, C.R. Weaver, 53, was named president-chief operating officer.

Clorox has been riding high on the successes of new products like Tilex instant mildew stain remover and Clorox Pre-Wash, a laundry soil and stain remover, and early acquisitions like Hidden Valley Ranch salad dressing mixes, but the company is still dominated by sales of liquid and dry bleach. However, company execs like to point out that liquid and dry bleach sales account for less than 50% of Clorox's total earnings from established brands. Clorox is estimated to have a slightly less than 60% share of the U.S. bleach business.

While Clorox is at work building its nonbleach business, it is, ironically, facing a challenge from its former parent company, P&G, in its core business. P&G has since fall, 1981, been testing a new dry bleach called Vibrant, that some say represents a technological challenge with the potential to obsolete Clorox liquid.

Clorox executives, at least in public, play down the significance of the Vibrant introduction, claiming it is not the technological breakthrough that P&G claims. Clorox in May, 1982, started testing a new, all-fabric dry bleach called Wave in Bakersfield, Cal., Oklahoma City, Nashville and Louisville, with ad support via FCB/Honig, San Francisco. Wave, like Vibrant, is positioned as a heavy-duty bleach able to provide the

whitening powers of chlorine liquid and the safety of dry bleach.

During 1981 Clorox continued on a new products push. Clorox started testing AirO's solid air freshener in Peoria and other markets, backed by tv spots that describe the product as "able to fight odors longer than any other concentrated air freshener."

The test was suspended in April, apparently after the product failed to live up to company expectations. Clorox also started distributing its Tilex mildew stain remover nationally with heavy ad spending via Foote, Cone & Belding/Honig, in addition to Clorox Pre-Wash laundry soil and stain remover, assigned to Ketchum Advertising. It moved Fresh Step odor-controlling cat litter into test in Salt Lake City and Cincinnati, supported by ads via Young & Rubicam, San Francisco.

In the early part of 1982 Clorox discontinued marketing of its Duraflame firelogs, a product it had acquired in 1978. It is said to have been operating in the red on annual sales of $20 million to $25 million. Clorox puts the blame for Duraflame's demise on the sorry state of the firelog market, which has been declining in general at a 20% to 25% pace for the past several years.

In charcoal, Clorox is still the national leader with its Kingsford and Match Light brands, but sources say Clorox is not making the kind of profit margins it desires on the labels. Company sources deny there is any possibility the company might make a similar decision about charcoal as it did about firelogs earlier in 1982.

In 1981 Clorox pulled out of a category in which it had tried its hand—liquid soap—after severing its ties with Evolution Health Care, Taylor, Tex. The two companies had a joint marketing agreement on the product, and Clorox had had a two-year option to acquire Evolution. That relationship was terminated after the product lost ground in supermarket and other retail outlets because of strong drives from soft soap competitors, Jergens and Minnetonka.

Over-all, Clorox increased spending in network tv about $5.2 million to a total of $49.7 million in 1981, compared to 1980 levels of $44.5 million. It also practically doubled its expenditures in spot tv to $7.5 million from 1980 levels of $4.1 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,023,700	$10,200
Magazines	5,670,200	3,878,100
Spot tv	7,551,500	4,130,500
Network tv	49,687,600	44,490,300
Spot radio	16,200	—
Network radio	1,109,700	—
Outdoor	11,600	—
Total measured	65,070,500	52,509,350
Unmeasured	15,690,500	22,044,700
Estimated total	80,761,000	74,554,000

MARKETING PERSONNEL

Calvin S. Hatch, chairman, ceo
C.R. Weaver, president
John W. Collins, group vp
C.J. Swenson, group vp
Carl V. Stinnett, vp-sales
G.R. Victor, vp-Olympic Stain div
R.A. Bolingbroke, vp-Kingsford div
G.C. Sullivan, vp-food service prods div
R.C. Richter, vp-intl div
M.R. Gallagher, genl mgr, household prods div
David L. Goodman, vp-public affairs & mktg services
D.L. Spencer, adv mgr—Kingsford div
M.A. Perry, director of mktg, Clorox food service prods div
R.H. Meyskens, mktg mgr, Olympic stain div
R.H. Bolte, director of media operations

ADVERTISING AGENCIES

Foote, Cone & Belding/Honig, San Francisco—Clorox bleach, Clorox 2, Formula 409, Soft Scrub, Twice As Fresh, Tilex—J.B. Balousek, mgmt super.

Ketchum Advertising, San Francisco—Liquid-plumr, Litter Green, Clorox Pre-Wash, Kingsford charcoal—D. Snedaker, mgmt super.

Young & Rubicam, San Francisco—Match Light, Salad Crispins, Kitchen Bouquet, Hidden Valley Ranch salad dressing, B in B mushrooms—C. Mill, mgmt super.

Kraft/Smith, Seattle—Olympic paints and stains—S. Darland, mgmt super.

Marx/David, San Francisco—all Clorox foodservice prods except Moore's frozen foods—J. David, mgmt super.

Scott Inc., Milwaukee—Moore's frozen foods—C. Reynolds, mgmt super.

KNOW THY COMPETITION

See page 125

LNA

Coca-Cola Co.

	1981	1980
Sales	$5,883,035,000	$5,620,749,000*
Earnings	481,782,000	422,108,000
Advertising**	197,831,700	184,185,700

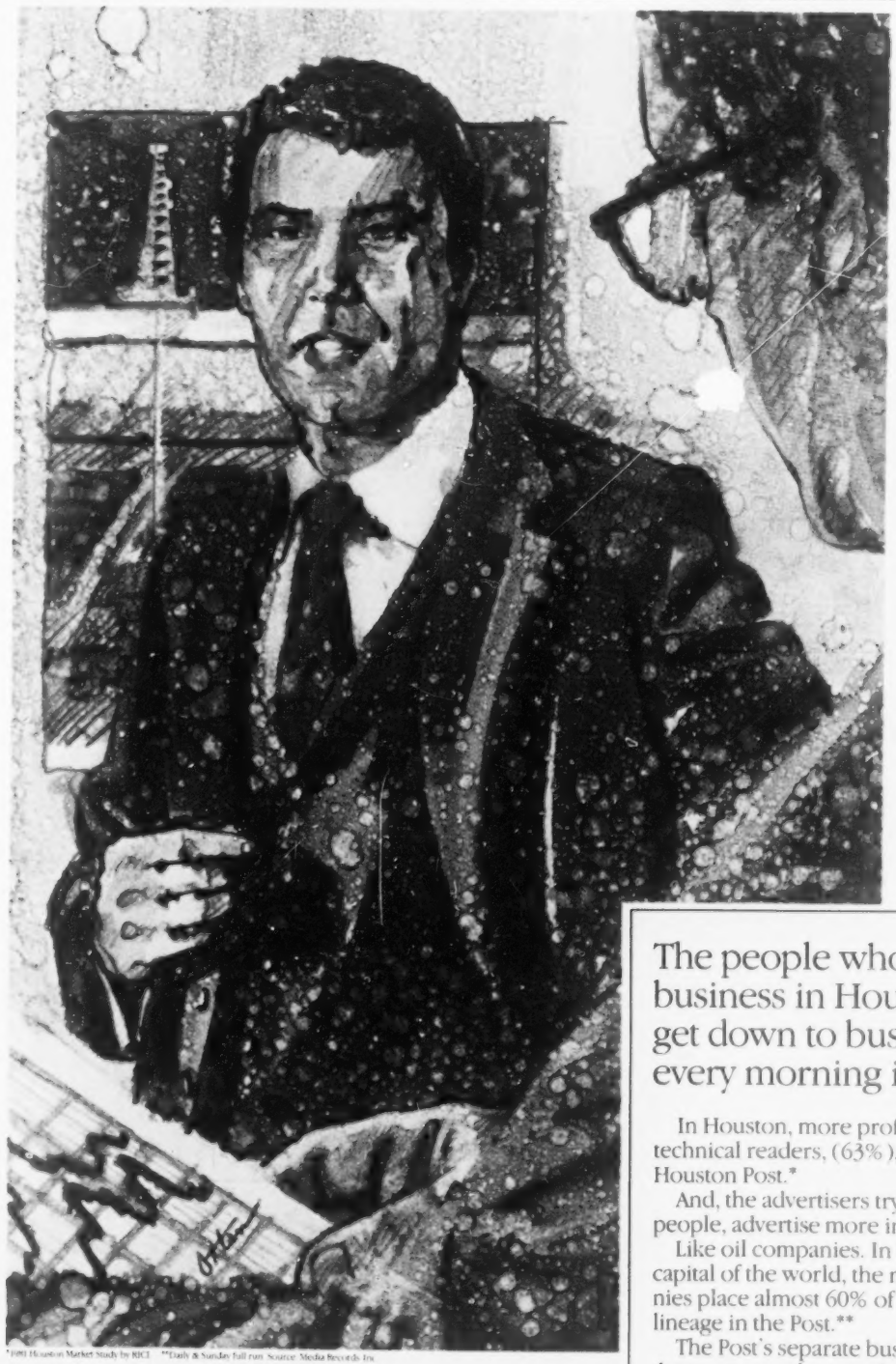
*Revised by company to reflect the sale of Aqua-Chem and Tenco division
**AA estimate

Coca-Cola Co., Atlanta, the 22nd largest national advertiser, increased its ad spending 7.4% to an estimated $197.8 million in 1981. Worldwide media ad spending was $414 million in 1981 compared with $395 million in 1980.

Net sales for Coca-Cola were up 4.8% last year, from $5.6 billion to $5.9 billion, compared with an increase of 19.9% in 1980. Earnings were up 14%, from $422 million in 1980 to $482 million last year.

Soft drink unit sales, which made up 80% of net sales and 88% of 1981 earnings, increased 3.6% worldwide, compared with a 20.1% increase the year before. Sales revenues from soft drinks were up by 4%, to $4.68 billion from $4.52 billion in 1980.

Net sales of nonsoft-drink products were up 9.7% in the past year, compared with an



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*1981 Houston Market Study by RICI. **Daily & Sunday full run. Source: Media Records Inc.

18.9% increase the year before.

In 1981, the company's combined U.S. operations accounted for 55% of total net sales and 37% of earnings. Net sales from U.S. operations were up 6%, while earnings were up 21%.

Coke, the company's flagship brand in a sea of beverage brands including Tab, Sprite, Fresca, Mello Yello and Mr. PiBB, has come a long way since it was invented in Atlanta in 1886 to become a cure-all for the aftereffects of overindulgence. It is now the world's No. 1 soft drink, sold in more than 145 countries, with sales of over $2 billion annually.

Second to soft drinks, citrus is the company's largest business, including products sold under the Minute Maid and Hi-C labels. The company also markets coffee and tea. However, in the last couple of years it has been the wine segment that has proved to be the sprinter among the holdings.

Despite the battering the company has taken this past year as a result of foreign currency translations, the drop in sugar prices and energetic competition from its rival Pepsi Cola, there is a mood of buoyancy in the company that was not there three years ago. Much of the mood can be attributed to the new management team.

Ever since Roberto Goizueta, chairman and chief executive officer, took over from the austere J. Paul Austin in March, 1981, the direction the company has taken has been as unconventional, they say, as Mr. Goizueta's silk ascots. In addition to the Cuban-born Mr.Goizueta, the new team includes Iowa-born Donald Keough, president and chief operating officer, and Egyptian-born Sam Ayoub, senior exec vp and chief financial officer.

Others recognize the change as well. "It's clearly a management team that's a lot tougher in the marketplace than the old one," John Scully, president of PepsiCo's Pepsi-Cola Co., has been quoted as saying.

The company also cites the continued restructuring and strengthening of its bottler system and the opening of the first Coca-Cola bottling plant since WW II in China as major accomplishments of 1981.

One of the most controversial recent developments was Coca-Cola's purchase of Columbia Pictures Industries, for $750 million, in June.

It was Mr. Goizueta's first major acquisition, and first major move in stamping his own personal style on the soft drink behemoth. The move, however, prompted mixed reactions from industry analysts.

Chairman Mr. Goizueta said in a recent interview, "The entertainment business provides an opportunity for high growth potential without requiring two things that the Coca-Cola Co. isn't good at: High technology and investment in hardware." These areas—film, entertainment and programing for cable and pay tv—seem to be of special interest to Mr. Goizueta, who also has mentioned fragrances as another possible field for diversification.

Another big move recently, partially prompted by new management, partially by research, has been the change in the ad campaign for the flagship brand, Coke. The "Have a Coke and a smile," used since 1979, has given way to "Coke is it!" released nationally this February after rigorous and expensive testing during the past year. Mirroring Coke's management's new aggressive stance, this campaign is considered its "fight" song.

One of the most well received commercials for the new "Coke is it" campaign was created by Burrell Advertising, a Chicago-based black agency that has been with Coke for years. It features the Grambling College marching band and is targeted to mostly black audiences.

Last year there was a flap when the Rev. Jesse Jackson's black activist organization Operation PUSH, Chicago, boycotted Coca-Cola Co. products because, according to Rev. Mr. Jackson, the company offered little opportunity for blacks to enter its franchise business. Coca-Cola offers more for blacks in Third World countries than in the U.S., he said. As a result, Coca-Cola agreed to spend $30 million on black businesses and help arrange for more blacks to win lucrative Coke bottling franchises. As part of that pledge, the company agreed to assign a black-owned agency a product "from any division" that would lead to $8 million in billings. Although Burrell Advertising is a strong contender for that account, it has not, as yet, been assigned.

Other maneuverings that went on in 1981, to culminate in early 1982, were Coke's decisions about a diet beverage to carry the Coke logo. Coke has overcome its earlier concern that such a move might cut into its flagship brand franchise. It now plans to spend more than $50 million to launch Diet Coke, scheduled for test market this summer. The company also noted it will enter the caffeine-free category when it believes the time is right.

How did the Coke-Pepsi battle look at the end of the year? As with last year, it depends on the source. Several industry watchers ascribe a one-tenth of a percentage point drop for Coke in 1981, from 24.3% to 24.2%. Pepsi, on the other hand, is shown moving up three-tenths of a point, from 18% to 18.3%. into case sales.

A.C. Nielsen Co., which measures retail sales through surveys of food and drugstores, shows Coke out in front in that heated area in which Pepsi momentarily overtook Coke during 1981. Although the battle has been neck and neck in the supermarkets, in total U.S. sales Coke is the unquestioned leader because of its strength in fountain and vending sales. According to Nielsen, Coca-Cola brands as a whole moved up to 30.9% in 1981 from 30.0% in 1980. Pepsi products were at 29.4% from 29.1% in 1980.

The battle has particularly affected bottlers, who, because of the intense competition between the two, are tending to spend more time on Coke and Pepsi and less on other brands. The constant discounting and price wars are costing both companies money. Some believe that the recent veering off into caffeine-free for Pepsi and Diet Coke for Coca-Cola might allow the head-on competition to subside for a while.

Tab, Coke's sugar-free cola and the world's No. 1 diet product, holds the No. 5 position in the top 10 soft drink lineup in the U.S. According to *Beverage Industry*, its market share increased from 3.2% to 3.6% in 1981, while Diet Pepsi—No. 8—went from 2.6% to 2.9%. Nielson puts Tab figures for 1981 at 4.1% over Diet Pepsi's 3.6%. Ad spending for the "Beautiful People" product was up 18% in 1981, from $13.1 million to $15.1 million, with the majority in network and spot tv.

The "The beautiful drink for beautiful people" campaign has been going on for five years. Some considered the beach-oriented spot a "mind grabber" because of the beauty of the model's figure, a perfect "10." Others—a definite minority—found it exploitative and offensive.

Sprite, Coca-Cola's lemon-lime product, continues to be the No. 3 product for the company. "When you're reachin' for more . . . reach for Sprite" continues into its third year, although sugar-free Sprite has a new campaign: "Great taste says you shouldn't . . . but you can." Ad spending for regular Sprite was just about the same as last year. According to *Beverage Industry*, Sprite holds the No. 7 position in the top ten soft drink lineup, losing its prior-held No. 6 position to Pepsi's Mountain Dew.

Fresca's transformation in 1980, from taste to logo to packaging to ad campaign, had disappointing results. According to figures compiled by Emanuel Goldman, beverage analyst with Sanford C. Bernstein & Co., New York, cases of Fresca dropped from 38 million sold in 1980 to 28 million in 1981. Ad spending for the product in 1981 was down 18%, from $7.9 million in 1980 to $3.7 million in 1981, mostly concentrated in network tv.

Ramblin' Root Beer, on the other hand, in only its second year of test marketing, was given an ad spending boost of over 600% in 1981, from $135,000 in 1980 to $1.1 million in 1981. According to the company, it is now the largest-selling root beer in New York.

Ad spending for Mello Yello, which has gone from "Mello Yello makes you feel so good so fast" to "Mello Yello to the rescue" was down last year some 25%, from $3.7 million to $2.7 million.

Its over-all market share, however, increased slightly, from 0.8 % to 0.9%.

Sales of Mr. PiBB dropped from 39 million cases in 1980 to 34 million in 1981. Its market share dropped from 0.7% to 0.6%, according to Tom Bachman of *Beverage Industry*. Ad spending for the product was down more than 40%, from $1.3 million in 1980 to $757,900 in 1981.

On other fronts, the foods division was revamped into the Foods and Wine Group, which now includes the Foods division, the Wine Spectrum and Presto Products, all under the management of Ira C. Herbert, group president.

After soft drinks, citrus is Coca-Cola Co.'s largest money maker. It is the largest producer and marketer of citrus in the world. The foods portion of this group includes citrus and fruit juices sold under the Minute Maid, Snow Crop, Five Alive and Hi-C labels and coffee and tea under the Maryland Club and Butter-Nut labels.

The citrus industry was knocked briefly to its knees after a mid-January Florida freeze temporarily disrupted fruit supply. As the prices shot up, sales went down, causing an over-all slump in the frozen concentrated orange juice category.

Nonetheless, Minute Maid frozen concentrated orange juice continued to lead the pack in the frozen orange juice category. Over the past five years, Minute Maid in cartons has achieved an annual growth rate of 44%. The Minute Maid family has grown to include Minute Maid Frozen Concentrated Orange Juice with More Pulp, a 100% all-juice sibling with no sugar or preservatives and a Minute Maid reduced-acid orange juice.

Minute Maid's frozen concentrated apple juice, introduced nationally in 1981, achieved a 15% market share in its category within the first six months on the market. The frozen apple juice category itself grew 58% in 1981, making it one of the fastest growing areas in supermarket sales.

Total ad spending for Minute Maid products, including orange, lemon, apple and grapefruit juices, lemonade products and presweetened mixes, was $15.8 million, according to Leading National Advertisers figures, down from $16.4 million in 1980.

Five Alive, a frozen concentrate made from the juice of five citrus fruits, went national in 1979, and last year shot ahead of the other fruit drinks to become No. 2 after Minute Maid. Five Alive's success was the catalyst for Fruit Punch, introduced in 1980, made from cherries, apples, pineapples, grapes and lemons. In early 1981, Five Alive appeared in a new form, refrigerated and ready-to-serve, supported with $3.9 million—all in network tv.

Ad support for all Five Alive juice products increased from $6.3 million in 1980 to $8.2 million in 1981, a 30% jump.

In the fruit drink category, Hi-C maintained its No. 1 spot in 1981, adding on an apple-cranberry flavor early in the year. A new development in 1981 was the introduction of "Hi-C in the drink box"—a septic packaging. The new packaging, Brik Pak, which comes with an attached straw, has proved successful with children.

Ad spending for all Hi-C products was up 15%, from $2.7 million in 1980 to $3.1 million in 1981.

Coca-Cola's two coffee products, Maryland Club and Butter-Nut, maintained their market shares over the past year in a category whose slump seems to be leveling off. The general aging of the population is a factor cited for the end of the two-decade-long decline that has plagued the coffee industry.

Market share of Maryland Club is 1% and Butter-Nut is 2.4%, according to early 1982 figures compiled by Lehman Bros. Kuhn Loeb research.

The other side of the newly organized group, The Wine Spectrum, put in a star performance in 1981, with a 20% increase in sales, making it the fastest-growing wine company in the country.

Presently, it ranks No. 4, after E.& J. Gallo, United Vintners (Heublein) and Almaden (National Distillers).

The group includes wines made and distributed under the Taylor, Sterling, Monterey and Great Western labels as well as New York state champagnes, Solera dessert wines and Cinzano Italian wines.

Taylor California Cellars continues to be the most successful entry in the wine industry since its debut in 1978. Its ad campaign, "Better wines. . .judge for yourself" promoting the generic brands, chablis, rhine, rose and burgundy, continues. And, as of last year, rose was added to chablis and burgundy in the canned category for airline use. As of early 1982, Delta Air Lines now serves wines in cans on all its flights.

In 1981, Taylor California Cellars brought in the first lower-calories wine in the U.S.—Light Chablis of California, test marketed in 12 markets, and backed with heavy media support, with the theme, "The perfect time for your other wine." Results were good, and national introduction in early 1982 brought in light rhine and rose, in addition to the chablis. Following the trend to "light" drinks, these wines have approximately 25% fewer calories than the regular wines. Also introduced in 1981 were Taylor California Cellars dry red and dry white wines.

The Monterey Vineyard continued to focus on its white vintage varietals while Sterling Vineyards markets both red and white varietals, exclusively estate-bottled and vintage-dated, from the chardonnay, sauvignon blanc, merlot and cabernet sauvignon grape.

Last year, The Taylor Wine Co., Hammondsport, N.Y., began the test marketing of its Lake Country Soft red, white and pink wines. The wines are low-alcohol, slightly carbonated and semidry and the company bluntly states its mission is to cut into the Italian Lambrusco market, which makes up the largest segment of the imported wines.

Ad spending for Taylor and Taylor California Cellars wines increased 14% last year, from $10.6 million to $12 million, with most of the concentration on network tv.

Great Western's new line of Special Selection varietals is helping to change New York's wine image. They include Verdelet, Aurora Blanc, Rose de

Chaunac and Vidal Ice Wine. According to the company, response from the wine writing community has been excellent.

Other developments at Coca-Cola include the combining of the plastic products operations, Presto Products and Winkler/Flexible Products, into a single group, Presto Products Inc. within the newly formed Foods and Wine Group.

Also, the company shed its Aqua-Chem subsidiary, maker of steam generators, industrial boilers and water treatment equipment for $29 million to the Societe Lyonnaise des Eaux et de L'eclairage, Paris. Also, earlier this year, the company sold its Tenco division, an operating unit that manufactured and distributed private label instant coffees and teas to Tetley Inc., Shelton, Conn.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$4,576,000	$5,418,100
Magazines	5,524,100	3,975,400
Spot tv	47,758,900	47,726,300
Network tv	61,023,500	57,897,300
Spot radio	12,480,500	9,988,400
Network radio	681,100	1,440,800
Outdoor	2,878,000	3,035,400
Total measured	134,922,100	129,481,700
Unmeasured	62,909,600	54,704,000
Estimated total	197,831,700	184,185,700

COCA-COLA USA

MARKETING PERSONNEL

Brian G. Dyson, president, Coca-Cola USA and senior vp, Coca-Cola Co.
Albert E. Davis, vp-adv prod, media services
Richard D. Czernaiwski, director, brand planning
Clare Bisceglia, director, adv & prod services
Charlotte Weissenberger, director, media services
Daniel O. Haas, mgr, promo

ADVERTISING AGENCIES

McCann-Erickson, Atlanta and New York—all brands—(Atlanta): Ronald Sugarman, exec vp, McCann-Erickson Worldwide; Wayne Thornhill, vp-mgmt rep, Coca-Cola USA; Joel Babbit, acct exec, Coca-Cola USA; Jay Heisler, asst acct exec, Coca-Cola USA; David A. Clapp, acct super, Tab; Bruce Hoster, acct exec, Tab (New York); Lawrence Glucs, vp-acct exec; Jim Buckley, asst acct exec, Tab; Jack Miller, senior vp-mgmt rep; Nancy Hanau, asst acct exec; Steve Weiss, senior vp.

Burrell Advertising, Chicago—black consumer advertising—Ronald Sampson, exec vp-client services; Keith Tunnell, mgmt super, services; Tom Burrell, president; Vernon Wright, acct super, Stuart Novy, creative director.

Marschalk Co., New York—Sprite and sugar-free Sprite, Mr. PiBB and sugar-free Mr. PiBB—John Dooner, mgmt super, Sprite & Sugar-free Sprite; Mike Mainthow, acct super, Sprite & sugar-free Sprite.

McDonald & Little, Atlanta—Fresca and Mello Yello—Al Kitchen, acct super; Trish McDonald, acct exec, Mello Yello.

Kenyon & Eckhardt, New York—Ramblin' Root Beer and sugar-free Ramblin'—Peter Dimsey, senior vp-mgmt rep; Mickey Abramson, vp-acct super, Hazel Shanken, acct exec.

FOODS DIVISION

MARKETING PERSONNEL

Eugene V. Amoroso, president
Al Munkelt, senior vp-mktg planning
Clint Owens, senior vp-genl sales mgr
Thomas C. Cleveland, senior vp-coffee and foodservice
John Youngjohn, mktg mgr-frozen prods
Frank Blod, Harry Robinson, mktg mgr-refrigerated prods
Jay Mower, vp-director of business devel

ADVERTISING AGENCIES

Marschalk, New York—all foods division—Dick Villante, exec vp-Minute Maid juices and ades; John Oliver, senior vp-Minute Maid frozen orange juice and lemonade; Scott Smith, acct super-orange juice; Bob Shea, vp-acct super, lemonade prods; Eric Einhorn, vp-acct super-variety juice products; Barry Linsky, exec vp-HiC prods, Snow Crop Five Alive, Butter-Nut, Maryland Club coffees, Bright & Early, new prods; Jim Johnson, senior vp-mgmt services director-HiC, Butter-Nut and Maryland Club coffee; Ken Roffe senior vp, Leslie Green, vp-acct super-new prods; Peg Jump, acct super-HiC; Gary DePaolo, senior vp, mgmt services director-Snow Crop Five Alive, Bright & Early; Michael Krugman, vp-acct super-Snow Crop Five Alive, Bright & Early.

WINE SPECTRUM

MARKETING PERSONNEL

Harry E. Teasley, president
Michael V. Cheek, natl sales mgr
Wesley M. Thompson, vp-mktg, planning
Margaret L. Stern, vp-external affairs
Thos. H. Muller, vp-finance & admin
Steven G. Gold, genl counsel
William E. Culhane, vp-field sales mgr

ADVERTISING AGENCY

Kenyon & Eckhardt, New York—Taylor Wines, Great Western, Taylor California Cellars, Taylor Lake Country Soft, The Monterey Vineyard, Sterling Vineyards—John Balson, exec vp; John Horne, senior vp-genl mgr, New York; Peter Dimsey Sr., vp-mgmt rep; Patricia Stewart, vp-mgmt super; Mickey Abramson, vp-acct super, Great Western, Taylor and Lake Country; Marcy Glanz, vp-acct super, Taylor California Cellars; Chris Van Wagoner, acct exec; Carole McCann, asst acct exec.

Colgate-Palmolive Co.

	1981	1980
Sales*	$5,261,364,000	$5,130,464,000
Earnings*	208,399,000	171,590,000
Advertising**	260,000,000	225,000,000

**AA estimate

Colgate-Palmolive Co., New York, the 13th largest national advertiser, boosted ad spending 16% to $260 million in a year when the company expressed renewed commitment to adequate media support.

A redirection of media expenditures to back major brands was named as one of six basic changes in organizational structure and operating emphasis that occurred during 1981. The others included organizational restructuring to capitalize on global strengths, establishment of a strategic and business development planning group, increased emphasis on major brands, increase in research and development and higher capital spending.

Colgate is still a company in transition as chairman Keith Crane re-establishes the company as primarily a major marketer of personal care and household products, eschewing the sports and apparel businesses acquired by his predecessor.

Worldwide sales rose 2.6% to $5.26 billion, while net income totaled $208.4 million, up 21.5% over 1980.

Colgate reported earnings of $109.8 million for the first six months of this year, a 1% increase over 1981. Sales fell 5.5% to $2.48 billion for the six-month period.

Worldwide, Colgate invested $307.5 million in media, up 7% over 1980. The company pointed out that in overseas markets, actual ad spending in local currencies rose by a significantly greater amount, but that is not evident from the figures because of currency translations. Colgate also pointed out that media spending as a percentage of sales moved up from 5.6% in 1980 to 5.8% in 1981.

Sales of household and personal care products worldwide, which account for 69% of total sales, rose 1.9% last year. Those products contribute 63% of operating profit. Colgate said in the U.S. it improved its position and achieved sales advances, especially in dentifrices, dishwashing liquids, detergents and first aid products.

U.S. sales account for 41% of the corporate total, while U.S. operating profits account for 37%.

Colgate emerged from the dentifrice war in the U.S. in a relatively good position. The company initially responded to competition with an improved formula for Colgate toothpaste offering a fresher mint taste as well as "unbeaten cavity" protection.

Later in the year, the company introduced Colgate winterfresh gel, which now accounts for one-third of the sales of the Colgate toothpaste brand.

Recent market shares indicate that Colgate has maintained its strong No. 2 position (behind Procter & Gamble's Crest) with close to 20% of the $800 million market. Like most of the other secondary brands, Colgate's Ultra Brite has lost ground and holds less than 3% of the category.

To achieve these rankings, Colgate invested $25.3 million in measured media for the Colgate brand, including $4.9 million specifically for the gel variety. Ultra Brite received $4.8 million in measured media.

The company dropped its plans to promote Fluorigard dental rinse heavily to consumers and spending fell to less than $500,000 from $3.5 million two years ago.

In laundry products, Colgate's single largest business, the company said sales benefited from the continuing acceptance of Fresh Start concentrated detergent.

The company also is rolling out Fab detergent with fabric softener and expects to be national by year-end.

There has been some question about whether Fresh Start has been the success the company originally hoped for since the brand has leveled off at about a 3.5% market share (based on case sales). Colgate asserts that it is satisfied with the brand's performance and that its share is over 5%. The discrepancy is believed because of Colgate's use of dollar sales instead of case sales.

Fresh Start received its first major direct competition several months ago with the introduction in several states by P&G of Ariel, a concentrated low-sudsing detergent it markets overseas. Ariel is P&G's biggest-selling detergent brand worldwide. Last year, Colgate invested $14.4 million in measured media to support Fresh Start, a $3 million increase over the previous year. Its other detergent brands include Fab and Dynamo, each holding 2.4%, and Cold Power at 1.6%.

Ad spending for Dynamo last year was $4.3 million and Fab, $3.5 million. Cold Power is no longer supported as a major brand.

In the light-duty market, Palmolive shares the No. 3 spot with a 12.5% market share. It trails P&G's Ivory and Dawn in the $1 billion category and is holding even with P&G's Joy. Last year the company spent $8.2 million to back Palmolive, some $2 million more than the previous year. The company tested several tv spots during the year that did not use longtime tv endorser, Madge, the manicurist, but so far actress Jan Miner has survived the test and continues to appear in national advertising.

The only other light-duty brands to receive significant ad backing were Dermassage, which got $1.9 million in measured media, and Ajax dishwashing liquid with $1.7 million. Ajax was reformulated to contain lemon juice.

Irish Spring deodorant soap remains Colgate's leading entry in the toilet soap category. The brand, with a 4% market share in the $850 million U.S. toilet soap market, was supported by $6.8 million last year. Palmolive and Cashmere Bouquet are among those products no longer profitable enough for major advertising.

The Ajax line of cleaning aids received $3 million in measured media support with most of the dollars going into the dishwashing liquid ($1.7 million) and liquid cleaner ($1.3 million).

Another household product, the Baggies line of plastic bags, continued to experience declining ad spending. Although the No. 2-seller of food bags, the company spent less than $1 million to support the products in measured media.

Colgate boosted spending slightly to $2 million in an effort to increase market share of its Curad bandages, a brand with 25% of the category that holds about half as much share of market as leader Johnson & Johnson's Band-Aids.

In the foods division, the company's major ad focus was on Success Boil-in-the-Bag rice, a brand that received more than $1 million in advertising. Other brands, Carolina, Mahatma, River and Water Maid, do not receive full-fledged campaigns. Colgate is the leading marketer of branded rice in the U.S., although rival Uncle Ben's is the leading single brand.

Colgate expanded its use of cable by spending more than $500,000 on Ted Turner's Cable News Network. The company already spends over $1 million on superstation WTBS. The amount is about the same as the company spends on syndicated properties and was seen as good protection for Colgate in the spring and summer when network tv numbers sometimes sag. The CNN time also gives Colgate some help in urban markets.

During the year, Colgate was ordered by the U.S. Supreme Court to pay United Roasters $950,000 for breach of contract in a dispute related to the marketing of Bambeanos soybean snack several years ago. The case had been in the courts the past four years.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,713,100	$2,045,000
Magazines	9,394,300	7,148,000
Farm publications	—	182,300
Spot tv	22,263,700	25,636,800
Network tv	47,998,800	40,050,000
Spot radio	5,508,500	6,208,500
Outdoor	42,900	65,500
Total measured	86,930,300	79,336,100
Unmeasured	171,079,700	145,663,900
Estimated total	260,000,000	225,000,000

CORPORATE PERSONNEL

Keith Crane, chairman, president, ceo
Reuben Mark, exec vp
William Powell, exec vp
Roderick Turner, exec vp

U.S. MARKETING

MARKETING PERSONNEL

A. Courtenay Shepard, vp-genl mgr
Barrie Spelling, vp-mktg
A. Allen, vp-creative services
David Enfield, director-mktg, regular prods
Tony DeNisco, director-mktg, new prods
Madi Ferencz, category mgr-heavy-duty detergents
M. Carl Johnson, category mgr-oral care prods
G.S. Parker, mkt rsch director
H.D. Way, director-media

ADVERTISING AGENCIES

Ted Bates Advertising, New York—Colgate toothpaste, Palmolive liquid, Dynamo detergent, Palmolive soap, Palmolive Rapid Shave—Roger Pisani, exec vp; Geoffrey Clarkson, Sheila Paterson, senior vp-mgmt reps; Ila Feld, Peter DePasquale, Justin Harrington, vp-acct supers; Diane Kalebjian, Tony Stanol, Tom Banks, Tad Van Dusen, acct execs; Amy Cammann, asst acct exec.

William Esty Co., New York—Irish Spring soap, Ultra Brite toothpaste, Fab detergent, Ajax cleaning aids, Baggies plastic bags, new prods corporate—Andrew Allen, senior vp-mgmt super; Andrew Mockler, vp-acct super; Ray La France, acct super; Donna Klein, Barbara McKale, Nadine Saker, Lisa Partrick, Sheldon Woodbury, acct execs; Barbara Ryan, Laura Sydney, asst acct execs.

Kenyon & Eckhardt, New York—Fresh Start detergent, Curad bandages, Dermassage dishwashing liquid, Fluorigard dental rinse, new products—John Horne, senior vp, genl mgmt; Jack Couch, vp-mgmt super; David McConnaughey, vp-acct supers; Sandy Tapper, Joan Zwiep, acct execs; Mike Dabrowski, asst acct exec.

Siboney, Coral Gables, Fla.—advertising to Hispanics for Colgate toothpaste, Fresh Start, Fab, Palmolive dishwashing liquid, Palmolive soap, Irish Spring—Gary McBride, acct super, all prods; Iraida Hernandez, sr acct exec, Palmolive dishwashing liquid, Palmolive soap, Irish Spring; Mili Rothman, asst acct exec, Fab, Fresh Start, Colgate toothpaste.

SPORTS & RECREATION DIVISION

MARKETING PERSONNEL

J.E. Grimm III, vp-genl mgr

BIKE ATHLETIC

MARKETING PERSONNEL

J.M. Axford, president
J. Corbett, mktg mgr

ETONIC INC.

MARKETING PERSONNEL

S.D. Tannen, president
J.R. Larsen, vp-mktg

ADVERTISING AGENCIES

Lavidge & Associates, Knoxville, Tenn. —Bike Athletic—Hal Ernst, acct exec.
Creamer Inc., Providence, R.I.—Etonic—Guy Corcoran, vp.

KENDALL CO.

MARKETING PERSONNEL

J.D. Sherratt, president
R.L. Gilson, director-mktg services
R.A. Murray, genl mgr

Hospital Division

T.E. Tierney, group vp-worldwide
C.P. Bruen, vp-domestic
K. Wester, ad mgr

ADVERTISING AGENCIES

Ingalls Associates, Boston—(media)—Linda McDonald, acct exec; Becky Holt, acct coordinator.

Rizzo, Simons & Cohn—medical and patient care creative—Rick Cohn, acct exec.

Industrial Division

F.J. Zeitvogel, group vp
D. Battelle, ad mgr

Industrial Fabrics

J.H. Jacobsmeyer, vp

Fiber Products

R.C. Gockleman, director-mktg
J.N. Balboni, director-mktg
L. Kanner, director-mktg

Polyken Division

T. Gilmore, director-mktg

ADVERTISING AGENCY

Ingalls Associates, Boston—Linda MacDonald, acct exec.

Consumer Division

E.E. Hinds, vp

ADVERTISING AGENCY

Humphrey Browning MacDougall, Boston—Curity diapers, baby clothing—Martha Brown, acct mgr; Rick Britton, acct super.

ACCESSORIES DIVISION

MARKETING PERSONNEL

John Galazin, vp-sales & mktg
Betty Bowes, director-mktg
Margaret Krome, senior prod mgr

ADVERTISING AGENCY
North Castle Partners, Greenwich, Conn.—Charles Taney, senior partner & mgmt super; Evie Coghlan, acct super; Cindy Wilford, acct exec.

RIVIANA FOODS
MARKETING PERSONNEL
F.A. Godchaux III, ceo
Joseph A. Hafner Jr., president
R.E. West, exec vp-sales & mktg, Riviana Rice USA
C.L. Haines, asst vp-mktg, Riviana rice USA
Richard L. Carte, DVM, vp-pet prod mktg, Hill's
Donn Harling, mktg director, Hill's
James C. Humphrey, vp-pet chemicals div
Joseph L. Weinberg, vp-Holiday Chain, Hill's
ADVERTISING AGENCIES
Bloom Agency, Dallas—Riviana rice, Holiday—John Cox, acct exec, Riviana; Bill Oakey, acct exec, Holiday.
Harmon Smith Advertising, Kansas City—Hill's—John Lee Smith, exec vp.

ASSOCIATED PRODUCTS
L. Karl Hollering, vp-genl mgr
A. P. Chadourne, director-mktg, Sterno, new prods
W.R. Voorhees, director-mktg, indl, instl, military
ADVERTISING AGENCIES
Stern Walters/Earle Ludgin, Chicago—indl, instl, Sterno—W.J. Lowney, president; C. Beazley, acct super.
Albert J. Rosenthal & Co.—military—A. Becker, acct super.

Columbia Pictures Industries

	1981	1980
Sales	$686,600,000	$691,800,000
Earnings	44,300,000	44,900,000
Advertising*	47,500,000	43,000,000

*AA estimate

Columbia Pictures Industries, New York, purchased by Coca-Cola this year, was the nation's 90th largest national advertiser in 1981, with ad expenditures of $47.5 million, an increase of 10% from the previous year.

Sales dropped 0.8% to $686.6 million, primarily as a result of a 46.5% revenue decline in the company's amusement games division, D. Gottlieb and Co. At $44.3 million, earnings were down 1.3% from the 1980 fiscal year.

Nevertheless, board chairman Herbert A. Allen and president/chief executive Francis T. Vincent Jr., called the 1981 fiscal year "an important and exciting one for Columbia. Despite some extraordinary pressures, our company made strong financial and operating progress."

Columbia Pictures Industries is an entertainment company involved in production and distribution of films, tv shows and home programs, as well as a manufacturer of amusement games. Columbia also operates broadcasting stations, a music printing unit, tv commercial production facilities, an out-of-home advertising group and a merchandising division.

Just recently, Columbia Pictures Industries was purchased by Coca-Cola in a cash/stock deal reportedly totaling in the $800 million range.

The deal has been credited to the "Eller connection," in reference to Karl Eller, who joined Columbia early in 1981 as head of its communications division. Shortly thereafter, Columbia announced its intention to buy Outlet Corp. and its broadcasting properties, but the deal fell through when Columbia merged with Coca-Cola.

According to reports, Mr. Eller's friendship with Ira Herbert, a Coke executive vp, was the basis for talks that led quickly to an offer from Coca-Cola at a price that some financial analysts felt was quite high.

Mr. Allen, however, voiced much enthusiasm for the Coke takeover, noting that "it will put Columbia and its management in a dominant place in the entertainment industry for years to come."

And Coca-Cola chairman Roberto O. Goizeuta remarked that his executives saw the entertainment field as one having excellent prospects "for profitable growth. . .particularly in areas of filmed entertainment and programing for cable and pay tv."

Fiscal 1981 was marked at Columbia Pictures Industries by certain notable developments, including elimination of intense friction by the repurchase, after costly litigation, of Kirk Kerkorian's 24% interest in the company.

Columbia Pictures prospered, company executives maintain, in a year when the film industry as a whole "was stagnating."

The company's rentals in the U.S. and Canada totaled $184.6 million, up $8 million from the record-breaking previous year.

"Stir Crazy," with total measured spending in 1980 and 1981 of more than $5 million, proved a financial smash, reportedly grossing $100 million in its initial six months. Pay television licensing agreements and sale of network tv rights boosted profits for the Richard Pryor-Gene Wilder film.

Columbia, in fact, noted that "Stir Crazy" is the third-highest-grossing film in its history (behind "Close Encounters of the Third Kind" and "Kramer vs. Kramer") and "one of the most successful comedies of all times."

"Stripes," launched with a measured spending total of $4.7 million, reaped much success. Columbia used the national entertainment and sports cable network, ESPN, to aid in promoting the film.

Measured spending for Columbia pictures hit $36.7 million and included promotion for such films as "Absence of Malice," a winter release whose ad costs ran to $4 million. Other 1981 Columbia pictures included "Cheech and Chong's Nice Dreams," with a fiscal year rental total of $14 million, and "Tess," backed by a $3.5 million spending campaign and opened through a gradual release system.

Columbia releases also included "The Competition," with $3.8 million in spending; "American Pop," "Modern Romance" and "Happy Birthday to Me."

The company invested close to $4 million to push "Neighbors," which was a December, 1981, release starring John Belushi, whose death occurred shortly thereafter.

Network tv spending comprised close to 90% of all measured media output for Columbia's 1981 films. This reflects

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Chicago: Ray Tobin (312) 561-9334

the approach of Marvin Antonowsky, newly appointed to the presidency of marketing and research.

Mr. Antonowsky, who delves heavily into research, has been quoted as saying that the film industry's marketing direction will be "more and more tv."

"I don't know of any way to market pictures without tv advertising."

Under Mr. Antonowsky, Columbia begins testing print ads right after production of a film begins. The advertising is researched and fine-tuned until the best possible ad is created.

In its annual report, Columbia notes that television is used heavily to promote films because it is the most efficient way to reach those aged 12 to 29, the group which makes up a high percentage of moviegoers.

Ogilvy & Mather's fee basis work for Columbia is basically in the tv placement end, while Columbia has increased its in-house creative staff, which handles about half the studio's releases.

Columbia in fiscal 1981 continued gearing for its $40 million musical, "Annie," whose film rights it had purchased in 1977 for a record $9.5 million. The advertising/promotion budget reportedly was around the $10 million mark for the movie, which follows a long and successful Broadway stint for the show.

Opening this summer against such Hollywood smashes as "E.T.," "Rocky III" and Star Trek II," all produced by competitors, "Annie" garnered lukewarm reviews.

Even as it opened, though, Mr. Antonowsky commented, "we've got our money back already." Columbia, in fact, has sold $30 million in theater guarantees, $10 million in tv rights, and $10 million for HBO. In addition, "Annie" products were being sold through licensing agreements with a large number of toy companies, clothiers, publishers, etc.

Home video entertainment continues to form an important segment of Columbia's business. A joint venture with RCA will enable Columbia to market home video programs worldwide. Columbia in 1981 also signed a pact with Bell & Howell to expand videocassette offerings. Cassettes of Columbia's feature film, "Close Encounters of the Third Kind," attained $1 billion in sales quickly after release.

Also, late in 1981, Home Box Office acquired exclusive rights to Columbia films for a number of years and will aid Columbia with production costs for upcoming films.

Fiscal 1981 saw Columbia Pictures become producer of specials through the company's Rastar Television Inc. "Sixty Years of Seduction" and "Ripley's Believe It or Not" headed the inaugural list. The restructured division, under president Herman Rush, also beat all other studios in completing sales of three new series to networks: "Code Red" to ABC; "Mr. Merlin" to CBS, and Mickey Rooney's "One of the Boys" to NBC.

Columbia Pictures Television has acquired most of Time-Life's television assets, including a library for television distribution all over the world. And Columbia Pictures Television Domestic Distribution, under Joseph Indelli, continued as one of the nation's largest peddlers of movies and specials.

EUE/Screen Gems, a Columbia unit that produces tv commercials, fought for a share of the plummeting commercials market and recorded lower profits than in the past year.

But Columbia's merchandising division is prospering not only with securing of licenses for "Annie" items, but also from such merchandising efforts as that connected with the animated "Heavy Metal," which also got promotion help from the *National Lampoon*, which has a "Heavy Metal" fantasy magazine.

Gottlieb Co., under president Boyd M. Browne, is the subject of a revitalization program with plans to branch out from coin-operated games to video models, after losing a substantial portion of market shares in 1981. Analysts believe that Coca-Cola can provide funds to Gottlieb for expansion in videogames.

Eller's communications division is a core of Columbia's growing involvement in that area. Eller is expected to continue his bid to enlarge Columbia Pictures Communications through acquisition. With New York Subways Advertising now in the Columbia fold, having come on board when Eller joined the Columbia ranks last year, a push is on to renew the contract of the unit's biggest franchise—the New York lines.

He has said he is not interested at this time in bringing cable tv companies into the Columbia family.

Major personnel changes include the resignation last July of Leo Jaffe as board chairman, and the addition of chairman to the president's title held by Frank Price.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$66,400	$382,400
Magazines	1,225,000	1,171,800
Spot tv	2,762,700	5,141,400
Network tv	32,612,000	27,121,000
Spot radio	3,101,100	2,698,300
Network radio	60,800	—
Outdoor	43,300	17,300
Total measured	39,871,100	56,432,200
Unmeasured	7,628,900	6,576,800
Estimated total	47,500,000	43,000,000

COLUMBIA PICTURES
MARKETING PERSONNEL

Marvin Antonowsky, president-mktg rsch
Ken Blancato, senior vp-creative adv
Stephen Kasloff, vp-creative adv
Todd Martin, vp-production, adv, publicity
Randy Wicks, vp-director of adv
Steve Randall, senior vp-rsch
Lenore Cantor, vp-rsch
Edward Roginski, senior vp-publicity/promo
Sue Barton Kirkland, vp-East Coast publicity
John Flinn, director-industry relations
Kathy Orloff, natl publicity director
Michelle Reese, natl promo director
Paula Kelley, senior vp-media adv
Diane Charbanic, director-media adv
Jack Friend, director-co-op adv
John Spinka, director of administration

Columbia Pictures Television
Herman Rush, president

Columbia Pictures TV Distribution
Sherman Oaks, Cal.
Joseph Indelli, senior vp-domestic sales

Columbia Pictures Merchandising
Lester Borden, vp-genl mgr

Columbia Pictures Communications
Carl Eller, president

Columbia Pictures Publications
Hialeah, Fla.
Frank Hackinson, president

D. Gottlieb & Co.
Northlake, Ill.
Boyd W. Browne, president-ceo

EUE/Screen Gems
New York
Steve Elliot, president

ADVERTISING AGENCIES

Ogilvy & Mather, Los Angeles—Mary Ellen Stoetzel, vp-mgmt super; Ro Campbell, vp-media director; Betty Pumpian, media director; Jules Fine, exec vp-director of mktg services; Chuck Bachrach, senior vp-broadcast director.

Diener/Hauser/Bates—New York: Norman Trell, senior vp-acct super; Larry Friedman, acct exec. Los Angeles: Eugene B. Cofsky, president-West Coast division; Barry Orell, acct exec.

Consolidated Foods Corp.

	1981	1980
Sales	$6,000,000,000*	$5,614,100,000**
Earnings	157,000,000*	140,300,000**
Advertising†	166,399,700	149,221,000

*Company estimate for fiscal year ending July 3, 1982
**Fiscal year ended June 27, 1981
†AA estimate

Consolidated Foods Corp., Chicago, the nation's 34th largest national advertiser in 1981, spent an estimated $166.4 million on advertising during the last calendar year, an increase of slightly more than 11.5%. Sales for fiscal 1982 (ending July 3) rose an estimated 7% to $6 billion, with earnings estimated to have grown by 11.8% to $157 million.

Despite its name and its position as one of the nation's largest food processors, Consolidated Foods is considered by many analysts to be more of a package goods company than a food operation.

The company, beginning as a small food wholesaler and incorporating in 1941, went through a long period of growth by acquisition through the early 1970s. As a result of its rapid growth, Consolidated Foods ended up owning not only such strong branded food and service lines as Sara Lee, Popsicle, Shasta soft drinks, Electrolux vacuum cleaners, Fuller brushes and Hillshire Farm's specialty meats, but also a variety of smaller companies, including motels, furniture manufacturers and apparel marketers.

Following an earnings slump in the mid-1970s, the company embarked on a corporate strategy that called for emphasis on operations that were market leaders or strong contenders in their business areas. More than 60 business operations totaling annual sales of more than $500 million have been divested since 1975. Combined with several major acquisitions—including the purchase in January, 1978, of the Dutch Douwe Egberts coffee, tea and tobacco operations, and the purchase in January, 1979, of the Hanes hosiery, women's undergarments and men's and boys' underwear business—the transactions have transformed the basic character of the company.

Consolidated Food's acquisitions have continued—in recent months the company has purchased the C&C Cola soft drink business and the Sav-A-Stop distribution operations—but since the Hanes acquisition, most of the emphasis has been on cultivation of internal growth opportunities rather than growth by acquisition.

The company's L'eggs operations (a part of the Hanes group) illustrates Consolidated Foods' plans for internal growth. The L'eggs line, one of the marketing success stories of the 1970s, was introduced by Hanes in 1970 in an effort to meet the hosiery needs of the increasing number of working women. The basic idea was simple: That working women had a need for mid-price hosiery, but the demands of work left them with little time to shop for such an item. Rather than distribute L'eggs through the department stores and specialty shops that traditionally carried hosiery, Hanes decided to sell the new product through drugstore chains and supermarkets so that time-strapped working women could purchase L'eggs on quick shopping trips during their lunch hours or at the same time that they bought their groceries. L'eggs were packaged in a distinctive styrene egg-shaped container, and an extensive store-door distribution network was established to deliver the line to supermarkets and drugstores on consignment.

Backed with heavy advertising support ($20.5 million in measured media in 1981, up from $19 million in 1980), L'eggs has come to command more than 20% of the highly fragmented hosiery market, and is the category's best-selling brand.

In the last two years, L'eggs has implemented a market segmentation strategy that has enabled its sales to grow much faster than the over-all hosiery market. This has included the introduction of such brands as L'eggs Sheer Energy (focusing on the benefits of all-day massage); Undie-L'eggs (addressing the problem of undesirable panty lines), and the recently introduced L'eggs Sheer Elegance (providing "elegant, silk-like pantyhose" to the mass markets).

Despite the outstanding performance of L'eggs, Consolidated Foods has been much less successful in its efforts to use the brand's powerful distribution system to deliver other kinds of products to the same working woman market. Starbooks, a line of children's books to be sold in grocery markets, was discontinued last year following disappointing results in test market, and Consolidated Foods' attempt to market a line of cosmetics under the L'erin label continues to have problems. Just as with L'eggs, L'erin's distribution through drug chains and supermarkets is intended to make it easy for working women to purchase the cosmetics.

In terms of pricing, the brand has positioned itself as presenting a better fashion statement for a few pennies more than budget brands and an equally elegant package and fashion statement as prestige brands, but for a few pennies less. The brand completed its expansion to national distribution last summer, and has shifted its ad emphasis from spot to network tv.

One of L'erin's first problems resulted from women's reluctance to buy makeup without trying it first, and the consequent difficulty that the brand encountered in getting consumer trials.

As a result, L'erin cut its media budget to $6.9 million in 1981 (from $8 million in 1980) and sharply increased its promotional efforts, including trial sizes, combination packs, and special-price offers. The step-up in promotional programs included the use of 20 in-store promotions a year, with every major product category promoted every quarter.

The brand also has had difficulty getting display space at drugstores and mass merchandise outlets, and, in response, the displays have been redesigned to be more space efficient. New trade efforts have stressed that the brand has space efficiency margins that are "49% more than Maybelline, 88% more than Cover Girl, 141% more than Natural Wonder and 76% more than Maxi." Some observers feel the purchase of Sav-A-Stop with its strength in distribution beauty and health aids was spurred by the desire to help solve L'erin's problems.

L'erin also has expanded the number of shades of mascara, eye shadow, and lipstick it offers, and this fall will be adding a new Color Glaze nail polish that offers an "acrylic, water-resistant" formula that "wears strong, shines long."

Despite all the efforts, L'erin losses are believed to have totaled close to $10 million to $15 million in 1980 and 1981 , about twice the losses Consolidated expected would be incurred in launching the new line. Though company officials maintain that L'erin has the potential of reaching $75 million in sales by 1985, current industry estimates put the line's manufacturer volume at a disappointing $25 million clip. Many industry observers feel that fiscal 1983 will be a critical year for L'erin, and that if the brand does not turn around soon, it will be a likely candidate for divestiture.

In addition to selling L'eggs via supermarkets and drugstores, Consolidated Foods' hosiery and undergarments operations also include the very successful Hanes brand and Bali undergarments, both of which are mainly sold in department and specialty stores. The Hanes women's hosiery brand was introduced shortly after World War II as high-quality women's hosiery, and for the last eight years has used its "Gentlemen prefer Hanes" theme to support its premium image. Bolstered by extensive national advertising ($11.1 million in measured media in 1981, up from $8.6 million in 1980), Hanes dominates the department and specialty store segment of the hosiery market, accounting for an estimated 29% of the unit sales and 42% of the dollar volume.

Just as with L'eggs, Hanes has sought to grow through market segmentation. Last September Hanes added Hanes Too!, a mid-price pantyhose that, according to Hanes officials, is aimed at

younger women who are aware of the Hanes reputation for quality and "who would love to buy the brand, but cannot reconcile themselves to the premium price."

Among other products introduced in recent years are: Underalls, a mid-price all-in-one panty with hose guaranteed not to leave "unsightly panty lines" (measured media in 1981: $3.7 million); Slenderalls pantyhose that promise a firm fit (measured media: $1.7 million), and Winteralls, an opaque pantyhose for cold weather wear (measured media: $375,000). Today's Girl pantyhose, Hanes' low-price entry, is aimed at working women, and concentrated its $1.5 million in 1981 measured media spending in spot and network tv. The tv spots use the tag line "Today's Girl. Buy it for the quality, choose it for the price."

Consolidated Foods' Bali undergarment line also has shifted its marketing thrust in the last couple of years in an effort to increase its 14% share of the underwire bra market and 2% share of the soft cup market. The company reports dramatic increases in unit volume as a result of a new Bali Boutique packaging display system that was designed to make Bali bras more accessible to customers at department stores and to make it easier to find the right style or proper fit without the help of a salesperson.

The program has been rolled out to more than two-thirds of the U.S. with national distribution expected by mid-1982, and measured media support for Bali increased to $2.5 million in 1981 (compared with $1.3 million in 1980 and $600,000 in 1979). The emphasis was on television advertising, including commercials that stressed "Bali fits your shape, not just your size." Because the new display system did not have national distribution in 1981, Bali's ad buys last year were on spot rather than network tv.

The Shasta operations—which account for about 2% of the regular soft drink market and 8% of the diet market—began a new advertising and marketing strategy that has been in development for the last couple of years. The brand, which had lost market share in the late 1970s, has shifted its advertising away from head-on clashes with Pepsi and Coke, instead emphasizing the variety of flavors (18 regular and 17 diet) that it offers. The principal medium is spot tv, which received $6 million in 1981, and the new ads carry an "I wanna pop" theme and stress the thrill and excitement that Shasta drinkers want from the brand's many flavors. Company officials have indicated that Shasta's advertising budget for the fiscal year beginning July, 1982, will increase 86% to $14 million (up from $7.5 million).

Other Shasta changes inciude: New package designs featuring a diagonal S logo, bright colors, and abstract forms; two new flavors—Citrus Mist and Red Berry—that were announced this spring, and a new Dr Pepper-like soft drink, Dr. Diablo, that has been in test markets. Shasta also is expected to benefit from the acquisition earlier this year of C&C Cola, a regional soft drink company with annual sales of about $100 million. Industry observers say that C&C's strength in the cola segment and in the Northeast will bolster Shasta's weaknesses in both areas. C&C also has a New Jersey production facility that can produce certain large-size bottles.

Capri Sun brand also has been the center of a great deal of activity. The fruit juice drink, which is sold in a unique flexible foil package, was developed in Germany where it holds a 44% share of the juice drink market. Capri Sun has become the leading brand in every country in which it has entered, and company officials say that in the U.S. markets in which it currently is distributed (28 states mainly concentrated in the East, Midwest, Southeast and parts of the Southwest), Capri Sun's various flavors have combined for a 33% market share. Company officials predict that Capri Sun will reach $60 million to $100 million in annual sales by the mid-1980s.

Consolidated's troubled frozen food operations continue to be the subject of turnaround efforts, with Sara Lee operations having been battered by an almost 20% industrywide drop in sales of frozen baked sweets. Industry analysts cite the recession and reduced consumption of sweets by weight-conscious consumers as contributing factors, as well as increased competition from fresh-baked goods marketed by Warner-Lambert's Entenmann's unit.

Sara Lee now controls 45% of the declining frozen baked goods market (up from 40% a couple of years ago), and had cut its measured media advertising to $850,000 in 1981 (from $900,000 in 1980 and $3.4 million in 1979), and put more muscle behind heavier trade promotion.

More recently, however, there have been indications that Sara Lee will be putting more effort into consumer advertising and promotion. The company changed agencies, and Robert Elberson, Consolidated's exec vice-president and the mastermind behind the very successful Hanes operation, took over direct control of the frozen foods group and Sara Lee. New print ads that began appearing in January attempt to provoke consumers with the question "What is your Sara Lee fantasy?" and tv spots have hit out at Entenmann's with testimonials showing consumers tasting both a Sara Lee cake and a "boxed" cake packaged in a white box with blue letters, similar to Entenmann's packaging. Sara Lee introduced a line of Puddin' in the Middle cakes this spring, and other new products are expected later this year.

Sara Lee also began test marketing a line of fresh-baked goods in Chattanooga and Nashville last fall. The company already is a supplier of "thaw-and-

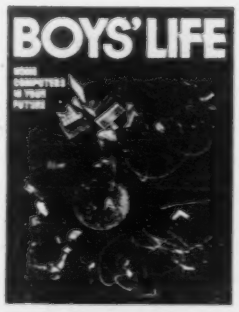
PHENOMENAL

"Response from Boys' Life has been phenomenal."
V.P. Marketing,
Pony Sports & Leisure
Athletic Shoes

"We get results with Boys' Life. We're right on target with first rate editorial environment and quality audience."
President,
Schwinn Bicycle Co

"Boys' Life pulled outstandingly on premiums with proof of purchase for Aim toothpaste. Advertising in Boys' Life makes good sense."
Promotion Development Mgr.
Lever Bros. Co.

"Our year-round ad campaign in Boys' Life reaches prime customers and new customers. Sales figures show it's a success."
President, TSR Hobbies,
Dungeons & Dragons



Selling to young males? There's no better place than Boys' Life. With an audience of 5,000,000 boys age 10-17, 1.8 million parents and 600,000 girls, your sales message reaches 7,450,000 customers. ■ And they buy. For instance: a new Erdos & Morgan study shows 50% of Boys' Life subscribers play electronic/TV games... almost twice the national figure for teenage boys. 24% bought one in the past year... two-and-a-half times the U.S. number for teenage boys.

BOYS' LIFE
THE MAGAZINE FOR ALL BOYS
Published by the
Boy Scouts of America

eat" goods to supermarkets that heat and sell the items under private labels as fresh-baked. The thaw-and-eat division is Sara Lee's fastest-growing operation, and the products currently are being distributed in about 20% of the country.

Though profit margins at Consolidated Foods' specialty meats operations began to feel the pinch of escalating hog prices this spring, the division continues to enjoy growth through regional expansion, new product introductions, and selective acquisitions. Measured media ad support for most brands continued to rise in 1981: Hillshire Farm $6.2 million ($5.4 million in 1980); Kahn's $3.2 million ($3.3 million in 1980); Bryan Foods $921,500 ($515,000); Rudy's Farm $549,600 ($498,200), and Gallo Salame $163,800 ($126,700). Among the product expansions was the introduction of Rudy's Farm frozen country sausage and biscuits and ham and biscuits into Los Angeles, Dallas and Houston. There also has been talk of rolling national with Gallo Salame, a $30 million San Francisco-based brand acquired in 1979 and popular on the West Coast. National share of market of the combined brands totals roughly 5%, but regional shares are much higher.

Consolidated's Lawsons convenience food store chain continues to suffer as the depressed economy has had an especially devastating impact on the chain's main markets in Michigan and Ohio. Despite cost-cutting efforts and an increase in measured media ad support in 1981 ($427,100 as compared with $216,700 in 1980—all in spot tv), the 700-store chain has been losing money this year.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,902,500	$1,742,500
Magazines	11,175,000	12,601,000
Spot tv	20,945,800	21,802,300
Network tv	50,100,000	43,293,300
Spot radio	1,835,900	1,780,400
Network radio	189,700	1,085,500
Outdoor	71,000	366,000
Total measured	87,219,900	87,141,400
Unmeasured	79,179,800	66,650,000
Estimated total	166,399,700	149,221,000

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$7,912,000	$5,627,000
Magazines	10,969,000	12,366,000
Spot tv	27,255,000	20,973,000
Network tv	50,916,000	43,259,000
Spot radio	3,183,000	2,689,000
Network radio	536,000	529,000
Outdoor	883,000	408,000
Total measured	101,954,000	86,051,000
Unmeasured	87,869,000	66,999,000
Total	189,823,000	153,050,000

*Fiscal year, provided by company

MARKETING PERSONNEL

Charles Ostrander, director-mktg, Aris-Isotoner gloves
Steve Marcus, vp-mktg, Bali Co.
Robert L. Weisman, vp-retail sales & mktg, Booth Fisheries
Donald E. Brunson, vp-mktg, Bryan Foods
Jack Thomas, vp-sales, Chef Pierre Inc.
Joseph J. Gannon Jr, vp-public affairs, Electrolux
Ron Dix, vp-mktg & sales, Gallo Salame
R.E. Simms, vp-mktg, Hanes knitwear
David Bryant, vp-mktg, Hanes knitwear
Keith L. Alm, president, Hanes printables
Walter K. Pabst, vp-mktg & sales, Hillshire Farm
James H. Stokes, vp-sales & mktg Idaho frozen foods
Bruce Geschieder, vp-mktg, Kahn's & Co.
Walt Pilcher, vp-mktg L'eggs prods
Janet M. Wilson, director-mktg, L'erin cosmetics
Robert H. Fraser, vp-mktg, Lyon's Restaurants
Clark M. Brink, vp-mktg & sales, Popsicle Industries
Greg Moore, director-mktg, Rudy's Farm Co.
Richard Sharoff, vp-retail marketing, Sara Lee
Al Piergallini, senior vp-mktg, Shasta
Arnold Seckler, president, Sirena

ADVERTISING AGENCIES

Dancer Fitzgerald Sample,New York—Bali—Nancy Fink, acct exec.

BBDO, Chicago—Booth Fisheries—Jan Barton, acct super.

Maris, West & Baker, Jackson, Miss.—Bryan Foods (refrigerated meats)—Gerritt Maris, president; Sally Blackerby, media buyer.

Henderson Advertising, Greenville, S.C.—Bryan Foods (new prods, canned meats)—Lloyd Fritzmeier, acct super.

Creamer Inc., Pittsburgh—Chef Pierre Inc—Howard Gittins, acct exec.

Ted Bates Advertising, New York—Electrolux—Laura Donnelly, acct exec.

Ketchum Advertising, San Francisco—Lyon's Restaurants—Gail Gorton, acct exec.

Dancer Fitzgerald Sample, New York—Hanes brand L'eggs prods, L'erin cosmetics, Popsicle Industries—Barbara Gide, acct super-Hanes; Bob Egan, mgmt super-L'Erin; Ed Boyer, mgmt super-Popsicle Industries.

Specht, Gilbert & Partners, New York—Underalls, Slenderalls, Winteralls—Ivy Woolf, acct super.

Ketchum, New York—Today's Girl—David Pengilly, acct super.

Long, Haymes & Carr, Winston-Salem, N.C.—Hanes knitwear—Loren Chamberlain, acct super.

Leber Katz Partners, New York—Hanes and printables—Howard Meditz, acct super.

Cooper-Jenner, Stafford & Associates Waterloo, Ia.—Hillshire Farm—Jim Stafford, acct super.

Burch, Myers & Cuttie, Chicago—Idaho Frozen Foods (retail couponing ads)—Don Cuttie, acct super.

Venet Advertising, New York—Hillshire Farms—Dick Byrne, mgmt super; Lawrence James, acct super; Debbie Kenis, acct exec.

Sive & Associates, Cincinnati—Kahn's & Co.—Rodger Neiser, vp-merch adv; Phil Mandel, acct super; Leslie Scoler, acct exec; Linda Jackson, admin asst.

Godding Advertising, Buffalo, N.Y.—Kahn's & Co.—Randy Godding, president.

Northlich, Stolley, Cincinnati—Gallo Salame—Chris Hayes, acct mgr.

Bill Hudson & Associates, Nashville—Rudy's Farm Co.—Mick Damico, acct exec.

Foote, Cone & Belding, Chicago—Sara Lee (retail)—Scottie Perry, acct exec.

Mandabach & Simms, Chicago—Sara Lee (foodservice)—Lee Lippman, acct super; Jim Flurry, acct exec.

Needham, Harper & Steers, Chicago—Shasta—Ron Bess, mgmt rep; Tom Hayden, acct super; Mary Conrad, acct exec; Norval Stephens, mgmt rep-Capri Sun; Madeline Grill, acct super-Capri Sun; Steve Blamer, acct exec-Capri Sun.

Lynn Medberry Associates, Los Angeles—Sirena—Lynn Medberry, president, Kit Manetti, asst to president.

Shore, Young, Tomi, Walnut Creek, Cal.—Idaho Frozen Foods (foodservice)—Stephen Young, acct super.

Dart & Kraft

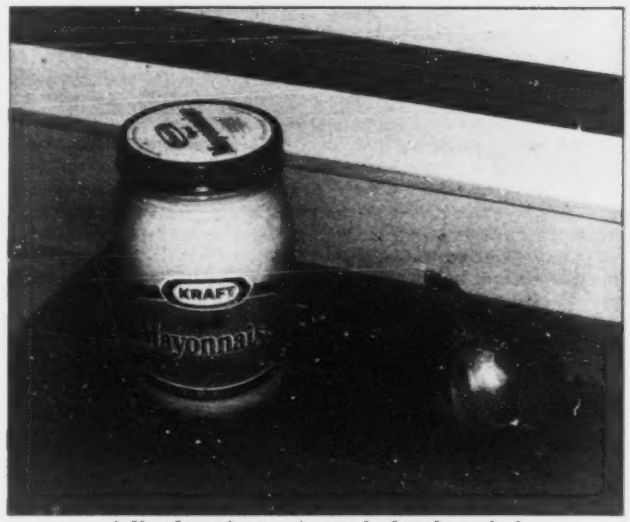
	1981	1980
Sales*	$10,211,000,000	$9,411,000,000
Earnings*	348,000,000	383,000,000
Advertising**	177,042,100	149,734,700

*1980 Dart & Kraft sales and earnings only
**AA Estimate for Dart & Kraft; 1980 figure excludes Hobart

Dart & Kraft, the nation's 30th largest national advertiser in 1981, spent an estimated $177 million in advertising during the year, up 18% from the combined 1980 estimated total for Dart Industries and Kraft Inc. of $149.7 million. Hobart Corp., acquired during 1981, spent $3.9 million in advertising during 1980.

Dart & Kraft, including Hobart, had net income of $348 million, down from $383 million in 1980, on sales of $10.2 billion, compared with $9.4 billion in 1980.

The year was marked by strenuous new product development activity in the Kraft retail food group, resulting most recently in a spurt of new Philadelphia brand products and salad-related items.



A Kraft mainstay is ready for the salad.

With 1981 representing the first complete calendar year since Dart and Kraft merged in the fall of 1980, advertising expenditures reflected, as one Kraft official put it, that Kraft was forced to "fight harder for advertising dollars than we used to." But the new products effort running rampant in the retail food group made for heavy advertising expenditures that should continue through the next fiscal year.

Increases in Kraft's retail food group ad budget went primarily to new products and specially targeted existing brands. Included were Kraft salad dressings, whose measured ad spending for 1981 jumped 50% to $9.6 million, including heavy introductory advertising for the three-item line of buttermilk dressings. During the year, Kraft also introduced two oil-free dressings and spent about $740,000 in advertising for low-calorie dressings.

Kraft maintained its No. 1 position in bottled dressings, and increased its tonnage for the year about 10%, according to Lou Levine, an associate at Technomic Consultants, Chicago. The company introduced bacon and tomato-flavored dressing this summer.

Concurrently, Kraft surprised observers by entering Tucson and Phoenix test markets with Sun Seasons hydroponically grown vegetables, a line of three types of lettuce, European cucumbers and cherry tomatoes. A natural fit with Kraft's salad dressings, whose volume growth, according to one company source, is dependent on the availability of vegetables year-round, the produce is being marketed under the Kraft label, with advertising that stresses freshness. The company also put into Houston test an 11-item line of salad toppings, under the Kraft Salad Bar label. The toppings include individual cans of seasonings, croutons, natural cheese shreds, french fried onions, crumbled bacon and a nut and sesame mix.

In November, Kraft startled industry observers with the announcement that it intended to market a line of California table and varietal wines designed to compete with major mass-market wines. The company formed the Mont Rouge subsidiary and units in three undisclosed states to market the wines, but in July said it had scrapped plans to market wine because analysis of the wine industry and Kraft's potential indicated "other avenues of new product development are more advantageous for it to pursue at this time." Kraft will try to sell off the subsidiaries, along with "marketing concepts" for the wines.

The nation's No. 1 cheese marketer heavily increased ad spending on three cheese lines: Grated cheese, (up from $628,000 in 1980 to $1.8 million last year), Cracker Barrel cheese, (up from $2.3 million to $3.1 million) and Golden Image cheese substitute, whose ad budget leaped from $899,000 in 1980 to $2.7 million, reflecting the national rollout last spring. Measured spending for Light n' Lively cheese dropped 38% to $1.4 million, but will be higher for 1982 as a result of a current campaign stressing Light n' Lively as a natural cheese with "half the fat but all dairy."

Kraft decreased measured spending on Velveeta process cheese spread 14% last year, to $4.9 million, but the budget is expected to rise significantly this year with the national rollout of Velveeta slices. The new product is getting a strong multimedia campaign, under the theme: "The taste you wouldn't trade for anything."

The rollout of Golden Image cheese substitute to all states in which there are no restrictions against such products resulted in a $2.7 million advertising campaign under the theme, "You have to taste it to believe it."

As the Philadelphia brand cream cheese line last year was extended with new Soft Philly, which rolled national, Kraft boosted spending on the brand 64% to $7.8 million during '81, much of which went toward the new product. (Recent advertising for the regular cream cheese asks, "Isn't it silly not to use Philly?")

But promotion of the brand name is certain to have residual effects in current tests of several new Philadelphia brand items. This spring, Philadelphia dressings with cream cheese, the first nonspreadable item to be marketed under that name, went into test in several markets including Erie, Oklahoma City and Phoenix, backed by a heavy tv, magazine and newspaper campaign, themed "Get into the thick of it."

In July, Kraft began testing a five-item line of flavored Soft Philadelphia cream cheese with bits of real fruit or vegetables. Advertising is running in couponed newspaper and insert ads in markets including Dallas and Oklahoma City.

Kraft was scheduled to begin test marketing in August for Light Philadelphia cream cheese with half the fat and a third the calories. The product, packaged in tubs, will test in Baltimore and other markets. The company has remained silent about additional Philadelphia products now in development, but one is rumored to be cream cheese-based flavored dessert frostings.

Kraft, already controlling more than 50% of the package dinners category, increased ad spending for macaroni and cheese dinners last year, with a 40.8% increase in spending to $6.2 million.

A new campaign for Kraft mayonnaise took direct aim at its prime competitor in an attempt to unseat CPC's Hellmann's from its category leadership.

Kraft hiked 1981 ad spending for the product 27% to $6 million in a continuing campaign that depicts long-time Hellman's users discovering the superiority of Kraft's mayonnaise, and telling their friends and relatives about it.

In other new product activity from the retail food group, Coffee Velvet, a flavored coffee additive combining nondairy creamer with variations of mocha flavoring, entered Tucson, Washington state and other test markets late last fall. The product, originally assigned to McCann-Erickson, Chicago, was moved to N W Ayer in December, eliminating McCann from Kraft's agency roster.

La Creme half-dairy whipped topping, tested since spring, 1981, in 7% of the country, began national introduction early this year. It has proven to be a significant force in the category, garnering an estimated 17% of the market. General Foods, whose Cool Whip remains category leader, nonetheless has shown its concern over the Kraft entry by introducing three new whipped toppings in the past year. Kraft spent $2.8 million on La Creme advertising during 1981; that figure should increase this year as rollout is completed.

Other new products from the retail group included Oven Melts meat-filled cheese slices, whose market area was expanded during the past year, and which received about $700,000 in advertising; Light n' Lively reduced calories mayonnaise, which was introduced in spring, 1981, with an ad budget of $2.7 million, and Parkay Light Spread, with 25% fewer calories and fat than margarine, now testing in Marion, Ind., and

possibly other markets. An obvious decrease in support showed up across most of the rest of Kraft's line and in the food company's regionally marketed dairy brands, including the Breyers and Breakstone lines.

Kraft moved its Light n' Lively dairy products account, along with several undisclosed new products, valued at a total $6.5 million, to Geers Gross, New York, from N W Ayer, New York, in January. Ayer retained the Sealtest and Breyers accounts and will continue to handle new products, Kraft said.

On the Dart side, only Duracell batteries' advertising budget seems to have weathered the merger intact. Because of its substantial return on investment, Duracell received a 14% increase in ad spending during 1981, to more than $16 million, and corporate officials promised continued support through the next year for Duracell research and advertising. Total West Bend unit spending fell 44% to a total $1.3 million, despite a $500,000 campaign for new Discovery cookware.

The company reported a decline in West Bend sales due to "economic conditions which softened consumer demand." The company formed a new subsidiary, Anova Electronics, during the year to market a home environment system comprised of three individual units: A telephone center, control center and protection center. The San Mateo-based company, an outgrowth of West Bend, selected Bozell & Jacobs, Palo Alto, for the account; consumer advertising is set to begin in 1983. Tupperware ad spending rose only slightly to $2.3 million.

Hobart's consumer group, under the KitchenAid name, saw an 8.8% ad budget decrease, led by a 27% decline, to $2.2 million, in spending for the KitchenAid dishwasher line. Hobart sales fell from last year as a result of decreased consumer demand for KitchenAid appliances and overseas volume. This summer, KitchenAid introduced its new food processor, manufactured by Robot-Coupe International to the company's specifications. Advertising for the new appliance will stress the "superior performance" of KitchenAid products, in color, page ads running in November and December women's, shelter and gourmet books and specialty magazines.

Focusing on those operations that retain assets and earnings in branded foods and other consumer products areas that offer stability, cash generation and growth potential, the company sold off its Canadian Dominion Dairies operation and Thatcher Glass Mfg. Co., and has virtually eliminated its fluid milk business.

Management changes during the year included adding operational responsibilities for domestic manufacturing and distribution to the post of H. Keith Ridgway, continuing as president of the retail food group. Mr. Ridgway took over from O. Everett Swain, executive vp of the corporation and chairman of the retail food group, who is retiring. In July, 1982 W. Brad Whitaker was named senior executive vice president of marketing and sales for the retail group. The title of chairman was eliminated.

H.J. Handley was named executive vp-marketing, a new position in the retail food group, from senior vp-research, marketing and development. Herbert Kohlhaas, formerly senior executive vp-U.S. operations for the corporation, succeeded Mr. Handley. William L. Jackson, formerly president of Duracell North America, was named president of Duracell Inc., upon the death of Peter Viele last February. C. Robert Kidder was named president of Duracell USA, a new title. Bill Davis, formerly president of West Bend Co., was made president of Hobart Corp. and Richard Mueller, formerly executive vp-marketing for West Bend, was named president of West Bend.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$9,788,100	$8,683,300
Magazines	31,175,900	27,538,300
Spot tv	44,106,300	33,188,900
Network tv	53,344,700	48,200,300
Spot radio	6,200,100	5,495,700
Network radio	684,500	1,045,900
Outdoor	67,100	689,500
Total measured	145,388,700	122,841,500
Unmeasured	31,675,400	26,893,200
Estimated total	177,042,100	149,734,700

KRAFT INC.
CORPORATE MARKETING DEVELOPMENT PERSONNEL

H. Kohlhaas, senior vp-rsch, mktg & devel
R.A. Hielscher, vp-corp mktg devel
C.C. Grinnell, director-new prod devel
M.J. Barry, mktg mgr-prod devel
P. Maloney, mgr-rsch
J.V. Pace, mktg mgr-CEA
J.R. Babka, mktg mgr-frozen prods

RETAIL FOOD GROUP
MARKETING PERSONNEL

H.K. Ridgway, group vp & president, Retail Food Group
W. Brad Whitaker, senior exec vp, mktg and sales
H.J. Handley, exec vp-mktg
J.R. Blocki, vp & director-adv & creative services
N.E. Toft, vp & director-mktg svcs
R.J. Clark, vp & director-mktg info
J.P. Durrett, vp & director-grocery prods
S.R. Gardner, vp-director-refrig products
D.W. Holland, vp & director-consumer affairs
R.J. Miller, vp-mktg, grocery prods
J. Wilson, vp-mktg, grocery prods
N.E. Ross, vp-mktg, refrig prods
S.R. Gardner, vp-director, refrig prods

ADVERTISING AGENCIES

N W Ayer, Chicago—A la Carte, Coffee Velvet, La Creme—J. Titus, acct super.

Foote, Cone & Belding, Chicago—confections, marshmallows, marshmallow creme, sauces and toppings, packaged dinners, corporate home economics, teen and multiproduct advertising, children's network tv—D. Belzer, senior vp.

Needham, Harper & Steers, Chicago—Margarines, jellies and preserves, mustard—J.W. Copher, senior vp & mgt rep

Proctor & Gardner, Chicago—Multiproduct advertising—Rolfe Kolconay, vp & acct super.

J. Walter Thompson USA, Chicago—Cheese, salad dressings, institutional advertising—R.L. McCullough, senior vp.

DAIRY GROUP
MARKETING PERSONNEL

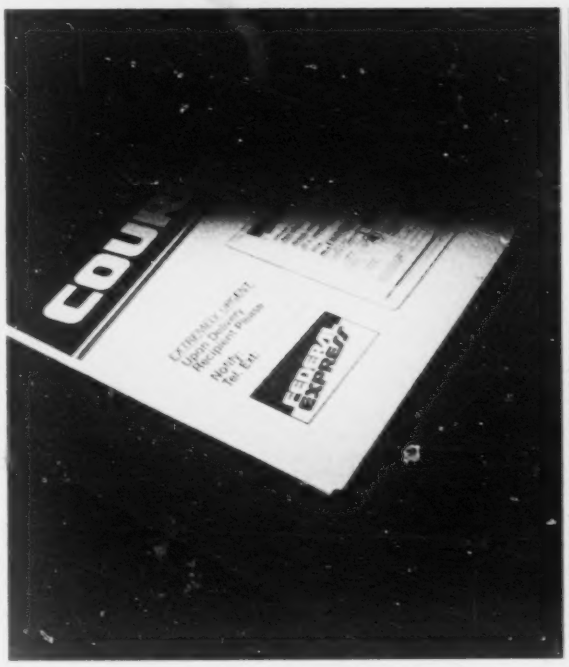
Jack L. Barfoot, group vp and president, dairy group
R.F. Zogby, vp-director, sales & mktg
R. Creighton, vp-mktg
V. Sidebotham, mktg mgr, cultured prods
R. Danziger, mgr-mkt research
R. McClintock, vp, sales & sales operations
S. Kroll, mgr-sales promos
J. Malcolm, mgr, sales & adv services
M. Seifert, mktg mgr, product devel

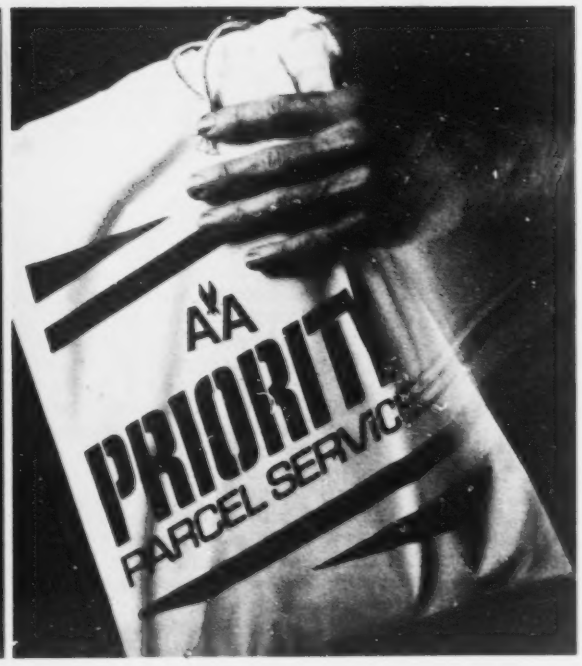
ADVERTISING AGENCIES

N W Ayer Inc., New York—Sealtest, Breyers—Bill Marx, senior vp-mgt super.

Geers Gross, New York—Breakstone

THEIRS VS. HOURS





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When a few hours can make all the difference, don't wait overnight. Call us immediately, and we'll have your package on the next flight.

AmericanAirlines
Priority Parcel Service

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prods, Light n' Lively dairy prods—Mike Kennedy, senior vp

WEST BEND CO.
MARKETING PERSONNEL

R.A. Mier, senior vp-mktg, West Bend
G.H. Miller, div mktg dirrctor, West Bend
P.F. Taccini, div mktg director, West Bend
D.P. Bierworth, vp-rsch and prod devel, West Bend
K. Virnoche, director-mktg, Anova

HOBART CORP.
MARKETING PERSONNEL

Charles R. Evans, senior vp-mktg, Kit chenAid
Walter Layton, adv mgr, KitchenAid
Jerry Ballard, sales promo mgr, Kitchen Aid

DURACELL INC.
MARKETING PERSONNEL

William S. Saint, vp-mktg & devel, Dura cell USA
Kevin J. Kelley, group prod mgr, Duracell USA
Mark E. Lucas, prod mgr-US brands, Duracell USA
Leonard Black, mkt & planning mgr, Duracell Intl

TUPPERWARE HOME PARTIES
MARKETING PERSONNEL

Jack Linn, vp-adv & pr, Tupperware
William K. Clark, adv mgr, Tupperware
Jerry Lake, vp-sales promo, Tupperware
Mayee Laung, director-sales promo, Tup perware

ADVERTISING AGENCIES

BBDO, New York—Tupperware Home Parties—Ralph Bryant, acct super.

Young & Rubicam, Chicago—West Bend appliances—Jayne Gretz, acct super; Tom Perlitz, mgmt super.

Bozell & Jacobs, Palo Alto—Anova Electronics—Joe Bogues, vp-mgmt super.

Griswold-Eshleman, Cleveland—KitchenAid prods—Neil Davis, acct super; Denny Pavan, vp-acct exec.

Dancer Fitzgerald Sample, New York—Duracell—Jean Plumez, exec vp-mgmt director.

Delta Air Lines

	1981	1980
Sales	$3,333,338,000	$2,950,000,000
Earnings	146,474,000	93,150,000
Advertising*	44,500,000	38,700,000

*AA estimate

Delta Air Lines, Atlanta, the 91st largest national advertiser, expects to record its 35th consecutive profitable year in 1982 despite suffering setbacks from the air fare war beginning the tail end of 1981 and bottoming out early this year.

Delta's advertising expenditures increased 15% in 1981 to an estimated $44.5 million from $38.7 million.

The most profitable airline in the world for many years, Delta recorded a net loss of $18.3 million for the quarter ended March 31, the air carrier's first net loss since the quarter ended December, 1957. The loss compares to a net income of $27.9 million for the same period in 1981.

Revenue passenger miles through May increased 0.4% to 10.36 billion. Available seat miles declined to 18.88 billion from 19.12 billion for the first five months of 1981.

Operating revenues for fiscal 1981 were $3.5 billion, compared with $2.95 billion in 1980, a 13% increase. Delta achieved record earnings of $146.5 million, a 17% increase over 1980's net income of $93.15 million.

Delta officials attribute this fiscal year's third quarter loss to the recession's negative impact on traffic and to the "uneconomic" discount fares and ticket giveaways initiated by competitors.

Within hours after Dallas-based Braniff International, in a desperation move, slashed its systemwide fares 45% last November, Delta criticized the move but followed suit along with American Airlines. Both were fearful of losing substantial traffic at the Dallas/Fort Worth Airport, American's home base and Delta's secondary hub behind Atlanta's Hartsfield Airport.

At the height of the red ink-soaked fare war Delta began an advertising campaign with the message that it would not be undersold in its markets. "Now there's no need to settle for less! Delta will not be undersold," touted newspaper ads. The airline altered its standard "Delta is ready when you are" theme to "Unbeatable Delta is ready when you are."

Eastern Air Lines immediately countered with "Nobody Undercuts Us," and American Airlines joined with "No one beats American's fares."

In March, the Dallas Better Business Bureau sent bulletins to its members questioning the advertising practice used by the three airlines, claiming the tactics were misleading to the public. The Civil Aeronautics Board Office of Congressional, Consumer and Community Affairs also informally notified the carriers of its concerns about the ads. The underselling campaigns in Dallas ultimately died off.

The East Coast earlier this year was the scene of another fare war. Faced with lower than usual winter traffic to Florida, Air Florida between Thanksgiving and Christmas waged a discount campaign to boost business. To counter this, on Christmas Eve Delta announced a plan that cut fares between 23 eastern and Midwest cities and nine Florida cities by 51%. The package included rental of a subcompact car and hotel accommodations for five days and various discount coupons for per person rates ranging between $88 and $179 dollars for the period. That move touched off a flurry of price matching and cutting by major Delta competitors including Eastern, Pan Am, TWA and Air Florida.

While the operating efficiency of the nation's air traffic system has increased somewhat since the walkout of 13,000 air traffic controllers last August, Federal Aviation Administration-imposed restrictions have hampered the expansion plans of most carriers.

Delta began service to Lubbock and Amarillo through June, only because the carrier was allocated the slots left vacant when Braniff entered bankruptcy. Service was also begun in Pittsburgh. Delta continued expanding its operations out of Cincinnati, increasing the number of daily flights to 68 from 28 in April, 1981.

Last year's financial turbulence was not strong enough to deter Delta from proceeding with its characteristically conservative plans for future growth. In 1980, Delta officials outlined a 15-year expansion plan to begin in 1987 that includes spending $5 billion to acquire about 100 new, fuel efficient airplanes that will seat 150 passengers and are designed for short to medium length flights. The $5 billion planned expenditure does not include the $4.5 billion Delta is now allocating for orders and options on Boeing 757s and 767s.

With the youngest operating fleet in the airline industry, Delta has almost completed a $2.5 billion program started in 1973 to modernize its fleet and make its DC8s and DC9s comply with federal noise limit standards that will become effective in 1985.

Delta has demonstrated a knack for resourceful planning and employe motivation that has created one of the most productive carriers in the commercial airline industry. Delta officials also contend that a tried-and-proven operating philosophy is why Delta always is "ready" to take advantage of cycles that occur in the airline business.

Delta's media mix varies slightly from year to year, with newspapers consuming about 54% of measured spending and 49% of total spending. Delta recorded one fluctuation in its media mix for 1981—a 25% increase in spot tv spending, according to Leading National Advertisers. Newspapers, however, will continue as the primary medium to "tell the man in the street who we are, where we go and how often."

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$21,665,100	$20,409,900
Magazines	1,231,500	809,100
Spot tv	5,068,800	4,597,500
Network tv	82,900	—
Spot radio	10,310,300	8,044,500
Outdoor	1,600,200	1,311,500
Total measured	39,954,700	35,173,500
Unmeasured	4,545,300	3,527,400
Estimated total	44,500,000	38,700,000

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$21,500,000	$20,000,000
Magazines	3,100,000	2,400,000
Network tv	—	—
Spot tv	6,100,000	5,400,000
Spot radio	8,000,000	6,500,000
Outdoor (transit)	3,700,000	3,100,000
Total measured	42,300,000	37,200,000
Unmeasured	1,300,000	1,500,000
Total	43,600,000	38,700,000

*Provided by the company

MARKETING PERSONNEL

J.A. Cooper, senior vp-mktg
A. McKinnon, vp-mktg admin
W.W. Hawkins, asst vp-mktg
James Porter, mgr-adv & sales promo

ADVERTISING AGENCY

BDA/BBDO, Atlanta—Glenn Verril, president-mgmt super; Jack Walz, vp-acct super; Tom Brooks, adv & media rep.

E.I. du Pont de Nemours & Co.

	1981	1980
Sales	$22,810,000,000	$13,744,000,000
Earnings	1,107,000,000	716,000,000
Advertising*	105,000,000	93,300,000**

*AA estimate
**Restated

E.I. du Pont de Nemours & Co., Wilmington, Del., the 53rd largest national advertiser, boosted its advertising 13% to an estimated $105 million in 1981. Earnings rose 55% to $1.1 billion from $716 million in 1980, largely as a result of Du Pont's acquisition in August, 1981, of Conoco Inc., the ninth-largest oil company. Sales totaled $22.8 billion in 1981.

The largest chemical company in the U.S., Du Pont reported worldwide advertising expenditures of $128 million in 1981, up 6.6% from the 1980 worldwide total of $120 million.

To finance the $7.8 billion Conoco acquisition, Du Pont had to borrow heavily (nearly $4 billion), and while it works to pare down its new debt load, it will probably have to shelve other expansion plans, including purchase of a drug company. That will slow the company's drive to get further into higher-margin products—a direction management deemed critical to the company's health as recently as 1980.

The Conoco acquisition added three new segments to the Du Pont Co.: Petroleum Exploration & Production, Petroleum Refining, Marketing & Transportation, and Coal & Minerals. The two petroleum segments accounted for 42% of the company's 1981 sales, according to company figures computed as if Conoco had been a part of Du Pont for all of 1981 instead of its last five months. Combined petroleum sales were $6.77 billion. The Coal & Minerals segment, accounting for 5% of corporate sales, had $841 million in sales.

Du Pont's fiber sales totaled $4.85 billion, about 8% higher than 1980 and accounting for 15% of corporate sales. Despite a 3% reduction in the physical volume of its fiber production due to a softening in the apparel, home fabric and carpet markets, Du Pont kept its fiber sales climbing by raising average prices 12%.

Chemicals, plastics and specialty products had total sales of $10.32 billion in 1981, almost 13% higher than in 1980. Of the four company segments dealing in chemicals, plastics and specialty products—Polymer Products, Agricultural & Industrial Chemicals, Industrial & Consumer Products and Biomedical Products—only the Agricultural & Industrial Chemicals segment survived a leveling off of sales due to sluggish domestic demand and economic conditions.

Sales of agricultural and industrial chemicals jumped almost 25%, from $2.72 billion in 1980 to $3.39 billion in 1981. Total chemicals, plastics and specialty products sales accounted for 33% of corporate sales, down from 67% in 1980, before the Conoco merger.

Polymer products sales increased by 7% over 1980 to $3.21 billion. Industrial and consumer products sales—including electronics, printing and industrial photographic film, finishes, explosives, firearms and coatings—increased only 3.8% to $2.72 billion after leaping over 12% from 1979 to 1980. The Biomedical Products segment, producer and marketer of high-tech systems that aid in the diagnosis and treatment of disease, saw its sales skid in 1981, growing only 8.8% to $1 billion after soaring up 37% from 1979 to 1980.

In 1981, Du Pont held that its specialty products—electronics, finishes, explosives, agricultural chemicals, medical and printing—were the heart of its strategy for the 1980s. And even after the Conoco merger was completed, company chairman Edward G. Jefferson said Du Pont's commitment to expanding its efforts in the life sciences, electronics and other specialty areas would "remain unchanged."

Leaving those expansion plans unchanged, Du Pont planned for 1982 a 25% increase in research and development manpower and a 20% jump in spending for research to continue current studies while stepping up energy research.

"This merger isn't just backward integration" to supply raw materials for the many Du Pont products that depend on petrochemicals, Mr. Jefferson said. "We've made engineering and scientific contributions in every area as we've gone from gunpowder to chemicals to fibers to film to healthcare. I don't think energy will be any different."

Capital expenditures in 1981 jumped 80% to $2.45 billion from 1980's $1.36 billion. The increase was mainly due to $996 million in capital outlays by Conoco in the year's final five months.

Du Pont's international operations, which account for one-third of its business, are expected over the next five years to produce sales that will grow, in real terms, at twice the rate of industrialized world economies.

Of Du Pont's $50.5 million in total measured media spending, $6.6 million—all in network tv—was from Conoco. SilverStone cooking coating was a pacesetter among DuPont's product spenders, with $7.8 million in measured spending.

Leading National Advertisers reports Antron fibers in women's apparel received $3.4 million in measured media support, $3.2 million of it going to magazines. Spending for Lycra fibers in women's apparel totaled $3.3 million while Lucite home paint received $2.1 million.

Measured media spending as a whole generally was split between magazines and network tv.

In the future, Du Pont will stress the development of high-value specialized products in markets with strong growth potential. Du Pont in 1981 broke ground on an $85 million life sciences research complex near its Wilmington headquarters. The complex will have a staff of 700 scientists and support personnel. Additional biological science research facilities are being read-ied at Glasgow, Del., Glenolden, Pa., and Deepwater, N.J.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$830,600	$640,100
Magazines	25,190,400	21,701,600
Farm publications	2,185,000	2,353,400
Spot tv	2,183,600	2,378,400
Network tv	18,761,600	15,738,600
Spot radio	348,500	260,700
Network radio	94,700	23,400
Outdoor	5,900	20,000
Total measured	50,487,400	43,104,400
Unmeasured	54,512,600	50,195,600
Estimated total	105,000,000	93,300,000

MARKETING COMMUNICATIONS PERSONNEL

C.E. Crowley, director
A.W. Ballentine, division mgr
R.A. Hotchkiss, intl dept
J.C. Dilts, staff depts
S.P. Bliah, division mgr
T.E. Minnich, photo prod dept, clinical systems, analytical & biomedical
J.G. Heidelberg, photo prod dept, photo-systems
C.H. Weber, photo prod dept, Berg Electronics and electronics specialties
J.B. Brett Jr., textile fibers dept, carpet

fibers and fiberfill
G.W. Hale, textile fibers dept, industrial fibers and spunbonded prod
R.E. Williams, division mgr
J.S. Swajeski, fabrics & finishes dept, applied technology, adhesives and coatings, fabrics, export, Corian prod
J.M. Murray II, fabrics & finishes dept, consumer paint & refinish
R.T. Eldridge, fabrics & finishes dept, cookware, Teflon Industrial, Teflon lubes, maintenance finishes, industrial/packaging finishes, material reclamation systems (MRS)
R.J. Alfano, corporate adv
E.J. Garrity, Remington Arms Co.
H.E. Davis, division mgr
E.J. O'Brien, polymer prod dept, elastomers
H.B. Horning, polymer prod dept, engineering plastics materials & flucropolymers
E. Shea, polymer prod dept, industrial films, flexible packaging
J.B. Boyer, polymer prod dept, plastic prod
J.H. McDivit, polymer prod dept, ethylene polymers, plastic prod and export
J. Mortenson, textile fibers dept, prod info
R.W. Nightengale Jr., division mgr
N. Kwick, biochemicals dept, agrichemicals mktg
J.P. Swan, chemicals & pigments dept
J.C. Maneval, petrochemicals dept
M.R. Tyler, MCD press office
S.A. Mack, personnel mgr
H.P. Root, division mgr, mktg rsch
J.R. Murphy, publications section
A.B. Baker, division mgr, media & mktg communications services
D.T. Smith, accounting
T.J. Niemkiewicz, production/graphics
P.J. Trainor, media/promo aids
W.D. Davis, audiovisual
F.G. Oswald, textile fibers dept, women's wear, hosiery, craft yarns, "Qiana"
E.R. Albright, textile fibers dept, menswear, children's wear, career apparel
H.A. Carnevale, textile fibers dept, sweaters
J.F. Booker, textile fibers dept, fiberfill
E.K. Bispham III, textile fibers dept, home and automotive fabrics

ADVERTISING AGENCIES

N W Ayer Inc., New York—fabrics and finishes (except auto prods), polymer and photo prods (except electronic prods), chemicals & pigments (except carpet protector), petrochemicals, staff depts and textile fibers' industrial and spunbonded prods—N. van Sant, mgmt coordinator.

BBDO, New York—auto prods, carpet protector, textile fibers' apparel, carpets, home furnishings & fiberfill prods and corporate ad programs—T. Clark, mgmt coordinator.

Rumrill-Hoyt, Rochester, N.Y.—agricultural chemicals and Remington Arms Co.—J.M. Valerio, mgmt coord.

Kelly Advertising, Lancaster, Pa.—Berg Electronics and electronic specialties—R.L. Kelly, mgmt coordinator.

Barnum Communications, New York—pharmaceutical prods—M. Amster, acct super.

Sudler & Hennessey, New York—pharmaceutical prods—L. Gamza, acct super.

Eastern Air Lines

	1981	1980
Sales	$3,727,093,000	$3,452,542,000
Earnings	(65,877,000)*	(17,358,000)*
Advertising**	54,100,000	54,100,000

*(Loss)
**AA estimate

Eastern Air Lines, Miami, the 87th largest national advertiser, held the line on its 1981 advertising budget, matching 1980's total of $54.1 million.

The airline reported its second annual net loss in a row, which rose to $65.9 million in 1981 from 1980's net loss of $17.4 million. Revenues in 1981 were $3.7 billion, up 9% from 1980's revenues of $3.4 billion.

While Eastern's 35.5 million revenue passengers carried in 1981 was the highest for the airline industry, it was below the trunk carrier's 1980 figure of 39 million. Eastern's board chairman, Frank Borman, cited a deepening recession, fare cuts on certain routes and the air controllers' strike as primary reasons for the company's and industry's woes throughout 1981.

In his address to shareholders, Mr. Borman said revenues for the first six months of 1981 climbed 14% above the year earlier period but the advance slowed to one-tenth of 1% by the fourth quarter, forcing the airline to take such measures as laying off 1,500 fulltime employes and 1,000 parttime and temporary employes.

In addition, he said, 500 employes took advantage of a leave-of-absence policy, which allowed them to take from one to six months of unpaid leave time.

A large part of the layoffs was blamed on the air controllers' strike in the second-half of 1981, which forced the FAA to set limits on operations, thereby straining available seat miles in the third and fourth quarters.

Another cost-cutting measure taken by the air carrier was to institute a variable earnings program in which employes donate 3.5% of their wages to the company unless Eastern meets certain profit goals. In 1981, the company kept the entire 3.5% or an estimated $37 million. At yearend, Eastern again went to its employes and asked for an extension of the variable earnings program in addition to a one-year wage freeze.

Both requests, from Mr. Borman, were accepted by Eastern's pilots. However, the company's union contract with the International Assn. of Machinists (IAM) expired in December, 1981, and by mid year 1982 a new contract was still being negotiated. A source close to the negotiations said the two requests were a part of the negotiating process.

Fuel costs, the bane of the airline industry since the Arab oil embargo in the early 1970s, continued to affect operating costs for Eastern, although not as severely as in 1980. Despite a decline in fuel consumption, Eastern's over-all fuel bill rose to $1.14 billion from 1980's $1.03 billion, reflecting an 18% rise in the average price for a gallon of jet fuel as opposed to a 51% rise for the year earlier.

In a further effort to control costs, Eastern also grounded indefinitely a number of its older, less efficient Boeing 727-100 aircraft and exercised an option on the purchase of nine additional twin-engine Airbus Industrie (a French aircraft maker) airliners, considered by Mr. Borman to be more fuel-efficient. Eastern bought the planes, with delivery through 1983, for a total of $335 million.

Fare cuts by carriers competing with Eastern on certain East Coast and transcontinental routes continued to affect revenues for the air carrier. Eastern matched the fare cuts of competitors. However, Eastern did turn up with two air fare programs—a couponing offer for passengers on its Eastern Seaboard shuttle flights and a dividend, of sorts, in the form of a fare discount for its shareholders.

In the program for its estimated 87,000 shareholders, Eastern offered vouchers good for 25 cents of travel for each common share owned as of Feb. 6, 1981.

The vouchers could be used to pay for up to half the regular price of a ticket on Eastern's route system, except for flights originating out of Canada. The company reported that nearly two-thirds of its shareholders took advantage of the program and the program continued in 1982.

In July, Eastern issued coupons to passengers on its Eastern Seaboard shuttle flights that entitled recipients to up to $50 discounts on the air carrier's coast-to-coast market.

Aside from the cost-cutting programs, there were two noteworthy events that occurred in late 1981 and early 1982. In November, Eastern shifted its $54 million account from its agency of nearly 20 years, Young & Rubicam, to Detroit-based Campbell-Ewald. The switch shook the advertising industry—not only because the account change was the largest by an advertiser in 1981 but also because of the circumstance surrounding the switch.

At the time of the switch, rumors were flying that the

We've captured Houston's
tely to this incumbent U.S. Sen.
Call us during the delay of
Collins is
Our "inexplicable"
demands
ported gunfire at Leimu

Among daily newspaper homes with income over $35,000, 63% take The
Represented nationally by Sawyer Ferguson

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friendship between Eastern's Mr. Borman and C-E's chairman Thomas B. Adams figured largely in Eastern's decision to change agencies. Both men denied that their friendship was the sole reason for the switch, and that while it may have figured some in the decision there were larger considerations in the reason for the switch.

Not long after the changeover, C-E broke Eastern's new campaign in 1982, which focused more on Eastern employes and less on the air carrier's chairman. In addition, "America's favorite way to fly" became the tag line in Eastern's new campaign, reducing its former slogan ("We earn our wings every day"), like Eastern's chairman. to a cameo status. Interestingly, "We earn our wings" is uttered by the chairman.

For the first three months of 1982, operating revenues were $908.4 million, down from 1981's first-quarter revenues of $961.5 million. Net income loss for the three months ending March 31 in 1982 was $51.4 million and compares to earnings of $4.1 million for the same period in 1981.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$33,670,000	$30,160,700
Magazines	3,952,900	4,617,300
Spot tv	4,906,100	6,346,100
Network tv	1,742,100	1,963,400
Spot radio	5,267,800	5,342,100
Outdoor	2,403,700	1,910,700
Total measured	43,622,600	40,340,200
Unmeasured	10,477,400	13,758,800
Estimated total	54,100,000	54,100,000

MARKETING PERSONNEL

R. L. Ray Jr, senior vp-mktg
D. B. Kunstler, vp-sales & adv
W. H. Dowse, vp-adv
A. K. Istel, mgr-vacation adv
B. A. Noonan, mgr-intl adv
T. Ripps, mgr-consumer & adv rsch
B. F. Walsh, mgr-business adv
R. A. Wolf, mgr-adv services

ADVERTISING AGENCY

Campbell-Ewald, Detroit—Thomas B. Adams, Paul L. Johns, acct heads; Peter A. Dow, acct director; Joseph V. Karle Jr, mgmt super; Martin F. West, Craig A. Denton, Robert F. Henry, assoc mgmt supers; Robert L. Greer, acct super-sales promo; Tim Swies, George Lezcano, acct supers, adv; David W. Roddy, Jeffery Seregny, Hunter Philips, acct supers; Juan Carillo, Peter Towndes, acct execs.

Eastman Kodak Co.

	1981	1980
Sales	$10,337,500,000	$9,734,303,000
Earnings	1,239,000,000	1,153,579,000
Advertising*	101,000,000	83,887,700

*AA estimate

Eastman Kodak Co., Rochester, N.Y., the nation's 55th largest advertiser, increased its U.S. advertising by 20% to an estimated $101 million.

While Kodak's worldwide sales increased in 1981, the company did not enjoy the double-digit growth it had in 1980. Worldwide sales of $10.34 billion were up 6% from $9.73 billion in 1980, which had been an increase of 21% over 1979. Those worldwide sales included $8.26 billion, a 4% increase from the previous year, for the photographic division and $2.35 billion for Eastman Chemicals division, up 13% from 1980.

Within the U.S. alone, Kodak sales to unaffiliated customers in 1981 were $6.4 billion, up from $5.7 billion in 1980. Sales to unaffiliated customers in other areas in 1981 totaled $944 million in Canada and Latin America, $2.45 billion in Europe and $539 million in Asia, Africa and Australia.

For the first quarter of 1982, Kodak's worldwide sales dropped to $2.25 billion, a decrease of 3% over 1980's first-quarter reading of $2.31 billion. Worldwide net earnings dropped 27% during the same period, compared with a 29% rise from first-quarter 1979 to 1980. Earnings dropped to $181.3 million from $249.1 million. Company officials say they don't expect a turnaround until the fourth quarter of 1982, traditionally the company's strongest selling period.

Kodak's sales for the first half of this year were $4.68 billion, a decline of 1% from the $4.72 billion reported for the same period of 1981. Earnings for the same period declined 19% to $429.6 million from $533.6 million for the period a year earlier.

Commenting on the six-month results, Eastman chairman-chief executive Walter A. Fallon and Colby H. Chandler, president, said they were "restrained" by a variety of factors, including the sluggishness of the worldwide economy, pricing pressure in the chemicals industry resulting from overcapacity, unfavorable currency fluctuations and costs incurred in introducing new products.

Kodak also invested more money in research and development efforts in 1981. A total of $615 million was invested, up from $520 million in 1980, an increase of 18%. The greater portion of that money was spent on the development of several new amateur cameras, photofinishing equipment and a new Ektaprint copier.

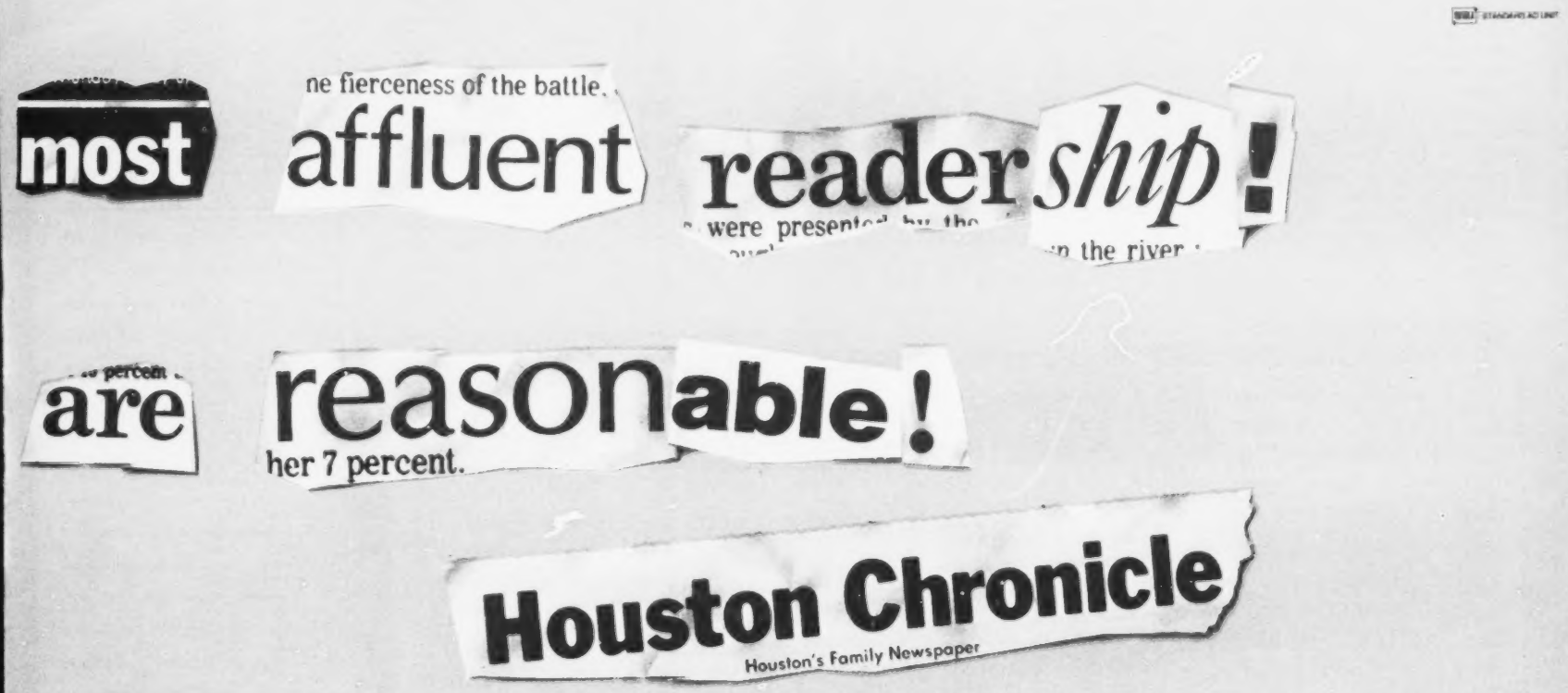
The company seems well on its way to matching 1981 ad expenditures this year if the planned spending involved in the rollout of its disc cameras is any indication. Announced at a press conference last February, the cameras reached the retailers in May. Sources say Kodak will spend at least $30 million on the disc campaign, virtually eliminating advertising for its conventional lines. However, Kodak's new instant line is being supported substantially with advertising and promotion. Kodak's aim is to ensure that 95% of all adult consumers will have heard of the disc camera 18 times before the crucial week before Christmas. The bulk of the advertising dollars will go to tv in 90, 60, and 30-second prime-time commercials. John Powers, vp-director/marketing communications for Kodak, said the 90-second spot is new for the company and is necessary to show the various aspects of the disc. The longer spots combine vintage Kodak scenes with futuristic shots demonstrating individual parts.

Kodak showed prototypes of the camera to 1,000 outsiders to find which features buyers would consider most critical and should be advertised. Because the camera is taking center stage in these commercials, popular Kodak spokesman Michael Landon will be used to advertise color paper, rather than the equipment.

In addition to tv, the company is also using magazines such as *Time*, *Sports Illustrated* and *People* for print color spreads with, said Mr. Powers, fairly long copy. And to increase home saturation, Sunday supplements will be used.

The camera was christened after the 15-exposure film disc that Kodak hopes will replace conventional roll film. The film lists for $3.19 and the camera offers three choices; the 4000, list price $67.95, has a fixed focus ranging from 4 ft. to infinity; the 6000, list price $89.95; and the 8000, $142.95 list price, with a rapid sequence film advance and a built-in digital alarm. All three cameras automatically advance the film to the next frame, set the exposure, activate a built-in flash if necessary and recharge the flash in just over a second.

While analysts were impressed with this new offering, featuring other innovations such as wide-angle lens, they were fearful that the higher-than-expected prices may put it out of



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the range of most amateur photographers. If so, analysts claim, the disc will fail to do for Kodak, and the amateur photography industry as a whole, what it is hoped it will do—stimulate a sagging business.

However, Walter Fallon, Kodak's chairman, called the disc camera "the biggest innovation in amateur photography since the cartridge-loading Instamatic 19 years ago." The camera is expected to increase by 25% the number of good-to-excellent pictures amateurs get from pocket cameras, the company claims.

To get all these points across to consumers, in addition to advertising, Kodak is sinking large sums of money into promotional materials, discounts to retailers who order early and training programs for salespeople. First, retailers who ordered prior to April 30 received 5% off their order and all retailers are reimbursed for the advertising they do up to an amount determined by how many cameras they buy.

At the annual meeting last May, Kodak officials said orders were ahead of expectations for both the disc and the new line of instant cameras that were introduced in January. Colby H. Chandler, company president, said almost 1,100 independent photofinishing labs—350 in the U.S. and Canada—ordered the new equipment necessary to process the disc film.

Photofinishers say the minimum investment needed for equipment and attachments to existing printers is $20,000, about one-fifth the capital analysts now say goes into a typical minilab. Large photofinishers will indirectly benefit from the need for new equipment as they can afford the more expensive, highly automated systems, which should dramatically increase the productivity of finishers. Investments are made on the basis of picture-taking volume, which in turn depends on camera sales. Kodak itself makes most of its money on sales of film and paper rather than equipment, so the financial rewards of the new system will not be apparent until 1983, when the company hopes millions of its latest entry will be in consumers' hands.

Typically, amateur photographers use new cameras with abandon for the first six to nine months of ownership, giving photoprocessors a chance to prosper. Then in the three to five-year period after a product launch, as competitors play catchup, processors continue to enjoy substantial profits. Pako Corp., a photoprocessing equipment maker that said it used patents to design a film processing and printing system for disc films, placed the cost to small back-of-the-shop finishers as small when compared to the cost of the entire plant of $90,000 to $100,000. Kodak said the least expensive film processing unit it is producing will cost about $18,000.

Meanwhile, Kodak isn't resting, but is looking to answer the hesitation regarding the high price of the camera. At the annual meeting Mr. Fallon said a less automatic disc camera, with a manual flash, no close-up lens and penlight battery, will be introduced in Europe this fall. The 2000 model is expected to sell in Europe for $40, and analysts are predicting that in early 1983 lower-price extensions will surface here. This should help protect Kodak against competitors such as Keyston Camera Corp. and Vivitar, which are thinking of licensing the disc technology from Kodak. At least one company, Continental Camera Corp., Rahway, N.J., has already done so.

The company is also investigating the possibility of using the disc to record images from negatives to display on tv. Sony is expected to debut the Mavica that records images on videodiscs for tv playback next year, at a cost of approximately $1,000. Kodak is also researching and developing a filmless, all-electronic camera. Electronics are now used to improve traditional photos and prints made from poor negatives.

Besides looking into its crystal ball, in early 1981 Kodak brought out four more "conventional" cameras and faster instant film. These new cameras replace the Colorburst line, which fared badly against Polaroid's high-speed 600 Sun camera. Three of the four are folding models with built-in flashes which make use of existing indoor or outdoor light. The fourth, the Champ, is a rigid-body camera, at the lowest price of the line—$29.95. Top-of-the line is $114.95.

The new line commercials use magician David Copperfield as spokesman, with the tag line "Capture all the magic in an instant." Kodak used cable as part of its national rollout for the line.

Polaroid is not the only challenger Kodak has to stay focused on. Fuji Photo Film Co., the dominant force in amateur photography in Japan, is gearing up for its instant camera entry in the U.S. The company is expected to announce worldwide distribution in October. Fuji also won the sponsorship of the Los Angeles Olympic Games over Kodak, as the latter bickered over price. Fuji is already in the States with its film line, with a spring promotion featuring an instant game and an extensive ad campaign in May, trying to reach 90% of all adults more than 10 times for peak spring sales.

Kodak film replaced Ektra cameras as the area receiving the greatest amount of ad dollars in 1981. Film was supported by $19.5 million, including $11.4 million in network tv, $2.9 million in magazines, $4.9 million in spot tv and $371,700 in outdoor. The budget for Ektra cameras dropped by 63% in 1981, with only $5.9 million spent last year vs. 1980's $15.9 million. Network tv again received the bulk of the dollars with $4.2 million; $1.1 million was spent in magazines, $422,900 in newspaper supplements and $188,800 in spot tv.

Kodak Colorburst instant cameras and film had an ad budget of $1.7 million, all of that spent in magazines. Magazines also received the total budget for both Kodak carousel projectors and copiers. Carousel projectors were supported with $1.3 million and copiers with $1.4 million.

Kodak is going after the likes of Xerox and IBM by taking a different type of picture, a copy, with the August introduction of the Extraprint 250. The machine can produce 5,500 two-sided copies per hour automatically, using a pair of microprocessors 10 times as powerful as those in existing Kodak duplicators. Two models will be available: The 250 AF model, which can separate and staple multipage sets, will sell for $116,000 and lease for $2,645 a month, and the model 250 F, which simply collates, at a price of $110,000, leasing for $2,505 a month.

These machines will set sights directly at high-end Xerox models, with Kodak features going up against Xerox's speed.

Kodak is aiming at another area of business machines with its August, 1981, acquisition of Atex Inc., a maker of computer-based publishing systems. The cost was about $79.2 million of Kodak stock. This should strengthen Kodak's position in the graphics market; the company already provides printing plates, phototypesetting papers, films and chemicals to the publishing industry. Atex computer systems and software were used in the preparation and processing of texts for newspapers, magazines and other publications.

The acquisition was a departure for the company, which prefers to develop its own technology. Atex management reports to the general manager of Kodak's photographic division.

In other photographic division highlights, worldwide sales of instant film showed solid increases, particularly in Latin America. While film advertising in Brazil remains with J. Walter Thompson, Kodak recently moved its line of Ektra cameras in that country to McCann-Erikson.

Some recent moves over at J. Walter Thompson have industry observers wondering whether the Kodak account will be following some of its key agency people out the door. Especially as William C. Thompson, a former JWT exec vp, joined McCann-Erickson as exec vp-director of account development. For the past five years Mr. Thompson has been focusing almost solely upon Kodak's worldwide business.

Executives at both Kodak and JWT state that the move of Mr. Thompson and the other vps who worked on the Kodak account are purely coincidental and any changes will be positive ones. Kodak is becoming more aggressive in its advertising posture; no longer content to deal with competitors only when they become realities, the company is now aware of threats to its domination of the amateur photography industry.

Kodak is expected to release a new Eastman color high-speed film by late 1982 for the motion picture industry. In addition, a color print film with improved dye-stability characteristics is being developed. The film will hold its color 10 times longer than other release print film available today, increasing its attractiveness to libraries, educational companies and for other archival applications.

At Eastman Chemicals division, several construction efforts are under way in areas such as coal gasification and hydrocarbon cracking. Agricultural chemicals are making steady advances with "excellent" sales gains for natural source Vitamin E. Kodel polyester staple and yarn and Estron acetate yarn were manufactured at near-capacity levels throughout 1981. Kodolite polyester, a fiberfill introduced in the fall, was well received by manufacturers of a wide variety of outerwear.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,510,000	$3,344,700
Magazines	13,274,800	11,088,500
Spot tv	5,587,700	3,235,600
Network tv	41,623,700	34,763,300
Spot radio	903,900	383,000
Network radio	550,300	1,558,800
Outdoor	558,900	312,100
Total measured	65,009,300	54,474,900
Unmeasured	35,990,700	29,413,800
Estimated total	101,000,000	83,887,700

EASTMAN KODAK CO.
Rochester, N.Y.
MARKETING PERSONNEL

K.R. Whitmore, exec vp-genl mgr, photographic div
J.P. Samper, group vp-genl mgr, photographic mktg group
W.J. Prezzano, vp-genl mgr, U.S. mktg div
J.R. Robertson, vp-asst genl mgr, U.S. mktg div
J.H. Barnes, vp-genl mgr, customer equipment service div
J.C. Fink, vp-genl mgr, health sciences mkts div
K.M. Mason, vp-genl mgr, motion pictures-audiovisual mkts div
F.P. Strong, vp-genl mgr, consumer/professional and finishing mkts
W.E. Sherman, vp-genl mgr, graphics mkts div
J.R. Sutcliffe, vp-genl mgr, business systems mkts div
J.J. Powers, vp-director, mktg communications
W.K. Pedersen, asst vp-director, adv and promo
C.J. Murphy, group vp-genl mgr, photographic mfg group
R.C. Kleinhans, vp-genl mgr, Kodak Apparatus div
B.B. Coles, president, genl mgr, Kodak Canada
R.T. Kramer, vp-genl mgr, Kodak Park div
G.A. Snyder, vp-genl mgr, distribution div

ADVERTISING AGENCIES

Rumrill-Hoyt, Rochester—genl picture-taking, print trade, audiovisuals, some business, scientific and industrial—Joseph M. Valerio, exec vp-mgmt super; David Fisher, senior vp-group mgr.

Young & Rubicam, New York—instant photo prods—Ruby Harrington, exec vp-group director; Ricardo C. Calvillo, senior vp-mgmt super.

J. Walter Thompson USA, New York—traditional photo prods, some business,

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INSTITUTE OF OUTDOOR ADVERTISING IOA When people go buy, Outdoor sells.

485 Lexington Avenue, New York, N.Y. 10017

industrial and technical—John Maher, senior vp, Kodak Worldwide U.S.; Granger Tripp, senior vp, Kodak Intl.

Baker, Lovick Ltd., Toronto—M. Lamont, vp-acct exec.

EASTMAN CHEMICAL PRODUCTS
Kingsport, Tenn.
MARKETING PERSONNEL

D.B. Campbell Jr., president
T.F. Reid, exec vp-genl mgr
P.J. Burns, senior vp
R.W. Bourne Jr., senior vp
J.W. Malloy Jr., vp-genl mgmt staff
B.F. Roberts, vp-adv and fibers
G.O. Traube Jr., vp-chemicals div and genl mgmt staff
W.L. Terrill, vp-plastics and plastics prod div and genl mgmt staff
R.C. Dubberly, vp-filter prods, intl div
R.C. Forrester, vp-technical service and devel, new prods
R.E. Hudston Jr, vp-textile fibers
T.L. Shealey Jr, mktg director, textile fibers div
J.T. Moore, mktg director, plastics div
T.G. Fudge, mktg director, industrial chemicals div
M.J. Mettetal, mktg director, H&N div
G.W. Snyder, mktg director, filter prods div
W.L. Johnson, mktg director, new prods div
R.F. McTier, mktg director, intl div
C.B. Fox, director, technical service and devel div
W.T. Ambrogi Jr., director, chemicals, field mktg div
N.M. Atkins, mktg director, coating chemicals div
L.B. Connelly, director, plastics field mktg div

ADVERTISING PERSONNEL
(all in New York)

A. LaManna, director, adv
K.E. Palmer, mgr, fibers adv
V.V. Reisig, mgr, chemicals adv
T.W. Lyons, mgr, plastics adv
M. Hennessy, mgr, intl adv
J.F. Horne, mgr, promo
H.E. Reebel, mgr, adv services
R.E. Webb, mgr, editorial services (Kingsport)

ADVERTISING AGENCIES

Leber Katz Partners, New York—all prods worldwide.

Esmark Inc.

	1981*	1980**
Sales	$3,132,349,000	$2,730,312,000†
Earnings	93,769,000	471,414,000††
Advertising	175,065,000	166,952,000††

*Fiscal year ending Oct. 31, 1981 (53 weeks)
**Fiscal year ending Oct. 25, 1980 (52 weeks)
†Revised due to corporate restructuring
††Restated

Its restructuring apparently complete, Esmark Inc., Chicago, the nation's 31st largest advertiser, showed dramatic gains in operating profits in fiscal 1981 from its stripped-down portfolio of brand-name packaged food, consumer goods and industrial chemicals and products.

Esmark spent an estimated $175.1 million in advertising in 1981, up 5% from the estimated spending of $167 million in 1980. Advertising and sales promotion spending as a percentage of net sales declined to 5.7% in 1981 from 6.2% in 1980 with the end of massive promotional campaigns for new food products introduced in 1979 and 1980.

Since 1979 the Chicago-based company has divested its low-margin fresh meat and capital-intensive energy interests to become a much smaller but more profitable concern. Revenues in the fiscal year 1981, ended October 31, were more than $3.1 million, less than half the pre-restructuring level, while net earnings were $93.8 million, slightly higher than they were in the last year before the divestitures.

After-tax earnings from on going operations in 1981 reached nearly $99.6 million, almost twice the $54.3 million reported for 1980.

A major contribution to the improvement in Esmark's bottom line was a sharp rebound in the results of Swift & Co., the remains of the foods operation on which the holding company was founded. Swift had record operating profits of $38.4 million for 1981, vs. a $9.8 million operating loss in the previous year. Swift remains the core of Esmark, accounting for nearly $1.5 billion or 47.4% of the company's revenues.

Although Swift reported the largest contribution among Esmark subsidiaries to the over-all bottom line, its 10% return on assets lags far behind the standard set by chief executive officer Donald Kelly for his "portfolio approach" to managing the operating units. At the annual meeting last March, Mr. Kelly said Swift had shown "remarkable progress" but that he wants at least a 15% return from the foods subsidiary. Other Esmark units have even higher returns on assets.

"We're about a year away from knowing whether Swift can consistently give us an adequate return," he said at the meeting, echoing his statement in the 1979 annual report. "I believe the time has come for performance rather than promises," referring to Swift's profits—which preceded the spin-off of the fresh-meat operations by about a year.

The turnaround stemmed from improved margins in three of Swift's food groups—processed meats, poultry and grocery. The fourth group, cheese, had flat results.

The best gainers were peanut butter, which capitalized on last year's peanut shortage by raising prices after locking in supplies, and the realigned turkey business, despite an industrywide inventory glut.

Over-all advertising expenditures for Swift were up 6%, to $26.2 million from $24.7 million in 1980, but still less than the $27.7 million spent in 1979. Most of the increase was in magazines, up about $500,000 last year, with network and spot tv advertising about the same.

Swift's dry grocery business was the most profitable area during 1981. Peter Pan peanut butter, the largest-selling product of the group, improved its market share 1.4% in share points, although it still runs a distant third, after Procter & Gamble's Jif and CPC International's Skippy. Ad spending for 1981 was $7.5 million, with $5 million of that going to network tv with the remainder in spot tv.

Dry soup mix sales increased in 1981 with extension of the Soup Starter line, including the introduction of Stew Starter dry stew mix, which went national in October. The company spent over $5 million in advertising last year on Soup Starter, up from $3.3 million in 1980, including about $2.5 million in network tv. The product has a 9% share of the dry soup market, down from 11% in 1980.

Swift spent $3.6 million to advertise Butterball turkey products, including a new line of smaller Butterball products which saw its first full year of national distribution. That compares with about $6.9 million spent on Butterball ads during the rollout phase in 1980. The company has about 24% of the branded turkey market, with an increase of one share point last year. Turkey and other poultry specialties account for about $300 million in sales, up from $286 million in the previous year.

Swift remained a major force in breakfast meats with a 5.4% share of the market, up from 5.1% in 1980. New products included Brown 'N Serve sausage from ham and a beef variety of Sizzlean breakfast strips.

Over-all ad spending in 1981 for processed meats totaled more than $13 million with ad spending on breakfast meats exceeding $7 million. Brown 'N Serve sausage held onto an 85% share of the total pork sausage market, while sales of Sizzlean and Swift Premium bacon were relatively flat. Spending on other meats included regional brands such as Schickhaus in New York and Mayrose in St. Louis, as well as Swift Premium label products nationally. Total sales of processed meats were in excess of $400 million.

Swift's cheese operations faced an industry oversupply of cheese and dairy products plus record USDA inventory levels as a result of the milk price support program. Treasure Cave blue cheese continued as a leader in its category, and the New Dimensions line of imitation cheeses was introduced nationally. Total ad spending for these two brands was $400,000.

International Playtex, Esmark's most profitable unit, increased earnings 29% in 1981 to $84.2 million, accounting for more than half of Esmark's profits from ongoing operations.

It was the first full year of earnings from leotard-maker Danskin Inc., acquired in April 1980, which contributed $11.4 million in earnings compared to $1.4 million in the previous year, including a $5.1 million offset for acquisition costs. During 1981, Danskin introduced new leotard brands and entered the casual socks business.

Esmark also reported "significantly higher earnings" from its marketing arrangement for the Jhirmack line of haircare products, which saw a $30 million gain in sales last year. Last March, Esmark announced the acquisition of Jhirmack Enterprises for $28.4 million. Jhirmack sales in 1982 are expected to reach $65 million in the nearly $1.6 billion shampoo-and-conditioner market.

Total advertising spending for the division increased 64% from 1980, as Playtex concentrated on Jhirmack and its other leading brand, Playtex tampons. Playtex reported "significantly" increased market share for tampons, following the turmoil caused by the discovery of toxic shock syndrome.

The U.S. intimate apparel divison of Playtex reported "very strong" sales and profits in 1981 and a record high market share. Playtex bras, girdles and panties were supported with over $26.6 million in advertising and sales promotion spending in 1981, compared to $25 million in the previous year.

Retail sales of Playtex's Pennaco Hosiery division were up 16% in 1981 vs. a total industry increase of 10%. Currently sold mainly in better department and specialty stores, the division has "aggressive plans and programs to increase share in this area scheduled for test marketing." National expansion of new Playtex Super Look pantyhose among mass merchandisers is likely in late 1982, and a line of bras and bikini underwear sold in grocery stores under the Bare D'Lites brand name, in lightbulb shaped containers and displays, went into test markets last December.

The international division reported a record sales year, with increased market shares in France, Italy and Mexico. Market shares remained steady in Spain, the United Kingdom, Australia and South Africa. The Danskin line was introduced in Western Europe last year, while Jhirmack products entered Canada and France. Playtex tampons registered a 32.3% market share in Canada and 31.2% in France. And the division entered into a joint venture with Carita, a French skin-and haircare company.

Estech, a diversified chemical company, posted revenues of $462.8 million and operating earnings of nearly $44.9 million in 1981.

Estech has four main lines of business: Phosphate rock mining, fertilizers, international investments and distribution of industrial chemicals.

Estech is the seventh largest independent producer and marketer of mixed farm fertilizers in the U.S. It makes Certified Harvest King fertilizer for farms and Vigoro fertilizer for lawns and gardens. It holds the second largest market share in the latter, supported last year by $771,000 in measured ad spending, compared to $681,000 in 1980. Its Par Ex brand is the leading fertilizer for golf courses and the commercial lawn care business.

Estech's earnings were relatively flat compared with 1980 as gains in fertilizer earnings from acquisitions were offset by reduced earnings in the phosphate business. Phosphate exports, which account for a large part of sales, were hurt by a weak international economy and a strong U.S. dollar.

Estech distributes industrial chemicals under the name of Weskem, acquired in September, 1981. Eschem, the other side of Esmark's chemicals business, has interests in industrial adhesives, wax coatings and specialty oils. Revenues were even with last year's record levels, but pretax earnings were down for the second consecutive year due to the recession.

For the sixth year in a row, Eschem's National Wax Co. reported increased revenues and a return on assets in excess of 25%. Eschem's international markets in Canada, the United Kingdom and France reported combined revenues and operating earnings slightly below 1980's record levels.

Altogether Esmark earned $46.9 million on revenues of $575.4 million from its chemicals group in 1981, compared with profits of $47.1 million and revenues of $485.8 million in the previous year.

STP Corp., a car-care products distributor acquired for $116.5 million in 1978, is apparently having profit problems although it continues to dominate several of its product categories. The company was not mentioned in the 1981 annual report nor at this year's annual meeting, and the head of Esmark's chemical unit has been studying what to do with the subsidiary. "It was a bad buy," Mr. Kelly said in March. "Costs are up considerably and volume is down." He also said the company has not added to its product line as expected.

STP's biggest brand, STP Oil Treatment, continued to lead the oil additive category in sales with measured advertising spending of nearly $4 million, vs. $2.4 million in the previous year.

STP Gas Treatment maintained its lead in the expanding gas additive category with record sales on measured advertising of more than $3 million, against 1980 ad spending of $2.3 million. Sales of Son of a Gun, a vinyl protector that is one of the leading brands in that market, are growing in excess of 10% a year. Measured ad spending for Son of a Gun was estimated at more than $3 million, compared to $2.6 million in 1980.

STP Diesel Fuel Treatment was introduced last year and achieved "significant levels that were well above plan," the company said. A major part of STP's marketing strategy is the sponsorship of auto racing teams, including Gordon Johncock, this year's winner of the Indianapolis 500.

Estronics is the new name for the division that includes International Jensen, maker of high-fidelity audio products, plus EESCO Inc., the Midwest's largest independent electrical wholesale distributor, and Custom Technologies, a maker of short-run metal stampings and investment castings.

Revenues from Estronics reached $289.3 million from $216.7 million in 1980, while operating earnings declined to $23.2 million from $25.2 million. Earnings from acquired businesses and the domestic car speaker business were up but profits from international sales and other domestic hi-fi products were down. Also, 1980 earnings included $1.1 million from the sale of a division.

International Jensen, the brand leader in home and car stereo speakers, improved its market position in 1981 despite the slump in auto sales, apparently because "consumers are now keeping cars longer and investing in after market products," the company said.

Jensen also makes car audio receivers, including electronic digital display units introduced last year. Jensen recently introduced a line of audio-video component products to compete in the booming video market.

During 1981, Jensen acquired Discwasher Inc., the leading maker of record and tape care products. Discwasher recently introduced video head cleaners and other products for the video

accessory market, which grew by nearly 90% last year.

Other recent acquisitions are Advent, manufacturer of high-quality home loudspeakers, and Phase Linear, a maker of electronic audio components. Jensen also markets hi-fi products for the car and home in more than 60 countries, with the largest growth in Latin America last year.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,317,700	$3,067,300
Magazines	11,388,700	9,003,900
Spot tv	8,443,900	9,197,500
Network tv	47,181,800	41,854,800
Spot radio	6,900	*917,300
Network radio	1,186,100	1,382,700
Outdoor	104,700	75,700
Total measured	69,533,600	64,819,100
Unmeasured	106,541,400	102,132,900*
Estimated total†	175,955,000	166,952,000*

*Restated
†Totals supplied by Esmark

ESMARK INC.
Chicago
MARKETING PERSONNEL
Donald P. Kelly, president-ceo
Philip L. Thomas, vp-corp communications

ADVERTISING AGENCY
Dancer Fitzgerald Sample, San Francisco—corporate—Paola Gianturco, vp and mgmt super, David Hill, acct super.

SWIFT & CO.
Chicago
MARKETING PERSONNEL
Joseph P. Sullivan, president/ceo
Bruce J. Gooden, director-corporate mktg servs
Paul Hills, media director
Mary H. Quirk, creative director
B. Joe Young, vp-genl mgr, cheese
Edward Huskisson, vp-genl mgr, dry grocery
Lee Lochmann, vp-genl mgr, poultry and processed meats
Tom Giglio, director of mktg, poultry
Bill Nicol, group prod mgr, Soup and Stew Starters
Tim Harris, prod mgr, Soup and Stew Starters
Randy Irion, mktg mgr, Brown 'N Serve sausage
Dennis Fitzgerald, mrkg mgr, Breakfast Strips
James Neary, director of mktg, processed meats
Cindy Reed-Rothfelder, group prod mgr, Peter Pan

ADVERTISING AGENCIES
Foote, Cone & Belding, Chicago—Peter Pan, Soup Starter, corporate—Douglas Belzer, Paul Vernan, group mgmt super.

Don Costello & Co., Chicago—International Entree.

Grey Advertising, New York—Brown 'N Serve, Butterball, Sizzlean, Firebrand, Schickhaus, processed meats—Jeff Stein, mgmt super.

Robinson and Mondlock, Chicago—cheese—William S. Robinson, senior vp, mgmt director.

INTERNATIONAL PLAYTEX
Stamford, Conn.
MARKETING PERSONNEL
Joel E. Smilow, president-ceo
Walter W. Bregman, president, Playtex US
Edward T. Fogarty, president, intl div
George Fellows, senior vp & genl mgr, intl div-apparel operation
Irene LaPointe, president, Jhirmack salon div
Michael A. Kaufman, vp-genl mgr, intimate apparel div
Gary M. Lausin, vp-genl mgr, family products div
William F. Karnbach, vp-genl mgr, Pennaco Hosiery div
Carl Epstein, president, Danskin Inc.
George Montaigne, media director

ADVERTISING AGENCIES
Grey Advertising, New York—domestic and international: Bras, girdles, Danskin, tampons, nurser—R. Schoenfein, exec vp.

Compton International—international-bras, girdles—Robert H. Huntington, exec vp and chief operating officer.

Rosenfeld, Sirowitz & Lawson, New York—Jhirmack haircare products—Peter Heinz, exec vp

ESTECH INC.
Chicago
MARKETING PERSONNEL
Edward R. Vrablik, president
Charles E. Seaton, vp-agriculture, eastern region
W.R. Payne, vp-agriculture, western region
R.E. Kelly, vp-industrial & intl
I.B. Stacy, natl sales mgr-Par Ex
Robert G. Lange, natl sales mgr-Vigoro
Paul A. Steger, mktg mgr-Vigoro

ADVERTISING AGENCIES
Cunningham & Walsh, Chicago—Vigoro—Jim Davidson, senior vp.

Sawyer Advertising, Gainesville, Ga.—Certified Harvest King—Gordon Sawyer, acct exec.

Inter-Ag Associates, Chicago—Certified Harvest King—Ralph Peebler, acct exec.

Stephens, Biondi, DeCicco, Chicago—Bob Comein, acct super.

The John Volk Co., Chicago—Par Ex—Roger Yount, acct super.

ESCHEM INC.
Chicago
MARKETING PERSONNEL
James M. Snodgrass, president
Russell G. Tait, genl mgr, Swift Adhesives
Ray O'Byrne, natl sales mgr
Don Saltzman, director of mktg

ADVERTISING AGENCIES
Stephens, Biondi, DeCicco, Chicago—Swift adhesives & coatings div—Bob Comein, acct super.

Ray Zeff Agency, Skokie, Ill.—National Wax—Ernie Nordlinger, acct super.

STP CORP.
Boca Raton, Fla.
MARKETING PERSONNEL
Leo J. LeClair, president-ceo
Jeff Carpenter, vp-mktg

ADVERTISING AGENCY
Grey Advertising, New York—all prods-Robert Beronson, vp-mgmt super

ESTRONICS INC.
Schiller Park, Ill.
MARKETING PERSONNEL
Edward F. Anixter, president-ceo
Robert F. Erazmus, president, International Jensen
Peter Fredriksen, vp-genl mgr, car audio group
Richard Schaar, vp-mktg, car audio group
Russell E. Trennert, mktg services mgr, car audio group
Fred Hackendahl, vp-genl mgr, home electronics group
Liam Drady, vp-sales & mktg, home electronics group
Chuck Wendt, director of mktg services, home electronics group
Paul Peters, exec vp, Discwasher
David Howe, dir-mktg, Discwasher
Dale Berlau, dir-mktg services, Discwasher

ADVERTISING AGENCIES
Benton & Bowles, Chicago—car audio group—Carol Singer, acct super.

Cunningham & Walsh, Chicago—home audio group—Jim Davidson, acct super.

Colle & McVoy, Minneapolis—Doric Corp.—Thomas Enquist, acct super.

Morning Advertising (inhouse), Columbia, Mo.—Discwasher.

Exxon Corp.

	1981	1980
Sales	$115,148,321,000	$104,730,539,000
Earnings	5,567,461,000	5,650,090,000
Advertising*	58,062,030	35,000,000

*AA estimate

A SUCCESS STORY FROM MULTI IMAGE
American
AMERICAN AIRLINES INTRODUCED SERVICE TO HAWAII. THEY CALLED US TO HELP THEM TELL THEIR EMPLOYEES AND THE NATION'S TRAVEL AGENTS. WE PRODUCED A MULTIMEDIA SHOW THAT STRETCHED ACROSS 50 FEET AND 5 SCREENS. USED 20 SLIDE PROJECTORS, AND 5 MOTION PICTURE PROJECTORS.
ADD OUR FULLY SCORED ORIGINAL SOUND TRACK, AND FIREDANCERS WHIRLING IN A LIVE STAGE SHOW. AGENTS FROM LOS ANGELES TO NEW YORK GOT THE MESSAGE . . . WITH ENTHUSIASM.
THE SHOW WORKED. SO WELL, THAT AMERICAN FOUND MORE USE FOR IT. WE PRODUCED A VIDEOTAPE, AND PASSENGERS WATCHED IT IN THE SKIES. WHAT A SMASHING HAWAIIAN SEND-OFF.
FROM THEME CONCEPT, THROUGH PRODUCTION, TO TAKING THE SHOW ON THE ROAD (OR TO THE SKY) . . .
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WE MAKE MULTIMEDIA WORK

Exxon Corp., New York, the 84th largest national advertiser, increased its advertising 66% to an estimated $58 million in 1981. In 1980, Exxon's estimated advertising expenditures were $35 million.

After two years of dramatic growth in which the company doubled its annual earnings to $5.7 billion in 1980, net income declined 1.5% in 1981, to $5.6 million. The decline in earnings in 1981 was offset to a great extent by foreign exchange gains related to the strengthening of the U.S. dollar. Both the petroleum and chemical segments of the company experienced depressed earnings due to weak product demand, excess production capacity and higher raw material and operating costs.

Exxon's poor performance continued into 1982. The company announced in July that its 1982 second-quarter earnings had dropped 51.5% to $885 million compared with $1.83 billion in the second quarter of 1981. For the first six months of 1982, Exxon's net income declined 38% to $2.1 billion, in comparison to the $3.4 billion of a year earlier. Exxon's 1982 second-quarter earnings were its lowest since 1979 when it earned $830 million.

The company's weakest performance came from its refining and marketing businesses in Europe where conditions similar to 1981—weak product demand and higher operating costs—combined with a depressed economic environment produced losses of $17 million.

However, the company reported that earnings had also been reduced by a $106 million loss provision resulting from its decision to withdraw from the Colony shale oil project in Colorado in May.

The company does not expect its troubles to be over soon. It is gearing for tougher times ahead with an estimated 15% reduction in its work force. It is also expected that its budget for exploration and other capital investment will be scaled down.

Exxon has also cut back on its corporate advertising budget. The "We're Exxon. We're more than 100,000 people working on energy," campaign has been shelved and there are indications that product ads may be the next casualty.

More than 50% of its 1981 spending was concentrated on network tv, which received $24.2 million. About $6.8 million went to magazines while $6.2 million was devoted to spot tv.

According to Leading National Advertisers, Exxon spent $23.9 million in measured media support for general corporate promotion in 1981, of which $20.6 million went to network tv, $2.8 million to magazines, $357,400 to spot tv and $70,600 to network radio. In 1980, the company had spent only $10.5 million in this category.

Exxon reported that energy operations had declining revenues in 1981. Even though U.S. earnings were favorable, affected by the full decontrol of crude oil prices, the improvement was tempered by increased taxes and higher exploration expenditures.

In addition, its oil reserves continued to drop—from 6,513 million bbls. at the beginning of 1979 to $6,157 million bbls. at the end of 1981.

In spite of the poor earnings climate, 1981 saw Exxon's development drilling program at its highest level in over 20 years. Development expenditures of $1.9 billion set a new record, and development wells drilled were up 30% to 934. The company confirmed the presence of significant quantities of oil at its 1980 oil find in Arauca, Colombia.

It was also a year in which Exxon decided to call a halt to a number of its ongoing projects. In July, the company suspended work on the proposed development of heavy oil deposits at Cold Lake, Alberta. The potential returns from the project did not justify its reactivation, said the company. Later in the year, the company relinquished all its concessionary interests in Libya. Finally, in the spring of 1982, the company decided to withdraw from its shale oil project in Colorado, in which it had already invested over $1 billion.

The company has also suffered heavy losses in its effort to mine uranium and other metals. In fact, it plans to shut down its uranium mining operations in the U.S. by the end of 1983. Exxon's mining losses are estimated at $383 million.

Exxon is also experiencing disappointing sales and revenues with its office systems products. The three major product lines—*Qwip* facsimile system *Qyx* electronic typewriter and *Vydec* word processing system—have been struggling in the marketplace and 1981 losses were placed at $105 milllion.

In an effort to strengthen the image of its office products, the company switched its advertising from McCaffrey & McCall to Marsteller Inc. and increased the advertising budget to $20 million.

Measured media support was estimated by LNA at $5.1 million, of which $3.4 million went to network tv, $1.5 million to magazines, $242,400 to network radio and $20,900 to spot tv. The 1981 ad expenditures on office systems products was not significantly different from the 1980 expenditures.

Another problem area for Exxon has been its subsidiary, Reliance Electric Corp. After purchasing the company for $1.2 billion, Exxon has found its alternating current synthesizer too expensive to be practical. In March, Reliance terminated further development work on the project. Sales from Reliance's other products earned Exxon only $31 million in 1981.

As the oil companies prepare for the first extended period of price competition since the oil embargos of the 1970s, Exxon is not prepared to be left behind. Even though it has not followed Atlantic Richfield Co.'s plan to discontinue credit cards, it has developed its own discount for cash campaign. Under the program, dealers are encouraged to offer a discount to motorists who pay cash for gasoline and diesel fuel.

Exxon had test marketed its discount for cash program in Phoenix; Worcester, Mass.; Jackson, Miss., and Norfolk, Va., where nearly 90% of all dealers chose to participate in the program. It was planned that by the end of August the program would be extended to all markets where Exxon has branded retail stations.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,523,200	$3,553,900
Magazines	6,778,500	2,361,100
Farm publications	253,100	230,500
Spot tv	6,346,900	6,335,500
Network tv	34,199,400	9,891,300
Spot radio	2,907,700	894,300
Network radio	313,000	342,600
Outdoor	356,300	269,300
Total measured	43,483,500	25,097,200
Unmeasured	15,579,530	9,902,700
Estimated total	58,063,030	35,000,000

EXXON CORP.
CORPORATE PUBLIC AFFAIRS PERSONNEL

J.M. Irwin, senior adviser-adv
H.F. Leiendecker, senior adviser-rsch
H.B. Jordan, corporate adv adviser
C.W. Goodyear III, mgr, mktg operations div, petroleum prods
S.A. McNeely, senior adv-retail mktg, petroleum prods

MARKETING DEPARTMENT
Houston

R.W. Martenis, communications and adv coordinator
W.T. Hotan, adv/publications mgr
R. Bennett, adv specialist
S.K. Britt, merch & special projects coordinator
J.M. Cahill, mktg rsch coordinator
J.D. Adkins, retail services and adv mgr

Chemical Operations
Houston

G.W. Laird, mktg services mgr
W.R. Fenwick, creative services senior staff coordinator
B.B. Domby, mktg services coordinator

Office Systems
Stamford, Conn.

F. Abbruscato, director, public affairs and communications
W.B. Wood, mgr, adv and sales promo

ADVERTISING AGENCIES

Marsteller Inc., New York— James Waechter, vp-mgmt super, Art Zimmerman, senior vp-director of client services; James Rosiello, acct super.

McCaffrey & McCall, New York—acct mgmt—John Collins, senior vp-group mgmt super; Ralph Thomas, vp-mgmt super; Sam Fertig, vp-mgmt super; Sheila Walker, acct exec.

McCann-Erickson, New York— J.G. Heatherly, vp-genl mgr; J.W. Collins, acct super.

Ford Motor Co.

	1981	1980
Sales	$38,247,100,000	37,085,500,000
Earnings	(1,060,100,000)*	1,543,300,000
Advertising**	286,586,000	280,000,000*

*(Loss)
**AA estimate

Ford Motor Co., Dearborn, Mich., the 11th largest national advertiser, spent an estimated $286 million in advertising in 1981, 2.4% over last year's $280 million.

Low vehicle sales in North America plunged Ford to its second year of $1 billion-plus losses, although the company earned $387 million outside North America. The Canadian loss was $252 million.

Worldwide dollar sales rose 3% to $38.2 billion on unit sales of 4.4 million, down 1% from 1980. Unit sales rose 2% outside the U.S. and Canada.

The 1981 losses still represented a minor improvement of some $483 million from 1980's loss. It was caused primarily by "the continuing lack of profitability in our North American automotive business," said chairman Philip Caldwell. Ford had to fight for market share in the depressed market that saw industry sales of 8.5 million cars, the lowest in six years. Trucks, always profitable, slumped to 2.3 million industry sales, the lowest in 10 years.

Ford's market share for cars slipped to 16.6% of the total U.S. market, down from 17.3% in 1980. Truck share was also off, down to 31.4% from 31.6%, although Ford maintained the truck sales lead in the U.S., for the fifth year, by some 41,000 units.

The subcompact Escort, built worldwide, was the best-selling nameplate in the world in 1981, and in the early part of the 1982 model year, Escort was the best-selling car in the U.S.

Those were the bright spots. Ford sold 2.1 million vehicles in the U.S., down 9% from 2.3 million in 1980.

Ford's measured ad spending increased to $264.2 million from $247.3 million in 1980. Broadcast tv took the biggest chunk, $113.9 million, but was down from last year's $125.7, as Ford spent increased amounts in newspapers, magazines and cable.

Shifts in Ford's media strategy were discussed by president Donald E. Petersen in a speech. "For over 30 years, network tv has dominated our thinking in this area. Over the next 30, this will very likely change," Mr. Petersen said.

Ford will likely shift to a "rifle" approach from a shotgun approach, turning to cable tv, videocassettes and disc, regional and special interest publications and local radio and tv.

In the fall of 1981, Ford ran some 400 spots on three cable networks as part of its over-all tv effort, consuming 62% of the 1982 launch budget.

Both car divisions showed decreases in measured ad spending, caused primarily by increased use of cable tv and heavier corporate outlays. Ford division spent an estimated $125.1 million, down from $147.7 million in 1980.

Lincoln-Mercury's spending fell to $55.5 million from $71.5 million. Network tv took the brunt of the decline while newspapers and magazines showed increases. L-M's spending followed the same pattern. Network tv fell to $27.9 million from $41 million, while spot tv dipped to $7.9 million from $8.7 million. Magazine spending rose to $14.5 million from $12.7 million in 1980. No monies were spent in spot radio, and net radio spending was cut to $334,700, down 82% from 1980's $1.8 million.

Product advertising was down but sales were even worse off. Ford division car sales fell to 1-million from 1980's depressed 1-million.

Only Granada showed a real increase over the previous year and that came at the expense of its sister Fairmont. Granada sales climbed to 106,996 from 88,371, while Fairmont sales slumped to 182,909 from 285,272.

Some of the slack was taken up by the Escort sales in its first full year of production. Escort sales totaled 284,907, making it the division leader. In its abbreviated 1980 life, Escort sales were 60,196.

Ford's two specialty market offerings, Thunderbird and Mustang, also ran into hard times. T-Bird sales plummeted 45% to 69,775 from 127,248, and Mustang's dropped to 154,985 from 225,290. The full-size Ford was surprisingly strong with sales of 113,109 down from 142,819.

Although truck sales declined over-all, there were areas of strength. The Econoline vans scored a gain to 108,658 units from 104,254 in 1980.

The Club Wagon, a passenger van, held almost even at 24,669 units from 24,783 the year before.

The mainstay, light-duty conventional trucks, still were the best sellers at 432,134, down from 475,998. Sales for four-wheel-drive Broncos continued to decline, down to 35,680 from 1980's 40,065, and heavy-duty trucks fell to 51,783 from 68,117.

Ford truck execs were pinning hopes of a comeback in trucks on the compact Ranger line, introduced early in 1982, and a downsized Bronco due out as an 1983 model.

Lincoln-Mercury division weathered the dismal auto sales slump pretty well. Sales actually showed a slight increase from depressed 1980 levels at 403,380 units, up from 400,587.

The luxury lineup of Lincolns just about held even. The full-size Lincoln sold 29,178 units down from 30,144, while Mark VI dipped to 29,733 from 35,371. Continental, smaller now, partially recovered some of the losses with sales of 4,919.

In the fall of 1980, Ford was looking to the future, hoping new models could help it take on the world. The Escort was the first of a new wave of internationally designed cars.

The Escort was intended to change the image of Ford to some degree and also to become its best-selling car. "The success of these two car lines is bigger and more important than just sales. It isn't just bringing out a Mustang or Capri to break a sales record," said Bennett Bidwell, then vp-car and truck group for North American Automotive Operations.

Other Ford car ads kept essentially the previous year's style. The sporty "Mmmmustang" kept prancing horses and young women happy under the head: "America's most popular sports car."

Thunderbird was "unforgettable" in the crooning words of the late Nat King Cole and his daughter Natalie.

Later in the fall, Ford began running a series of repair information ads to comply with orders from the Federal Trade Commission.

Under the aegis of Ford Parts and Service division, Ford ran five insertions in six national magazines with the headline: "Ford Motor Co. introduces the customer information system. It makes great aftermarket service even better."

Ford began what would turn out to be a long string of rebates and rebate substitutes when it followed hot on Chrysler's heels into interest rate ceilings. Ford set a 12% interest ceiling on loans as the prime rate floated around 18%.

Stepping into 1981, Ford put a

spotlight on the Escort when it fine-tuned the "world car" theme line to: "Escort—built in America to take on the world—and doing it."

The EXP, a two-seat sporty car based on the Escort platform, was introduced in April and Ford wanted to give it a good corporate and divisional send-off with the idea it was "another car from your world car company as opposed to another world car," said Philip Benton, vp-sales operations for North American Automotive Operations. "We want to keep that image of the company going but the car itself is a North American product."

The corporate theme for the EXP intro was "tomorrow is coming," which led to the divisional theme: "Tomorrow is here." Tomorrow included a bit of yesterday as Ford put the blue oval on the EXP, the first time the symbol had appeared on the outside of a Ford since 1938.

GM and Chrysler pushed Ford into more direct rebates in late February. The only cars exempted from the 10% rebates were the Escort and full-size car. Ford put $10 million behind this wave of rebates. During the summer, Ford switched to indirect rebates in the form of dealer incentives. When it came time to clear out the 1981 models in September, direct rebates were brought back.

Ford also cleared out old ads in September, keeping only a modicum of the "world car" theme for Escort and opening an umbrella theme over all its models: "Look out world, here comes Ford."

Magazine ads and tv commercials got a unified look as well. A silver background graced magazine ads for all the car lines and the cars appeared in profile, *a la* Lincoln-Mercury. The "Look out world" theme became tag music on all tv commercials. Most of the Ford tv time in the fall went to the small and/or sporty models.

The new Escort four-door was "A brand-new World Car," and the slow-selling EXP was a "brand new two-seat movin' to the upbeat." All the singing fit well with the three-week radio blitz that began in mid-September. Each model was given an appropriate voice and song, such as Natalie Cole (again) for Thunderbird and Tony Bennett for Granada.

But the grandest plans of men and marketing managers are fleeting and the early onset of rebates in October sapped strength from product advertising. Ford went after GM's special interest plan with a direct rebate and the ad line: "A better way to beat the high cost of financing." Ford's "up front money" ran from $700 on the EXP to $500 and $400 on various Escorts.

Ford tried to make more sense out of indirect rebates with the "Fordcare" program in January. The two-year, 24,000-mile warranty and maintenance plan coupled with a 5% rebate on the base price of Escorts followed direct rebates at Chrysler and a price cut threat from GM.

Corporate print ads for the program starred Harold Poling, executive vp of NAAO. The headline read: "We are offering more than quality. We are offering the closest thing to cost-free driving."

Ford division ads picked up the "cost-free driving" line and hired Telly Savalas for the commercials. The rebate part of the program was expanded to include virtually all Fords after GM announced extensive rebates in February.

One of the few vehicles that did not fall under the new rebate program—at least at first—was Ford's new compact pickup truck, the Ranger.

As sales continued to slump, Ford joined GM in asking suppliers, including ad agencies and the media, for a 2% giveback. The agencies grudgingly complied but the media gave Ford the same answer they gave GM: No.

In preparation for new models due in the fall and winter for the 1983 model year, Ford began shifting ad weight back to product advertising from rebate advertising.

In the fall of 1980, Lincoln-Mercury also decided people needed to see more pictures of the division's cars, so it put 75% of its largest-ever ad budget into tv. The L-M version of the Escort, the Lynx, was the star for fall and it got royal treatment.

Agency Young & Rubicam hired a "Star Wars" special effects expert, and English director and composer Vangelis ("Chariots of Fire" and "Blade Runner") to make the Lynx commercial on Los Angeles' largest sound stage.

The spots placed a live lynx in a stark landscape with the new Lynx. The "world car" theme was tied in with the line: "Starting today, the world belongs to an American car. Starting today the world belongs to Lynx," with a shot of the lynx perched atop a sphere which turns into a globe.

Other Mercury brand car lines were put into a unified print campaign which showed the cars in profile with artwork instead of photos. Two-word headlines were the rule, "Space travel" for the Zephyr station wagon and "Class cat" for Cougar.

L-M tried a different tack with its luxury cars in mid-winter. The big cars had been selling poorly despite an ad blitz in the fall so L-M decided to push luxury with price, a delicate task. The Lincoln Town Car got newspaper ads with the headline: "Perhaps the best item on this list of standard features is the bottom line." Mark VI designer series special packages were touted as "A modern art sale."

Other models also received price breaks as L-M carried all the rebate programs that Ford division did, model for model.

In the spring, L-M introduced the LN-7, a two-seater version of the Lynx that looked just like the Ford EXP except for a curved glass back window. "The LN-7 and the Lynx are a marketing man's dream," said Gordon MacKenzie, L-M general manager. "Everything came together. We wanted to hang onto our good ride and luxury image and still have fuel economy. We need more youth-oriented products. It takes a long time to change perceptions and the LN-7 is right along the line of what we are trying to do."

Fall introduction advertising for the division carried on that plan. A new model, the reshaped Continental, was touted in toney but sparse ads and commercials in the style of the original Lynx spots. "Research showed that these people [luxury car buyers] said they don't want to know all about the engine size," said Mr. Vanderzee. "All they want to know is if this car is the ultimate, the most up-to-date luxury car. They want a status symbol and getting the newest luxury car is their status symbol. They don't care about all those other words. That's why we've gone to very simple stuff."

The advertising style of the previous fall continued for other car lines as well. The new five-door Lynx had the print headline: "Missing Lynx." The LN-7 would "Handle with flair" and the Cougar wagon had "Class room." L-M also boosted cable advertising it had started in the spring to reach an upscale audience.

Ford corporate ad efforts also looked more toward improving the company's image, changing from the Escort oriented "incredible world of Ford" ads in fall, 1980, to the "Quality is Job 1" campaign a year later. "We in corporate are going to take the quality story, which is really essential to the image of the corporation. The two vehicle divisions will tell the story of the product," said Joseph A. Kordick, executive director of marketing for NAAO.

Ford essentially traded corporate campaigns with GM when it took up "Quality is Job 1." GM had been running a "people building transportation to serve people" campaign that used shop-room vignettes but dropped it in favor of a technology theme that looked to tomorrow's cars. Ford gave up on copy like: "If you could see tomorrow the way it looks to us today, you'd say incredible," and picked up shots of the shop for the "quality" theme.

In spring, 1982, Ford split corporate ad responsibilities between two agencies, taking some business away from Wells, Rich, Greene and giving it to Young & Rubicam.

Y&R officially took over corporate product advertising but that translated into responsibility for the "Quality" campaign. WRG kept working on a campaign with the theme: "There's a Ford in America's future," which ran weekly in newspapers and magazines and on tv.

The assignment shakeup was due to a rearrangement of duties at Ford. "While my group had been assigned to NAAO before being transferred back to marketing staff, we had the responsibility for corporate advertising there. With our reassignment back to marketing staff, it was decided the corporate efforts of the company should be directed to a new campaign [Ford future]. It was reasonable for NAAO to select one of its own agencies to handle its business and they picked Y&R," said John Bowers, director of advertising for the corporate marketing staff.

Mr. Bowers retired from his post on July 1. John McDougall, executive vp of Ford International Automotive Operations also retired in the summer of 1982. He was replaced by Robert Lutz, who had been president of Ford of Europe.

James A. Capolongo gave up his post as vp-truck operations to replace Mr. Lutz and Edson P. Williams became vp and general manager of the truck operations, leaving his post as president of Ford Asia-Pacific.

Earlier in the year, B.J. Coughlan became general marketing manager of L-M, from a regional sales post, replacing Joseph E. Cappy, who left to become the vp of AMC's marketing group.

Ford Parts & Service literally took a closer look at the auto aftermarket for a 1981 campaign. Ford Parts provided highly magnified looks into engine parts. The ads also targeted the Motorcraft brand to do-it-yourselfers.

Ford Tractor borrowed a page from the Escort world car ad campaign for its new Series 10 tractors. "Built to take on the world" was the recycled theme line. Ford Tractor tried to capitalize on the same blue logo that is on car, truck and tractors. But worldwide tractor sales still reflected economic hard times and fell to 89,300 units off 9% from 1980.

Ford Glass division geared up to supply auto manufacturers in Europe and Japan as well as Ford units. Rouge Steel Co. was formed from the Steel division as a wholly owned subsidiary.

Electrical and Electronics division came up with computer controlled electronic instrument panels for 1982 Continentals and was poised for further electronic marvels like cathode ray maps, talking cars and automatic day-night rear-view mirrors.

ADVERTISING EXPENDITURES

	1981	1982
Newspapers	$31,989,700	24,370,500
Magazines	55,077,200	38,918,500
Farm publications	2,920,700	2,570,000
Spot tv	23,508,000	31,815,400
Network tv	113,900,600	135,701,500
Spot radio	52,198,800	19,599,000
Network radio	4,368,800	5,559,800
Outdoor	1,213,300	1,966,800
Total measured	354,175,700	247,310,500
Unmeasured	22,516,900	32,689,500
Estimated total	286,686,600	280,000,000

CORPORATE MARKETING PERSONNEL

William P. Benton, vp-mktg
R.C. Reynolds, mgr, corp adv
F.R. Wuellner, mgr, adv comm

ADVERTISING AGENCY

Wells, Rich, Greene, New York—Gary Kullberg, exec vp, mgmt group head; Kenneth N. Campbell III, vp, genl mgr/Detroit office.

NORTH AMERICAN AUTOMOTIVE OPERATIONS

MARKETING PERSONNEL

P.E. Benton Jr., vp-sales operations
J.A. Kordick, exec director, mktg
K.F. Smith, director, mktg strategy
G.L. Nielsen, mktg & adv programs mgr

ADVERTISING AGENCY

Young & Rubicam, Detroit—William A. Power, senior vp, Y&R Detroit mgr; Roby Harrington, exec vp, regional director; John Sanders, senior vp, director client services; Peter Harris, vp-group director, NAAO; Phil Reuschle, vp-mgmt super; Jan Starr, vp-acct super; Glenn Northrup, acct super; Mike Wilberding, acct exec; Linda DuRoss, acct exec.

FORD DIVISION

MARKETING PERSONNEL

L.E. Lataif, vp-genl mgr
B.L. Crumpton, genl sales mgr
J.L. Pfeifer, exec asst, dealer affairs
L.R. Miskowski, genl mktg mgr
J.H. Deimel, light-truck sales mgr
D.T. McClure, adv mgr
R.J. Gillooly, natl adv mgr
L.W. Cumbelich, dealer adv mgr
J.G. O'Connor, merchandising mgr
D.M. Pohlod, vehicle sales promo mgr
J.E. Miller, training & comm mgr

Truck Operations

E.P. Williams, vp-genl mgr
A.R. Krueger, genl sales mktg mgr, heavy trucks
Carver Wood, heavy truck mktg mgr
R.E. Gray, heavy truck adv & merch super

ADVERTISING AGENCY

J. Walter Thompson Co., Dearborn, Mich.—J.G. Schulte, exec vp, Detroit genl mgr; William Jeanes, senior vp, Ford acct director; C.J. Balestrino, senior vp, group mgmt super car; D.L. Sinclair, vp-mgmt super car; A.C. Kesteloot, vp-mgmt super truck; W.A. Gelgota, acct super truck; M.A. Graham, acct super truck; R. Gamble, senior vp, Ford dealer adv; E.J. McCarthy, senior vp, media director.

LINCOLN-MERCURY DIVISION

MARKETING PERSONNEL

Gordon B. MacKenzie, vp-genl mgr
Robert L. Rewey Jr., genl sales mgr
B.J. Coughlan, genl mktg mgr
J.B. Vanderzee, adv mgr
James C. Stewart Jr., merch mgr
Robert J. Meredith, adv media coordinator
Forrest H. Brown, major market/dealer adv mgr

ADVERTISING AGENCY

Young & Rubicam, Detroit—William A. Power, senior vp-genl mgr; Roby Harrington, exec vp-regional director; John Sanders, senior vp-director client services; Chuck Riley, vp-group director Lincoln-Mercury; Bob Colgan, vp-group director LMDA; Phil Seth, vp-mgmt super L-M adv; Greg Stein, vp-mgmt super L-M planning; Tim Hart, vp-acct super; Warren Winstanley, vp-acct super; George Bak, acct super/planning; Tim Cooney, senior acct exec; Tom Donaldson, senior acct exec; Sandy Rowland, acct exec; Skip Drayton, acct exec; Rich Murphy, acct exec; Ken Pool, vp-media director.

FORD PARTS & SERVICE DIVISION

MARKETING PERSONNEL

C.V. Barion, genl mgr
G.C. Chave, service programs mgr
K.W. Myers, prod & mktg mgr
M.L. Jones, mktg mgr
Pax D. Richardson, adv mgr

ADVERTISING AGENCY

Young & Rubicam, Detroit—Robert Colgan, vp, acct director; Robert Sontag, vp-mgmt super; T.J. Ryan, acct super, parts; Jane Vreeland, acct exec; Martin Schemm, acct super service; Carol Conestraight, acct exec.

TRACTOR & IMPLEMENT OPERATIONS (NORTH AMERICA) OF FORD TRACTOR OPERATIONS

MARKETING PERSONNEL

M.H. Manning, vp-genl mgr
R.C. Leary, asst genl mgr, sales/mktg
R.J. Nicolazzi, genl operations mgr
J.J.L. Johnson, genl sales mgr
J.N. Chuchman, mktg mgr
A.H. Pridgeon, avd/sales promo mgr

ADVERTISING AGENCY

Meldrum & Fewsmith, Southfield, Mich.—Dean Neill, exec vp; O. Leffler, senior acct exec; J. Bryan, acct exec; M. Shencopp, acct exec.

FORD MOTOR CREDIT CO.

MARKETING PERSONNEL

J.W. Ford, chairman of the board
K. Whipple, president
W.P. Conners, exec vp-North American Automotive financing operations
J.G. Duff, exec vp-insurance and special financing operations
R.B. Updegraff, exec vp-international operations
L.C. Larkin, vp-insurance operations
S.M. Poth, vp-mktg and operations services
J.F. McGrath, mktg and business development mgr
D.R. Forsyth, business development and sales training mgr

ADVERTISING AGENCY

Wells, Rich, Greene, New York East—Edward Wax, exec vp-mgmt group head;

Detroit—Kenneth N. Campbell III, vp-genl mgr; J.D. MacKay, acct super.

General Electric

	1981	1980
Sales	$27,240,000,000	$24,958,000,000
Earnings	1,652,000,000	1,514,000,000
Advertising	164,696,300	156,196,300

*AA estimate

General Electric Co., Fairfield, Conn, the 35th largest advertiser in the U.S., increased its domestic advertising spending by an estimated 5.4% in 1981 to $164.7 million.

Spending levels increased for spot tv, spot radio and outdoor advertising, but the most significant increase was for magazines, up by some 16% to $19.2 million. Reduction in spending levels occurred in newspapers, network tv and network radio advertising.

Earnings in 1981 rose by 9% to $1.65 billion. Revenues also increased 9% to $27.2 billion, making GE the 13th largest of the nation's nonfinancial companies. However, earnings for the first half of the new fiscal year were $842 million, an increase of 6% from $795 million for the same period a year ago. Sales in the first half of 1982 were $12.66 billion, down 3% from $13.04 billion for the 1981 period. A "highly polarized business environment" was cited as the cause.

GE underwent a major internal reorganization in 1981. John F. Welch Jr. became the new chairman in April, 1981, and began instituting changes in September. Commenting on the restructuring of GE in the company's annual report, Mr. Welch said, "the result will be an organization more high-spirited, more adaptable and more agile than companies a fraction of our size."

From the sector realignment, its first since the system was established in 1977, emerged the new technical systems, services and materials, power systems, industrial products and aircraft engine sector.

The consumer products sector, constituting $6.6 billion or 23% of total revenues, continued to be the most significant sector for large advertising outlays. Earnings, however, dropped by $20 million for the sector. The higher 1981 revenues were achieved essentially by flat volume, but the lower earnings reflected difficult economic conditions, the company said. This included a 35-year low in residential construction, and GE's commitment to maintain its level of investment in product and manufacturing technology. While GE increased its advertising budget, it reduced the number of products that received $1 million or more in spending. GE's most heavily advertised products last year were: Microwave ovens, which received $10 million in support; dishwashers, $4.5 million; home light bulbs, $3.3 million; ranges, $3.2 million; and refrigerator-freezers, $1.5 million. The company spent an additional $21.5 million on multiproduct advertising.

In addition, GE spent some $1.2 million to promote its General Electric Credit Corp. financial services and an additional $1.2 million to advertise its three am and five fm radio stations.

Spending on such products as its color televisions dropped from $2.6 million in 1980 to less than $1 million in 1981. Also, advertising for the GE Coffeemaker fell from $2.6 million in 1980 to slightly less than $1 million last year. GE's housewares segment reported increased sales primarily through products such as the GE-pioneered Light 'N Easy plastic frame iron.

Sales of television and video products were higher in 1981, although earnings declined due to increased costs and expenditures for future growth.

GE currently operates three VHF tv stations, three am and five fm radio stations and 13 cablevision systems. Its broadcasting and cablevision business had record sales and earnings with GE television stations providing substantial increases in news coverage, local programing and other community services

In May, GE asked the Federal Communications Commission to allocate a portion of the radio spectrum for new consumer-oriented mobile communications service. The system, which would be used in motor vehicles and have a range of up to 15 miles from home, would permit the caller to dial other telephone numbers directly, a feature not generally available now.

GE estimated that the price for equipment that would permit the user to call within a range of less than five miles from home would be approximately $400. Customers would have the option of subscribing to a repeater station that would extend the range to 15 miles.

Major appliance sales were slightly ahead of 1980, as a result of a number of new product introductions. Among these were GE's Model 2500 electronic dishwasher. Over-all, GE's dishwashers received approximately $4.4 million in advertising support.

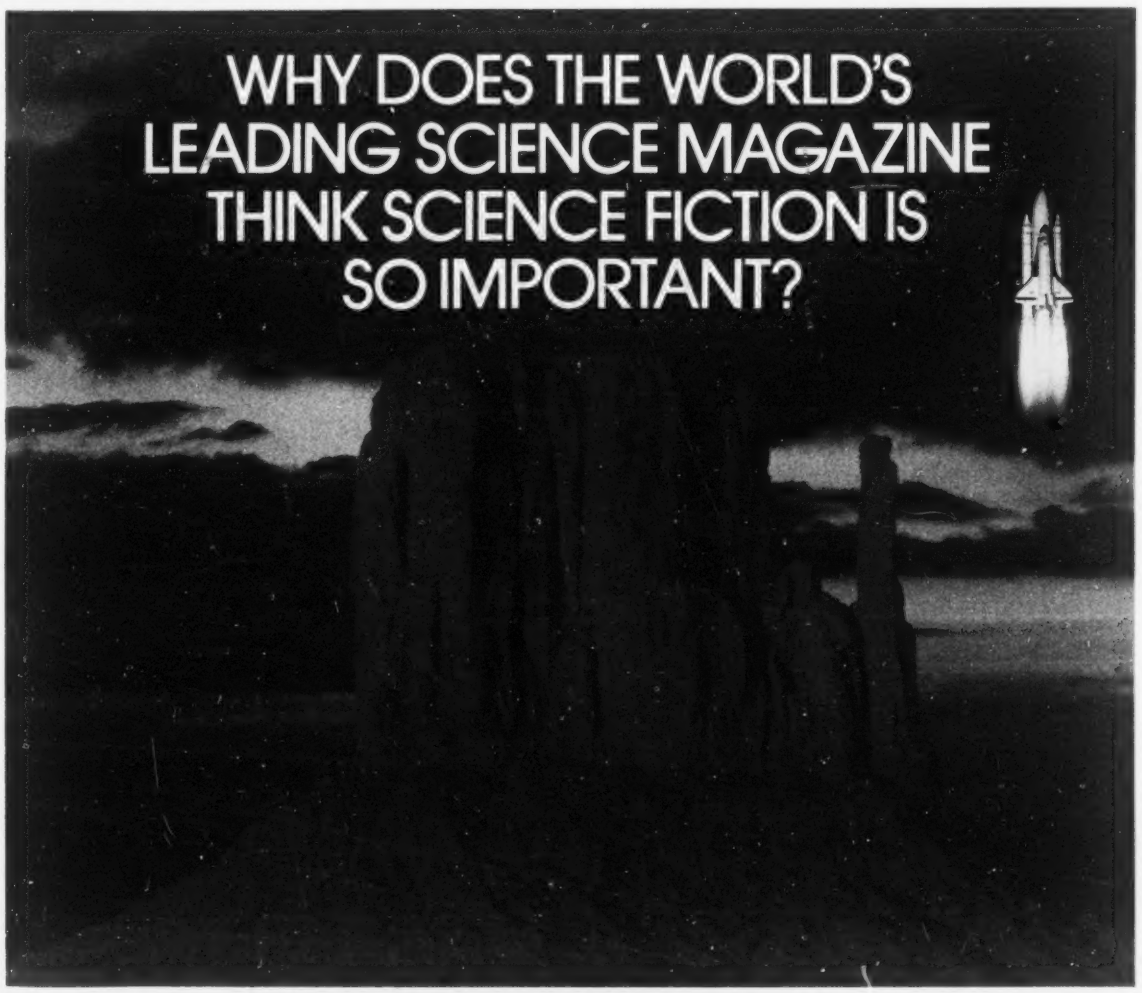
Lighting products also added to the company's higher sales and earnings. Advertising for home light bulbs totaled some $3.2 million.

Energy-efficient Watt-Miser fluorescents and Lucalox high-intensity discharge lamps were credited with aiding the segment's higher results.

New from GE is its Optimiser fluorescent lighting system, which, according to the company, uses 34% less energy than standard fluorescents.

The company's Halarc light bulb, which began home testing in 1979 and was introduced nationally in 1981, has not met GE's expectations. The reason has been partially attributed to its $10 price tag. With increased consumer education and rising energy costs, GE hopes to spark renewed interest in the product. The Halarc lamp is said to use one-third as much electricity and last much longer than conventional bulbs.

The earnings for its air conditioning products were substan-



BECAUSE OF
MEN LIKE CYRANO DE BERGERAC.

"I MIGHT CONSTRUCT A ROCKET, IN THE FORM OF A HUGE LOCUST, DRIVEN BY IMPULSES OF VILLAINOUS SALT PETRE FROM THE REAR, UPWARDS BY LEAPS AND BOUNDS . . ."
—CYRANO DE BERGERAC, 1640

OMNI Magazine recognizes that science is not just the province of scientists, but of all thinking men and women. That's why a man like Cyrano de Bergerac, who was not a scientist but a renowned swordsman and scholar, could envision the rocket over three centuries before Man made his initial venture into the frontiers of space. He was a man of vision and imagination, the most basic elements of science. In his day, they called his work wild speculation, fiction. Today, we would call it prophetic.

Which is why OMNI feels that science fiction is as much a part of science as are laboratories and textbooks . . . and why every month, more than 5.4 million OMNI readers (MRI 1982) have come to see the full scope of today's science—and tomorrow's. Join us on the New Frontier. OMNI Magazine. It will change the face of science journalism forever.

OMNI
THE ORIGINAL

tially improved and sales increased because of the continuing strength of the domestic replacement market and strong export sales which offset the depressed residential construction market. GE began shipments of its electronically-controlled two-speed Weathertron heat pump in 1981.

The new technical systems sector reported revenues of $3.9 billion, an increase of 22% over 1980. Net earnings declined to $98 million from $105 million in 1980. Lower earnings, as in previous years, were attributed to product development and acquisition costs.

With plans to enter and acquire leadership in the emerging factory-automation market, GE acquired Calma Co., and Intersil Inc. in 1981. Calma is involved in computer-aided design and manufacturing (CAD/CAC) and Intersil, a manufacturer of integrated circuits, is expected to help GE capture as much as 20% of the estimated $500 million robot market by 1986, according to the company.

In a licensing agreement with DEA of Italy, Hitachi Ltd. of Japan and more recently with Volkswagenwerk A.G. of West Germany, GE has thrust itself into robot technology. The company currently has some 200 robots in operation, performing tasks from assembly to unloading plastic parts. To further the development of this technology, the Optomation II Instrument System will be giving electronic "sight" to robots and other devices.

Aerospace sales and earnings, as well as those of medical systems, were well ahead of 1980.

In 1981, GE introduced its new CT9800 scanner and also the digital Fluorican 3000 X-ray system. Both products will now enable many patients to avoid exploratory surgery.

In the newly reorganized industrial products sector, revenues and earnings improved despite depressed U.S. residential and industrial construction. Revenues totaled $4.8 billion or 17% of total GE revenues. Earnings increased from $225 million in 1980 to $242 million last year.

With improving U.S. railroad business, due to deregulation, mergers and increased fuel efficiency, GE anticipates a growth in its locomotive business, both diesel-electric and electric, and other transit vehicles. In 1981, GE expanded production at its locomotive facilities in Erie, Pa.

In 1980, GE negotiated the largest contract for locomotives in the company's history. The contract with National Railways of Mexico calls for delivery of 60 to 100 locomotives or their component sets each year through 1990.

General Electric Supply Co. (GESCO) provided improved distribution services during 1981 with the installation of a real-time order entry system, capable of searching all of its inventory stocking locations for products needed by its customers.

The natural resources sector reported that revenues and earnings were substantially greater than in any previous year. The increases were primarily attributed to its affiliate, Utah International, a leading supplier of natural resources worldwide.

About 77% of 1981 revenues, totaling $1.7 billion, came from outside the U.S. and of its net earnings of $284 million, 52% came from abroad.

Lower sales and earnings in 1981 from copper were tied to the depressed worldwide price for the mineral.

The new services and materials sector, including the General Electric Credit Corp. (GECC), reported revenues of $2.5 billion for 1981 with net income of $38.2 million.

GECC, GE's consumer, commercial and industrial finance affiliate, under the Economic Tax Recovery Act of 1981 took part in tax-leasing transactions. The cost of the leased equipment was $1.9 billion, profits from which will accrue over a period of several years.

GECC ranks as the largest U.S. diversified financial company. It is the largest nonmanufacturing company in equipment financing and leasing. It handles leasing activities ranging from computers to supertankers.

The international sector reported $10.1 billion in revenues from outside the U.S., with net earnings of $57 million. Revenues from international sources totaled 37% of all GE's revenues and 35% of its net earnings. This represented a decline of 1% and 7%, respectively, over 1980.

GE's international business is made up of four broad categories—foreign multi-industry operations; U.S. exports of GE products and services; operations of nondiversified foreign affiliates, including the foreign operations of Utah International, and technology licensing revenues.

The aircraft engine sector provided GE with $2.9 billion in revenues and $149 million in earnings during 1981. Revenues and earnings were higher due to increased volume of military aircraft engines as commercial shipments decreased.

The restructured power system sector generated $5.9 billion, or 21% of GE's total revenues. Earnings totaled $224 million, an increase of $23 million over 1980. The higher earnings were attributed to modest revenue growth and higher productivity. Sales and earnings were well above 1980 for steam turbine generators and equipment and construction and engineering services. More modest profits resulted from GE's power-delivery and transformer businesses and also from the nuclear power business.

GE's backlog for all types of nuclear products was $3.6 billion at the end of 1981 compared with $5.5 billion in 1980, primarily due to projects scratched from production. The future of the domestic nuclear steam supply systems market is uncertain.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$10,065,400	$13,138,400
Magazines	19,164,400	16,453,100

ALMOST EVERYTHING COMES TO SAN DIEGO FROM LOS ANGELES. EXCEPT OUR NEWSPAPER.

THE BIGGEST PLUS IN SOUTHERN CALIFORNIA.

You've always suspected that Southern California is a little, well, different than most of the country. And you're right.

It's not the Los Angeles ADI which pulls all the consumers of Southern California together to form the number one market, but the sheer enormity of L.A.'s more or less isolated distribution system.

In short, if you want your advertising to go where your product goes, you need a basic L.A. newspaper buy—plus at least the next largest city.

That big plus is San Diego: second largest city in all 11 western states. A metropolitan area that's home to nearly 2 million consumers with almost 16 billion dollars to spend on your product—if only you tell them about it in the San Diego Union and The Tribune. The newspaper with more than seven times the penetration of any paper that happens to trickle down over a hundred miles from L.A.

For more information, write or call Dick Applegate, National Advertising Manager, Union/Tribune Publishing Co., P.O. Box 191, San Diego, California 92112. (714) 299-3131. Or contact our national representatives at Sawyer-Ferguson-Walker.

The San Diego Union
The Tribune

San Diego: The biggest plus in Southern California

Spot tv	8,847,300	8,395,600
Network tv	32,998,500	32,966,800
Spot radio	1,938,500	1,410,400
Network radio	2,513,300	2,765,100
Outdoor	314,900	150,900
Total measured	73,749,500	74,396,500
Unmeasured	91,246,500	81,603,500
Estimated total	164,996,300	156,196,500

GENERAL ELECTRIC CO.

CORPORATE MARKETING PERSONNEL

Leonard Vickers, vp-corp mktg
Karl L. Koss, mgr-corp adv
H.M. Snider, project mgr
R.E. Pulver, mgr-corp industrial adv
E.J. Clark, mgr-educational communications programs
A.C. Walker, media coordination

CONSUMER PRODUCTS SECTOR

MARKETING PERSONNEL

R. Williams, sector exec for mktg operations
R.A. Costello, mgr-consumer mktg
W.D. Rayer, mgr-lamp prods
W.J. Wagner, mgr-c&i lamp prodsV. Alcott, mgr-major appliances
W.L. Courtney, mgr-housewares
N.R. Huey, mgr-audio electronics
P. Gariti, mgr-video prods
L. Brown, mgr-central air conditioning

ADVERTISING AGENCIES

BBDO, New York—corp brand image, housewares & audio—F. Perkins, exec vp.

Lawler, Ballard Advertising, Norfolk, Va.—tv trade adv—H. Austin, vp-genl mgr.

Meldrum & Fewsmith, Cleveland—commercial & indust lighting—J.A. Maloney, vp-acct group super.

Hesselbart & Mitten, Akron, Ohio—consumer trade & interior lighting dept—W.C. Waldman, senior vp.

Symon, Thomas & Hilliard, New York -Hotpoint—N. Sprangers, senior vp.

General Foods Corp.

	1981	1980
Sales*	$6,351,100,000	$6,601,300,000
Earnings*	200,207,000	255,366,000
Advertising**	456,800,000	410,000,000

*Fiscal years ended April 3, 1982, and March 28, 1981.
**AA estimate

General Foods Corp., White Plains, N.Y., the third largest national advertiser, raised its advertising 11.4% to an estimated $456.8 million in 1981, reflecting an expansion of the company's base, primarily through the acquisition of Oscar Mayer & Co. and the introduction of a few heavily backed products.

Worldwide, GF spent $486.3 million, a 10.7% increase, due mainly to the expansion of its coffee business with Maxwell House Master Blend increased-up-yield coffee. GF's worldwide sales increased 26.5% to $8.35 billion, Oscar Mayer sales accounting for most of the increase with the balance coming from volume gains in GF's established businesses.

But worldwide earnings dropped 21.5% to $200.2 million after GF wrote off $1.20 per share because it decided to sell all its U.S. restaurant operations and restructure or sell certain overseas businesses.

For the first quarter of fiscal 1983 ended July 3, GF reported sales of $2.06 billion, virtually the same as a year ago. Earnings rose 25% to $61.5 million.

Analysts believe there is a bright future for GF's packaged convenience food lines. And they emphasize that new president-chief operating officer Philip Smith's initiatives to keep marketing money for only the best new product ideas and to trim the company's research department will boost earnings in the future.

GF has staked over $20 million in marketing funds on Jell-O Pudding Pops, a frozen dessert on a stick that rolled nationally this spring. If the frozen novelty catches on, it will be the company's first successful big new product in years. But GF officials say future development efforts will move toward the creation of whole new businesses, rather than single products. As Mr. Smith said following the Oscar Mayer merger, "We would never have tried to develop a better hot dog. We're better off going out to buy a hot dog and luncheon meat company."

During fiscal 1982, GF's three product segments, excluding the processed meat category gained in the Oscar Mayer buy, showed an average 12.7% gain in sales.

The package convenience foods segment, generating 39.8% of GF's total sales, advanced its sales 8.7% to $3.3 billion on U.S. volume gains and higher selling prices. Package convenience foods were the only GF segment to post an earnings gain. GF credited the increased earnings to improved margins and volume increases on several products.

Grocery coffee held large shares—34% of the regular coffee market and 46.5% of the instant market—of the $4.2 billion U.S. market and accounted for 30.4% of corporate sales. Coffee sales, however, dropped 6.2% on lower selling prices to $2.5 billion after a 9% jump from fiscal 1980 to 1981. Fiscal 1982 earnings of the coffee segment dropped on lower margins from declining coffee prices and increased marketing expenditures. The marketing money went mainly to push the Master Blend brand.

Foodservice and other, a category that supplies industrial and processed meat products and coffee to all kinds of foodserving organizations, had the biggest sales jump of the three, moving up 35% to $1.1 billion primarily because of the inclusion of Oscar Mayer foodservice. The segment, which will work in foodservice and industrial products only after GF completes its planned divestiture of its restaurant businesses, accounted for 13.3% of GF's corporate sales. Foodservice held a little over 5% of that $20 billion market.

Earnings in the foodservice segment declined because of low earnings on industrial products like coconut, which faced what GF called "intensive competitive pricing pressures."

Processed meat sales, at $1.3 billion in fiscal 1982, accounted for 16.2% of GF's corporate sales. Although the segment did not exist within GF last year, sales did rise when compared to the same period for Oscar Mayer the year before.

Of its $367.5 million in measured media spending, General Foods spent more than $21 million on its Maxwell House coffees. More than $18 million went to the new Master Blend, which garnered a 5% share of the regular coffee market and is currently running above that, according to an April report by John C. Maxwell Jr. of Lehman Bros. Kuhn Loeb.

GF increased its share in both regular and instant coffees, with Maxwell House in 1981 grabbing a 20.2% share of the regular coffee market that trailed only Procter & Gamble's Folger's at 24%. GF's Maxwell House and Sanka brands led the instant coffee market with 22.3% and 11.1% shares, respectively. Sanka got $17.3 million in measured media spending, $11.4 million of that going to network tv, according to Leading National Advertisers.

GF backed its Post Grape-Nuts cereal with over $12.6 million in measured media spending, of which $9.5 million went to network tv. Grape-Nuts in 1981 had the second-largest market share—2.6%, up from 2.4% in 1980—of all the company's cereals. It trailed Post Raisin Bran's 3.2% share, although Raisin Bran's share was down half a percentage point from 1980. Raisin Bran got $9.8 million in measured media support, nearly $9 million of which went to network tv. GF's cereals together held 15% of the $3 billion cold cereal market in 1981, the same share it had in 1980.

Stove Top stuffing mix received $11.7 million in measured media support, $8.9 million going to network tv.

Of its nine pet food brands, GF gave the most measured media support to Gravy Train with more than $11.5 million. Gravy Train responded well, moving its share of the dry dog food category up to 6% in 1981 from 4.7% in 1980.

GF backed Gainesburgers with nearly $10.8 million in measured media support, and the product continued its lead of the semimoist dog food category with a 25.9% share, up from 24.1% in 1980 although retail sales dropped 2.7%. The sales drop for Gainesburgers, however, survived the deeper slide of the entire semimoist category, which fell off 9.6%.

GF pet foods held an 8.8% share of the $4.37 billion market, down one-tenth of a percentage point from 1980. But in March the company cut its advertising and promotional budget for pet foods from $40 million to $23 million and dropped one of three ad agencies handling the division's products. Reports circulated all year that the pet foods operation was for sale, but GF repeatedly denied them. The ad budget cut was part of a plan for the division to focus on profits instead of volume, GF officials said.

Tang instant breakfast drink got $11.3 million in measured media support, and GF reported that product improvements and repositioning turned around the beverage mix's sales.

GF also backed Kool-Aid heavily, giving Kool-Aid unsweetened drink mix $11.3 million and Kool-Aid presweetened $10.8 million in measured media support. Kool-Aid volumes and earnings reached record levels, GF reported.

General Foods International instant coffees got $10 million in measured media support, and the company said the International coffees' volume "increased markedly."

Of the company's over $367 million in total measured media spending, 64.8%—more than $238 million—went to network tv. Spot tv got $84 million; magazines, $37.2 million; network radio, $5.6 million; newspaper supplements, $2.4 million, and outdoor, $12,000.

GF was testing several new products in early 1982, among them a dairy formula for Cool Whip and several sugar-free beverage products made with G.D. Searle & Co.'s recently approved NutraSweet artificial sweetener. Also in test markets were a Cafe Amaretto flavor for International coffee; Strawberry Honeycomb, Honey Nut Crunch, Raisin Bran and Wishing Stars cereals, and Jell-O Gelatin Pops, a frozen whipped-gelatin dessert on a stick designed to follow Pudding Pops.

The company said it will be more selective about its development projects in the future. "By focusing sharply on the best ideas, assigning good people to them and giving them the required financial support, we believe we will improve our chances for success," GF said in its fiscal 1982 annual report.

As if to demonstrate, GF early this year stopped test marketing on Lean Strips textured protein strips, a product it gave almost $2.3 million in measured media support in 1981. "The additional investment necessary would not have been prudent," the company reported.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$6,175,800	$6,714,700
Magazines	37,165,200	34,170,100
Spot tv	84,034,900	83,436,100
Network tv	236,297,900	201,486,400
Spot radio	5,122,500	5,473,100
Network radio	5,883,000	4,194,200
Outdoor	12,000	242,000
Total measured	377,690,400	336,717,000
Unmeasured	79,109,600	71,283,000
Estimated total	456,800,000	410,000,000

GENERAL FOODS CORP.

MARKETING PERSONNEL

James L. Ferguson, chairman-ceo
Philip L. Smith, president-ceo
E.R. Shames, exec vp/president-GF Intl operations
D.J. Keller, exec vp/president-packaged convenience foods
J.M. Keenan, corp group vp/president-GF Europe
K.E. Fulton, corp vp/group exec vp-sales
R.E. Haynes, creative services director
D.K. Brown, media services director
W. Shaw, promo services director

MAXWELL HOUSE DIVISION

MARKETING PERSONNEL

R.L. Seelert, GF group vp/president-coffee & food service
S.B. Morris, genl mgr
C.R. Hummel, director-long range planning
J.W. Johnson, category mgr-segmented brands
D.J. Gustin, category mgr-Maxwell House
C.A. Phillips, category mgr-modified coffees
J.P. Morrisay, director-external affairs
L. Nelson, natl sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Sanka—Jane Brite, mgmt super; Ann Zopfi, acct super; GF International Coffees—Dave Cramoy, mgmt super; Barbara Jack, acct super.

Ogilvy & Mather, New York—Maxwell House brands—Mary Lou Pritchett, vp-mgmt super.

Benton & Bowles, New York—Brim, Yuban—Barry Webster, mgmt super.

Ted Bates Advertising, New York—Maxim, Mellow Roast—Hal Pearson, senior vp-mgmt super and mgmt rep; Lucy Kennedy, acct super.

PACKAGED CONVENIENCE FOODS

Business Divisions

W.F. Dordelman, group vp-packaged convenience foods business divisions

BIRDS EYE AGRICULTURAL PRODUCTS DIVISION

MARKETING PERSONNEL

E.R. Fenci, genl mgr
S.B. Torgersen, asst genl mgr
N.J. Kelly, mktg mgr
P. Goold, sales mgr

ADVERTISING AGENCY

Young & Rubicam, New York—Birds Eye Vegetables, Quick Thaw Fruits—Ed Comiskey, mgmt super; Richard Bodge, acct super.

BEVERAGE DIVISION

MARKETING PERSONNEL

R. Sansone, GF vp-genl mgr
J.S. Cunningham, mktg mgr
R. Wesolowski, sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Tang, Awake, Postum—William Green, mgmt super; Tim Pollak, acct super.

Ogilvy & Mather, New York—Country Time—Brendan Ryan, senior vp-group director; Ed Vick, vp-mgmt super.

Benton & Bowles, New York—Orange Plus—Barry Webster, mgmt super.

Grey Advertising, New York—Kool-Aid—Hunter Yager, exec vp-mgmt rep; Malcolm Mace, Carol Herman, mgmt supers.

BREAKFAST FOODS DIVISION

MARKETING PERSONNEL

W.H. Korab, genl mgr
T. Herskovits, mktg mgr-cereals
D.J. Edstrom, sales mgr

ADVERTISING AGENCIES

Ogilvy & Mather, New York—Alpha Bits, Pebbles, Super Sugar Crisp, Post Frosted Rice Krinkles, Post Tens, Post Treat Pak, new prods—Brendan Ryan, senior vp-group director.

Grey Advertising, New York—Post Raisin Bran, C.W. Post Family Style cereals, Grape-Nuts, Honeycomb, Grape-Nuts Flakes, Fortified Oat Flakes, Strawberry Honeycomb—Richard F. O'Brien, exec vp-mgmt rep; Milt Weinstock, vp-mgmt super.

Ted Bates Advertising, New York—Log Cabin—Hal Pearson, senior vp-mgmt super and mgmt rep; Michael Passet, acct super.

DESSERTS DIVISION

MARKETING PERSONNEL

D.P. Rosow, genl mgr
T.G. Discy, mktg mgr
E.H. Reynolds Jr., sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Jell-O cheesecake mix, Jell-O pudding and gelatin pops, Jell-O puddings and pie fillings, Jell-O Instant Pudding, Jell-O Americana desserts—Mathew Crisci, mgmt super; Jim Hood, Joe Tilly and Phil Asche, acct supers.

Benton & Bowles, New York—Cool Whip, Jell-O gelatin—Norman Sherman, mgmt super.

Grey Advertising, New York—Baker's Chocolate, Baker's Coconut, D-Zerts, Dream Whip, Minute Tapioca, Calumet, Certo, Sure-Jell—Hunter Yager, exec vp-mgmt rep; Jack Frantz, senior vp-mgmt rep; Jerry Zaret, vp-mgmt super.

MAIN MEAL DIVISION

MARKETING PERSONNEL

C.J. Bowen, genl mgr
L.D. Juliber, mktg mgr
J.P. Ciccatelli, sales mgr

ADVERTISING AGENCIES

Ogilvy & Mather, New York—Shake 'n Bake, Shake 'n Bake Barbecue seasoned coating mixes, Open Pit—John Blaney, vp-group director.

Grey Advertising, New York—Minute Rice, Minute Rice Mixes, Stove Top Stuffing Mix, Oven Fry coating—Hunter Yager, exec vp-mgmt rep; Jack Frantz, senior vp-mgmt rep; G. Thomas Ayderlotte, vp-mgmt super.

Ted Bates Advertising, New York—Good Seasons salad dressing mixes—Hal Pearson, senior vp-mgmt super and mgmt rep; Michael Passet, acct super.

PET FOODS DIVISION

MARKETING PERSONNEL

R.L. Cobb, GF group vp-group exec-genl mgr
R.G. Viault, mktg mgr
G.W. Cook, natl sales mgr

ADVERTISING AGENCIES

Young & Rubicam, New York—Gaines Burgers, Top Choice, Puppy Choice, Prime Variety—Jane Brite, mgmt super; Ken Robinson, acct super.

Benton & Bowles, New York—Gaines Professional Services, Gravy Train, Cycle, Gaines dry dog food—John Boyd, mgmt super.

FOOD SERVICE DIVISION

MARKETING PERSONNEL

B.G. Laragh, GF vp-div president
E.S. Caso, operating & logistics director
A.R. Plasseche, mktg & devel director

BEST AVAILABLE COPY

B.R. Bramen, natl sales mgr

ADVERTISING AGENCIES

Ketchum Communications, New York—Walter Kaprielian, president; Thomas Miller, exec vp; Donald Burkett, acct super.

Young & Rubicam, New York—Larry Shapiro, group director.

OSCAR MAYER FOODS CORP.

MARKETING PERSONNEL

J.M. Hiegel, GF exec vp/president-Oscar Mayer

ADVERTISING AGENCIES

J. Walter Thompson, USA, Chicago—all lines except Louis Rich brands—John Furr, senior vp-group acct director; Tom Goettsche, vp-acct director; Rich Anderson, vp-senior acct super; Bill Minor, acct super; Jody Solomon, Steve Swanson and Steve Weiss, acct reps; Cory Block, asst acct rep.

Tatham-Laird & Kutner, Chicago—Louis Rich brands—Thomas Schafer, Linda Garrison, mgmt supers; Ed Steffes, Rawdon Parry, acct supers; Joe Dollens, Dick Salyer, acct execs.

GF INTERNATIONAL

MARKETING PERSONNEL

E.R. Shames, GF exec vp

G.D. Wollert, president-Asia/Pacific operations

J. Whitcomb, GF vp/president-intl mktg, mkt development and administration

R.S. Hurlburt, GF vp/president-GF Ltd. (Canada)

D.A. Smith, GF vp/president-GF Latin American operations

J.M. Keenan, GF vp/president-GF Europe operations

General Mills

	1981	1980
Sales*	$5,312,100,000	$4,852,400,000
Earnings*	225,500,000	196,600,000
Advertising**	207,306,100	171,114,790

*Fiscal year ends May 30
**AA estimate

General Mills, the nation's 19th largest national advertiser, boosted ad spending for calendar 1981 some 21% to $207.3 million, up from $171.1 million in 1980.

The company finished fiscal 1982 with earnings of $225.5 million, up from $196.6 million in 1981, on sales of $5.31 billion, up from $4.85 billion.

The company's results reflected the disposition of several companies, including GoodMark Foods (and its Slim Jim brand), the Lord Jeff Knitting Co. men's apparel line, and Regal Toys, a division of the Canadian toy operations and two pending sales—Bowers & Ruddy rare coins and Harris Stamp Co. General Mills this summer announced its intention to sell or license the technology and research facility of its Kitchen Harvest hydroponics unit. The company said early test marketing indicated consumer interest but that other areas of new product development promise better returns.

General Mills celebrated the Federal Trade Commission decision in November to scrap the 10-year-old shared monopoly cereal case aimed at breaking up the big three cereal companies.

Big G cereals grabbed an estimated 23% of the ready-to-eat cereal market during the past year, led by Cheerios—the second-largest selling cereal in the country with a 5.9% dollar share of the market, up from about 5.3% last year. The brand was backed by an approximate $9.7 million in advertising in 1981, a 19.5% increase from 1980, and a new "You made Cheerios No. 1" campaign theme. Honey Nut Cheerios' market share grew to 2.3% of the cereal market with no significant change in the $4.8 million ad budget.

The company began 1981 by moving the $5.5 million Wheaties account to NH&S/USA, Chicago, after a lengthy stint at Dancer Fitzgerald Sample, New York. Ad spending for the brand was increased a whopping 81%, to $4.1 million, during 1981, as NH&S' new "Eaties for Wheaties" campaign broke in late summer. The heavy spending failed to affect the brand's performance, however; Wheaties maintained the estimated 2% dollar share of the cereal market it held last year.

Likewise, General Mills hiked ad spending for Buc*Wheats cereal to about $5.4 million, from only $605,400 in 1980, but the brand retained its earlier 0.5% market share.

Donutz powdered sugar cereal, rolled out last spring, captured about 0.5% of the cereal market, supported by an introductory budget of approximately $2 million. This summer, General Mills introduced chocolate flavor Donutz nationally with network tv, Sunday inserts and couponing.

Spending for Crispy Wheats 'n Raisins, introduced in 1980 with an $8.6 million budget, dropped to about $7 million last year while its dollar market share increased to 1.4% from 1.3%. Body Buddies, still nationally marketed, received virtually no advertising support, after getting more than $6 million last year. The company said sales volume does not warrant advertising expenditures.

General Mills got a major challenge to its control of the granola snack market with Quaker's introduction of Chewy granola bars in East and West Coast markets. But the company kept its firm lead in the category, after Quaker was forced to pull out of eastern markets because of supply problems. Meanwhile, General Mills spent about $10 million to promote the Nature Valley line, extended during the past year with the rollouts of Light & Crunchy granola snacks and Granola & Fruit Bars, and Granola Crisp, a three-item line of light bars, testing in Portland, Ore., and other markets.

Also being marketed at foodservice outlets are Nature Valley Snacks, portion-controlled packages of trail mix, granola mix, Fruit 'n Nut mix and individually wrapped granola bars.

The Gorton frozen seafood unit received $1.4 million in ad spending during the year, up some 65%, although the line's market share dropped about 1% to 20%.

Yoplait yogurt increased its market share in the $525 million yogurt category to about 16%, up 3% over last year, as the brand completed national rollout. The brand's No. 2 position in the category behind Dannon spurred General Mills to enter a six-item line of Yoplait Custard Style yogurt in West Coast markets last fall. The new line was rolled into additional markets this spring. Yoplait ad spending increased 48% to $4.3 million during 1981.

Betty Crocker dessert mixes held on to about 32% of the $756 million category, down from a share of 36% last year, as Duncan Hines had the lead with 35% of the market.

Big Batch cookie mixes, floundering in the wake of a Duncan Hines entry late last year, were virtually ignored in advertising, as measured spending dropped 97% to less than $10,000.

SuperMoist cake mix, with a 26% share of the layer cake market, was backed with a $3.6 million drive, up from $3.0 million in 1980, while spending for Creamy Deluxe frostings jumped 31% to $3.2 million. Last fall, the company beat its competition to the national market with a chocolate chip cake mix, and its ready-to-spread chocolate chip frosting was the first on the market.

Spending for Snackin' Cake mixes dropped to about $600,000 from $1.6 million last year, and Stir 'n Frost cake mixes received only $722,000, a 68% decline in spending. But the company backed the introduction of Stir 'n Streusel cake mix with about $504,000.

The Bisquick baking mix line, with about $100 million in sales, got a 56% hike in spending—to $2.3 million—for the buttermilk item.

Other Betty Crocker items with spending increases during the year were muffin mixes, up 70% and brownie mixes, up 117%, though both still received less than $400,000. Wild blueberry, tart cherry and apple cinnamon muffin mixes were promoted during the year with on-pack cardboard doll tie-ins with American Greetings' Strawberryland characters.

The company last summer introduced Supreme Golden brownie mix with brown sugar, chocolate chips and pudding, backed by advertising in women's magazines.

Betty Crocker packaged potato dishes received only $2.9 million in ad spending during the year, compared to $4.5 million the year before, but the company introduced nationally a new flavor—hickory smoked cheese potatoes—and entered two other side dish mixes—four varieties of International Noodles and three flavors of Saucy Oven Rice—into Marion, Ind., tests this spring under the Betty Crocker label. Also in test in Marion are four styles of Cookbook Chicken.

Chef Saluto frozen pizza, ranking fourth in the category behind Totino's, Jeno's and Celeste, received about 65% more advertising during 1981, up to $2.1 million. The brand, marketed nationally, had decreased volume, although it had a slight share increase over the year.

The restaurant group, ranking fifth in total sales among the nation's restaurant chains, showed increased profits and sales during fiscal 1982, with earnings of $79.2 million and sales of $839.4 million, but 1982 results were affected by a severe winter, particularly in the Midwest, which hurt the over-all restaurant category. Continued expansion of the restaurant group made it one of the two major cash users (along with specialty retailing) at General Mills during the year; the company added 61 restaurant units during the fiscal year.

Red Lobster Inns, General Mills' largest chain with 328 units, is considered the leading dinner house chain in the country. Joe Lee, exec vp for the restaurant group, said the company had embarked on a strategy to reposition Red Lobster "before it got sick." New menu items, including foods such as shrimp in lighter oriental breading and more steamed and broiler items, have been added, and the units have been redesigned. The chain is growing at about 30 units a year, mostly in existing markets, according to Mr. Lee. The company continued its successful campaign, "For the seafood lover in you," and hiked calendar 1981 ad spending 43%, to $24.6 million. The company is working with Jusco Ltd., a Japanese retailer, in a Red Lobster joint venture in Japan.

The 139 York Steak House units are being repositioned with a new ad campaign, "Good steak and a whole lot more," an expanded menu, including nonbeef items, and new interior designs. Ad spending during calendar 1981 jumped 69% to $2.6 million for York.

The company added eight new Casa Gallardo Mexican restaurants to the existing two during fiscal 1981, and expanded the chain with two additional units in 1982. Mr. Lee considers the chain "properly positioned in this fastest growing segment" of the restaurant industry, and plans further expansion in large urban areas in the central and southern U.S.

Darryl's, with a total of 18 units, is positioned as an atmosphere specialty concept, and is being expanded from its Carolinas base through the Sunbelt. The Good Earth chain, with 11 company-owned and 14 franchised units, is being expanded with company-owned units, including test units on the East Coast. The company is intent on refining the concept of the chain, which will involve, in part, new store designs.

General Mills' toy group moved into a new category earlier this year when its Parker Bros. unit introduced a videogame "The Empire Strikes Back" and "Frogger," at the American Toy Fair in New York. Parker Bros. also introduced an electronic accessory to Monopoly. The company's heavy use of licensed characters such as Strawberry Shortcake, and "Star Wars" and "Empire Strikes Back" movies—particularly in its Kenner Products unit—gave the group a record $79.2 million in profits during fiscal 1981, though economic conditions inhibited growth in electronic games and toys. Company chairman H. Brewster Atwater said General Mills experienced the falloff in hand-held electronics "with a minimal amount of pain" because of its small selection of such offerings.

Ad spending for Parker Bros. declined 15% to $13.2 million in calendar 1981, with almost no spending for the electronic games. Kenner Products, however, received a 26% hike in spending, to $22.5 million. During calendar 1982, Kenner is expected to spend $10 million on "Star Wars" toys advertising alone, including a fall effort pegged to the third "Star Wars" sequel, "Revenge of the Jedi." Kenner and General Mills' Fundimensions unit also will be using the popular "Raiders of the Lost Ark" movie as themes for new toys.

Dancer Fitzgerald Sample took on additional assignments for the worldwide and domestic toy business. DFS, New York, added the $12 million MAD division account, Parker Bros.' $2 million Canadian account formerly at Vickers & Benson, Toronto, and the $1.5 million Fundimensions account, previously at W.B. Doner & Co., while the London office split the $10 million European toy account with Foote, Cone & Belding.

The fashion group made headway into improved profitability with a 16.2% increase in earnings, to $101.7 million on sales of $657.3 million. After years of struggling, the Ship 'n Shore unit returned to profitability, though the David Crystal and Izod/LaCoste apparel lines had lower results than last year. Foot-Joy experienced increased earnings, while the Monet jewelry line earned about the same as in 1981.

The specialty retailing group, acknowledged by Mr. Atwater as "our weakest segment—the place we're really struggling," finished fiscal 1982 with less than half the earnings—$5.5 million—of 1981, despite sales growth of 19.6%. But earlier this year, General Mills divested two of the more unprofitable segments: The coin and stamp collectibles operations.

Some analysts expect Wallpapers to Go, "the worst segment of specialty retailing," according to Mr. Atwater, to be divested in the near future, although Mr. Atwater in February defended the operation, saying its poor performance is related to the sagging housing industry, and that the company is experimenting with "an array of ways to build wallpaper use in existing houses." The company's patience "is nothing infinite," he said, but General Mills "is willing to let it evolve for a while." Ad spending for Wallpapers to Go for calendar 1981 jumped 62% to $2.5 million.

Eddie Bauer and The Talbots, the group's two major profit centers, had increased earnings. LeeWards spent $1.1 million in advertising during calendar 1981, compared with only $300,000 the year before.

Among the major personnel changes at the company was the naming of Mr. Atwater as chairman in addition to his previous post of chief executive officer, succeeding E. Robert Kinney, who retired in January. David Mauer was named to the new post of exec vp-marketing and marketing services for Kenner Products; John Waters was named vp-marketing for the restaurant group, a new title.

Harold H. Nitch was named media services director succeeding Robert Bodeau, who left the company, and Lon Bencini was named manager of broadcast media succeeding Mr. Nitch; Chuck Weil succeeded Fletcher Waller Jr. as vp-marketing services division-domestic consumer foods.

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ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$4,522,600	$3,414,000
Magazines	14,810,100	14,946,900
Spot tv	83,036,100	65,464,100
Network tv	86,408,500	75,751,000
Spot radio	4,996,200	1,138,100
Network radio	1,409,400	358,200
Outdoor	87,400	85,800
Total measured	195,340,300	161,142,700
Unmeasured	12,065,800	9,972,090
Estimated total	207,306,100	171,114,790

MARKETING PERSONNEL

Donald F. Swanson, vice-chairman-restaurants & consumer nonfoods
F. Caleb Blodgett, vice-chairman-consumer foods
Walter R. Barry, exec vp-consumer foods
Arthur Schulze, exec vp-consumer foods
Preston Townley, exec vp-consumer foods
Jane Evans, exec vp-fashion group
James G. Fifield, exec vp-toy group
Robert W. Hatch, exec vp-specialty retailing and furniture
Joe R. Lee, exec vp-restaurant group
Bernard Loomis, group vp-creative prods
Charles D. Weil, vp-gen mgr-marketing services
Robert J. Blake, director-adv services
Harold H. Nitch, director-media services

ADVERTISING AGENCIES

Altman, Stoller, Weiss, New York—Monet Jewelers.

Bozell & Jacobs, Minneapolis—grocery, military—Frank Miller, acct exec.

Campbell Mithun, Minneapolis—Breakfast Squares, Big G cereals (Crispy Wheats 'n Raisins, Buc*Wheats, Golden Grahams), Nature Valley (cereal, granola bars, clusters, Light & Crunchy, Granola & Fruit Bars, Granola Crisp), Betty Crocker potatoes, BC Coupon Plan—Bruce Sutherland, director-client services; Madeleine Betsch, mgmt super.

Dancer Fitzgerald Sample, New York—Big G cereals (Cheerios, Honey Nut Cheerios, Total, Kix, Trix, Lucky Charms, Cocoa Puffs, monster cereals, Donutz, new products), GMKT Flour, Fundimensions, Yoplait yogurt, Parker Brothers, frozen foods (Northstar, Saluto), Kenner—E. Freeman Bunn, Joseph Mack, mgmt directors; M.D. Sims, Michael Jeary, mgmt supers.

Dancer Fitzgerald Sample, San Francisco—Betty Crocker pancake mix, Wheat Hearts, LaPina—Brian Burns, mgmt super; Preston Beslie, acct super.

Laurence, Charles & Free, New York—Gorton's.

D'Arcy-MacManus & Masius, St. Louis—Red Lobster, Donruss—Charles Grady, mgmt super.

Foote, Cone & Belding/Honig, San Francisco—Wallpapers to Go, Eddie Bauer.

Peter Rodgers Associates, New York—Monet Jewelers.

Red Barron Inc.—Sperry Food Service.

Chester Gore, New York—Foot-Joy (golf, street, casual).

Grey Advertising, New York—Kenner, David Crystal—Joe Callo, mgmt super-David Crystal; John Cashwell, acct super-Kenner.

Grey-North, Chicago—LeeWards—Ruth McNitt, mgmt super.

Humphrey Browning MacDougall, Boston—Parker Brothers—Peter Evans, mgmt super; Peter Gruol, Mitchell Weeks, acct supers.

Ingalls & Associates, Boston—Talbots.

Leonard, Monahan & Saabye, Providence—Foot-Joy (running, tennis, racquetball).

Levenstein/Gaines, New York—Pennsylvania House.

Lloyd Mansfield, Buffalo—Kittinger.

March Advertising, New York—Lark Luggage.

McKinney, Silver & Rockett, Raleigh—Tom's Foods.

Needham, Harper & Steers, Chicago—Betty Crocker dessert mixes, Bisquick, new main meals, new instant meals, Bac*Os, Wheaties, Hamburger Helper—John McBride, Ron Bess, mgmt directors; Gary Benz, Vicky Sanders, mgmt supers.

Wattenmaker, Cleveland—Gorton's Blue Water label—James S. Wattenmaker, acct mgr.

General Motors Corp.

	1981	1980
Sales	$62,698,500,000	$57,728,500,000
Earnings*	333,400,000	(762,500,000)
Advertising**	401,000,000	393,000,000†

*(Loss)
**AA estimate
†Restated

General Motors, Detroit, the fifth largest national advertiser, increased 1981 ad expenditures 4.3% to $401 million in 1981 from a revised figure of $316 million in 1980. GM managed a slim profit in a "difficult and disappointing year."

GM's 1981 profit of $334.4 million represented a turnaround from 1980's loss of $762.5 million. It was achieved largely through General Motors Acceptance Corp., its financial arm, and not automotive sales. GMAC posted a record profit of $365 million, up from the previous record of $231 million in 1980.

Worldwide dollar sales were $62.7 billion or 9% higher than 1980. Unit sales dipped 5% to 6.7 million units or 20% of the market compared with 21% in 1980. U.S. sales fell 8% to 4.6 million vehicles, including 3.8 million cars (down 8%) and 847,000 trucks (down 10%). Market penetration fell 1% for cars to 45% and remained at 37% for trucks.

"High interest rates, a deteriorating economy and a relentless increase in labor rates and material costs prevented 1981 from being a year of real recovery for GM," said chairman Roger R. Smith.

GM "dominated" the list of best-selling cars in the U.S., the company said. Chevrolet Chevette headed the list in 1981 followed by the Chevy Citation. Also on the list were the Oldsmobile Cutlass Supreme, Chevrolet Malibu, Chevrolet Impala/Caprice, Buick Regal and Skylark.

Mr. Smith—who once said everyone is an ad expert, or thinks he is—presided over an active year of GM corporate advertising. It included rebates, interest rate ceilings, a sweepstakes that fell flat, and an aborted "pass through" of labor-rate savings to consumers. GM also took on Japanese imports in ads claiming better accident statistics.

GM used GMAC to dip a tentative toe into incentives in early 1981 with a "how to beat the prime rate" campaign. It didn't offer any special deals, however. But rebates were in the wind even as president F. James McDonald predicted the new J-cars "will enhance and excite the spring market." The Js failed to excite any market and by March, 1981, rebates of $500 to $700 on high-inventory models were in place. "Let's get America rolling" applied to GM as well.

GM extended the rebates while trimming some models from coverage and GM dealers kicked in a portion of the rebate—a practice that was to cause problems. GM announced a price increase as its second round of rebates ended and saw sales promptly nose-dive.

GMAC was the vehicle for GM's next lure—a 13.8% cap on interest rates. GMAC launched its "largest single-month" ad campaign in its history as "good news for car buyers." This one worked as GM posted its best 10-day sales period in five months during August.

The rebate fever even spread to GM's real estate activities. It was trying to peddle some 100 houses it acquired from transferred executives. "Buy a house—get a car," was the headline for a program that tossed in a 1982 model as a house-buying inducement.

GM followed a Chrysler Corp. price-holding action with a revival of the 13.8% auto rate but spurned rebates as such.

In November, GM apparently decided to stop throwing good ad money after bad car sales and cut fourth-quarter ad budgets by an estimated $7 million. GM wanted to save up for the introduction in early 1982 of its new front-wheel-drive intermediate-size models and redesigned Camaro-Firebirds. An ill-fated sweepstakes broke in December for the new models. It was called the biggest dealer showroom traffic effort in GM history and cost $4.5 million including the prizes.

GM had other marketing ploys up its sleeve including union negotiations. GM and the United Auto Workers agreed to pass through concessions in the form of price rollbacks. The deal unraveled even as GM buyers sat tight to find out what the new prices would be.

So it was back to rebates as GM called for a 2% "giveback" from its suppliers—including ad agencies. GM also unilaterally introduced "givebacks" for its staff workers. The result was rebates of $500 to $2,000, some of them on cars that had yet to be introduced. "Let's get moving" was the theme.

GM's 2% solution was expanded to include the media. While GM's agencies, led by Campbell-Ewald, were complying, the media turned a generally cold shoulder to the proposal. Some noted that they didn't succor Chrysler at its lowest ebb and GM certainly wasn't in that position.

GM's corporate agencies, D'Arcy-MacManus & Masius and N W Ayer had a shoot-out on a new GM campaign with Ayer winning for "We're the best GM ever." It didn't affect their basic assignments; D'Arcy does product corporate and Ayer public relations corporate, but it was a $15 million plum for Ayer.

Chevrolet sales took tumbles in both car and truck and market share nose-dived. In the face of the downturn, ad outlays stayed about even with the preceding year.

Total car sales fell to 1 million from 1.7 million; trucks were down to 675,628 from 756,491 and over-all, Chevrolet's sales were off almost 400,000 units to 2.1 million from 2.5 million.

Chevrolet did not have a car or truck line in which 1981 sales were higher than 1980. Chevette was the car leader with 346,307, down from 373,988 with the Citation X-body next at 300,184, down from 374,706. The full-size Chevrolet fell to 210,424 from 261,819. Cavalier and predecessor Monza plunged to 88,072 from 150,320 and Camaro, in its last year before a redesign, tumbled to 94,606 from 116,824. Monte Carlo held about even at 161,158 compared with 165,638.

Market share slipped to 16.9% from 19.5%. Ad outlays of $127.5 million nearly matched those of 1980 when they were $128 million.

Newspapers, magazines and network tv were the big winners while spot radio fell and spot tv held about even.

Chevrolet entered the 1981 model year with the ad theme: "Chevy's up ahead." That was a statement of fact for the No. 1 car division in the U.S., but it was also something of a devout hope following a poor 1980 model year.

Chevy concentrated on its "new" models for 1981, a reskinned Malibu and Monte Carlo and the Citation X-11. The X-11 took over the performance spot from Camaro, and ad copy read: "Grab a hold of the wheel. Feel how it works. It gives you goosebumps." Camaro advertising placed the sporty car in an economy mode. "People think they have to sacrifice fuel economy to drive a Camaro and it isn't true," said Carl Uren, director of advertising.

Trucks got an economy push as Chevy formed a group of "special economy trucks" (SET). The campaign was aimed at the personal-use trucker rather than commercial users. "The commercial business is holding up but the solid, discretionary buyers are on the shelf," said H.J. (Pete) Cordes. So truck ad headlines read: "More kinds of trucks than anyone else rated at 20mpg or better" and "Best mileage story of any full-size pickup."

Limited distribution also affected initial sales of the Chevy Cavalier, a version of the J-car, but not the amount of advertising. The Cavalier was "the complete car," and ads listed features "from A to Z."

In the summer, Chevy reorganized the top echelon of executives. Thomas A. Staudt was rehired away from his post as vp-marketing group for American Motors Corp. to become general marketing manager of Chevrolet. The marketing position was given more weight than it previously had, reflected by the fact that Mr. Staudt reported directly to Mr. Lund, corporate vp of sales and marketing rather than to the general sales manager, Robert E. Cook. Mr. Cook retained the sales position.

Chevrolet did not introduce many new models in the fall for the 1982 model year. The Cavalier was "reintroduced" with a second phase of advertising that emphasized technology while the mid-size models were grouped together in an ad as "Chevrolet's classics." The Citation intro was slated for later in the fall.

Over all this, Chevrolet popped its umbrella in a campaign that said: "Chevy makes good things happen," an attempt to create brand identity. "We're looking at this theme to be a long-term element in our ads. On top of that carrier wave we're going to lay the signals for various car product lines," said Russell Chick, manager of car ads.

The second wave of car introductions broke in November with the Citation and the Chevette getting most of the attention. Citation had four different tv spots, all done in a comic book style, featuring such characters as "Perfect Couple" and "Working Woman." The Chevette commercial showed two priests discussing its economy.

Both spots were aimed at the 25-to-34-year-old age group that includes a high number of entry-level buyers.

In the first part of 1982, Chevy brought out its versions of two new GM models, the Celebrity, a front-wheel-drive mid-size sedan, and the new Camaro, a downsized sporty model. The Celebrity was "The bright new shape of Chevrolet" in advertising. The newly shaped Camaro represented something of a return to performance for Chevrolet. Commercials for the Camaro featured the Z28 performance model with the theme line: "The only thing that can keep pace with it is its shadow."

One of the division's most optimistic image-builders, Mr. Lund, was replaced as general manager of Chevy in early February by Robert Stempel, who had been vp for European-sourced cars and managing director of Adam Opel in Germany. Mr. Lund was bumped upstairs to become vp in charge of corporate sales and marketing staff, replacing Robert Burger, who became the heir apparent to the general manager post at Cadillac.

Mr. Stempel, a former general manager at Pontiac, soon set about pruning and shaping Chevy to his liking.

Some of Mr. Stempel's European experience came in handy when GM began exporting U.S.-built models overseas, including a special version of the Camaro.

Pontiac, like Chevrolet, suffered erosions both in unit sales and market share but increased ad expenditures significantly.

Sales fell to 552,396 units from 614,897 and market share declined to 6.47% from 6.85%. Ad expenditures bounced up to $45.1 million from $32.2 million.

Only the Grand Prix intermediate specialty car showed an increase, to 128,236 from 118,414. The full-size Pontiac was next at 82,620, down from 105,398, but it was to be dumped as an '82 model. The Bonneville G, a fancier LeMans, replaced it and total sales for the Marque were 73,988 down from 77,911. Pontiac's low-price leader, the Sunbird, was dropped and the combined efforts of the T-1000, a Chevette in thin disguise, and the new J-2000 fell short of Sunbird 1980 sales. Firebird, a car whose flame was burning low pending a new design, managed 52,188 sales against 81,592 the year before.

Just about all the increase in Pontiac ad spending went to network tv which zoomed to $24.7 million from $13.8 million as Pontiac sought to implant new brand awareness. Spot tv actually fell to $4.8 million from $5.2 million and spot radio plunged to $129,000 from $1.4 million. That decline was partially offset by $893,400 in network radio against none in 1980. Magazine spending held about even while newspapers gained.

When consumer interest shifted toward fuel economy, Pontiac tried to follow but the division that brought the GTO and Firebird muscle cars to street racing found the performance image hard to shake. In

fall, 1980, Pontiac's ad campaign concentrated on fuel economy comparisons and kept the previous year's slogan of MPG: "More Pontiac know-how to the Gallon."

Other car lines, the Grand Prix, LeMans, Bonneville and Trans Am also were compared with suitable competitors but they had the wrong sort of names. "Someday, somebody will take a look at the names. They all say performance, and performance in today's thinking means poor gas mileage," Mr. Maloney said.

Pontiac continued to strive for a more economical image during the winter with the help of a new model, the T-1000, an identical twin of the Chevette. Because of its similarity to the popular Chevette and the impending introduction of the J-cars, the T-1000 got no introductory ad blitz.

The division dropped comparison ads because too many other companies had picked up on the technique. Instead Pontiac decided to "go for more impact, excitement and a little bit of the emotion of buying a car," said James Graham, director of merchandising. So Grand Prix became "always a more stylish way of getting there, and getting there in style makes all the difference." The MPG theme line was retained.

Pontiac had not given up chasing the Japanese imports. The J-2000, introduced in late spring, was positioned against the Honda Accord in price but not in advertising. The J-2000 was marketed as "a new generation of Pontiac know-how."

The division did an about-face on its goals, deciding to chase a "youth and excitement" image instead of economy.

The shift in strategy had been completed by the time the fall introduction period rolled around. Pontiac went with an umbrella theme: "Now the excitement begins." The full-size Bonneville model was dropped but the name was carried down to the Grand LeMans body, which became the Bonneville G. "A new lean breed takes over" was the line for the model. The Grand Prix ads urged prospects to "take up a new sport."

The J-2000 campaign changed from a basic recognition strategy to a somewhat frantic "fun, fun, fun," theme with Beach Boys sound-alikes singing the lyrics.

Few were having fun at Pontiac, where sales were so bad GM exempted the division from an ad spending cut for the fourth quarter. The division hoped new models introduced in January would help.

The strategy for the new Pontiac 6000, a front-wheel-drive midsize car, followed the direction Mr. Hoglund had laid out in the fall: Excitement.

The old Firebird sales had been sagging all through 1981 but the new Firebird sales were destined to take off. The Trans Am model was featured in ads to give a performance ruboff to the other models.

Pontiac's J-2000 had trouble keeping up with the Accord because of its price, so the division introduced the J-2000 S in January. The stripped-down version cost $320 less than the original base model.

During the harsh 1982 winter, things did not look as cheerful for the J-car as they had the previous fall. Pontiac dropped the "fun, fun, fun" commercials in favor of the old introduction spots with a new voiceover.

Buick did everything in moderation in 1981. Its unit sales, market share and ad expenditures all increased decorously. Unit sales rose to 722,617 from 720,368 with the Regal/Century intermediates leading the way with 334,696. That was down slightly from the 345,101 in 1980, but the slack was taken up by the front-wheel-drive X-car Skylark. Riviera rose to 47,964 from 42,917 while the full-size LeSabre and Electra were down just a bit.

The small increase in sales was enough in a down year to increase Buick's market share to 8.45% from 8.03%.

Ad outlays increased to $36.7 million from $35.6 million as Buick shifted more dollars into print from tv. Newspaper and magazine spending rose, network tv held about even, spot tv dropped and spot radio fell but network radio spending grew in 1981.

Buick continued flying the hawk for 1981 and 1982. "It's more than just an ad symbol," said Lloyd Reuss, the division's general manager. "It is really a demonstration of the rejuvenation of an organization that had products attuned to a different point in time."

Coming out of a year in which its sales slipped less than any other GM division's, Buick introduced its 1981 models with the venerable tag line, "Wouldn't you really rather have a Buick?" While Buick was now selling small, fuel-efficient cars, it still relied on its traditional customer base.

Buick broke new ground when it became a heavy sponsor on Cable News Network. "Cable is a great growth area, and we wanted to get in on the ground floor," Mr. Savage said.

Ads for 1981 Buicks included "Here's the problem. Here's the solution," for the Regal, a repeat of the "Little limousine" for the Century and "A luxury car you can buy because of the mileage—not in spite of it," for the Electra.

Buick promoted its "free spirit" image through sports tie-ins. Basketball star Earvin "Magic" Johnson and jockey Willie Shoemaker teamed up in a broadline commercial saying, "We give you front-wheel-drive at both ends"—the luxury Riviera and the compact Skylark. Buick advertised on "Monday Night Football" and college bowls. It was the official car of the 1981 Super Bowl, and a Regal V-6 Turbo was the pace car at the 1981 Indianapolis 500. In addition, Buick will be the official car of the 1984 Summer Olympic Games in Los Angeles.

For 1982, Buick continued its "Wouldn't you really rather have a Buick?" tag, its full-line divisional ads and tie-ins with sports personalities and football.

Buick teamed up its compact Skylark and full-size diesels in print ads that read, "Some of our Buicks use very little gas and some of our Buicks use none." The full-size Electra was pictured against the U.S. Capitol with "It uses fuel conservatively and luxury liberally."

In January, 1982, Buick introduced its version of the front-wheel-drive A-body with, "It's the year of the Century." Buick wasn't out to capture a lot of new business with the Century.

Two months after the Century introduction, Buick brought out its version of the J-car, the Skyhawk. Even before it was introduced in March, 1982, the Skyhawk was rebated. GM had put rebates on other divisions' poor-selling J-cars, and it couldn't leave the Skyhawk out of the fray. The subcompact Skyhawk was Buick's answer to higher-price imports.

Oldsmobile, like Buick and Cadillac, sported minor sales, market share and ad expenditure gains. Unit sales rose to 348,739 from 820,681 and market share advanced to 9.95% from 9.14%. Ad outlays came to $39 million from $35.4 million.

Every car line had increases with the exception of the regular Cutlass intermediate. It fell to 187,952 from 210,784 but the Cutlass Supreme redeemed those figures by posting a gain to 266,070 from 258,789. Cutlass Ciera, the new front-wheel-drive intermediate, added another 2,882. Omega, the X-body car, saw sales rise to 109,981 from 87,262, while the big Olds, the 88, rose to 158,662 from 147,997 and the 98 increased to 84,583 from 73,464. Toronado, the luxury personal car, was up a bit to 38,609 from 37,051.

Meanwhile, the ad dollars were shifted around a bit. Newspapers, network tv and spot tv all gained in 1981 over 1980 but magazine expenditures fell off. Spot radio increased but network radio spending fell last year.

Olds kept its market share thanks to the Cutlass and the "Oldsmobile of small cars," Omega. Having nurtured a reputation for quality and engineering innovation, Olds moved away slightly from an engineering approach to insert a little flash and dash in its ads, but it kept the engineering approach for its diesel engines.

"We've had one built for you" continued as the umbrella theme for 1981. Cutlass ads became personal with a "This Cutlass is me" campaign in which various highly animated people substituted their names for Cutlass. Tv actor Dick Van Patten came aboard as spokesman for the full-size Delta 88. The Delta 88 and Cutlass campaigns used a cross-media approach designed for "synergy" between print and broadcast to get more impact.

In the spring of 1981, Olds fielded what it called its biggest spring ad campaign ever as it promoted options value packages.

Olds opened a new umbrella for its 1982 models with the theme, "Even today, there's still room to do it with style."

Print ads continued with the tag "We've had one built for you." Olds prepared two tv ads for the Cutlass with one directed at men and one at women, since women constitute half of Cutlass' principal drivers.

Oldsmobile brought out its fwd A-body, the Ciera, as an addition to its Cutlass series.

If Olds has to distinguish its A-body Cutlass Ciera from other Cutlass models, it also has to separate it from a car that looks a lot like it, Buick's A-body Century. For its A-body, Olds chose as a print tag, "Cutlass Ciera, the only front-wheel-drive that is a Cutlass."

In March, 1982, Olds introduced the Firenza, its subcompact J-body. Like Buick's J-body Skyhawk, the Firenza was born with a cash rebate.

As gasoline prices dropped, Olds diesel sales dropped, and in May, Olds brought out a "diesel value package" for its V-6 engine, offering free options with the purchase of a diesel.

Last fall marked Oldsmobile's second year in its return to sponsoring pro football on tv, and it marked Olds' introduction to cable tv. Olds bought time on the ESPN sports network in addition to the CNN news network. This fall will mark the 15th anniversary of an Olds performance tie-in as Olds brings out a 1983 Hurst Cutlass.

Cadillac sales, market share and advertising expenditures posted gains in 1981. Unit sales increased to 230,665 from 213,002 with only Seville showing a loss—to 22,724 from 34,709. That loss was recouped by sales of the new Cimarron—14,604.

The big Cadillac had a sales increase to 138,948 from 126,151 and the personal luxury Eldorado was up a little to 54,389 from 52,142. Market share came to 2.7%, up from 2.37%.

Cadillac boosted ad expenditures to $19.6 million from $14.2 million spurred by a big increase in network tv. Magazines and newspapers also showed an increase in ad spending over 1980.

Cadillac moved out of the fuel economy "numbers game" and into engineering with 1981 models when it introduced the V-8-6-4 engine. "As you drive, the 1981 Cadillac automatically goes from 8 to 6 to 4 cylinders. Trust Cadillac to lead the way," the ads said. The engine encountered operating problems and became the subject of many lawsuits. But the engine did show Cadillac's high-technology strategy toward foreign competition.

The V-8-6-4 was the subject of nine class-action lawsuits by July, 1982. One suit charged that GM knew the engine was defective, dangerous and not able to be repaired before the engine was marketed and advertised. In 1981, GM extended the V-8-6-4 warranty to five years and 50,000 miles. Only Cadillac limousines continued to use the engine.

Cimarron "by Cadillac" was launched in May, 1981, as "a new kind of Cadillac for a new kind of Cadillac owner." The new Cadillac was a four-passenger subcompact with a four-cylinder engine and a four-speed manual transmission. The new kind of Cadillac owner would be a young, affluent buyer of imports.

While other GM divisions aimed their J-cars at Japan, Cadillac took aim at Europe. "Compare Cimarron to the likes of BMW 320i, Audi 5000 and Saab 900S. Spec for spec, feature for feature," ad copy read.

Cadillac introduced the Cimarron through magazine ads and direct-mail solicitations of 1 million owners of European luxury sedans. Cimarron's tv introduction came last fall when Cadillac bought its first football time ever.

The division brought out its 1982 models with the theme, "Best of all...it's a Cadillac." The Cimarron, continuing as "a new kind of Cadillac," was purchased by Cadillac's youngest customers.

The Seville, which at $25,000 cost twice as much as a Cimarron, was touted as "a car for those who seek the better things in life" and was targeted at Cadillac's oldest customers. Cadillac told its dealers the Seville was for those "for whom first class is a way of life" (those making over $75,000 a year).

Ads for the Eldorado called it "a different breed of Cadillac" with an "understated touch of class." Cadillac put ads for the $22,500 Eldorado Touring Coupe—which has stiff suspension and blackwall tires—in such magazines as *Motor Trend*.

Of all things, vans and big Suburban wagons were the brightest spots at GM Truck & Coach. Vans, in the doldrums for the last several years, had an increase to 22,982 units from 21,007, and Suburbans inched up to 4,349 from 4,210. Pickups were the best sellers at 97,599, down from 102,129. Total sales fell to 171,551 from 183,835. The S-15 pickup was plus business at 2,314.

Heavier-duty trucks also were down, with mediums at 19,360 compared with 24,108 and the heavy-duty models off to 12,810 from 18,698. GMC raised ad expenditures to $8.2 million mainly through network tv. From zero network tv in 1980, the division spent $3.7 million in 1981. Magazines were up to $2.6 million from $1.9 million.

For 1981, GMC put most of its money into magazine ads aimed at specific audiences. Targets were management execs for corporate trucks and farmers. Other magazine ads were directed specifically at fleet managers.

Finally, GMC put some ads in media directed at consumers. GMC spent no money on tv. It dropped Monday Night Football.

The division reversed its no-tv decision when it brought out the 1982 compact S-15 pickup. Sixty per cent to 70% of its ad budget would go into tv, according to James T. Riley, GMC's general sales manager.

The new S-15 pickup was allied with GMC's bigger rigs in ads to differentiate the S-15 from the identical Chevrolet S-10, the compact Ford Ranger and imported Japanese pickups. The theme for all of GMC's ads continued to be, "Trucks are what we're all about."

AC-Delco increased ad spending to $9.4 million in 1981, 29% above the $7.3 million spent in 1980. GM's replacement parts division spent 70% of its ad

budget during the football months from September to January. AC-Delco merged with General Motors Parts division in September, 1981, to form the Warehousing & Distribution division.

GM, after battling imports in the U.S., decided to join the import ranks via its North American Vehicles Overseas division. NAVO started marketing U.S.-built cars around the world with the ad theme, "Put yourself in another world." The tag line was "The New Americans from General Motors," and copy pointed out "There's a certain feeling you can experience only in an American car. It's a feeling of contentment and serenity."

It was the old idea of foreign mystique turned around with hoped-for sales of 110,000 to 115,000 cars in the 1982 model year. The operation represented plus business for idling U.S. plants and a chance to increase GM's overseas sales which after 1981 needed a boost.

GM's overseas retail sales came to 1.6 million units, down 5% from 1980 with GM's market share at about 7%. Adam Opel's sales in Europe declined 7% as well, and Vauxhall Motors in the United Kingdom saw sales plunge 11%. GM pushed ahead with a new small car plant in Spain, maintaining its output wouldn't be exported to the U.S.

GM made other arrangements for small cars. It plans to import 200,000 Isuzu-made Japanese small cars which will bear the Chevrolet brand name. Late in 1984 is the target date.

GM's Power Products Operations were a bit brighter. Detroit Diesel Allison division hit record dollar sales, topping 1980 by some 14%. There were record sales of light helicopter turbine engines, strong sales of off-highway transmissions and sales of transmissions for the new M-1 tank. Electro-Motive division saw a "significant increase" in demand for diesel engines in oil rigs and industrial applications. Diesel locomotive component sets for export hit a unit sales record.

GM moved General Motors Acceptance Corp. and Motors Insurance Corp. from New York to Detroit in the summer of 1981. It also realigned worldwide truck and bus operations into a new organization. Assigned to the new group were GMC Truck & Coach division, Worldwide Transportation Systems Center and Vauxhall Motors. Rochester Products division and Diesel Equipment division were consolidated as were Harrison Radiator division and Delco Air Conditioning division. Harrison Radiator was the surviving name.

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	$66,502,100	$63,300,100
Magazines	66,437,100	56,478,800
Farm publications	1,508,500	2,070,400
Spot tv	13,940,900	16,861,300
Network tv	146,916,100	133,496,900
Spot radio	32,431,100	33,150,400
Network radio	5,428,000	5,718,500
Outdoor	3,800,000	7,972,300
Total measured	336,075,800	295,966,400
Unmeasured	65,924,200	97,031,600**
Estimated total	401,000,000	393,000,000**

*AA estimate
**Restated

MARKETING PERSONNEL

R.D. Lund, vp-sales & mktg
J.N. Stewart, exec director-mktg
D.J. Teasdale, director-adv
J.W. Finney, asst adv mgr/media
D.K. Murley, asst adv mgr
D.P. Bolen, asst adv mgr
Margaret M. Rafferty, adv contract dept/super
Margaret Hudzik, adv traffic coordinator

ADVERTISING AGENCIES

D'Arcy-MacManus & Masius, Bloomfield Hills, Mich.—Milton F. Coulson Jr., vice-chairman/Bloomfield Hills, mgmt super; William A. Mara, vp-acct super; Ronald Monchak, senior vp-creative director; Selby Cook, vp-group creative super.

N W Ayer, Detroit—Louis Hagopian, chairman & ceo (New York); Robert Kingsbury, senior vp-genl mgr, Detroit; Richard Prince, senior vp-mgmt super; Robert Morrison, vp-acct super; Jerry Siano, vice-chairman-worldwide creative director; John Walsh, senior vp-exec creative director; Earl Shorris, senior vp-corporate planning; Sirje Helder, vp-group creative director; Thomas Wehner, vp-creative super; Susan Pralgever, vp-creative super.

BUICK MOTOR DIVISION

MARKETING PERSONNEL

Lloyd E. Reuss, genl mgr
J.D. Duffy, genl sales mgr
J.J. Faerber, asst genl sales mgr/admin
R.L. Ingersoll, asst genl sales mgr/eastern area
W.E. Edgar, asst genl sales mgr/western area
C.N. Moore, asst genl sales mgr/midwestern area
L.D. Robbins, asst genl sales mgr/central area
H.E. Savage Jr., director adv
T.L. Pond, director pr

ADVERTISING AGENCIES

McCann-Erickson, Troy, Mich.—Gerald C. Atkin, exec vp-genl mgr; Harry W. Grusche, senior vp-mgmt super; Edmund H. (Ned) Sale, vp-acct super; Harold W. Randall, vp-acct super/product info; Lawrence G. Wallace, acct exec/adv; Keith Mandish, acct exec/adv; Jerry Fronczak, acct exec/product info; Cathy Thompson, acct exec/product info; W. Brien Schweikart, vp-media director.

CADILLAC MOTOR CAR DIVISION

MARKETING PERSONNEL

Edward C. Kennard, genl mgr
Robert D. Burger, asst genl mgr
L.B. Pryor, genl sales mgr
W.R. Lewellen, asst genl sales mgr/service
C. Chynoweth, asst genl sales mgr/eastern
Ellie R. Torre, asst genl sales mgr/western
J.R. Kitzmiller, exec asst to genl sales mgr
R.B. Welday, director-merchandising
F.R. Cadicamo, asst director-merchandising
J. Bruce McCristal, director pr

ADVERTISING AGENCY

D'Arcy-MacManus & Masius, Bloomfield Hills, Mich.—Ernest A. Jones, chairman exec committee; H. (Hal) G. Bay Jr., chairman, Bloomfield Hills; James T. Doyle, president, Bloomfield Hills; G.A. Scott, vp-creative director; R.C. Spaulding, vp-media director; Robert Wallace, vp-Cadillac acct super; A.L. McClain, director-pr.

CHEVROLET MOTOR DIVISION

MARKETING PERSONNEL

R.C. Stempel, genl mgr
R.E. Cook, genl sales mgr
T.A. Staudt, genl mktg mgr
J.C. Perkins, asst genl sales mgr/field
M.H. Erdman, sales mgr/trucks
T.R. Chick, mgr/passenger car adv
H.J. Cordes, mgr/truck & wagon adv
J.J. Williams, director pr

ADVERTISING AGENCY

Campbell-Ewald, Warren, Mich.—T.B. Adams, chairman; P.L. John, vice-chairman; J.I. Bernardin, exec vp-creative director; W.J. Tausch, exec vp-Chevrolet acct; W.R. O'Neil, senior vp-assoc acct director/admin; T.R. Boyd, senior vp-mgmt super/truck; R.F. Ovies, senior vp-exec director creative services/Chevrolet car & truck; C.F. McLaughlin, senior vp-car merchandising; R.W. Mitchell, senior vp-assoc acct director/car & truck marketing, advertising & merchandising; W.S. Schindler, senior vp-pr; A.J. Hopp, senior vp-mgmt super/truck; F. Fraser, vp-director/automotive adv; W.R. Kennedy, vp-product info; R.G. Smith, vp-marketing/Chevrolet; D.D. Williams, senior vp-mgmt super/small cars

OLDSMOBILE DIVISION

MARKETING PERSONNEL

R.J. Cook, genl mgr
J.F. Mattox, genl sales mgr
D.L. Neisch, asst genl mgr/eastern
E.M. Schlesinger, asst genl sales mgr/mktg & dealer activities
D.E. Lahti, asst genl sales mgr/western
C.E. Strong, admin asst to genl sales mgr
L.C. Myers, mkt analysis mgr
F.W. Bennetts, director pr

ADVERTISING AGENCY

Leo Burnett Co. of Michigan, Southfield, Mich.—John C. Ryan, senior vp-mgmt director; Roger Bailey, vp-Olds acct super; Joe Henry, vp-media director; Alan Dickinson, acct super; Robert Smith, acct exec; Lawrence Doyle, acct exec.

PONTIAC MOTOR DIVISION

MARKETING PERSONNEL

W.E. Hoglund, genl mgr
W.W. Lane, genl sales mgr
C.E. Chambliss, asst genl sales mgr/service-admin
R.E. Benson, asst genl sales mgr/mktg
W.H. Rose, asst genl sales mgr/field
S.A. Hoostal, sales mgr/western
J.W. Johnston, sales mgr/eastern
H.S. Christie, sales mgr/central
J.H. Graham, director of merch
C.A. Curry, adv mgr
D.W. Logie, sales promo mgr
S.T. Richards, director pr

ADVERTISING AGENCY

D'Arcy-MacManus & Masius, Bloomfield Hills, Mich.—Ernest A. Jones, chairman, exec committee worldwide; H.G. Bay Jr., president, ceo worldwide; James T. Doyle, president/Bloomfield Hills; John Greening, senior vp-mgmt super; George Acree, vp-acct super; Pat Aulgur, acct exec; Richard W. Halladay, acct exec; William K. Rankin, acct exec/product info; Larry Wroblewski, acct exec/product info; Pat Brown, acct mgr; Ron W. Monchak, exec vp-creative director; Arthur Morat, vp-group creative super.

GMC TRUCK & COACH DIVISION

MARKETING PERSONNEL

Robert W. Truxell, genl mgr
James T. Riley, genl sales mgr
Edward R. Stokel, director-public transportation
Melvin A. Pullin, coach sales mgr
Richard F. Lucas, asst genl sales mgr/trucks
Carl E. Rehm, asst genl sales mgr/merchandising
James E. Wenzel, adv mgr/trucks
Frank E. Cronin, director pr

ADVERTISING AGENCIES

McCann-Erickson, Troy, Mich.—Gerald Atkin, exec vp-genl mgr; Ronald F. Gauss, senior vp-mgmt super; W. Brien Schweikart, vp-media director; Glynn Armitage, vp-acct super; Jan Woznick, director-mktg services; George T. Skirtich, acct exec.

AC-DELCO DIVISION

MARKETING PERSONNEL

R.J. Smith, genl director
J.M. McKenzie, sales mgr/operations
C.S. Wagner, director/mktg & forward planning
D.K. Colliver, director adv & pr
F.R. Alexander, assoc adv mgr

ADVERTISING AGENCY

Campbell-Ewald, Warren, Mich.—P.L. John, vice-chairman, ceo; P.A. Dow, president, ceo; R.E. Britton senior vp-mgmt super; I.W. Beaton, senior vp-senior acct super; R.E. Guerrier, vp-acct super; M.J. Brogan, vp-acct super; E.F. Taylor, exec vp-creative director; T.J. Glynn, exec vp-director media; D.J. Kuzma, acct exec.

DELCO ELECTRONICS DIVISION

MARKETING PERSONNEL

R.J. Schultz, genl mgr
J.C. Crawford, genl sales mgr
G.R. Flora, mktg mgr

ADVERTISING AGENCY

Campbell-Ewald, Warren, Mich.—Richard D. O'Connor, vice-chiarman; Paul L. John, president; Peter A. Dow, exec vp; Robert E. Britton, senior vp-mgmt super; Ross Morgan, vp-acct super.

GENERAL MOTORS PARTS

MARKETING PERSONNEL

V.R. Peters, genl director
G.S. Cashion, sales mgr/eastern
E.M. Green, sales mgr/central
E.L. Schreitmueller, sales mgr/western
J.P. Kane, sales mgr/marketing
J.T. O'Connor, sales mgr/admin
D.J. Danna, adv & sales promo mgr
J.A. Staffacher, merch mgr
F.M. McCurdy III, director pr

ADVERTISING AGENCY

D'Arcy-MacManus & Masius, Bloomfield Hills, Mich.—James T. Doyle, president/Bloomfield Hills; Ronald W. Monchak, exec vp-creative director; Chuck Brandt, vp-acct super; F. Mike Koch, acct exec; Arthur Harrington Jr., vp-director sales promo.

ELECTRO-MOTIVE DIVISION

MARKETING PERSONNEL

Peter K. Hoglund, genl mgr
W.A. Fox, director sales & service
G.C. Mulick, genl sales mgr/power products
R.E. Hill, genl sales mgr/domestic locomotives
F.J. Babel, genl sales mgr/export locomotives
Nancy A. Calvert, director pr, adv, sales promo
James H. Gill, staff asst

ADVERTISING AGENCIES

Marsteller Inc., Chicago—Richard Christian, chairman; Milt Lynnes, exec vp-genl mgr; John Roberts, mgmt super; Phil Young, vp.

Marsteller Inc., New York—W.A. Marsteller, chairman exec committee; Louis Magnani, president.

Burson-Marsteller Associates, New York—Harold Burson, chairman; Elias Buchwald, vice-chairman.

Burson-Marsteller, Chicago—J. Lovejoy, vp-senior consultant, group mgr; S. Carr, acct exec.

GENERAL MOTORS ACCEPTANCE CORP.

PERSONNEL

R.F. Murphy, president
G.R. Samardich, exec vp
C.A. Krauss Jr., director industry, govt, pr

ADVERTISING AGENCY

U.S.

Campbell-Ewald, Warren, Mich.—Richard D. O'Connor, vice-chairman; Paul L. John, president; Thomas L. Glynn, exec vp-media director; Eugene F. Taylor, exec vp-creative director; James J. O'Neal, senior vp.

Canada

Campbell-Ewald Ltd. Advertising, Toronto—Trevor F. Goodgoll, president, mng director.

MOTORS INSURANCE CORP.

MARKETING PERSONNEL

J.J. MacDonald, president
G.S. Barquist, vp-mktg & agency relations
T.F. Kelly, director-mkt rsch & adv

ADVERTISING AGENCY

G&S/Burton, Detroit.

Gillette Co.

	1981	1980
Sales	$2,335,000,000	$2,315,000,000
Earnings	124,200,000	123,977,000
Advertising*	171,900,000	150,981,000

*AA estimate

Gillette Co., Boston, the 32nd largest national advertiser, increased its advertising by approximately 14% to an estimated $171.9 million in 1981.

Worldwide sales in 1981 increased to $2.34 billion, up 1%, while earnings were virtually unchanged. Sales for the first quarter of this year decreased 9%, while earnings dropped 19% to $32.9 million.

Colman M. Mockler Jr., Gillette chairman-chief executive officer, attributed the lower results primarly to continuing recessionary conditions in retail sales in the U.S., as well as many countries abroad, and to foreign currency fluctuations that produced rates significantly below those in the first quarter of 1981. For the six months ended June 30, 1982, sales declined 5% to approximately $1.107 billion, compared with $1.171 billion in 1981. Profit from operations was $162.9 million, virtually unchanged from $163.5 million the year before. Pretax income was $121 million, down 2% from $123.3 million in the prior year. Net income was $70.8 million, a decrease of 7% from $76.4 million in 1981.

For all of 1981, Gillette's four major lines and their percentage contributions to sales were: Blades and razors 33%; personal care 28%; writing instruments 13%, and Braun products 20%.

Worldwide advertising and promotion costs in 1981 were up 13% to $385.5 million from $340.7 million in 1980. The 1981 total included $263.2 million for advertising and sampling and $122.3 million for sales promotion.

Sales and profits of blades and razors advanced in 1981. Gillette's safety razor division continued its dominance of the wet shave market on the strength of Trac II, the nation's biggest selling shaving system, and the continued success of the Atra automatic adjusting twin-blade razor and cartridge. The 5-year-old Atra continues to be best-selling razor in the country.

In most major markets abroad, Gillette blades and razors outsell those of all competitors combined.

In the U.S., the Atra brand retained its leading dollar share of the razor market, and sales of Atra twin blade cartridges increased significantly. Abroad, the Atra system achieved share gains in every major market in which it is sold. Atra cartridge sales overseas climbed significantly; Atra razors became the top sellers in Europe.

Trac II cartridge sales rose, continuing as the No. 1 blade brand in the U.S. International sales of the G II (Trac II's brand name abroad) twin blade cartridges were somewhat lower.

The U.S. sales of disposable razors saw a sharp increase primarily as a result of rising consumer demand for Good News!, the top seller in the category for six consecutive years. The new women's Daisy disposable also contributed to the increase.

With the total disposable market now accounting for approximately 28% of the total blade market in unit sales, Gillette continues to dominate with about 56% of unit sales in the disposable blade market.

In the $583 million blade market, Gillette's share continues to be in the area of 60%. Schick (Warner-Lambert) has the No. 2 spot with a share in the low 20s. The rest of the market is held by American Safety Razor, Bic and private labels.

According to Leading National Advertisers, Gillette last year spent $6.2 million to advertise the Atra shaving system; $3.02 million for Good News! and Swivel disposable razors, and $1.2 million for the Just Whistle razor.

The company's personal care division blossomed during the last year. Today, analysts who monitor Gillette agree that the division's new product posture is one of the best in the business—if not the best, due to several new product introductions, including Silkience, Aapri, For Oily Hair Only and Dry Idea.

Last year the division showed marked gains. Worldwide toiletries and grooming aid sales increased nearly 11% to $661.4 million in 1981. Dry Idea roll-on, introduced four years ago, continues to expand its share in the $1 billion retail deodorant/antiperspirant market. Aided by higher sales of its Soft & Dri brand, Gillette expanded its leading position in aerosol deodorant/antiperspirant.

Gillette's inroads into haircare and other beauty aids notwithstanding, deodorants and antiperspirants continue to be critical. Last year Gillette spent $19.6 million to advertise Right Guard, $8.1 million for Dry Idea and $4.7 million for Soft & Dri.

In addition, the company's shampoo sales climbed significantly as a result of the continued success of two-year-old Silkience "self-adjusting" shampoo, formulated to clean hair only where dirty and condition only where dry. As it traditionally does, Gillette backed the introduction with big bucks—more than $19 million in promotional spending and $11 million in advertising. In 1978, Gillette rolled out Silkience "self-adjusting" conditioner.

This very line, in fact, which is often credited as starting the Gillette winning streak last fall, gave birth to yet another sibling, a moisturizer based on the same self-adjusting concept that has proved so successful for the hair products. In November, Gillette rolled out Silkience moisturizer, backed by $11.5 million into prime time and network. Ads by N W Ayer follow the same creative tack as the hair product commercials created by Advertising to Women. Ultraviolet scanner photography demonstrates the product's selective lubricating capabilities.

When the product was announced, however, skeptics questioned whether or not the haircare success will translate as smoothly into skin. And, indeed, at a meeting of security analysts this summer, Gillette treasurer Milton Glass admitted the launch to date to be a little shy of expectations. As such, it is the personal care division's first recent flirtation with disappointment.

Another new product, Aapri, an apricot facial scrub introduced in June, 1981, quickly managed to grab 9% of the $133 million facial market, to the surprise of most analysts, who are now saying it created an entirely new category. Its introduction was supported by a $17.4 million advertising and promotion budget. Analysts fully expect Gillette to come out with some sort of Aapri reincarnation, but are unsure what to expect.

Last year also saw the introduction of Mink Difference, a hair spray with mink oil, which is supposed to leave hair shiny and soft. As such, Mink Difference was just the kind of product the personal care division is so fond of: Higher-price and sporting a distinct product difference. And, indeed women's hair spray sales have been rising sharply, after falling on hard times during the 1970s.

Over the past year, Gillette reports that Jafra skincare products registered strong sales gains both here and abroad.

At the company's annual meeting in April, Gillette disclosed several new products, including For Oily Hair Only, a shampoo and rinse system that is being supported by more than $20 million in advertising and promotion. Others included Bare Elegance, a moisturizing body shampoo aimed at women that entered into a West Coast test this past spring. It is expected to compete against moisturizing bars rather than just liquid soaps.

Sales of personal appliances decreased sharply as a number of models were discontinued.

Worldwide writing instrument sales jumped from $289.3 million to $303.5 million. Ballpoint pen sales rose in the U.S. where Gillette continued to retain the No. 1 position in dollar share of the retail market. The company attributed the performance to its Eraser Mate, a disposable pen, and to its Write Bros. stick pens, which registered strong sales growth in both the commercial and retail sectors.

The company's luxury writing instruments, manufactured and distributed by S.T. Dupont of France, posted sizable gains due primarily to the performance of its line of ballpoint pens. Gillette also maintained a leading share in the $110 million porous pen category, aided by the introduction of refillable Ultra fine flair brands.

Sales of Braun products continued in 1981 to show gains in local currencies. Sales were moderately lower, when translated into dollars. The shaver, household and personal care product areas, which together account for more than three-quarters of total Braun sales, showed strength, but profits were moderately lower.

Sales of its electric shavers were down, but Braun retained its leading share position in Germany. During the year, Braun continued its gradual divestiture of its photo and hi-fi business.

This year, there were some indications that Gillette had inched away from its noncomparative advertising stance toward the shaver business. For the first time, Gillette responded to a series of comparative Bic ads for the Bic Shaver, with pretty severe comparative ads of its own, in a tv campaign claiming, "If you use Bic you're not getting as close, as smooth, as safe a shave as you would with Gillette's Good News!" It ended —no less obliquely—with the line, "Sorry, Bic."

Although the company claimed its new spots were in the works before the Bic comparative commercials broke, Bic strongly believed that the campaign was in response to its ads. Other sources suggested that Gillette was steamrolling the issue with the networks, who had to decide whether or not to keep such conflicting claims on the air.

The networks decided not to, and dropped the Bic ads.

At any rate, sources characterized the quick belligerence of the Gillette effort as quite out of character, and suggested that maybe the safety razor division would be even more aggressive in the future.

During the first half of this year, Gillette made two interesting announcements. First, that it had completed an agreement with the Shenyang Daily Use Metals Industry, Liaoning Province, Northeast China, for the manufacture of coated blades, uncoated blades for industrial use and plastic razors for Chinese consumption. Production will begin in mid-1983. Then, in July, Gillette announced it would spend $30 million this year on oil and gas ventures.

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T-shirt promotions are a proven way to get your message across to a specially targeted audience. Therefore, it makes good advertising sense to put your promotion on target from the start with Hanes Printables' T-shirts — quality T-shirts backed by a brand name consumers trust for value.
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ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,984,800	$1,236,500
Magazines	9,435,500	12,025,500
Spot tv	8,568,700	13,193,100
Network tv	76,429,900	59,509,700
Spot radio	11,800,000	—
Outdoor	300	26,900
Total measured	98,441,900	85,981,700
Unmeasured	75,459,000	65,000,000
Estimated total	171,900,000	150,981,700

GILLETTE CO. ADVERTISING SERVICES DIVISION

Thomas T. Ryan, vp
Thomas A. Lux, director-sport/prize/barter/new technologies
Allen K. Gibbs, director-media services
Ronald Harding, director-tv commercial production
Howard Fisher, director-network buying
Robert J. Evans, director-promotion services

SAFETY RAZOR DIVISION

MARKETING PERSONNEL

Dierek W. F. Coward, vp-mktg.
Carmen A. Comite, group product mgr, disposable shavers
Joseph H. Crist, group product mgr, new prods
W. Scott Roberts, vp-sales
Bruce Cleverly, group product manager, permanent systems

ADVERTISING AGENCIES

BBDO, New York—Atra, Good News!, Swivel, Trac II. Atra: Ted Newlin, senior vp; Bill Badger, senior vp-mgmt super; Michael Paxton, vp-acct super; Phil Dusenberry, exec vp-exec creative director; Janet Burnett, acct exec. Good News! and Swivel: Ted Newlin, senior vp; Bill Badger, senior vp-mgmt super; Michael Paxton, vp-acct super; Phil Dusenberry, exec vp-exec creative director; Bob Schlesinger, senior vp-associate creative director, Lindsey Cole, acct exec. Trac II: Ted Newlin, senior vp; Bill Badger, senior vp, mgmt super; Michael Paxton, vp-acct super; Phil Dusenberry, exec vp-exec creative director, Janet Burnett, acct exec.

Marschalk Co., New York—Just Whistle, Daisy, Widget—Andrew Langer, president; Dick Villante, exec vp; John Dooner, senior vp-mgmt super, Dennis Zolnierzak, acct super; Elizabeth Garland, acct exec.

PERSONAL CARE DIVISION

MARKETING PERSONNEL

Robert N. Forman, vp-mktg.
Peter K. Hoffman, mktg mgr, skincare
Michael Nadelberg, mktg mgr, deodorants/antiperspirants
M. Gage Heath, mktg mgr, shampoos/conditioners
Robert Leger, mktg mgr, hair sprays/home waves

ADVERTISING AGENCIES

Young & Rubicam, New York—Right Guard—Ed Lebar, mgmt super.

BBDO, New York,—Soft & Dri, Dry Look, Dry Idea—Bill Kelly, mgmt super.

Marschalk Co., New York—Trac II and Foamy shave creams, Bare Elegance moisturizing soap—Dan Cogen, mgmt super.

Advertising to Women, New York—Toni, Silkience conditioners, Silkience shampoo, FOHO shampoo & rinse—Jeff Lehmann, mgmt super.

N W Ayer Inc., New York—Adorn, White Rain, Silkience moisturizer, Mink Difference, Aapri—Stan Mattison, mgmt super.

PAPER MATE DIVISION

MARKETING PERSONNEL

Robin H. Kirkland, vp-mktg
William Nahikian, director-mktg
Dickson W. Lewis, senior prod mgr, ballpoint pens

ADVERTISING AGENCIES

McCann-Erickson, New York—Paper Mate ball-point pens, Eraser Mate—Ian Hooper, senior vp.

Hill, Holiday, Connors, Cosmopulos, Boston—Liquid Paper office products—John Fitzgerald, senior vp.

Marschalk Co., New York—Flair porous products—John Dooner, mgmt super.

JAFRA COSMETICS

Thomas C. Grant, president.

Greyhound Corp.

	1981	1980
Sales	$5,164,000,000	$5,156,600,000*
Earnings	138,200,000	116,300,000
Advertising	75,592,100**	63,577,400

*Restated to include financial segment
**AA estimate

Despite declining earnings in its busline business, Greyhound Corp., Phoenix, the nation's 72nd largest advertiser, recorded earnings in 1981 of $138.2 million, a 17% increase over the previous year, on a slight 2% increase in sales from $5.136 billion to $5.164 billion.

Greyhound, which increased advertising from $63.6 million to an estimated $75.6 million in 1981, credits the company's improved financial performance to the reduction of long-term debt and short-term borrowings, the selection of new management and, most important, the "rejuvenation" of Armour & Co., Greyhound's food and consumer products group.

Armour & Co., whose Armour Foods is Greyhound's food segment, reversed a slide in profits which had brought dire predictions of its demise from the business community in 1980.

Greyhound reacted quickly as the year opened to revitalize the company's sagging prospects by making several management changes: Walt Tunnell was made president of Armour Foods and Dave Duensing became president of Armour-Dial, Armour's consumer products division.

Under the new leadership, Armour Food Group's net income increased from a loss of $5.7 million in 1980 to a $9.7 million gain in 1981, while sales slid from $2.46 billion in 1980 to $2.30 billion in 1981. An important development in the earnings turnaround was the jointly forged contract between Armour and the United Food & Commercial Workers International Union, which provides for a wage and cost-of-living freeze for almost the next four years.

Perhaps the most dramatic product turnaround was in the processed meat area, which experienced an almost $20 million upswing in sales. During the year, Armour regained some of its private-label business and increased its "second line" brands, which are made to meet unique regional tastes in bacon and other products. The company also increased volume on almost all processed meat products, including bacon, hot dogs and luncheon meats, as well as achieving expanded distribution. This strategy marked the continuation of the strategy begun in late 1980 to rebuild the division.

Building on the quality reputation of its Armour Golden Star canned hams, the company introduced the Armour Golden Star boneless ham last October. Also, Armour's new line of Dinner Classics frozen entrees were introduced into four new markets. Company officials say the line will be in national distribution by yearend.

Armour's processed meat ad spending in 1981 compared to 1980 (shown in parentheses) were Armour Golden Star canned ham $86,200 ($87,800); Armour International deli sausage) $25,400 ($91,900); Armour meats $8,400 ($300,000); Armour Star franks $9,600 ($1.3 million); Armour Star frozen turkey $2 million ($1.5 million); Armour Star ham $23,400 ($649,500). Figures are from Leading National Advertisers.

Other food product advertising included Armour La Sauce chicken baking sauce $1.1 million ($999,300); Armour frozen dinners $414,900 ($257,800), and Armour Star canned chili $654,600 ($641,700). La Sauce, still in its marketing infancy, had moved from test market into regional distribution (20% of the country) in 1980.

Armour canned Treet, canned Vienna sausages, lunch meats, Armour Star bacon and canned beef—products advertised in 1980—were not advertised in the six media monitored by LNA during 1981.

Because of the poor return on investment the company had experienced from its turkey-raising concerns, Armour sold its three turkey facilities to move out of the commodities end of the business. Armour officials say the decision will not affect the company's line of turkey products. Armour is introducing a new line of 12 turkey products, including turkey bologna, pastrami and hot dogs, to capitalize on the increased awareness of the nutritional benefits of poultry compared with red meat. After 20 years together, Armour split with Y&R on its $5 million processed meats account and enlisted the services of Bozell & Jacobs.

Greyhound's consumer products segment—essentially Armour & Co.'s Armour-Dial division—reported net income in 1981 of $16 million on sales of $597.5 million, compared with net income of $15.9 million on sales of $621.1 million in 1980.

Dial soap maintained its position as the leading deodorant soap in the nation with a market share of about 14%, and the company's Tone skincare bar held its own in market share, says the company. These two products dominate advertising at Armour, and at Greyhound for that matter. According to LNA, Dial deodorant soap spent $15.9 million in 1981 compared with $15.6 million in 1980. Tone soap spent $5.1 million in 1981 compared with $5.2 million in 1980. Armour's new liquid soap product, Liqua 4, went national this summer. Spirit, the blue-and-white bar soap billed as a "latherer," pulled from several Midwest test markets in early 1981 but reappearing a few months later with a new package design, drew $163,000 in advertising in 1981 compared with $144,200 in 1980. It has gained market shares of 3% to 4% in its test markets, say company officials.

Armour-Dial pulled out its guns during the year to support Dial dry solid deodorant with a $6.6 million accumulative buy—almost all on network tv—compared with the $2 million spent on the product the previous year.

Yet another Greyhound segment, foodservice, increased its earnings in 1981 almost 50% to $6.5 million from $4.3 million. Sales were up 6% to $255.3 million from $240.5 million in 1980.

A shrinking economy and growing unemployment rate contributed to the decline in Greyhound's transportation segment's earnings drop to $49.7 million from $54 million in 1980. Sales, however, increased to $1.05 billion from $989.9 million. In the process, Greyhound Lines passenger miles fell 6% to 8%. Greyhound Lines boasts that in September, 1981, it operated the largest charter movement in the history of the intercity bus industry when more than 560 of its buses carried 24,000 union members to Washington, D.C., for Solidarity Day.

To strengthen its Greyhound Package Express entity, the company added a new field sales organization. Greyhound's Package Express door-to-door pickup and delivery service was expanded in 1981 to 280 cities.

Ad spending for Greyhound bus lines dropped appreciably to $3.1 million in 1981 from $6.4 million in 1980, according to LNA figures. Greyhound spends very little on its other transportation units: Carey Transportation, Red Top Sedan Service, American Sightseeing Tours, Brewster Transportation, California Parlor Car Tours Co. and Gray Line Cos. Motor Coach Industries.

During 1981, Greyhound's board of directors elected John W. Teets as chief executive officer and Frank Nageotte as chief operating officer. The new management team also includes 24-year Greyhound veteran Ralph Batastini as president and chief financial officer.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,318,800	$2,251,600
Magazines	5,442,000	3,104,100
Spot tv	2,333,500	9,458,400
Network tv	33,131,800	24,155,100
Spot radio	8,766,000	2,553,100
Network radio	107,800	2,311,300
Outdoor	102,400	—
Total measured	52,192,100	43,732,500
Unmeasured	23,400,500	19,844,900
Estimated total	75,592,100	63,577,400

GREYHOUND CORP.

MARKETING PERSONNEL

Dorothy A. Lorant, vp-pr & adv

GREYHOUND LINES

MARKETING PERSONNEL

Ralph Borland, mktg director
Leslie Ellis White, pr director
Linda Klein, asst pr director

ARMOUR FOOD CO.

MARKETING PERSONNEL

N.A. Rago, vp & genl mgr, frozen food and food service
T.J. Fleming, vp-sales and mktg, fresh meat and processed meat
K.M. Davidson, director, pr
F.X. Tobin, vp-natl accts
P.L. Gupton, natl sales mgr, fresh meat
C.R. Brooks, vp-natl sales mgr, food service
W.D. Wallen, director, sales and mktg, processed meats
W.H. Heitz, director mktg, frozen food and food service
D. W. Tamsen, director, mktg services
F.W. Brown, mgr, mktg rsch

ADVERTISING AGENCIES

Bozell & Jacobs, Dallas—T. Dorgan vp-acct super, fresh and processed meats; P. Rabstein, mgmt super, frozen foods, new prods and food service; Dick Nagy, acct super, Tim Dorgan, acct super, processed foods, new prods.

Cramer-Krasselt, Chicago—Pfaelzer frozen gourmet meats.

ARMOUR-DIAL CO.

MARKETING PERSONNEL

R.E. Garabedian, vp-mktg
K. M. Davidson, director, public relations
H. Goldberg, senior vp-group mktg director, foods
P. Lustig, group mktg director, nonfoods
G. Buckland, prod group mgr, nonfood, new prods
W.B. Martin, senior prod group mgr, foods
G.S. Fritcke, prod group mgr, toiletries
M.G. Norman, prod group mgr, foods
W.F. Robertson, prod group mgr, soaps
W.H. Windham, vp-sales
C.H. Ferry, vp-customer devel
A.R. DeBolt, vp-sales, special mkts
R. Lei, prod group mgr, food, new prods
M.R. Shook, prod group mgr, Tone
P.F. Heising, prod group mgr, household
N.C. Marsh, vp-natl field sales—west
J.R. Webb, vp-natl field sales—east
D. Scott, director, mkt rsch
R. Oliva, director of creative services

ADVERTISING AGENCIES

Needham, Harper & Steers, Chicago—Dial soap, new prods—Gene Yovetich, mgmt rep.

Foote, Cone & Belding/Honig, San Francisco—Tone soap, canned meats, La Sauce, new prods—Jerry Scott, mgmt super.

Ogilvy & Mather, Chicago—Dial antiperspirant, Appian Way pizza, new prods—Bob Carlton, mgmt super.

Conill Advertising, New York—Spanish mkt adv, Dial soap, Tone soap, Armour Star canned meats, Greyhound Lines—Alicia Conill, president.

Bozell & Jacobs, Dallas—Frozen foods, new prods and foodservice—Dick Nagy, acct super; processed foods, new prods, Tim Dorgan. Paul Rabstein, mgmt super.

Gulf & Western Industries

	1981	1980
Sales*	$7,409,000,000	$6,911,000,000
Earnings*	290,900,000	255,300,000
Advertising	106,140,900	104,728,785**

*Fiscal years ended July 31, 1980, and 1981.
**Restated.

Gulf & Western Industries, New York, the 52nd largest national advertiser, increased its total U.S. media advertising expenditures 1.3% to $106.1 million in 1981. Its biggest advertising spenders were Paramount Pictures, Kayser-Roth, Simmons and Simon & Schuster.

Gulf & Western's net sales and other revenues were up 7%, and net earnings increased 14% for the fiscal year ended July 31, 1981.

The relative contributions of the company's operating groups in terms of operating income in fiscal 1981 were: Consumer and Agricultural, 30%; Financial Services, 23%; Manufacturing, 17%; Leisure Time, 16%; Apparel and Home Furnishings, 15%; Automotive and Building Products, 6%, and Natural Resources, 7%.

The Leisure Time group, with revenues of $1.13 billion in fiscal 1981, includes Paramount Pictures Corp. and its subsidiaries; Simon & Schuster, publisher of hardcover and paperback books; Madison Square Garden, the sports and entertainment organization; Famous Players Ltd., which operates motion picture theaters in Canada and France, and Famous Music Corp., which creates and publishes copyrighted music.

Paramount remained the corporation's biggest advertiser with expenditures of $48.5 million in fiscal 1981, compared with $48 million in fiscal 1980.

One of Paramount's biggest successes of 1981 was "Raiders of the Lost Ark," produced by George Lucas and directed by Steven Spielberg.

The film became the fourth-largest grosser of all-time with box office receipts of more than $200 million.

Paramount was nominated for 35 Academy Awards for films released in 1981, including three best picture nominations for "Raiders," "Reds" and "Atlantic City."

The Warren Beatty film "Reds" was nominated for 12 Academy Awards—more than any film since 1966.

Paramount's summer/winter release schedule for 1982 in-

cludes "Star Trek II—The Wrath of Khan," "An Officer and a Gentleman" and "Airplane II—The Sequel." "Star Trek II" established a new industry opening weekend box office record of $14.3 million in its first three days of release.

Paramount Television will have nine series on the air during the 1982-83 season, more than any other company. New Paramount TV shows on NBC's fall schedule include "Family Ties," "Cheers" and "The Powers of Matthew Star." NBC also has picked up the company's "Taxi" series, which was formerly aired on ABC. In addition to the renewal of three of Paramount's recent hits, "Happy Days," "Laverne & Shirley" and "Joanie Loves Chachi," ABC has added two new Paramount TV sitcoms to its lineup: "Star of the Family" and "The New Odd Couple."

Paramount TV's "The Winds of War," based on Herman Wouk's best-seller, is currently in post-production. Scheduled for February, 1983, on ABC, this 16-hour miniseries is one of the most ambitious projects in tv history.

James Clavell's "Shogun," the 1981 Emmy award-winning 12-hour miniseries, recently was introduced to foreign markets by Paramount Television International Distribution. Paramount's international sales arm has 10 network shows for fall, 1982, the largest of any international distributor.

First-run programing returning in the 1982 season from Paramount TV's domestic distribution division includes "Solid Gold," the musical variety show that has been sold in more than 124 markets and is totally supported through advertiser sales, and "Entertainment Tonight," the half-hour entertainment news show that receives station license fees as well as advertiser support and airs in 188 markets. Premiering in September, 1982, is "Madame's Place," a half-hour comedy series that is partly advertiser-supported and stars Wayland Flowers' creation, Madame. For the first time in its history, Paramount is selling four advertiser-supported theatrical releases directly into syndication, bypassing the networks as part of its First-Run Network concept. "Friday the 13th, Parts I and II," "Lipstick" and "The Fan" will be available for independent stations to air during the four major ratings sweep periods between fall, 1982 and fall, 1983.

Network properties such as "Taxi" and "Mork & Mindy" continue to be sold into syndication, joining such other series as "Happy Days," "Laverne & Shirley," "The Odd Couple," "Mission: Impossible," "Star Trek" and "The Brady Bunch." Total unrecognized revenues from agreements to telecast Paramount TV programs and motion pictures were more than $400 million at the close of fiscal 1981, compared with $330 million a year before.

The original programing arm of Paramount Video has produced several live theater productions on tape for the Home Box Office pay network including "Barefoot in the Park," "Plaza Suite" and "The Rainmaker." Also, Silhouette Books, a division of Simon & Schuster, has contracted with Paramount Video which will produce two-hour movies based on the popular Silhouette romance novels. Called "Silhouette Romance Theater," the first movie is expected to be in production within six months. Distribution of the "Silhouette Romance Theater" will be channeled through pay tv, regular cable, motion picture theaters and commercial tv on a worldwide basis.

Major licensing deals for pay tv include "Mommie Dearest," "Paternity," "Atlantic City," "First Monday in October," "Gallipoli" and "Dragonslayer." The Home Video section of Paramount Video leads the industry with its line of top-selling videocassettes.

In fiscal 1982, Sega Enterprises and the Miss Universe operations were transferred from other G&W operating groups to Paramount Pictures Corp. in the Leisure Time group. Sega, a 90%-owned subsidiary that designs, manufactures and distributes commercial electronic amusement games and operates amusement game centers in Japan and the U.S., had domestic advertising expenditures of $100,390 in fiscal 1981, compared with $121,180 in 1980. Advertising for the Miss USA and the Miss Universe Pageants (which attracted an estimated worldwide television audience of 700 million in 1981) is done by CBS, the network that airs both pageants.

Advertising expenditures for Famous Players Ltd. were $456,187 in fiscal 1981, compared with $37,775 in fiscal 1980.

Simon & Schuster spent $6.9 million in advertising during fiscal 1981, compared with $6.3 million in 1980.

Hardcover best-sellers in 1981 included "The Last Days of America" by Paul Erdman; "Goodbye, Janette" by Harold Robbins; "Elizabeth Taylor: The Last Star" by Kitty Kelly; "Mornings on Horseback" by David McCullough, which was an American Book Award winner in the Biography category; "Jane Fonda's Workout Book," and "Maria Callas" by Arianna Stassinopoulos. Major books being heavily advertised in 1982 include John Ehrlichman's "Witness To Power"; "Dutch Shea, Jr." by John Gregory Dunne; "The Prodigal Daughter" by Jeffrey Archer; "Lace" by Shirley Conran; Andrew Tobias' "The Invisible Bankers"; "Strategic Investing" by Douglas Casey; "Someone Else's Money" by Michael Thomas; "Schindler's List" by Thomas Keneally; Harold Robbins' "Spellbinder"; "A Cry in The Night" by Mary Higings Clark; "Monsignor Quixote" by Graham Greene; "Having It All" by Helen Gurley Brown, and Barbara Woodhouse's "No Bad Dogs." Pocket Books had a record year in sales and income, reflecting successful promotion of such best-selling titles as "If There Be Thorns" by V.C. Andrews, "Memories of Another Day" by Harold Robbins and "The Calder Series." In 1982, Pocket Books is presenting Paul Erdman's "The Last Days of America" and "The Hotel New Hampshire" by John Irving, as well as the new printing of John Irving's "The World According to Garp" to tie in with the release of the film this summer, and has also experienced great success with its new title, "Real Men Don't Eat Quiche" by Bruce Feirstein.

Silhouette Books has made a successful debut in the rapidly expanding romance novel market. The results have led to the introduction of three extensions to the Silhouette Romances line in fiscal 1982: A "First Love From Silhouette" series for teen agers (aged 10 to 15); a "Silhouette Special Edition" series of longer novels for women (aged 25 to 49), and "Silhouette Desire" series for single women (aged 18 to 34). A major tv and print campaign has been launched with five distinct themes for these new lines.

Madison Square Garden Corp., which spent $3.1 million in ad dollars in fiscal 1981, compared with $3.7 million in fiscal 1980, owns and operates the Madison Garden Center, the New York Rangers of the National Hockey League, the New York Knickerbockers of the National Basketball Assn., Marketing Concepts, Madison Square Garden Network, Hughes Television Network and Roosevelt Raceway in New York and Arlington Park racetrack in the Chicago area. The company also has an 80% participation in International Holiday on Ice. Madison Square Garden is aggressively expanding its role as a supplier of sports and entertainment programing for both over-the-air and cable television. In fiscal 1982, the Madison Square Garden Network will supply a 125-event package that is expected to be seen by more than one million basic cable subscribers in the New York metropolitan area and nearly 10 million viewers nationally.

The apparel and home furnishings group had net sales of $1.5 billion in fiscal 1981. The group is composed of Kayser-Roth, a diversified marketer and distributor of apparel, hosiery and textiles; Simmons Co., a worldwide leader in bedding products, and Simmons Universal, which produces a variety of home and institutional furnishings, healthcare equipment and burial caskets. In fiscal 1982, this group was expanded to include Consolidated Cigar Co. and has been renamed the consumer products group.

Kayser-Roth spent $22 million in advertising dollars for fiscal 1981, versus $21.2 million in 1980.

Some of its well known brand names include Catalina bathing suits and sportswear and its new Kurt Thomas Collection of men's warmup suits, Cole of California and Cole Jrs., Beach 'n Beyond, Sandcastle, Going Places, Excello, Her Majesty Industries children's wear, Oscar de la Renta menswear, Liz Claiborne, Cheryl Tiegs sportswear, Cresco, Century Sportswear, Champion, John Weitz, Stetson western shirts and outerwear, Mr. California, John Newcombe tennis wear and Kayser intimate apparel.

The hosiery division produces women's pantyhose and stockings under such brands as No Nonsense, Mojud, Supp-Hose and Jordache, which are distributed through supermarkets, drugstores, mass-merchandisers and department and specialty stores. The men's brands include Sock Sense, Interwoven, Jiffies men's socks, St. Moritz men's underwear, Supp-Hose and Fruit of the Loom. In fiscal 1982, Kayser-Roth acquired Burlington Hosiery and Socks, adding to its branded line names the Burlington, Leg Looks and Cameo labels in the ladies hosiery division and Levi and Adler in men's socks.

Kensington, the newly formed health and beautycare division of Kayser-Roth Hosiery, plans a major entry in September, 1982, into the fragrance market with Cameron for men and Pascalle for women. Both fragrances will be sold in drugstores, food stores and through mass-merchandiser outlets, somewhat similar to the successful distribution pattern established by No Nonsense.

During fiscal 1981, the bedding operations of Simmons U.S.A. and Simmons International were combined into a single unit, Simmons Co.

Simmons recently introduced the Beautyrest Gemini, which has been test marketed in Minneapolis, Atlanta and Seattle. The company claims this product represents a breakthrough in mattress construction because it is designed to enable two people with different sleeping requirements to sleep comfortably on the same bed. The Gemini mattress has two separate "Comfort Cores"—either conventional, hybrid water bed or inflatable cores. This mattress will be introduced nationally in fiscal 1983.

Bedding products are marketed under such brands as Beautyrest, Deep Sleep, Slumberking, Feelings, Beautyfoam, Hide-A-Bed sofas, Quietude, Maxipedic, Golden Value Simcopedic, and the flotation sleep system, a hybrid waterbed.

Simmons Universal is divided into three divisions: Decorative fabrics, wallcoverings and accessories; furniture, and caskets. Two companies in Simmons Universal's furniture division introduced new product lines in fiscal 1981: The Gulf & Western Healthcare Group continued to add to its broad line of products for the hospital, extended care and nursing home marketplaces, and Thonet Industries, a leading marketer of institutional furniture, introduced two new complete lines of swivel seating targeted for the office furniture market.

The decorative fabrics, wallcoverings and accessories division is divided into three product lines: Fabrics, which includes Greeff, Bloomcraft and Century curtain; wallcoverings, which includes Albert Van Luit and Katzenbach & Warren, Old Stonemill and Ronkonkama, and accessories, which includes Raymor/Moreddi and Artisan House.

Upholstered furniture is marketed under the Selig brand. Institutional furniture is produced by Thonet Industries and Gulf & Western Healthcare. Infant and youth furniture is manufactured by Simmons Juvenile Products Co. under the Little Folks brand name.

Burial caskets are marketed wholesale to jobbers and distributors under the Elgin/York brand. Direct sales to funeral directors are made through Simmons.

The consumer and agriculture products group (recently renamed the food products group) had net sales of $669.1 in fiscal 1981. Although there was a reorganization of this group in fiscal 1982, last year it consisted of primarily two operations, Consolidated Cigar and agricultural products.

Consolidated Cigar retained its first-place position in the U.S. cigar market with a 30% share of dollar volume. The leading domestic brands include Dutch Masters, El Producto, Muriel, Backwoods and Ben Franklin. Allied Products include Mixture No. 79, Sutliff Private Stock and Old Grand Dad pipe tobaccos; Rogers pouches, and Nimrod lighters. G&W is in the process of selling Con Cigar to MacAndrews & Forbes Group for $105 million.

Backwoods Smokes completed its national rollout in September, 1981, and has forged ahead to become the largest dollar volume small cigar in the industry.

Agricultural products spent $938,720 for advertising in 1981 and $833,771 the previous year. Included in the 1980 totals is $2 million spent by Schrafft's, which was divested during fiscal 1981.

The financial services group, with revenues of $1.71 billion in fiscal 1981, is primarily composed of Associates Corp. of North America, which provides a broad range of consumer lending, commercial financing and insurance services, and Providence Capitol International Insurance Ltd., which underwrites a full line of insurance products and develops and manages real estate properties.

The automotive and building products group had net sales of $560.4 million in fiscal 1981. The major advertiser in this group is American Parts System (APS), a leading distributor of automotive replacement parts.

The total spent by this group was $1.3 million in ad dollars for 1981, compared with $962,419 in 1980.

Gulf & Western's other operating groups, manufacturing and natural resources, had advertising expenditures of $1.96 million and $34,616, respectively, in fiscal 1981. In 1980 the manufacturing group spent $1.7 million for advertising.

Gulf & Western's fiscal 1981 corporate advertising expenditures were approximately $296,319, compared with $620,000 in 1980.

ADVERTISING EXPENDITURES

	1980	1981
Newspapers	$6,027,600	$3,229,400
Magazines	4,660,100	5,071,000
Spot tv	23,160,400	12,464,800
Network tv	27,694,500	23,881,400
Spot radio	837,400	1,456,500

Network radio	448,100	451,100
Outdoor	253,400	177,900
Total measured	81,450,500	46,114,100
Unmeasured	47,030,400	58,611,685
Estimated total	100,140,900	104,725,785

GULF & WESTERN INDUSTRIES

CORPORATE PERSONNEL

William A. Blodgett, vp-corporate communications
Jerry Sherman, asst vp-pr director
Paul F. Pickard, mgr-communications planning

PARAMOUNT PICTURES CORP.

CORPORATE PERSONNEL

Jon J. Gould, vp-corporate communications

MARKETING PERSONNEL

Motion Picture Division

Frank Mancuso, president-Paramount distribution
Martin Kutner, senior vp-domestic distribution
Gordon Weaver, senior vp-worldwide mktg
Thomas Campanella, vp-natl adv
Sergio Campagnola, vp-asst sales mgr
Shelly Hochron, vp-adv/creative services
Kathy Jones, vp-publicity & promo
Barry London, vp-genl sales mgr
Alfred LoPresti, vp-worldwide tech facilities
Dianne Mardell, vp-merch and licensing
Brenda Mutchnick, vp-West Coast adv
Susan Pile, vp-West Coast publicity
Steve Rapaport, vp-sales operations
Steve Rose, vp-sales operations
Buffy Shutt, vp-asst to president-Paramount distribution.

Paramount Distribution

David Van Houten, vp-intl mktg

Television Production Division

Richard Winters, exec director-publicity/adv

Television & Video Distribution Division

Rick Weidner, vp-adv & promo services, home video division
Hollace Brown, vp-adv & sales promo

ADVERTISING AGENCY

Diener/Hauser/Bates, New York.

SIMON & SCHUSTER INC.

MARKETING PERSONNEL

Trade Book Division (hard cover)

Strome Lamon, vp & corp adv director
Sam Meyerson, vp-mail order sales
Elaine Marion, director-mktg services

Pocket Books (paperback)

Peter Minichiello, vp-adv director

Silhouette Books

Al Lieberman, senior vp & mktg director
Mona Altman, director-mktg communications
Bud Egberg, senior vp-sales
Fred Milman, senior vp-Simon & Schuster Enterprises

ADVERTISING AGENCIES

Schwab/Beatty, New York.
Geer, DuBois, New York.
Franklin Spier Inc., New York.
Ogilvy & Mather Merchandising.
Ogilvy & Mather Direct Response.

MADISON SQUARE GARDEN CORP.

CORPORATE PERSONNEL

James Trecker, director-corp communications, Madison Square Garden Center
Robert J. Cole, director-adv

ADVERTISING AGENCIES

MSG Advertising (inhouse).
Sports Advertising (inhouse).
Harrison Higgins, New York.
Ash/Le Donne, New York.

KAYSER-ROTH

CORPORATE PERSONNEL

Maurice Forman, director-mktg devel, Catalina
Patricia L. Shaeff, division adv mgr

MARKETING PERSONNEL

Cole of California

Sheri Mobley, division adv mgr

Crown Textile

Richard Sheer, president

Kayser-Roth Men's Apparel Group

Marvin L. Kahn, president

Oscar de la Renta Menwear

Joe Gordon, president

Champion

Edwin J. Berkowitz, president

Mr. California

Arthur Folgeman, president
Frank Izo, vp-natl sales mgr

Excello

Joe Losgar, president

Her Majesty Industries

June H. Cheek, president

Kayser-Roth Hosiery Group

Jack R. Hobert, president
K-R Socks, branded prods div
J.B. Adams Jr., president
Jay Barnes, mktg group prod mgr-Interwoven division
Ed Curry, brand mgr-Jiffies division

Kensington

Richard J. Gyde, president

Ladies Hosiery

Richard M. Brigden, president
Sam McCormick, mktg director

No Nonsense Fashions

John E. O'Brien, president
Richard F. Carter, vp-mktg
Robert C. Mecklenburger-group brand mgr
Justo L. Nunez, group brand mgr
Frank M. McIntire, group brand mgr

K-R Intimate Apparel

Elaine Tirella Salerno, division adv mgr

K-R Gloves & Accessories

Nina McLemore, president

Rolane Corp.

Cecil Sherman, president
Art Williams, adv director

ADVERTISING AGENCIES

Keye/Donna/Pearlstein, Beverly Hills, Cal.—ladies' division, Kayser-Roth.

Taylor & Co., Beverly Hills, Cal.—men's division, Kayser-Roth.

Michelson Advertising, Los Angeles—Cole of California.

Altman, Stroller, Weiss, New York—Crown Textile.

Anesh, Viseltear, Gumbinner, New York—Kayser-Roth Men's Apparel Group, Oscar de la Renta Menswear, Champion, Excello.

Leslie Advertising, Greenville, S.C.—Her Majesty Industries

Grey Advertising, New York—Kayser-Roth Hosiery Group, Ladies Hosiery, No Nonsense Fashions.

Hannibal Figliola, New York—Kensington.

Cunningham & Walsh, New York—No Nonsense Fashions.

Mintser, Trossler & Rothschild, New York—K-R Intimate Apparel.

Park Place Group, New York—K-R Gloves & Accessories.

Trone, Donohoe & Johnson, Greensboro, N.C.—Rolane Corp.

SIMMONS CO.

(includes Simmons Casket Co. Gulf & Western Healthcare, Thonet Industries, Simmons Juvenile Products Co. Albert Van Luit & Co. and Artisan House)

MARKETING PERSONNEL

Robert Magnusson, president
Richard Smith, vp-mktg
Larry Alm, director-adv & pr

Simmons Universal

Frank Rosenberry, president

ADVERTISING AGENCIES

McDonald & Little, Atlanta—Simmons.

Springtime Advertising (inhouse)—Simmons.

Goodchild & Edison, Providence, R.I.—Simmons Casket Co.

Marjorie Katz Design, New York—Gulf & Western Healthcare, Thonet Industries.

Butz & Campbell, Chicago—Simmons Juvenile Products Co.

Scott, Lancaster, Mills & Atha, Los Angeles—Albert Van Luit & Co.

Nadler & Larimer, New York—Artisan House.

CONSOLIDATED CIGAR CORP.

MARKETING PERSONNEL

James P. Brown, senior vp-mktg
Philip E. Penberthy, vp-mktg
Henry E. Bass, vp-sales/sales devel
Joseph G. DeVico, pr director
Andrew Edmond, mktg rsch director
Don Young, group prod mgr
Larry Hausner, brand mgr
Eric Workman, brand mgr

ADVERTISING AGENCY

Nadler & Larimer, New York.

GULF & WESTERN MFG CO.

MARKETING PERSONNEL

Thomas H. Smith, director-adv/pr
William E. Green, director-mktg

ADVERTISING AGENCIES

Josephson, Cuffari & Co., Montclair, N.J.

Jaqua Advertising, Grand Rapids, Mich.

Creamer Inc., Providence, R.I.

R.I. Reigner & Associates, Southfield, Mich.

Keller Crescent, Evansville, Ind.

Miller Advertising, Jenkintown, Pa.

Creswell, Munsell, Fultz & Zirbell, Cedar Rapids, Ia.

McCarron, Kane, Burbank, Cal.

Huntington Graphics, Abington, Pa.

Horton, Church & Goff, Providence, R.I.

Goodchild & Edison, Providence, R.I.

Greenstone & Rabasca Advertising, Melville, N.Y.

Bonner McLane Advertising, Austin, Tex.

AMERICAN PARTS SYSTEM (APS)

MARKETING PERSONNEL

Fred J. Pisciotta, president
Montie C. Loney, vp-admin
Robert E. Casper, director-adv & pr

GULF & WESTERN NATURAL RESOURCES GROUP

MARKETING PERSONNEL

Gordon R. Smith, vp-corp communications
Ryland L. Hoskins, director-corp communications

ADVERTISING AGENCY

Holder, Kennedy & Co., Nashville and New York.

ASSOCIATES CORP. OF NORTH AMERICA

MARKETING PERSONNEL

Gary I. Kastel, senior vp-corp communications

ADVERTISING AGENCY

Point Communications, Dallas.

ASSOCIATES FINANCIAL SERVICES CO.

MARKETING PERSONNEL

Karman Wallace, senior vp-mktg services
Dan Vandergrift, senior vp-operations

ADVERTISING AGENCY

Bozell & Jacobs, Dallas.

ASSOCIATES COMMERCIAL CORP.

MARKETING PERSONNEL

D. F. Edwards, vp-transportation mktg
J. M. Ganster, vp-equipment mktg
D. F. Herrick, senior vp-business loan mktg
R. J. Maggiore, vp-communications mktg
Clifton Noble, vp-corp mktg services

ADVERTISING AGENCY

Stern Walters/Earle Ludgin, Chicago.

ASSOCIATES DIVERSIFIED SERVICES

MARKETING PERSONNEL

J. B. Riler, senior vp-mktg.

ADVERTISING AGENCY

Bozell & Jacobs, Dallas.

AFC SECURITIES

MARKETING PERSONNEL

T. L. Potts, senior vp

ADVERTISING AGENCY

Tracy-Locke/BBDO, Dallas.

H.J. Heinz Co.

	1981	1980
Sales*	$3,688,500,000	$3,568,889,000
Earnings	192,802,000	160,827,000
Advertising**	160,175,000	125,291,000†

*Fiscal year ends April 28
**Company estimate for calendar years
†Restated

H.J. Heinz, the nation's 36th largest national advertiser, spent an estimated $160.2 million on domestic advertising in 1981, a 28% increase over 1980 expenditures of $125.3, a figure $23.5 million higher than 1979 spending.

Fiscal 1981 saw Heinz increase its sales and earnings for the 19th consecutive year. Consolidated sales rose 3.4% to $3.688 billion and net income increased 19.9% to $192.8 million.

Heinz markets more than 1,200 products worldwide, including such widely recognized brands as 9-Lives cat food, Star-Kist tuna, Ore-Ida frozen foods, Heinz tomato products and Weight Watchers products and services.

In recent years the company has significantly increased advertising and promotional support for its branded products.

According to company figures for fiscal year ending April, 1982, the company spent $240 million for product promotions—including $148 million in media advertising—in its domestic and overseas operations, compared with only $28 million spent 10 years ago. Plans call for $280 million in marketing expenditures for the next fiscal year.

The increased ad support arises from the basic business strategy the company has embraced in recent years. Said Heinz chief executive officer Anthony J.F. O'Reilly, "We are utterly dedicated to the pursuit of our ultimate goal to be the low-cost producer in all the major markets we are in," and Heinz is generally recognized as having achieved that status in its potato, tuna and tomato-based operations. The strategy calls for paring inventories, phasing out unprofitable lines, and closing plants that cannot be modernized. Since 1977, for example, the company has shut down 15 factories or consolidated their operations into other facilities.

Heinz executives see the possession of the leading market share as a key to becoming the low-cost producer in a category, and many strategic decisions turn on the company's evaluation of a product's potential for achieving a strong or leading market share. Such considerations have prompted Heinz to concentrate the brand's marketing efforts in the Northeast—where it has its largest market share—and a few Midwest markets such as Chicago and Des Moines, instead of bringing it national. Measured media advertising support for La Pizzeria frozen pizzas dropped from $4.9 million in 1978 to $473,000 in 1981 as the company refocused marketing efforts toward the trade rather than consumers. However, the company has been patient with the shaky performance of Mrs. Goodcookie ready-to-bake frozen cookies, which was rolled out in 1978. The company explains that "the entire sweet goods category is still having problems" associated with the economy, but claims sales of Mrs. Goodcookie have stabilized, and that it "is definitely not a dead brand." Measured media support, which had reached a high of $1.7 million in 1979, was virtually eliminated by 1981 as the company substituted tv support with (unmeasured) newspaper advertising.

More recently, Heinz officials have voiced disappointment with the company's pickle operations that trail far behind the market leader, Vlasic. The company has pulled back advertising support for its pickle products, whose measured media support had reached a high at $750,000 in the mid-1970s and now has been virtually eliminated. Heinz has consolidated its pickle production and is currently studying new marketing approaches with an eye to enhancing the profitability of its pickle operations.

Similar reevaluations may be under way at Heinz' baby food operations which have seen measured media support shrink to $215,000 in 1981 from a high of $332,000 in 1979. The baby food brand's 15% share puts it in a neck-and-neck battle with Beech-Nut for the No. 2 spot in the market, far behind Gerber's intimidating 70% share.

At the same time that Heinz' strategy calls for trimming unpromising businesses, it also emphasizes the need for providing strong marketing support for its successful brands, with company officials arguing that "heavy spending against the consumer is as vital for established brands as it is for new entries" and that "brand reinforcement [of strong brands] should have top priority for [food] manufacturers in the 1980s."

The domestic ketchup operations—Heinz' most heavily advertised line—clearly illustrate the application of this philosophy. Excluding newspaper advertising, measured media support for Heinz tomato ketchup soared to $11 million in 1981, up sharply from the $6.6 million in 1980. The record high advertising expenditures paid off by helping the brand increase its domination of the market, pushing its share to a record 47% (up from 44% in 1980).

Major consumer promotions, including a Free Hamburger Giveaway IV, a Free Chicken Offer and several premium offers provided additional support for the brand, which company officials say outsells each of its national competitors by nearly 4 to 1. Industry sources also point out that Heinz now controls a staggering 84% of the food service market.

On the retail side, the introduction of a 44-oz bottle in 1980 also has contributed to the brand's growth. The large size captured 10% of the national market in the first year after introduction and now accounts for 25% of the company's share of total grocery market sales. Lite ketchup, which went into test markets in 1980 and which is advertised as having only half the calories of regular ketchup, is reportedly continuing to do well where it is distributed. Company officials report that Heinz chili sauce is the category's No. 1 brand with a 50% share of the national market, despite negligible measured media support.

The $3.3 million spent on Heinz 57 steak sauce in calendar year 1981 represented a decline from 1980's record $4.1 million, but still was easily the brand's second-highest, single-year ad investment. Ads included a "Brush Up" campaign featuring a versatile glaze recipe for chicken, ham and ribs. Couponing also was increased, possibly in response to increased competition as Lea & Perrins steak sauce moved into national distribution last winter. Heinz' 30% share makes it the No. 2 brand in the category, which is dominated by Heublein's A.1. sauce, which controls 60% of the market.

The Heinz Homestyle gravy line, which ranks as No. 2 in the ready-to-serve gravy category, has launched a cream gravy into the southeastern and central U.S. and increased its measured media spending last year to $2.3 million, up from $1.8 million. The company also rolled national with its seafood cocktail sauce and tested an extended-use print campaign for its vinegar products, positioning them as the answer for removing mineral deposits in automatic drip coffeemakers, tea kettles and steam irons.

The Weight Watcher operations continue to gear up for major growth, with measured media support increasing substantially to $6.9 million in 1981, compared with $5.2 million in 1980. Particularly notable was

the increase in support for Weight Watchers' classes, which rose to $3.3 million in 1981, compared with $2.3 million in 1980.

The efforts to attract members will use the organization's 20th anniversary as a theme, and Weight Watchers will launch its first prime time network tv promotion this fall. The organization also launched a mailing last summer to reach 4.5 million former members about a new diet plan that allows such food as popcorn, peanut butter, honey, wine and beer, and a 2.5-million-piece co-op mailing to former members is planned for March, 1983.

Research showing that 60% of those who currently buy the products are people who go through the class system undoubtedly helped spur the efforts to increase class membership, which currently includes about 2.5 million active classroom attendees, said Mr. O'Reilly in a recent address to Securities Analysts of San Francisco.

The company reports that Weight Watchers frozen entrees enjoyed strong growth behind the reformulations and reintroductions of 19 frozen meals. The reintroduction was supported with a $7.1 million media budget for fiscal 1982 that emphasized regional and network tv as well as an extended national print campaign. In addition, defensive spending against a competitive Stouffer's introduction has contributed to increased consumer interest in low-calorie frozen food entrees. Plans call for continuation of strong tv and print support, and attention is also being focused on test market introduction of Weight Watcher desserts.

Weight Watchers Treat bars (chocolate, chocolate mint and orange-vanilla), thin-sliced white and wheat breads and yogurt have expanded out of test markets and are being rolled national. Weight Watchers new products currently in test include ice cream sandwiches, a six-item line of frozen dessert cakes and a seven-variety line of pourable salad dressings.

Recent tuna industry problems caused by an oversupply of tuna and by consumer shifts to cheap protein alternatives like cheese and chicken may turn out to be a blessing in disguise for Heinz' Star-Kist operations. Though Star-Kist profits were pinched by heavy price discounting by private label and generic tuna processors, Star-Kist is weathering the difficulties much better than are its two major competitors, with both Ralston Purina's Chicken of the Sea and Castle & Cooke reportedly running in the red this year.

A large part of the reason that Star-Kist has been more insulated from the depressed industry conditions than are other processors is its capacity for using tuna by-products in pet food. In particular, the company's 9-Lives brand controls 34% of the specialty canned cat food market, whereas Ralston Purina has only an 8% share and Castle & Cooke does not produce pet food.

And Star-Kist has made moves to take advantage of its current upper hand, including sharp increases in advertising that raised measured media spending to $7 million in 1981, compared with $5 million in 1980. This included continuation of the brand's "spring water/half the calories" campaign to support the water-packed tuna products that now account for 52% of total tuna sales, up from only 28% in 1979. Star-Kist also introduced single-serving pull-top cans last summer.

The increased ad efforts have helped strengthen Star-Kist's market share of the 27.4 million-case tuna market to almost 31%, up from 1980's 29%, despite the increased competition from private label and generic processors, which have increased their total market share to 25% from 17% last year. In contrast, major competitor Chicken of the Sea cut its measured media ad support to $2.8 million in 1981, from $4.5 million in 1980, and saw its market share plunge to 21% from last year's 29%.

Heinz' interest in marketing pilchard, a sardine-family tuna substitute which some industry observers had believed could capture as much as 5% of the $1.3 billion U.S. tuna business by 1984, seems to have waned as a result of the oversupply of tuna.

The cat food business has been the healthiest part of the Star-Kist group, led by canned cat food sales that rose 9% and increased their market share to a dominating 33% of this segment. This growth was spurred by an increase in measured ad support to $4.8 million in 1981, compared with $4.3 million in 1980. Three new sliced meat flavors were introduced last year, and a new premium-price, ultra-gourmet canned cat food, Amore, also was placed in four test markets last winter using an ad theme that it is "more than a cat food—it's love!" Heinz reportedly is ready to roll out Amore this fall.

On the negative side, industry sources say market shares for semimoist and dry cat foods both fell half a point to 8% and 14% shares of their segments, respectively. Measured ad support rose to $1.8 million from $1.4 million. In an effort to capitalize on the growth of larger sizes within the semimoist segment, 9-Lives Soft Moist is expanding a new large 18-oz. size into 50% of the U.S. Ads will continue to stress the product's palatability and convenience using the Muppet-type character "Walter Le Cat" as its spokescat. The 9-Lives dry cat food line introduced a new and improved product that is "basted with real meat juices."

The various 9-Lives dry, semimoist and canned cat food products combine to repesent 18% of all commercially prepared cat food sales, reflecting the fact that dry products represent the bulk of the industry.

Star-Kist's dog snacks entries —Jerky Treats and Meaty Bone dog biscuits—both have seen strong volume growth in the last year. Sales of Meaty Bone, which became available in about half of the U.S. this summer, rose 100%, and the brand's measured media spending in 1981 rose to $967,400, more than three times the $293,100 spent in 1980. Unit volume of Jerky Treats, now nationally distributed, climbed 14%. No ad budgets were available. When combined, the two products accounted for 16% of all dog snack dollar sales in 1981.

Meaty Meal, a meat-coated dry dog food, was moved into upper Midwest test markets in June, 1981, and was supported by $298,900 in measured media in 1981. There has been speculation that Heinz is interested in acquiring another pet food manufacturer and is using Meaty Meal to test opportunities in the dog food market.

Heinz' Ore-Ida brands, which account for 55% of the category's dollar volume, enjoyed sharp increases in measured media support, reaching $9 million in 1981, compared with $7.3 million in 1980. Last year's ad efforts included a new tv campaign aired last fall that featured several celebrity spokesmen, including: Rich Little for Tater Tots; Muhammed Ali for hash browns, and an animated Superman for fries.

The company also expanded its efforts directed at the Hispanic market following the success enjoyed by such programs in test markets. The effort used daytime and nighttime slots in 16 major Hispanic markets around the country. Ore-Ida consumer promotion coupon and refund offers also have been increased significantly, featuring tie-ins with other food companies.

Ore-Ida new products activity included: National expansion of Home-Style potatoes with skins left on, a product designed to tie into the rising consumer interest in natural and wholesome foods; the expansion of Crispy Crowns —a two-item line of formed potatoes in plain and onion flavors —into new markets and toward national distribution, and the beginning of tests of Golden Patties, a new oven-prepared hash brown. An essential part of Ore-Ida's future growth is expected to come as a result of convincing large numbers of housewives to use Ore-Ida's ready-prepared products rather than preparing their own potato dishes from scratch. Company officials indicate that new product introductions and expansions are anticipated to continue, and there has been speculation that products yet to be unveiled may go beyond just potato items to include such things as potato-based casserole dishes.

Heinz also has high hopes for its Gagliardi Bros. operations. Advertising and promotion spending has increased sharply behind the recently completed national rollout of Gagliardi's Steak-umm frozen steak sandwiches, with measured media spending in 1981 totaling $4 million, compared with $1.2 millon in 1980. Sold in 32, 24 and 14-oz. packages, Steak-umm enjoys a 60% share of the market in its New York stronghold. Ads for the products use a "Got a Minute" theme, stressing not only taste and quality, but also the convenince of a product that cooks in 60 seconds.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,964,100	$3,569,700
Magazines	4,830,300	4,931,500
Spot tv	17,083,300	15,491,500
Network tv	33,331,300	24,740,100
Spot radio	100,000	256,300
Network radio	83,500	—
Outdoor	7,100	6,700
Total measured	58,407,400	47,995,700
Unmeasured	101,767,600	77,295,300†
Estimated total	160,175,000	125,291,000*

*Restated

HEINZ U.S.A.

MARKETING PERSONNEL

Consumer Products Division

J. Crawshaw, genl mgr, condiment and sauces mktg
W. Johnson, genl mgr, new business mktg
J.P. Berger, group prod mgr, food service mktg
S.W. Scott, group prod mgr
K.A. Connor, category mgr, Weight Watchers
J.A. Gordon, senior mgr, adv, promo and design

Package Goods Division

C.L. Roberts, vp
A.D. Witteman, genl business mgr, soup, beans, baby food
W.H. Van Duzer, genl business mgr, pickles, vinegar, sauces

Sales Division

W.V. Costello, vp
Jon Peterson, genl mgr, grocery sales
T.R Jonell, genl mgr, food service sales

ADVERTISING AGENCIES

Food Group, New York—foodservice prods—Don Axelrod, president.

Doyle Dane Bernbach, New York—Weight Watchers—Bob Freeman, vp-mgmt super.

Leo Burnett USA, Chicago—ketchup, pickles, relishes, gravy, baby food—Tom Ross, vp-acct director.

Ketchum Advertising, Pittsburgh—57 Sauce, barbecue sauce, vinegar, Alba, corp and U.S. pr—Bill Stein, vp-mgmt super.

STAR-KIST FOODS

MARKETING PERSONNEL

R.L. Scharer, vp-mktg
W.H. Gassett, genl mgr
J.D. Kerr, mgr, adv/sales promo
A.A. Ayotte, natl sales mgr
H.H. Seigler, group prod mgr, seafood
R.L. Wilkerson, group prod mgr, pet food

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Chuck Mills, mgmt director.

Norton Co., Los Angeles—foodservice —Tim Norton, president, acct exec.

ORE-IDA FOODS

MARKETING PERSONNEL

Dietmar Kluth, vp-sales mktg
Wayne Durfey, genl mgr, food service
Geoffrey V. Supko, genl mgr, retail mktg
M. Vince Shaar, genl mgr, retail sales
Martin V. Thomas, genl mgr, sales & mktg services
Stanford P. Darger, genl mgr, mktg-Foodways National
John W. Bauer, genl mgr, retail mktg, Gagliardi Bros.

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—Grant Roberts, senior vp-mgmt super; Jerry Brady, senior vp-mgmt super.

Foote, Cone & Belding/Honig, San Francisco—Henry Whitfield, acct super.

Norton Co., Los Angeles—foodservice —Tim Norton, president, acct exec.

WEIGHT WATCHERS INTERNATIONAL

MARKETING PERSONNEL

Kent Q. Kreh, vp-mktg business devel
Robert F. Laub, vp-franchisee and classroom mktg

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—Irwin Satin, mgmt super.

Graber & Cohen, New York—Julian Cohen, mgmt super.

Hershey Foods Corp.

	1981	1980
Sales	$1,451,000,000	$1,335,280,000
Earnings	80,362,000	61,955,000
Advertising*	56,516,000	41,300,000

*AA estimate

Hershey Foods Corp., Hershey, Pa., the nation's 86th largest national advertiser, increased its advertising 37% to $56.5 million in 1981, a far cry from its parsimonious media advertising spending habits which underwent a transformation at the turn of the 1970s.

Hershey's was a celebrated advertising holdout for its first seven decades. That changed when its first-ever national ad campaign was launched in 1970. It has increased ad spending at a faster clip than a handful of the other major advertisers. From 1975 to 1980, for example, Hershey ad spending increased at a compounded rate of 34% a year. The 36.8% increase for 1981 speeds the pace, and the more than $15 million it represents is the company's biggest-ever dollar increase in annual ad spending.

Paralleling the ad spending increases have been very solid sales and earning advances. Last year was no exception. Consolidated sales in 1981 were $1.45 billion, up 9% from 1980. Earnings rose 30% to $80.4 million from $62.1 million. Hershey Foods' first-half 1982 sales were a record $704.8 million, up 3.7% from $679.6 in the first six months of 1981. Net income was $42.7 million in the first half, a 20% increase over the same 1981 period. Operating earnings rose 13% in 1982's first six months to $77.2 million from $68.2 million in 1981's first half.

Chocolate is Hershey's most famous line of business, but it's not the only one. In addition to the Hershey Chocolate Co. division, the nation's leading domestic producer of chocolate and cocoa, it operates the Friendly Ice Cream Corp. restaurant chain; the San Giorgio-Skinner Co., a major pasta products producer, and Cory Foods Services, one of the largest purveyors of coffee services in the U.S. and Canada.

Hershey is also expanding internationally. The growing importance of the Canadian market, for example, was recognized last year by the reorganization and transferral of all chocolate and confectionery operations in Canada to the Hershey Canada subsidiary. All non-Canadian activities, meanwhile, were regrouped under a new subsidiary called Hershey International. Ltd. Those activities include operations in Mexico, Brazil and the Philippines, and export activities in Japan.

A major capital improvement project of Hershey's is construction of its new 450,000-sq.-ft. confectionery plant in Stuarts Draft, Va., scheduled to be operational later this year. Hershey executives say the plant, whose total building and equipment costs may approach the $120 million mark, will enable the company to better exploit new product introductions and meet increasing production demands of existing products.

Hershey Chocolate Co., which accounts for approximately 70% of the company's consolidated sales, achieved a sales milestone in 1981. It topped the $1 billion mark in sales for the first time and ended the year at $1.1 billion. The company's principal product groups are bar goods, bagged items, baked ingredients, chocolate drink mixes and dessert toppings. They are marketed under more than 30 brand names and sold in over a million retail outlets.

Six of Hershey's traditional products—Hershey's Milk

Chocolate and Almond bars, Hershey's Kisses, Hershey's syrup, Hershey's chocolate baking chips and Reese's peanut butter cups—account for approximately half of Hershey Chocolate Co. sales.

The traditional Hershey's/Reese's products were the chief contributors to the 1981 sales increase. The Big Block (thicker bars) line, introduced in late 1980, exceeded sales expectations. Hershey's Kisses, meanwhile, have now doubled in sales volume in the last 3½ years.

The special markets group, formed two years ago to concentrate on selling mass-market branded products as gift items and fund-raisers, and on bulk sales to industrial and institutional users, continues to exceed expectations. Sales have doubled in less than three years.

Y&S Candies, acquired in 1977, and whose sales have doubled since then, now has the largest-selling licorice candy line in the U.S.

On the new product front, Hershey began testing New Trail granola bars earlier this year. The introductory ad campaign is targeted to the women's market. Skor, a chocolate-toffee bar under license from AB Marabou of Sweden, and Frostin', a line of ready-to-spread cake frostings, also were introduced in regional test markets. Whatchamacallit, meanwhile, completed its first full year in national distribution, and Reese's Pieces achieved national distribution.

During the 1981 summer, Hershey joined the American Dairy Assn.'s "Dairy Days USA" campaign. In a separate tie-in, Hershey offered a refund for a half-gallon of milk with the purchase of two 24-oz. bottles of Hershey syrup. In the fall, the company gave its Mr. Goodbar brand an expanded promotional push.

Chocolate and confectionery product sales in Canada showed significant gains. New products introduced in just the last three years now account for one-quarter of Hershey's Canadian sales. Those new products include Special Crisp (the Canadian version of Whatchamacallit), Reese's Pieces, Reese's Crunchy peanut butter cups, Y&S Allsorts, Top Scotch, a sundae topping, and Brown Cow, a milk modifier.

Hershey announced in March that it was raising the wholesale price of its standard bars 20% and the weight an average of 28%, resulting in a lower price per ounce for the bars. Some bars were raised in weight as high as 38%. The end result: A marketing standoff and elimination, for the time being, of two-tier prices.

At the same time, Hershey also increased its Big Block bar size while holding the line on its 50-cent price tag.

Hershey has also been trading salvos with M&M in a cash refund effort. Hershey took the offensive by offering coupons totaling $2.75 to customers sending in 22 Hershey wrappers. M&M followed up with an offer of refunds as high as $5 to those sending in 60 wrappers.

Between them, Mars and Hershey share about one-third of the U.S. confectionary market, and about two-thirds of the chocolate business.

Hershey's most heavily advertised products last year were: Hershey's candy bars, receiving more than $7 million in measured media support, 60% above the $4.4 million of measured support the previous year; Reese's candies, $4.6 million; Hershey Chocolate Kisses, $3.7 million; Whatchamacallit, $3.7 million, up more than $1 million from 1980; Hershey chocolate syrup, $3.1 million; Reese's Pieces, $2.9 million; chocolate chips, $2.3 million; Rolo candy, $1.6 million, and Hershey candies, $1.4 million. Hershey's $679,000 measured network radio spending total was focused on two products: $462,000 to Reese's candies and $217,000 to Rolo candy.

Hershey's advertising policy drew kudos from the Coalition for Better Television in July, when it called off its threatened boycott of selected advertisers. The coalition praised Hershey for its ad policy, a policy that rules out advertising on tv programs that "feature or incite excessive violence and antisocial behavior."

At the same time, the coalition also encouraged supporters to buy Hershey products "over those of their competitors." Their statements piqued various advertising association executives. Hershey, meanwhile, acknowledged "flattery" at the Coalition's endorsement, but added that it does not "consciously seek" such endorsements.

Friendly Ice Cream Corp., acquired by Hershey in 1979, continued its "modification program" begun five years ago. The program has repositioned it as an informal family restaurant, rather than a neighborhood ice cream and sandwich shop.

Fifteen new restaurants joined the chain, which at yearend numbered 626. They are located in 16 states in the Northeast and Midwest. The additions were offset by the closing of several of the chain's older restaurants, and the selling of its nine Jim Dandy restaurants.

A major ice cream promotion during the summer of 1981 spurred Friendly's ice cream sales. There were also tv-supported promotions for the chain's new breakfast sandwiches. But perhaps Friendly's biggest marketing success last year was the introduction of a Reese's Pieces Sundae. More than 1 million sundaes sold, making it one of Friendly's most popular sundae ideas ever. Late in the year, several new ice cream pie and cake products were test marketed. In total measured media support, Friendly received approximately $3 million of spot tv advertising last year.

San Giorgio-Skinner, Hershey's pasta division, markets products in approximately 50 major U.S. markets, and consists of four regional pasta companies: San Giorgio Macaroni, Lebanon, Pa.; Delmonico Foods, Louisville; Procino-Rossi Corp., Syracuse; and Skinner Macaroni Co., Omaha. Together, the four regional companies combined to show an over-all 2% sales increase last year, a difficult year for pasta producers.

San Giorgio brand products increased its market share in its markets, according to Hershey officials. Skinner brand products, meanwhile, were expanded into the Iowa market. Several new P&R brand items joined the product lineup, and the Gold Medal brand was repackaged and repositioned as an economy brand in its Southeast markets.

To combat generic brand advances, San Giorgio-Skinner touted its products with a new commercial last year that stressed quality and hammered away at the theme: "It's silly to skimp on pasta."

Cory Food Services had declining sales for a second straight year, attributed to the poor economy. Also hampering Cory's growth is the trend toward decreased per capita coffee consumption in the U.S. To help hold the line on its declining coffee sales, Cory last year added Cory-Lite, a partially decaffeinated coffee. Losses were partially offset by growth in allied lines such as tea, soups and a new line of canned juices that were added last year.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,132,600	$773,100
Magazines	3,265,900	3,075,900
Spot tv	9,807,600	9,114,400
Network tv	50,098,500	21,328,600
Spot radio	664,500	773,600
Network radio	679,858	—
Outdoor	7,700	17,300
Total measured	65,876,150	35,081,800
Unmeasured	19,839,900	8,218,300
Estimated total	85,716,000	41,300,000

HERSHEY FOODS CORP.
MARKETING PERSONNEL
Harold S. Mohler, chairman
William E. Dearden, vice-chairman, ceo
Richard A. Zimmerman, president

HERSHEY CHOCOLATE CO.
MARKETING PERSONNEL
Earl J. Spangler, president
John H. Dowd, vp, new business devel
Gary W. McQuaid, vp-mktg
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Kit Kat, Mr. Goodbar, Hershey's syrup, Whatchamacallit, Y&S Candies, Reese's Pieces, Skor, Frostin', new prods—Richard Keegan, group vp; Peter Tate, vp mgmt super.

Ogilvy & Mather, New York—Hershey's Kisses, milk chocolate, baking chocolate, chocolate chips, cocoa, hot cocoa mix, almond chocolate bar, fudge topping, Golden Almond, Reese's peanut butter cups, chips, Big Block, Rolo miniatures, New Trail bars—John Blaney, senior vp; Michael Vaughan, vp-mgmt super.

FRIENDLY ICE CREAM CORP.
MARKETING PERSONNEL
James D. Staggs, chairman-ceo
John F. Cauley, president-ceo
Joseph A. O'Shaughnessy, exec vp
John D. Burke, vp-mktg
ADVERTISING AGENCY
Quinn & Johnson, Boston—Edward W. Quinn, president; Robert S. Johnson, exec vp; Jay Terwilliger, acct exec.

SAN GIORGIO-SKINNER
MARKETING PERSONNEL
Joseph P. Viviano, president-ceo
Clifford K. Larsen, vp-mktg
ADVERTISING AGENCIES
Creamer Inc., New York—San Giorgio pasta prod, P & R Macaroni—Albert J. Bouchard, exec vp.

W.B. Doner & Co., New York—Skinner and Delmonico brands.

Heublein Inc.

	1981	1980
Sales	$2,050,121,000	$1,921,879,000
Earnings	88,379,000	77,411,000
Advertising*	187,000,000	170,000,000

*AA estimate

Heublein Inc., Farmington, Conn. the 29th largest national advertiser, raised its 1981 advertising budget 10% to $187 million from $170 million in 1980. While the company's measured media spending in newspapers, magazines, spot radio and outdoor advertising dipped below 1980 levels, spending on spot tv and network tv rose well above the previous year's totals.

The largest jump in measured media was in spot tv where Heublein pumped 40% more advertising dollars in 1981 than the previous year, bringing spot tv spending to $29.7 million. Network television spending was increased about 10% over 1980 levels to $33.6 million.

Sales for the food and beverage company climbed 6% in 1981 over 1980 to $2 billion and earnings rose 12% above 1980's $77.4 million to $88.4 million.

Starting with reports for 1983, this picture should change significantly if the proposed $1.3 billion acquisition of Heublein by R.J. Reynolds Industries is ultimately consummated. The merger would give Reynolds, the giant tobacco, grocery products, energy and shipping conglomerate, an even more expanded list of consumer goods. Heublein would be bringing to the deal other grocery products, food service operations, wines and spirits.

The RJR-Heublein combination would also create an advertising force of mammoth proportions.

Based on 1981 levels, RJR-Heublein could be spending more than $500 million a year on advertising, making it the nation's third-largest, behind Procter & Gamble Co. and Sears, Roebuck & Co.

Heublein itself is coming off a year in which it saw sales and operating profits continue to rise in its grocery and restaurant divisions, while they dipped in the spirits and wines division. Heublein's worldwide beverage operations accounted for 61% of corporate revenues and 59% of operating profit in 1981.

Heublein's president Hicks B. Waldron blamed part of the decline in its beverage revenues to the high cost of short-term borrowing, leading wholesalers and retailers to reduce inventories.

Heublein's spirits group, based in Hartford, Conn., markets Smirnoff vodka (the nation's leading vodka seller and said by some industry insiders to be the one product that built Heublein), Popov vodka, Black Velvet Canadian whisky, two lines of cocktails, Harvey's Bristol Cream sherry, Lancers wine, Don Q rum, Jose Cuervo tequila and Arrow cordials.

A sluggish economy and aggressive marketing campaigns by competitors in the spirits category were also blamed for unit sales decline of 7% to 19.5 million cases in 1981.

Changing consumer tastes also figured in the scenario prompting John A. Powers, senior vp, beverage operations, to say the company's strategy for growth is in maintaining heavy advertising and promotion behind key premium brands, especially those in the white liquor category.

A price increase in the domes-

Mary Kerleby

Doing it right? Heublein's Kentucky Fried Chicken had revenues of $386 million in 1981.

tic market in the first half of 1981 on Heublein's Smirnoff vodka was met with an 8% drop in shipments of the spirit, resulting in a promotional pricing campaign in the second half and a new marketing campaign positioning the brand as not only a premium vodka but also one of value. The new campaign broke early in 1982.

As in the U.S., the brand is marketed in other countries with emphasis placed on it being a premium vodka. It apparently has paid off, with sales overseas growing 6% to 5.8 million cases. The strongest foreign markets for the brand are in the United Kingdom, Canada, South Africa, Ireland and Sweden.

Heublein's Black Velvet Canadian whisky was also met with consumer resistance to price increases in early 1981, but a new advertising campaign in the second half, featuring tv's "Dallas'" leading man Larry "J.R." Hagman, helped the brand regain some sales momentum, Mr. Powers said.

There were several new products added to the spirits category portfolio, too, including Jeremiah Weed, a bourbon-based liqueur; Viejo Vergel brandy, a leading spirit brand in Mexico, and Rhum St. James, a superpremium rum from Martinique.

Revenues of the wines division declined 10% to $251.4 million in 1981. Aggressive marketing tactics by competitors and price-conscious consumers were blamed for the downturn. To help combat these negative forces, the company introduced four newly formulated Colony Classic wines and relabeled the entire Colony line to support the company's effort to market the brand as a wine classic. The marketing campaign centered on a $6 million comparative ad drive over the three months of summer in 1981.

Over-all, Heublein is concentrating on developing and promoting its dry table wines—an area where it sees growth potential in the highly competitive domestic wine industry.

Heublein also appointed Young & Rubicam, Los Angeles, in August to its $14 million United Vintners account.

Brands in Heublein's wine stables other than Colony Classic are Inglenook, marketed as a premium brand of wine; Petri wines, marketed as a good value in the lower-price range, and Jacare, the division's premium proprietary wine.

In Heublein's food division, the Kentucky Fried Chicken system in the U.S. continued to make progress in its 775 company-owned stores and the 3,679 franchised stores. Division revenues were up 19% to $385.7 million with average annual sales at company Kentucky Fried Chicken stores up 17% to $427 million. Real sales growth was up 7% compared with 1980's 5% growth.

While poor economic conditions have affected the fast-food industry, including Heublein's KFC system, the company concentrated on building 94 new stores and remodeling 199 older units and on a new campaign based on the "We do chicken right" banner. The fast-food chain also introduced a breast filet chicken sandwich and fries to compete against the entry of other fast-food competitors in the fried chicken market.

In Heublein's grocery products group, revenues climbed 17% to a record $152.9 million with operating profit up about 20% to $21.5 million. In this group, Heublein broke a national tv campaign in 1981 for its A.1. steak sauce that emphasized that it added value to less expensive cuts of beef—considered by the company to be a powerful consumer message in a period of high beef prices. A complementary tv campaign emphasized the use of A.1. as a pour-in ingredient with ground beef. Its Regina wine vinegar also underwent some transformation with the company adding a new flavor and introducing new packaging for the product.

Meanwhile, the proposed R.J. Reynolds-Heublein marriage apparently precludes General Cinema Corp. from continuing its efforts to take over Heublein, efforts Heublein had been rebuffing.

Early this year, General Cinema, an independent soft drink bottler and motion picture exhibitor, disclosed that it had purchased 2.1 million shares of Heublein stock. At a median price of about $35 at the time, the purchase carried an estimated value of $74 million. In addition, General Cinema announced its intention to increase its holdings to more than 15% in Heublein.

As a result, Heublein filed suit against General Cinema, charging that the stock purchases violated federal securities laws. Heublein then went on the offensive by purchasing 380,000 shares of General Cinema stock (about 3.5% of that company's stock).

Heublein paid $14.1 million for General Cinema stock, which sold at the time at $37 a share. Not long after the purchase, Heublein announced it would increase its holdings in General Cinema to more than 15%, and that could rise to as much as 25% to 50%.

In a countermove General Cinema announced its intention to acquire as many as 3 million shares of its own stock—a move some insiders said would make General Cinema invulnerable to a takeover because of the amount of insider holdings in the company. Backing its announcement, General Cinema purchased slightly more than 1 million shares of its own stock.

In early June, General Cinema announced it would stop buying Heublein stock but threatened it would resume its purchases if the companies don't reach an agreement.

Neither company would discuss what such an agreement would be about. General Cinema said it had purchased more than 4 million shares of Heublein's stock at an estimated cost of $159.6 million.

The RJR deal, however, has ended the dogfight.

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- Dallas, (214) 233-5755

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,018,100	$5,065,900
Magazines	14,711,500	16,460,300
Spot tv	39,743,700	17,888,100
Network tv	33,837,700	30,293,000
Spot radio	2,861,000	6,357,400
Outdoor	6,307,500	6,904,700
Total measured	90,279,500	83,959,300
Unmeasured	96,720,500	87,040,700
Estimated total	187,000,000	170,000,000

MARKETING PERSONNEL

Hicks B. Waldron, president & ceo
John A. Powers, senior vp-alcoholic beverages
Michael A. Miles, senior vp-foods; chairman, KFC worldwide
Gwain H. Gillespie, senior vp-finance and admin
Robert R. Weiss, vp-group exec, spirits group
John F. Keller, vp-group exec, chairman, United Vintners
Richard P. Mayer, chairman
Barry M. Rowles, vp-group exec, intl beverages/Brazil group
Robert N. Hiatt, vp-group exec, intl foods group
Hugh R. Beath, vp-group exec, grocery prods group
Joseph M. McGarry, vp-corporate affairs
John Cox, vp-public affairs
Lorraine C. Scarpa, director of mktg services
Robert Ward, director, adv services

Spirits Group

Robert R. Weiss, vp-group exec
Ronald B. Schlosaberg, vp-mktg
William C. Bennett, vp-mktg planning and admin
James C. Dennis, group director-established brands
Neil F. Kelliher, group director-vodka

Wines Group

Robert M. Furek, president, United Vintners and gen mgr, Inglenook Vineyards
John F. Keller, vp-group exec
Janet D. Collins, director of mktg-premium wines
Bruce T. McDonnell, director of mktg-standard wines

INTERNATIONAL VINTAGE WINE CO.

MARKETING PERSONNEL

George T. Eisenberg, president
Barry T. Blake, vp-mktg

Beaulieu Vineyard

Leigh F. Knowles Jr., president
Dennis P. Fife, vp-mktg & sales

Grocery Products Group

Hugh R. Beath, vp-group exec
Brian E. Falck, vp-mktg
T.R. Tipps, mktg director-food service
D. Bastien, mktg director-Mexican foods
R.W. Lamonia, mktg director-sauces & condiments

International Beverages

Barry R. Rowles, vp-group exec
L.D. Blado, senior vp-mktg & devel

International Foods

Robert N. Hiatt, vp-group exec

ADVERTISING AGENCY

Poutray & Holyoke, Norwalk, Conn.—food ingredients—Carol Pekar, mgmt super; Bill Poutray, acct mgr.

Food Service & Franchising Group

Richard P. Mayer, group exec, chairman

KENTUCKY FRIED CHICKEN USA

William A. Ready, president, KFC
Donald E. Doyle, senior vp-mktg & planning
Harry Lavo, president, Zantigo Restaurants

National Accounts Division

Ronald Rose, vp
Martin Wehn, director-mktg

ADVERTISING AGENCIES

Albert Frank/FCB, New York—Kiku Sake, Hungarian Wines, Bouchard Pere et Fils French wines, Latour cognac, Kleine Reblaus German wine. Stephen Witt, chairman.

Marschalk Co., New York—food and retail grocery adv (A.1. steak sauce, Grey Poupon Dijon mustard, Regina wine vinegars and cooking wines, Snap-E-Tom tomato cocktail, Ortega Mexican tacos, chilies, beans and sauces), liquor adv (Smirnoff vodka, Smirnoff Silver vodka, Smirnoff de Czar Special Reserve vodka, Yukon Jack Canadian liqueur, Steel Peppermint Schnapps, Bogga Cranberry liqueur, Relska vodka, Popov vodka, Arrow cordials, Beaulieu Vineyard wines). Retail grocery trade adv: Dan Cohen, senior vp, mgmt service director; Jeff Adams, vp, acct super; Ed Troncelliti, acct exec (A-1 steak sauce); Gary Weisenthal (Grey Poupon Dijon mustard and Regina wine vinegars and cooking wines); Candia Herman, acct exec (Ortega chilies and new prods); Mary Baroutakis, acct exec (Ortega sauces and tacos). Liquor adv: John Dauer, senior vp-mgmt service director; Roger Stone, vp-mgmt super; Ellen Perry, acct exec; Eric Doescher, acct exec; Sharon Donnelly, acct exec; Patsy Grubb, asst acct exec.

Laurence, Charles & Free, New York—Jose Cuervo tequila; Black Velvet Canadian; Black & White scotch; Matador tequila; McMasters scotch and McMasters Canadian; Malcolm Hereford's Cows; Irish Mist imported liqueur; Club cocktails; Heublein cocktails; American Creme; Jeremiah Weed bourbon liqueur. F. William Free, chairman; Tyler Philips, mgmt super; John Skelly, acct exec; Mary Conway, acct exec; Toni Alabisco, acct exec.

D'Arcy-MacManus & Masius, New York—Harvey's Bristol Cream; Viejo Vergel Mexican brandy; Harvey's other ports and sherries. Dan Cole, acct super.

Uniworld Group, New York—ethnic adv, gen adv: Smirnoff vodka; Harvey's Bristol Cream; Rhum Saint James. Byron Lewis, president; Melvin Fallis, vp-group super.

Castor Spanish International, New York—ethnic adv, Smirnoff vodka, Don Q Puerto Rican rum, Jose Cuervo tequila, Black Velvet Canadian, Viejo Vergel Mexican brandy—Castor Fernandez, president, creative director; Arturo Andrade, gen mgr, acct service director.

Institutional Advertising Associates, Norwell, Mass.—grocery prods food service adv—Hugh DeVine, president; Matt DeVine, vp.

Young & Rubicam, Los Angeles—Inglenook, Colony, Jacare and Lejon wines.

Young & Rubicam, New York—Kentucky Fried Chicken national co-op adv and company-owned outlets—John P. McCarry, exec vp, group director; Ed Lebar, mgmt super.

Mingo-Jones, New York—Kentucky Fried Chicken company-owned outlets in New York, Kentucky Fried Chicken black media—Samuel Chisholm, vp, mgmt super; Fred Grant, acct exec.

Multi-Marketing Inc., Chicago—retail grocery trade mktg—Jim Schroeder, president; Donna Cook, acct super; Eileen Hedrick, acct exec; Kevin Byrne, acct exec.

Teleki Associates, New York—Grey Poupon Dijon mustard, Regina wine vinegar—Gargot Teleki, president.

International Business Machines Corp.

	1981	1980
Sales	$29,070,000,000	$26,213,000,000
Earnings	3,308,000,000	3,562,000,000
Advertising*	40,700,000	30,400,000

*AA estimate

International Business Machines Corp., Armonk, N.Y., the 98th largest advertiser, raised advertising expenditures 34% in 1981 to $40.7 million from $30.4 million in 1980.

Worldwide sales increased 11% from $26.2 billion in 1980 to $29 billion this past year. However, earnings dropped 7% to $3.3 billion from $3.6 billion in 1980. Foreign operations amounted to $14 billion, up 1.4% from $13.8 billion in 1980. U.S. operations had gross income of $15,088 billion, up 21% over 1980.

IBM's major operations are in the leasing and sale of information handling systems, equipment and services. Products include data processing machines and systems, information distributors, office systems, typewriters, copiers, educational and testing materials, and related services and supplies.

The greatest share of IBM's gross income continues to come from the data processing segment with equipment sales and rentals accounting for 66% in 1981, up 11% from 1980. While U.S. data processing rentals were up 13%, foreign rentals showed a decline.

Maintenance program products, parts and supplies accounted for 17% of gross income, up 20% from 1980. Office products gave 20% and all other segments contributed the rest of total earnings.

IBM reported net income of $1 billion in the second quarter ended June 30, 1982. This compares with $804 million for the same period a year earlier. Second-quarter revenue increased from $6.9 billion in 1981 to $8 billion in 1982.

Profit in the first half of 1982 was up 15% from $1.5 billion to $1.8 billion. In breaking down gross income for the latest quarter, sales account for $3.6 billion, rentals for $2.8 billion and services for $1.6 billion.

In the middle to high power main frame computer market, IBM has 62% of the U.S. market. The IBM 4300 and IBM 8100 have several new models which provide greater flexibility in selecting the right computer power and memory size.

In 1981, IBM began shipment of its 3380, the industry's most advanced computer disk file; the "thin film" head not only reads and writes data at 3 million characters a second but offers the largest information capacity, 2.5 billion characters per disk file.

In comparison to the mid-1950s IBM Ramac 305, the 3380 stores 6,000 times the information per sq. in. and retrieves data 37 times faster.

The new IBM 3081 Group Model K, introduced in 1981, has internal speeds up to 40% faster than current processors along with the densest logic and memory packaging available in the industry.

Also, 1981 heralded the introduction of the Audio Distribution System (ADS) that enables telephone users to record, change, hear and transmit messages.

The IBM Displaywriter now has greater file processing and communications capabilities which allows the merging of text and arithmetic data, thus offering wider flexibility across different IBM office systems.

The new IBM Personal Computer, the company's smallest system, is designed for business, school and home use. It sells for as little as $1,565 but with added accessories can go as high as $6,000.

This system not only brought IBM into the personal computer market in August, 1981, but saw the company launch a new way of selling its low-price products —through outside distributors —while retaining its own sales force to sell its high-price systems. With a more powerful memory than either Apple or Tandy, the current home computer leaders, and the prestige of the company, IBM is expected to get its share of growth from what analysts have predicted as a $5 billion sales market by 1983.

Another small computer introduced in 1981, the IBM System 23/Datamaster was designed to handle a variety of business procedures for small companies or department functions in large corporations.

International Data Corp. places IBM's 1981 share of market for Desktop computers, which includes personal computers, at 7%. Share of market for other desktop computer marketers is: Apple with 21%, Tandy with 20%, Commodore Business Machines 12%, Atari Computer division 10%, and Texas Instruments 6%.

New marketing approaches signaled the opening of 21 IBM retail product centers for office machines and small systems—making a total of 13 retailers in the U.S. and 20 in other countries. Personal computers were sold through IBM Product Centers, ComputerLand, Sears, Roebuck & Co., and business machine stores.

In addition, IBM expanded sales to other manufacturers and also began marketing its model 3101 display terminal and a new desk-top printer through distributors.

In conjunction with the changes in the distribution of products, there was major realignment of IBM worldwide marketing structures. All marketing and service operations in the U.S. now report to the Information Systems Group headed by Clarence B. Rogers Jr., vp and group executive.

All U.S. product development and manufacturing operations report to either the Information Systems and Technology Group or the Informations Systems and Communications Group. The former General Business Group/International division, its marketing services and manufacturing is being consolidated into two groups: Americas/Far East Corp. and Europe/Middle East/Africa Corp.

At the end of 1981 Satellite Business Systems (SBS), a partnership formed by subsidiaries of the Aetna Casualty & Surety Co., COMSAT General Corp. and IBM, had 60 earth stations and seven customer networks installed—including one for IBM. The second satellite for domestic U.S. communications systems entered commercial service in early 1982.

SBS has applied to the U.S Federal Communications Commission for authority to provide international common carrier services which would permit their U.S. customers to interconnect with SBS subsidiaries and British Telecom customers in the United Kingdom.

The services would include computer data communication, electronic mail, video teleconferencing and facsimile transmission.

SBS is negotiating with the Canadian government and Canadian common carriers to use SBS satellites between the U.S. and Canada.

Science Research Associates (SRA), IBM's educational publishing subsidiary, developed three software programs for the new IBM Personal Computer. The "educational courseware" is suitable for home or school and provides computer drill and arithmetic instruction.

Science Research Associates and IBM Instruments are no longer handled by a specific advertising agency.

In 1981 IBM sponsored a rerun of the tv special "IBM Presents Baryshnikov on Broadway." IBM also underwrote the sixth annual Van Cliburn International Piano Competition on PBS. Tune-in print ads promoting these programs ran in magazines and major newspapers.

A 10-month exhibition of French sculptor Auguste Rodin was sponsored at the National Gallery of Art in Washington with a grant from IBM.

The Federal Systems division launched a series of authoritative ads, created by Marstellar in late 1981 aimed at the Pentagon and based on historical events pertaining specifically to military detail.

"How much does it cost not to own one?" was Doyle Dane Bernbach's challenging headline for IBM's electronic typewriters, which dominated the field until 1980 when Smith-Corona introduced its new Typetronic at a price of $900.

Measured media spending for electronic typewriters increased negligibly from $529,000 in 1980 to $676,000 in 1981.

Measured media spending for Selectric typewriters dropped dramatically in 1981 to $1.1 million, a 67% fall from the $3.5 million spent in 1980—from 16% of total media expenditures in 1980 to 4% in 1981.

In the electric typewriter market, IBM has a market share of 90% of 600 million units sold in 1981. Share of market for electronic tyewriters is 45% of 450 million units. Combined electric and electronic is 75% to 80% share of market.

Doyle Dane Bernbach's print campaign in early 1981 for the Minolta-made IBM Executive copier was not only the heaviest ever launched for another maker's product but the only campaign ever launched for another marketers product.

In the plain paper copier category, IBM had 8% to 10% market share in 1981. Xerox Corp. had 45%, Savin had 10% to 12% and Kodak about 9%.

Measured media expenditures for copiers declined in 1981 to $1.9 million from $2 million spent in 1980; measured media outlay for copiers dropped from 9% to 7% of total expenditures.

IBM computer services had the greatest share of measured media dollars with 27%, a drop from a 30% share in 1980. This is a 14% increase in media expenditures from $6.8 million in 1980 to $7.7 million in 1981.

IBM's second-highest measured media expenditures in 1981 were for Displaywriter Systems at $3.4 million, up from $161,000 in 1980—12% of total measured media expenditures with $2.9 million in network tv.

Media expenditures for the general systems division was $1.7 million, up 149% from $704,000 in 1980—6% of the measured media yearly total.

IBM general promotion declined 10% from $5.1 in 1980 to $5 million in 1981—a drop from 22% to 18% of the total media expenditures.

Total media expenditures were up in 1981 by 22.4% with print media showing the greatest gains: Newspapers jumped 55% and magazines increased a whopping 51.9%. Network television rose 4.6%, spot tv declined 80% and radio climbed 20%, all adding up to the 31.2% increase in 1981 total measured media expenditures.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$4,407,300	$3,842,800
Magazines	10,883,100	7,012,300
Spot tv	1,018,100	5,317
Network tv	15,440,700	14,800,000
Spot radio	1,573,6	—
Network radio	445,500	376,800
Outdoor	—	3,100
Total measured	33,530,300	29,537,900
Unmeasured	7,164,700	4,882,100
Estimated total	40,700,000	30,400,000

ADVERTISING PERSONNEL
Corporate
C.G. Francis, director-adv
B.G. Quann, director-adv programs
R.F. Whalen, director-adv operations
D.E. Frischmann, mgr-corporate tv adv
W.H. Harrison, mgr-corporate print adv

ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—corporate tv, radio—Stephen Kutler, vp-mgmt super.

Lord, Geller, Federico, Einstein, New York—corporate print—Al Berger, vp-mgmt super.

INFORMATION SYSTEMS GROUP
P.F. Judice, director-adv
D.H. Butters, mgr-adv
J.D. D'Arezzo, mgr-adv

ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Thom McCarthy, vp-mgmt super.

Geer, DuBois, New York—John Allen, vp-group acct super.

NATIONAL MARKETING DIVISION
D.T. Coker, mgr-adv
K.L. Bridges, mgr-adv programs

ADVERTISING AGENCY
Doyle Dane Bernbach, New York—Stephen Hoechster, acct exec.

FEDERAL SYSTEMS DIVISION
W.E. Corey, mgr-adv & sales promo

ADVERTISING AGENCY
Marsteller Inc., New York—Eileen Joyce, acct exec.

SYSTEMS SUPPLIES DIVISION
S.B. Saidman, mgr-adv & promotional programs

ADVERTISING AGENCY
Leber Katz Partners, New York—Howard Meditz, acct super.

SYSTEM PRODUCTS DIVISION
ENTRY SYSTEMS
C.E. Pankenier, mgr-communications

ADVERTISING AGENCY
Lord, Geller, Federico, Einstein, New York—Personal Computer-John Steinle, vp-acct super.

International Telephone & Telegraph Corp.

	1981	1980
Sales*	$23,196,824,000	$23,821,064,000
Earnings	676,804,000	755,353,000
Advertising**	153,000,000	153,000,000†

*Includes insurance and financial revenues
**AA estimate
†Restated

International Telephone & Telegraph Corp., New York, maintained its advertising spending level in 1981, spending $153 million to rank as the 38th largest national advertiser.

Worldwide sales and revenues, including ITT's insurance/finance group, fell $6 million to $23.2 billion. The company attributes the decline to two factors: The foreign currency translation impact of a stronger dollar and divestiture of several units which reduced the sales base.

ITT reported first-half 1982 earnings of $312.3 million, down 1.8% from $318.2 million during the same period of 1981. The lower earnings came on a 1.7% drop in sales and revenues, from $11.3 billion in the first six months of 1981 to $11.1 billion in the same 1982 period.

Excluding insurance and finance, whose revenues rose from $5.3 billion to $5.9 billion in 1981, the company's sales dropped in its four remaining groups—telecommunications/electronics, which had sales of $6.7 billion compared with $7.1 billion in 1980; engineered products, which decreased from $6.2 billion to $5.8 billion; consumer products and services, down from $3.8 billion to $3.7 billion, and natural resources, down from nearly $1.4 billion to more than $1.1 billion. In terms of net income, insurance and telecommunications led the groups, followed by consumer products, engineered products and natural resources.

Within ITT's consumer products group, which includes food, consumer appliances, hotels and "other" (*e.g.*, publishing, lawn and garden care, land development), food represented sales of $1.7 billion and appliances accounted for $711 million in volume. Hotels and "other" totaled $1.2 billion in sales in 1981. Food and appliances posted slight declines from 1980 levels, reflecting the sale of several units, principally Continental Baking Co.'s Morton Frozen Foods, Gwaltney and ITT Continental Kitchens divisions.

Among ITT's consumer properties, Continental Baking Co. garnered the greatest share of measured ad spending. This division sold 25 million loaves of Wonder and other brand breads weekly in 1981, according to the company. Wonder ranks first in bread sales nationally; Continental's Hostess brand continues to be a leader in snacks.

Over-all, branded breads tallied $14 million in measured media spending last year. Wonder's share in that was $7.6 million, followed by Home Pride at $5.9 million. Braun topped the remaining brands with $498,900 in measured media outlays, while Fresh & Natural spent $84,300. Network and spot television were the major advertising vehicles.

In baked goods, Continental spent roughly $1.2 million in combined measured media allocations last year. Home Pride bakery products accounted for $716,700 of that, followed by Town Talk with $301,300 and Continental Bakery products with $186,500.

ITT Continental hopes to increase its position in the wheat bread market by testing and expanding its new Wonder Family Wheat to the majority of its bakeries. Additionally, distribution of its Beefsteak Rye bread has been broadened to other bakeries, sparked by the switch to a resealable bag.

Hostess products budgeted more than $10 million in media last year in support of Snack Cake and Breakfast Bake Shop lines. Baked goods were allotted $8.9 million of measured media spending, while cakes received $1.2 million.

C&C Beverages, which earlier this year was sold to Consolidated Foods Corp., was budgeted for $1.1 million in measured ad spending in 1981. The soft drink unit spent $1.8 million in 1980, a year of discounting within the industry that did much to erode or stifle market shares of smaller companies.

In the retail lawn and garden products field, the Scott and Burpee operations spent a combined $9 million-plus in spring/summer 1981, with Burpee accounting for $1 million of the total. Turf Builder was the most heavily backed Scott brand at nearly $3.2 million, followed by Plus 2 with $1 million.

The Scott unit attributed part of its record 1981 sales and profits to its own "Lawn Care" magazine, mailed to 1.6 million homes yearly. The company, which last year handled almost 500,000 direct consumer requests with its "Hotline" and mail efforts, has expanded its computerized custom lawn program in two-thirds of the U.S.

In publishing, ITT's Bobbs-Merrill, publishers of how-to books primarily, received $50,400 in measured media spending, all used in magazine advertising.

The Hartford Insurance Group, with a total measured ad budget of about $4 million, is responding to the current difficult economy with a more hard-sell, product-oriented ad focus. Its new consumer ads feature interviews with key Hartford business managers discussing ways the company can help reduce insurance costs.

Additionally, the Hartford has been using a more targeted advertising approach to support specific product sales in key markets. The bulk of the company's advertising appears in business and newsweekly publications including the *Wall Street Journal, Time, Business Week, U.S. News & World Report* and *Newsweek*.

With the introduction of "Universal Life" insurance to Hartford Life Insurance Co. in May, 1981, the company adopted an ad campaign using the copy theme, "The Solution." The series features testimonials from financially sophisticated people who have purchased the product, described by ITT as a policy which offers permanent protection while providing attractive interest rates on cash values. The company put $253,000 in measured media spending behind Hartford Life Insurance last year.

Boston-based Sheraton Hotels spent nearly $9 million in media for national corporate advertising last year. Taking into account the owned, franchised and operated hotel properties, the hotel chain estimated its total advertising last year came closer to $35 million in the U.S.; international came to $2.2 million.

The Sheraton chain, which operates or franchises 430 hotels in 50 countries, says it served more than 20 million guests worldwide in 1981.

In telecommunications and electronics, ITT's U.S. Transmission Systems unit took its City-Call long distance telephone service to the retail level last year, testing it in 21 Sears stores in Miami and Washington. The company hoped to measure whether the over-the-counter selling approach might be more effective in reaching mass audiences than conventional direct-mail and telephone solicitation. Excluding American Telephone & Telegraph's position in the long-distance calling market, City-Call reportedly holds less than a 10% share; MCI Communications Corp. dominates with roughly 67% of the market not served by AT&T.

The City-Call service received $20,300 in measured ad spending in 1981, all targeted at spot television. In other areas, ITT's Ultra 80 Telephones were given $203,000 worth of support in magazine advertising.

ITT announced in late 1981 its interest in selling the Rayonier forest products unit, but the division remains a stubborn link in the corporation's chain of proposed divestitures. In terms of measured ad spending last year, fibers for apparel claimed a total of $152,100, all put toward newspaper supplements.

ITT continues to value image advertising at the corporate level, for reasons of identification and reputation, and will spend roughly $10 million toward this end in 1982. Some ads are designed to clear up confusion between ITT and AT&T; others are seen as image boosters for the conglomerate. In general, ads dramatize ITT's role in the lives of average consumers, a tack that supports the company slogan, "The best ideas are the ideas that help people."

Much of ITT's corporate advertising includes sponsorship of television specials, including "Little Lord Fauntleroy" and "Leave 'Em Laughing" in 1981, and "Oliver Twist" in March of this year, all broadcast on CBS-TV. According to Paul Jannuzzo, director of corporate advertising and sales promotion, "Twelve minutes of commercial tv better enables us to offer a complete view of the corporation than a single spot in a scatter plan program." And, with the company's choice of television specials, "we have an opportunity to associate with good family programing."

In a move which follows a number of corporate divestitures in the past few years, ITT agreed early in July of this year to sell its French subsidiaries, Compagnie Generale de Constructions Telephoniques (CGCT) and Laboratoire Central de Telecommunications, to the French government for a reported $50 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,719,900	$4,111,900
Magazines	8,771,300	8,696,400
Spot tv	27,614,700	30,677,200
Network tv	21,007,900	18,270,100
Spot radio	84,800	734,400
Network radio	403,900	113,000
Outdoor	617,900	556,900
Total measured	62,220,300	63,159,900
Unmeasured	90,779,700	89,840,100*
Estimated total*	153,000,000	153,000,000†

*Totals provided by company
†Restated

CORPORATE MARKETING PERSONNEL
E.J. Gerrity Jr., senior vp-director, corp relations/adv
J.L. Lowden, vp-deputy director, corp relations/adv
J.C. Cappello, vp-deputy director, corp relations/adv
J.P. Jannuzzo, director, adv/sales promo
T.J. Connolly, director, special events/activities
R.A. Cronenwett, mgr, consumer adv/sales promo services
H.J. Taggart, mgr, special projects, adv/sales promo
M.B. Clifford, mgr, sales promo services

ADVERTISING AGENCIES
Needham, Harper & Steers, Issues and Images division, New York—corporate—Barry Biederman, president; Bruce Jackson, exec vp-genl mgr; John Mason, senior vp-acct super; Bob Sigmund, Miranda Lee, acct execs.

Fritchman Associates, Ridgefield, Conn.—telephone directories—Bud Fritchman, mgmt super.

Deutsch, Sea & Evans, New York—corp recruitment adv—James Crawford, acct supr.

ITT CONTINENTAL BAKING CO.
Rye, N.Y.
BAKERY DIVISION
MARKETING PERSONNEL
Rudy R. Norris, vp-director, bread mktg
Laurie Chatfield, director-media and budgets
Benilda Figueroa, media coordinator
Frank Sessa, mgr-graphics and design
Sue Herrick, director-established bread mktg
Jeff Krulwich, group prod mgr, new prods
Jean Taplett, Myra Hess, prod mgrs
Paula Luftglass, assoc prod mgr
Arthur J. Cunningham, director-mktg rsch
Muriel G. Adamy, mgr-consumer affairs

ADVERTISING AGENCIES
Ted Bates & Co., New York—Wonder and Home Pride breads, Fresh Horizons bread—Larry Epting, exec vp-client services; Peter Bates, mgmt rep; Richard Salmanowitz, acct super; Sandra Lewit, Don Simon, acct execs; Owen Rankin, staff asst.

Grey Advertising, New York—Braun Baking, Beefsteak Rye Fresh & Natural bread—Robert Schoenfein, exec vp; Doris Hutnick, vp-acct supr; Wade Galloway, asst acct exec.

CAKE DIVISION
MARKETING PERSONNEL
C.J.L. Bates, vp-director of cake mktg
Robert A. Wilock, director of established cake mktg
Mark Dirkes, senior prod mgr-established cakes
David M. Cooper, senior prod mgr-new prods
Wyn Achenbaum, Susan Danehower, prod mgrs

ADVERTISING AGENCY
Ted Bates & Co., New York—Hostess Cakes—Peter Colonel, mgmt rep; Alan Krinsky, acct super; Fred Rubin, Marcia Walcyk, Lauren Becker, acct execs; Jerry McMahon, merch super.

THE HARTFORD
Hartford, Conn.
MARKETING PERSONNEL
Roger Dove, senior vp-corp relations
Peter Egan, asst vp-director adv and pr, corp relations
Greg King, asst director adv

ADVERTISING AGENCY
McCaffrey & McCall, New York—corp adv—Bruce Sherman, senior vp-acct super.

SHERATON CORP.
MARKETING PERSONNEL
Sig Front, senior vp-director of mktg
Robert Quinn, vp-director of adv
Adrienne Davis, asst director of adv

ADVERTISING AGENCIES
Creamer Inc., New York—domestic adv—Stanley Levitz, exec vp-mgmt super; Steven Godsick, vp-acct super.

Compton Advertising, New York—intl adv—Dick Razor, senior vp; Phyllis Hauck, acct supr.

O.M. SCOTT & SONS
MARKETING PERSONNEL
Bill Englehart, vp-mktg and sales
John Sebastian, director-mktg
Mike Kostrzewa, director-retail lawn mktg
Darrel Boyle, director-retail garden mktg
Bernard Ford, director-export and mktg services
Schrade Radtke, mktg mgr-eastern and central mkts
Robert Rinehart, mktg mgr-western and southern mkts
Mark Bater, mktg mgr-Burpee garden prods
James Fetter, mktg mgr-seed and mechanicals

ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Arie Kipelman, exec vp; Rein Luik, vp-mgmt super; Ned Reece, vp-acct super; Michael McMurphy, acct exec, lawn prods; George Stanwick, acct exec, lawn prods; Kim Horton, acct exec, garden prods.

Knight-Haunty, Columbus, O.—Pro-Turf—Dan McIver, acct exec.

ITT RAYONIER
MARKETING PERSONNEL
Jerome Gregoire, vp-director, corp relations
C. Singley, adv director

ADVERTISING AGENCY
Ross Roy NY/Compton Inc., New York

—corp papermaking pulp, Silvachemicals, rayon—Herb Warden, mgmt super.

Soderberg MacEwan, Seattle—PenPly plywood—Michael MacEwan, mgmt super.

Shorey & Walters, Greenville, S.C.—Treated wood prods—Greg Shorey, mgmt super.

Johnson & Johnson

	1981	1980
Sales.....	$3,025,900,000	$2,633,600,000
Earnings.....	262,200,000	184,600,000
Advertising*.	195,000,000	177,000,000

*AA estimate

Johnson & Johnson, New Brunswick, N.J., the 23rd largest national advertiser, is estimated to have increased U.S. advertising 10% to $195 million in 1981. After failing to get on the elastic-leg diaper bandwagon and watching its market share plunge from 12% to 8% during the last six months of 1980, J&J withdrew its disposable diaper from the $1 billion U.S. market early last year and conceded the field to rivals Procter & Gamble and Kimberly-Clark. The company, which took a $16 million write-off against first-quarter net earnings, will continue in its still-growing international diaper business.

U.S. sales for J&J rose 14.9% over 1980 to $3.03 billion in 1981, with earnings up 42% to $262.2 million, due in large part to strong performances by the company's consumer, pharmaceutical and professional businesses. For the first three months of 1982, U.S. sales were up 9.3% over the same period in 1981, while earnings soared 43%.

J&J worldwide advertising climbed 15.9% to $270.6 million in 1981, up from $233.5 million in 1980. Consolidated world sales tallied $5.4 billion, an increase of 11.6% over 1980, with earnings rising 16.7% to $467.6 million. For the first quarter of 1982, worldwide sales were up 8.7% and earnings rose 28.4% over the comparable period in 1981.

Johnson & Johnson, which operates as a group of decentralized companies, has deliberately shed its baby-products-only image while becoming the world's most diversified health-care company. Today J&J leads the world in painkillers and feminine hygiene; it dominates the home bandage market, and is the largest manufacturer of contraceptives in the U.S.

Consumer products continue to be Johnson & Johnson's largest business segment, representing 43.8% of total segment. Consumer products consist of toiletries and hygiene products, including babycare items, first-aid products and nonprescription drugs. Major brands include Tylenol analgesic (and CoTylenol cold medication); Johnson's baby powder, oil, lotion and shampoo; Stayfree, Carefree, Sure & Natural and o.b. feminine hygiene products; Band-Aid adhesive bandages; Reach toothbrushes and Ortho and Conceptrol contraceptive products.

J&J channeled 76% of its measured media expenditure into tv in 1981, trailed by magazines (17%), newspapers (13.5%) and radio (3%).

McNeil Consumer Products Co.'s Tylenol brand (including CoTylenol) continues to get the lion's share of J&J's measured advertising, with support for the country's leading analgesic (and best-selling product in American drugstores) reaching $42.9 million in 1981, up 28.5% over 1980.

Tylenol's seemingly unstoppable growth in the $1.2 billion analgesics market ($385 million of which is Tylenol sales) has left its weaker aspirin-based competitors scurrying to find new positioning. Sterling Drug, for one, ended up in court last year when McNeil accused it of false and deceptive advertising in a recent Bayer aspirin campaign.

Bayer ads claimed analgesic parity between Bayer, which contains 325mg of aspirin, and Extra-Strength Tylenol, which contains 500mg of acetaminophen. One offending tv commercial, by SSC&B, referred to a new, unpublished study "showing the amount of pain reliever in Extra-Strength Tylenol is no more effective for headaches than Bayer aspirin. . .Why pay for extra medicine?"

McNeil has spent considerable time fighting competitors' advertising in courts in recent years, its most drawn-out battle being with American Home Products, whose claims for Anacin have been the target of several McNeil lawsuits.

Recent share estimates (1981) give Tylenol (including extra-strength and children's) in excess of 32% of the market, with AHP's Anacin at 12.3%, Sterling Drug's Bayer's at 8.5%, Bristol-Myers' Bufferin at 7.3% and B-M's Excedrin between 7% and 8%.

In 1980, Extra-Strength Tylenol (tablets, capsules and liquid) replaced regular-strength Tylenol as the leading pain reliever and now holds about a 20% market share.

Measured support for the extra-strength entry climbed to $211.5 million in 1981 (up from $17.7 million in 1980), with $18.3 million going into network tv. Measured spending for regular Tylenol was approximately $9.7 million, and Children's Tylenol (tablets and drops) received $5.1 million (up from $3.3 million in 1980).

A new addition to the Tylenol line in 1981 was a "personal size" tube, containing 12 tablets of regular or Extra-Strength Tylenol, which was backed last year with trade ad support.

Already a presence in the cold-remedy market with its CoTylenol tablets and liquid in both adult and child strength (backed by $6.1 million in 1981). McNeil is determined to take a larger piece of the slow-growing (3% per year), $1.2 billion national pie. In various stages of testing are Duonex day and nighttime capsules, backed by $30,200 in spot tv last year, and new Coldmax maximum-strength, multisymptom tablets, backed by $122,700 in spot tv.

McNeil's entry in the sinus remedy category, Sine-Aid sinus

sweep! stakes, plus

SWEEPSTAKES AND GAMES: THE TIP OF THE ICEBERG.

Because there's more to sales promotion than sweepstakes and games, at Don Jagoda Associates we do more than just create and execute sweepstakes and games.

re'bates

We work with advertisers and their agencies on planning and administering refund/rebate offers. We screen and verify all responses, very painstakingly, and return cash or coupons according to the terms of the offer. We're very careful when it comes to handling other people's money.

in·cen'tives

Because we know sometimes it takes more than money to motivate sales people, brokers, distributors and dealers, we help create and implement incentive programs. We know where and how to buy the prizes that will help increase sales, within budget.

pre'mi·ums

Looking for premiums or self-liquidators? We can help you there too. Our premium buyers shop the world looking for the right items to produce the right responses.

ful·fill'ment

And, with our ever expanding facilities, we have streamlined and expanded our capabilities for fulfillment. Getting the right merchandise to the right person on time, intact, is as important as getting people to respond to your offer.

sweep'stakes

Finally, if you decide to get involved in sweepstakes and games, the most visible tip of the promotional iceberg (in five years, sweeps have almost tripled in number), our more than 21 years of experience can be invaluable. We'll help you conceptualize, administer and—through our National Judging Institute—judge your promotion. We go out of our way to help our clients avoid the myriad pitfalls that can befall the unwary promoter.

When it comes to promotion, whether it's the very visible type or the not so visible but very effective nitty gritty variety, you have our number.

sweep' stakes

don jagoda associates, inc.

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tablets (with acetaminophen), garnered $3.6 million in measured support last year, all in tv. In addition, McNeil expanded Maximum-Strength Tylenol sinus medication into Chicago, Cincinnati and St. Louis, after year-long controlled-store testing.

Feminine hygiene products, marketed by the Personal Products Co., received $40.3 million of J&J's measured ad expenditure, or 32% of the total. Market leader Stayfree (mini and maxipads) garnered $17.3 million in measured support ($12.8 million in network tv and $3.6 million in magazines), making it J&J's No. 2 brand spender behind Tylenol. Spending for Carefree panty shields reached $10.5 million, way up from the $5.9 million spent in 1980.

After an out-of-court settlement with J&J last October, Tampax Inc. agreed to drop its claim that its new "Maxithins can protect better than maxipads" and no longer compares its pad to "the leading maxipad" in newspaper ads.

Already holding well over half of the sanitary napkin market with its Stayfree, Carefree and Modess brands, J&J introduced superthin Sure & Natural maxishields in 1980, touting the new pad's "full-size protection." In its second year on the market, Sure & Natural received $8.7 million in ad support ($6.9 million) in network tv and $1.8 million in magazines).

It remains to be seen how J&J's digitally-inserted o.b. tampon will fare after the final results of the toxic shock syndrome scare are in. While it does not contain the ingredient that forced P&G's Rely off the shelves, many women have shied away from tampon use in general. Though o.b. is the leading tampon outside the U.S., it has never quite caught on here; analysts feel its share potential is at best 10%. Spending for the brand declined further in 1980.

J&J's Assure "natural fit" tampon, a more mainline entry with tubal application, has yet to make it out of test market, with dipping support ($200,500 in 1981, $447,000 in 1980) confined to magazines and spot tv.

Personal Products Co. is expanding its testing of Take-Off makeup remover cloths. Spending for the new entry in 1981 was $242,900 (in magazines and spot tv), with 1982 spending expected to reach a national rate of $8 million. Established Shower to Shower deodorant body powder received $1.1 million in measured support last year.

Ad spending by J&J's Baby Products Co. declined 36% to $20.2 million, from $31.8 million in 1980, representing only 16% of the company's total measured ad expenditure. One major reason for the decline was J&J's exit from the U.S. disposable diaper market during the first quarter. After reaching a high of 20% five years ago, Johnson's diaper fell to less than 8%. P&G, already the market leader with Pampers at 59%, was toting up a staggering 70% of the market (including elastic-leg Luvs) and Kimberly-Clark, after bombing with Kimbies, was sitting pretty in Huggies 17%. Nonetheless, J&J has not shut the door on diapers in the U.S. and promises to "dedicate substantial research and development toward new and improved diaper products."

Mary Herlehy

J&J's Tylenol dominates the analgesic market.

Spending for Johnson's baby lotion, oil, shampoo and powder (all leaders in their categories)—fell 21.6%, from $20.9 million in 1980 to $16.4 million in 1981. Ads continued to aim at an expanded market, pitching to both male and female adults as well as babies. The big spender in the group, Johnson's baby shampoo, declined from $9.5 million in 1980 to $7.2 million in 1981; likewise, spending for Johnson's baby powder dropped from $7 million in 1980 to $4.3 million in 1981. Spending for a newer powder product, Johnson's corn starch baby powder without talc, also declined, from $1.4 million 1980 to $651,900 in 1981, probably due to an over-all decline in powder use among parents.

Last summer, J&J ran radio spots in selected markets promoting its original baby powder as a "personal air conditioner." Follow-up print ads stated, "Share that cool, dry, comfortable feeling only Johnson's baby powder can give."

Spending for Johnson's baby oil remained steady at $2.7 million, while support for Johnson's baby lotion showed a healthy 47% gain, from $1.5 million in 1980 to $2.2 million last year. Both products were subjects in a suit filed by J&J against Carter-Wallace, charging that false advertising for C-W's Nair depilatory had damaged sales of J&J's oil and lotion.

Late last year, a federal district court issued an injunction to prevent Carter-Wallace from emphasizing Nair's baby oil ingredient in "any advertising medium or packaging in such a fashion that the consumer would perceive that the baby oil ingredient alone was the cause of Nair with baby oil's softer and smoother effect."

Recently introduced baby products—Johnson's baby bar soap, baby bath, baby bathing sponges and baby wash cloths which went national—showed dwindling support, garnering a total expenditure of $810,300 in 1981. Only established No More Tangles creme rinse got an increase in ad support, from $247,700 in 1980 to $335,900 in 1981. One baby product area showing increased interest is toys. Joining J&J Playpath Playthings (introduced in 1979) last year were J&J Child Development Toys ($375,500 in magazines and spot tv) and J&J Unforgettable Toys ($355,200 in magazines).

In the healthcare division of J&J Products Co., Reach toothbrushes unseated the Band-Aid brand as the top product spender, garnering $6.3 million in measured media support in 1981, way up from the $4.4 spent in 1980. Last year, Reach emerged as the largest-selling toothbrush in the U.S. and is now marketed in 31 countries overseas. In addition, J&J planned to spend $9 million backing new Reach Plus toothbrush, with a longer, narrower brush head, less slanted and with more bristles.

After only token spending for its line of dental flossses in recent years, J&J launched a two-pronged advertising campaign last year and backed it with $2 million.

Band-Aid bandages (including first-aid product group ads) received $3.6 million in measured media support in 1981. Spending for the brand was down from $4.3 million in 1980, but is likely to increase significantly again in 1982 due to the introduction of two new adhesive bandages—one made of mesh fiber and another with flexible fabric—that are getting $17.5 million in ad support.

J&J also introduced Band-Aid Kitchen Assortment, a package of bandages of unusual shapes to fit hard-to-adhere places where cuts often occur, like fingertips and knuckles. The company predicts all its new bandages will capture more than 40% of the market. The original Band-Aid already holds over 50%. Ads for J&J's first-aid products ran last summer in Sunday supplements, offering money-off coupons and free first-aid kits for proofs of purchase. Capitalizing on its reputation as "the first name in first aid" (with Band-Aid), J&J introduced early this year a new three-item topical treatment line. Clinicydin (anti-infection), Clinicaine (painkiller) and Clinicort (anti-itch and rash) are being promoted as "all you'll ever need to treat 95% of your first-aid needs." The line is getting a $4 million ad effort.

J&J spent almost $2 million to support its Sundown sunscreen, the category's No. 1 national best seller, up from the $1.25 million spent in 1980. Sundown's market share increased from 21% to 23% of the $75 million sunscreen segment, which continues to pick up share against tanning products. Last year sunscreens chalked up a 15% growth rate, while tanning products were up 12%. The over-all suncare market is worth about $225 million. Last year J&J expanded its Sundown line with a water-resistant version with a protection factor of 15. This summer's theme for the line is, "Don't go out till Sundown."

Ortho Pharmaceutical, the largest U.S. manufacturer of contraceptives, has in recent years extended its role in the nonprescription area. In addition to moving its over-the-counter items into nondrug outlets, it formed in 1980 a separate sales force for consumer products. Total spending for Conceptrol (contraceptive gel and prophylactics), Delfen vaginal foam, new Gynol II contraceptive jelly, Intercept contraceptive inserts, and Ortho Personal Lubricant was $1.6 million (down from $2 million in 1980), all in magazines. The newest Ortho product, Daisy 2 home pregnancy test kit, was acquired late last year from Bio-Dynamics, Indianapolis.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$4,894,500	$5,056,600
Magazine	22,516,600	18,259,700
Farm publications	268,400	231,600
Spot tv	5,736,600	4,895,100
Network tv	97,152,900	90,471,500
Spot radio	3,321,500	610,400
Network radio	648,700	777,300
Total measured	132,566,700	120,409,100
Unmeasured	62,431,300	56,590,900
Estimated total	195,000,000	177,000,000

JOHNSON & JOHNSON PRODUCTS
New Brunswick, N. J.
MARKETING PERSONNEL
Health Care Division
P.M. Lonergan, vp-genl mgr
K G. Hobby, natl sales mgr
L.B. Koslow, group prod director, oral care prods
J.M. Nugent, group prod director, new business devel
J.R. Gregg, director, mktg services
K.A. Browning, director, mktg rsch
Orthopaedic Division
J.P. Kearney, director of sales
J.T. Paulic, director of prod mgmt
N.Simkins, director, new business devel
J.A. Ciffolillo, vp-genl mgr
Patient Care Division
P.J. Ventrella, vp-genl mgr
H.R. Hamm Jr., director-prod mgr
E.W. Benecke, director of sales
B.J. Gryctko, mktg service mgr
P.D. Tukey, mgr creative services
S. Fox, mgr, adv & promos
R.W. Bauer, group prod director, securement & specialty prods
P.R. Clough, group prod director, wound care prods
Specialty Products
W.E. Dorsett, vp-genl mgr
R.E. Scott, director of govt mktg
J.A. Streed, director of athletic prods
G.P. Kutsop, director of govt contract bid
ADVERTISING AGENCIES
Young & Rubicam, New York—dental floss, new prods, adhesive bandages—Tim Eland, mgmt super.

Cadwell Davis Partners, New York—toothbrushes—Jeffrey Zeiler, Lois Underhill, senior vps-mgmt supers.

Kallir, Philips, Ross, New York—professional mktg programs—Lee Palmer, mgmt super.

Simms & McIvor, Bridgewater, N. J.—orthopaedic division.

MED Communications, Hopelawn, N.J.—patient care division.

Simms & McIvor, Bridgewater, N.J.—patient care division.

Cummins, MacFail & Nutry, Somerset, N.J.—specialty prods—G. MacFail, president.

JOHNSON & JOHNSON BABY PRODUCTS CO.
Skillman, N.J.
MARKETING PERSONNEL
J.R. Utaski, president
W.C. Egan, director of prod mgmt
C.A. Spalding, vp-adult toiletries
P.S. Boorujy, vp-genl mgr/professional prods div
ADVERTISING AGENCIES
SSC&B, New York—shampoo, swabs, nursing pads, No More Tangles creme rinse, baby cornstarch—Alan Grazio, exec vp; Dick Ellington, Jim Coakley, mgmt supers; Linda McCreight, Ian McGregor, acct supers; Mark Young, Anna Koules, Paul Ahern, acct execs.

Young & Rubicam, New York—baby oil, cream, lotion, powder—Eugene O'Sullivan, vp-mgmt super; Elsa Schaefer, Mark Linder, acct supers; Maureen McAlister, Ellen Hochman, Maria Geraci, acct execs.

McCann-Erickson, New York—baby washcloths, baby bar, baby bath—Michael Sennott, senior vp; Terrance Fitzgerald, acct super; Joanna Coates, acct exec.

Compton Advertising—new prods—Tom Lom, mgmt super; Wyn Lydecker, acct mgr; Chris Boeltz, acct exec.

Wundermann, Ricotta & Kline—child develop toys—Ed Ritchoff, vp mgmt super; Andrea Farr, acct super.

McNEIL CONSUMER PRODUCTS CO.
Fort Washington, Pa.
MARKETING PERSONNEL
W.G. Lynch Jr., natl sales mgr
C.D. Simonds, director of prod mgmt
H.S. Frieze, director of professional mktg
R.E. Whittaker, group prod director
J.T. Lenehan, group prod director
B.R. Bartlett, group prod director
J.R. McGann, sales promo director
E.A. Behmer, director, communication
J.L. Strickler, mktg rsch director
ADVERTISING AGENCIES
Compton Advertising, New York—T.Lom, mgmt super; J. Sloan, acct super; J. Harrington, acct super W. Lydecker, E. Happell, acct execs.

Kallir, Philips, Ross, New York—J. Racik, senior vp; E. McCarren, senior acct exec, J. Grossman, acct exec.

Mendoza, Dillon & Asociados, Newport Beach, Cal.—Richard E. Dillon, president.

McNEIL PHARMACEUTICAL
Spring House, Pa.
MARKETING PERSONNEL
F.G. Ziegler, vp, prod mgmt
T.H. Odiorne, vp, sales
E.R. Steel, exec director, mktg communications
ADVERTISING AGENCIES
Kallir, Philips, Ross, New York—V. Trovati, senior vp, mgmt super.

Sudler & Hennessey, New York—R.J. Brancaccio, senior vp.

PERSONAL PRODUCTS
Milltown, N. J.
MARKETING PERSONNEL
M.R. Hayes, president
J.B. Ziegler vp-mktg
E.F. Chase, director of prod mgmt
D.P. Fraser, director of mktg rsch
T.K. McCarter, P.S. Michaels, A.G. Nuzzo, B.D. Snyder, group prod directors
ADVERTISING AGENCIES
Young & Rubicam, New York—Stayfree maxipads and minipads, Shower To Shower body powder—B. Thompson, mgmt super.

SSC&B, New York—Carefree panty shields— W. Croke, mgmt super.

Caldwell Davis Partners, New York-Sure & Natural maxishields, o.b. tampons—L. Underhill, mgmt super.

Compton, New York—Take Off makeup remover cloths—D. Basch, mgmt super.

JOHNSON & JOHNSON DENTAL PRODUCTS CO.
East Windsor, N.J.
MARKETING PERSONNEL
J.B. Godshall, vp-mktg
M.E. Stein, vp-worldwide business devel
ADVERTISING AGENCY
Mel Richman Inc., Bala-Cynwyd, Pa.—George Fore, acct super.

ORTHO PHARMACEUTICAL CORP.
Raritan, N.J.
Pharmaceutical
MARKETING PERSONNEL
P.T. Tattle, vp-mktg

D.N. Longstreet, exec director of sales & mktg services

ADVERTISING AGENCY

Kallir, Philips, Ross, New York—L. Palmer, vp, acct super.

Consumer Products Division

MARKETING PERSONNEL

R.B. Miller, vp-genl mgr
J.L. Abramson, director of mktg rsch
D.B. Bellaire, director of prod mgmt

ADVERTISING AGENCIES

Kallir, Philips, Ross, New York—L. Palmer, vp-acct super.
McCann-Erickson, New York—I. Hooper, acct super.
Barnum Communications, New York—J. Frazee, acct super.

Dermatological Division

MARKETING PERSONNEL

P.T. Tattle, vp-mktg
B.L. Burnside, director of mktg

ADVERTISING AGENCY

Kallir, Philips, Ross, New York—L. Palmer, vp-act super.

ORTHO DIAGNOSTIC SYSTEMS

Raritan, N.J.

MARKETING PERSONNEL

F.A. Barnette, vp-mktg

ADVERTISING AGENCY

Kallir, Philips, Ross, New York—Raymond Wilhelm, acct super.

CELLULOSE PRODUCTS CORP.

Milltown, N.J.

MARKETING PERSONNEL

L.W. Bateman, vp-genl mgr

CHICOPEE

New Brunswick, N.J.

MARKETING PERSONNEL

R.L. Bramson, vp-mktg, indust div
J.S. Neely, vp-mktg, branded prods div
R.I. Munoz, vp-mktg, affiliate div & private label prods div

ADVERTISING AGENCIES

Bozell & Jacobs, Union, N.J.—Paul Cote, acct super.
SSC&B, New York.

CODMAN & SHURTLEFF

Randolph, Mass.

MARKETING PERSONNEL

R.F. Caffrey, vp-mktg

ADVERTISING AGENCY

Grover & Carroll, Boston—C. Stuart Grover, acct exec.

ETHICON INC.

Bridgewater, N.J.

MARKETING PERSONNEL

J.A. Lent, vp-mktg
L.J. Armour, vp-sales
R.M. McCaffrey, vp, prod mgmt
R.N. Jones, vp-mktg services
W.E. Tidmore, director, adv & creative services

ADVERTISING AGENCY

Mel Richman Inc., Philadelphia—W.F. Robertson, acct super.

CRITIKON INC.

Tampa, Fla.

MARKETING PERSONNEL

Thomas E. Taylor, president
Thomas M. Gorrie, vp-mktg
Daniel J. Genter, vp, sales

ADVERTISING AGENCY

Lewis & Gilman, Philadelphia—K.A. Marden, vp-acct super; D. Brenda. acct exec.

PITMAN-MOORE

Washington Crossing, N.J.

MARKETING PERSONNEL

C.M. Roan, mktg director
G.R. Heath, natl sales director
D.R. Arnold, mgr, surgical & specialty prods
F.H. Gvillo, mgr, biological prods
D. Sleighter, mgr, pharmaceutical prods

ADVERTISING AGENCY

Brady Co., Milwaukee.

SURGIKOS

Arlington, Tex.

MARKETING PERSONNEL

F.G. Fitzpatrick, president
J.D. Terry, vp-mktg
E.E. Barnes, vp-sales
M. Smoler, vp-prod mgmt
J.W. Midgley, director, new ventures

ADVERTISING AGENCY

Ruvane-Leverte, New York—Walter Landers, acct super; Jacquelyn Beatty, acct exec.

S.C. Johnson & Son

	1981	1980
Sales	$2,000,000,000	$1,800,000,000
Advertising*	66,560,000	51,411,600

*AA Estimate

S.C. Johnson & Son, Racine, Wis., was the 79th largest national advertiser in 1981. In an effort to remain competitive with its domestic consumer product businesses, it hiked its ad budget approximately 29% to $66.6 million.

Johnson is privately held and does not reveal sales and earnings. Worldwide sales for 1981 are estimated at $2 billion, with domestic sales accounting for approximately 40%, or $800 million.

Founded in 1866 as a marketer of wood flooring, Johnson built its reputation on floor and furniture care products and subsequently branched into insecticides, automotive products, air fresheners, laundry products and other household cleaners.

As many of these categories reached maturity, Johnson began to explore other avenues of growth, and in 1977 established a personal care division. The company since has launched three major brands in an attempt to establish a presence in that field.

Although it emphasizes its commitment to this relatively new venture, Johnson continually is seeking other opportunities. In 1981, the company quietly began to investigate the over-the-counter drug business. While it stresses that such activity is "strictly exploratory," Johnson has hired a consultant to assess options for entry—both by acquisition and internal product development.

In 1981, Johnson concentrated much of its attention on shoring up and extending existing product lines. It appears to be determined to cut its losses on less successful brands by eliminating media support.

In 1981, the company moved deeper into the personal care business by entering the $490 million hand and body lotion category with the September launch of Soft Sense Skin Lotion. Originally touted for its greaseless qualities, with the ad theme "All you feel is soft," Soft Sense positioning shifted more to the therapeutic side of the category earlier this year with a new "Healin' Feelin' " campaign. The company, which told the trade it would spend a total of $17 million in advertising and promotion during the six-month introductory period, spent $2.4 million in measured media in the last few months of 1981.

By mid-1982, Soft Sense had reached a 7% share, which the company claims is on target. Its entry coincided with the launch of Vaseline Dermatology Formula from Chesebrough-Pond's and Jergens Aloe & Lanolin lotion from Andrew Jergens Co. Jergens has a 15% share for all products combined, and Chesebrough has 25%.

Also in mid-1981, the company launched Enhance Shampoo as a companion to the year-old Enhance Conditioner. Targeted at women aged 25 to 34, the brand originally was positioned to "moisturize overworked hair." Whether it was an unclear definition or the competitive nature of the category, the brand has not lived up to company expectations and is being restaged. In mid-1982, the shampoo had a 1% share; the conditioner had 3%, down slightly from a year earlier.

In measured media, the company spent $3.3 million on the conditioner, down 25% from the previous year. It spent $1.5 million on the shampoo alone, and $1.3 million on the products combined.

Johnson increased support for its Agree brand. It hiked spending on the shampoo 26%, to $4.6 million, and on the conditioner 47%, to $5.3 million. It doubled spending on the products combined to $1.1 million. Also introduced was Agree Intensive, a five-minute deep conditioner, with $1.6 million in measured media. However, that segment of the conditioning category is thought to be limited.

Agree was given a facelift with a new campaign, "Escape the Greasies," designed to give it a "younger, hipper image." Although the new push helped the brand initially, its share leveled off. In mid-1982, the conditioner had a 4.7% share, down from an alltime high of 18%, and the shampoo, once with a 6% share, was down to 2.4%.

Also in haircare, the company briefly test marketed Achieve, a conditioning shampoo, in Tucson and Lexington.

Edge shaving gel continued to perform well for Johnson. With a 13% share, that product is second to Gillette Foamy (20%) in the men's shaving preparation category.

In floorcare, Johnson increased the advertising support slightly on its major cleaners. Brite, its entry in the no-wax floor segment, was backed with $3.6 million, a 4% increase from 1980, the year it was introduced. Although Brite initially appeared to have great potential, outperforming Lehn & Fink's Perk and Airwick Industries' Shine Guard (which were introduced at the same time), the product is considered only a "moderate success" by the company, and its share has leveled off at 8.5%. Meanwhile, Shine Guard has been withdrawn, and Perk has achieved an 11.6% share.

Brite's poor performance is attributed to the repositioning of existing brands for use on no-wax floors. Indeed, Johnson's Step Saver and Future are no exception. Both were restaged for that application in 1981, and are doing well. Step Saver has a 10.5% share, up slightly from a year earlier, and Future has 21%, up from 19%. Spending on Step Saver was $2 million, up 147%. The company backed Future with $3.3 million, up 43%.

Altogether, Johnson holds 50% of the category. Klear and Glo Coat continue to decline.

In furniture care, the company has a combined share of 54%. Pledge increased its market share from 35% to 41%. It was backed with $4.45 million, down 15%. Favor, which is not supported with media advertising, had a 4% share, down from 6%. Complete, introduced in 1980, was down from an 8% to a 4% share. Spending was cut 83%, to $446,000.

Shout laundry soil and stain remover, introduced in liquid form in 1980, was hurt by the introduction of Clorox Pre-Wash. Its share was down to 23% from 32%, and the new Clorox product won a 22.3% share. Texize's Spray 'n Wash continued to lead the market, with 49%. Johnson put nearly all of its media budget behind the liquid version, increasing spending 32% to $3 million. A Shout bleach was removed from test market.

The company continued to strengthen its Raid line. Over-all spending was increased 27% to $7.4 million in 1981. Raid crack & crevice spray, introduced in 1980, has done well, according to the company; spending was down 11% to $1.37 million.

Johnson also introduced Raid tomato and vegetable fogger nationally, and Raid Gypsy Moth and Japanese Beetle Killer in Northeast regions where that problem is severe. The Raid line is receiving more of a challenge this year as Texize revamps its acquired No Pest line, once belonging to Shell. Johnson has 48% of the insecticide market.

Off! continued to dominate the insect repellent market with a 78% share. Its major competition, Cutter Laboratories' Cutter line, was down slightly. Measured media spending for the line was $830,000, up slightly from a year earlier.

Johnson also dominates the aerosol air freshener business with Glade, which has a 47.5% share of that segment. Glade Solid holds an 11% share of that part of the category. The company spends minimally on that brand, investing $287,000 in measured media in 1981, an increase of 187%. Johnson is testing Glade Strips in Tucson and Toledo.

In other products, Johnson appears to be disappointed with Befresh! toilet bowl freshener, introduced with high expectations in 1980. Spending was $670,000, down 60% from a year earlier. The subsegment, the company explains, was not as large as initially anticipated.

Spending on the J/Wax car care line was $990,000, up 70%. The company put responsibility for the manufacturing, marketing and distribution of the line under the management of its Northern Laboratories subsidiary, and in mid-1982 switched the J/Wax account to G.M. Feldman & Co. from Foote, Cone & Belding.

In mid-1981, the company formed a Creative Arts division to manage its Creative Arts and Paternayan Bros. and Elsa Williams subsidiaries. It assigned that account to Warren & Epstein, New York.

In a trademark infringement suit brought against Johnson by Chesebrough-Pond's over the use of the word "Intensive" in the Agree Intensive hair treatment, a Federal judge ruled that Johnson did not infringe on Chesebrough's rights.

Johnson's Worldwide Innochem Operations consist of a commercial products group and a specialty chemicals group.

The commercial products group includes categories such as floor care, cleaning and disinfecting, air care, carpet care, furniture care and pesticides. The specialty chemicals group includes areas such as metalworking, special coatings, polymers and specialized chemicals for the graphic arts industry.

In the spring of 1982, Alfred Aragona, who had joined the company less than a year earlier, resigned as senior vp-marketing and sales. His marketing responsibilities were given to Laurance Newman, previously vp-regional director of commercial products for the company's Pacific and Far East divisions. The sales responsibilities went to David Henry, vp-U.S. Consumer Product Sales.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,170,000	$1,496,800
Magazines	13,515,500	9,690,300
Spot tv	8,404,500	5,415,400
Network tv	37,478,800	23,330,900
Spot radio	1,600	1,065,500
Network radio	186,300	977,900
Outdoor	—	365,000
Total measured	$51,356,000	40,411,800
Unmeasured	15,000,000	11,000,000
Estimated total	66,560,000	$51,411,800

JOHNSON WAX U.S. CONSUMER PRODUCTS

MARKETING PERSONNEL

R.M. Carpenter., exec vp, U.S. consumer products
L.R. Newman, vp-mktg, U.S. consumer products
D.C. Henry, vp, U.S. consumer products sales
R.F. Chay, director of mktg rsch
A.B. Priemer, director of mktg services
P.J. Grieger, pr mgr
W.C. George, national field sales mgr
J.N. Wallace, director, sales promo and development
B.F. Harris, genl mgr, personal care
R.E. Posey, genl mgr, insect control
J.D. Cules, group prod mgr, home care
B.M. Pritchard, group prod mgr, home care
G.L. Konarske, director, business planning and development
Category managers: J.F. Bieharski, M.L. McKie, J.O. Scherer, K.H. Smith
H.E.M. Murphy, new prod devel mgr, insect control
R.D. Perry, new prod devel mgr, personal care
Prod managers: H.B. Beighley, C.L. Colman, S.A. Danuser, R.L. DeRose, E.W. Gaskell, B.R. Groat, C.M. Hardin, J.M. Hutterly, W.L. McCollum, C.K. Nitta, M.N. Redlin, R.L. Sligh, W.L. Stewart, C.R. Townsend

WORLDWIDE INNOCHEM OPERATIONS

MARKETING PERSONNEL

M.J. Black, vp-regional director, commercial prods, Europe/Africa/Near East
S.W. Cairns, vp-regional director, commercial prods, Pacific/Far East
J.C. Moll, vp-commercial prods, U.S.
R.A. Dow, area director, commercial prods, Americas
W.J. Freund, director, Global Specialty Chemicals

INTERNATIONAL CONSUMER PRODUCTS

MARKETING PERSONNEL

L.R. Peterson, exec vp
J.F. Keane, vp, international consumer prods mktg and planning
J.D. Crabb, vp-regional director, consumer prods, Europe
G.W. Delp, vp-regional director, consumer prods, Pacific/Far East
T.S. Malone, vp-regional director, consumer prods, Americas
M.B. Miller, vp-regional director, consumer prods, Africa/Near East

JOHNSON WAX ASSOCIATES

MARKETING PERSONNEL

W.D. George, exec vp
J.R. Ambruster, vp-controller and director of admin
A.J. Getz, president, Johnson Creative Arts
F.J. Herre, president, Under Sea Industries
P.N. Herrmann, president, Old Town Canoe, Stim-U-Plant
J.R. Reyen, president, Johnson Camping
W.R. Tenney, president, Johnson Fishing

ADVERTISING AGENCIES

Foote, Cone & Belding, Chicago—Raid, Off!, Brite, Future, Shout—D. Fox, vp-mgmt super.
Needham, Harper & Steers, Chicago—Agree, Enhance, Glade, Soft Sense—J. Black, vp-acct director
J. Walter Thompson USA, Chicago—Edge, Pledge, Complete, Step Saver, Favor—J. Furr, vp-mgmt super.
Campbell-Mithun, Chicago—specialty

chemical prods—R. Sullivan, mgmt super; commercial prods, K. Probst, mgmt super; G. Kay, acct super.

G.M. Feldman & Co., Chicago—J/Wax Automotive—David Percy, vp-acct services.

Wm. Baxter, Minneapolis—Johnson Camping, Johnson Fishing—D. Hatch, J. Rausch, mgmt supers.

Roy Briz, Los Angeles—Under Seas Industries—R. Briz, president.

Warren & Epstein, New York—Johnson Creative Arts—D. Warren, president; L. Epstein, exec vp.

K mart Corp.

	1981	1980
Sales	$16,527,012,000	$14,204,381,000*
Earnings	220,251,000	260,527,000
Advertising**	349,611,000	319,314,000*

*Revised
**AA estimate

K mart Corp., Troy, Mich., the nation's sixth largest advertiser, found itself increasingly challenged in 1981 in the race to catch up with Sears, Roebuck & Co. K mart still lags far behind the $27 billion-plus No. 1 retailer, with 1981 sales of $16.53 billion, a 16.5% increase over 1980. The high cost of operations brought 1981 earnings to $220.3 million, a 15.4% decline from 1980. K mart's major playing card in the game to catch Sears is its increased ad budget. It boosted ad spending to $349.6 million in 1981, a 9% increase over 1980's $319.3 million, and K mart expects its 1982 ad budget will exceed $400 million.

The most dramatic increase occured in network tv spending. In 1981, the discount store marketer spent $11.8 million, a 100% jump from the previous year's $5.06 million in network tv. K mart also increased spending for spot tv, up to $22.8 million from last year's $18.5 million. Magazine expenditure was cut by $1.6 million. K mart's newspaper advertising budget, which is prepared and handled in-house and placed locally, is included in AA's unmeasured figure of $287.3 million. There has been some speculation that the company will move $15 million of its business from Ross Roy to Campbell-Ewald.

Despite the 171 new K marts opened in 1981, the company is planning on slower expansion, and will instead focus its resources on upgrading and refurbishing units. Only 250 new stores are planned for the next four years.

During 1981 alone, K mart revamped 463 of its more than 2,000 stores. During 1982, the company will continue its efforts to upgrade K mart's image, remodeling all its apparel departments. Additionally, the company will expand its home improvement departments in order to capture a larger share of the do-it-yourself home improvement market.

K mart is also trying to put more quality name brands in its stores and advertising. Such designer labels as Sergio Valente, Calvin Klein and Sasson can be found sprinkled through K mart stores cross-country. This merchandise is sold at discounted prices, providing the image of quality for less.

In a major move by its apparel division, K mart Apparel, a wholly owned domestic retail subsidiary which operates the women's ready-to-wear departments in all of its U.S. stores, K mart is expected to spend $4 million advertising its Jonathan Logan line of women's sportswear.

K mart hopes, said Howard Chalk, managing director of fashion agency Chalk, Nissen, Hanft, New York, to "capture a larger share of the softgoods business and capitalize on the tremendous traffic it has in its stores to begin with. This is a move toward carrying more well-known brands and higher level brands in softgoods [for K mart]."

By spending $4 million on advertising a single brand, K mart's ad budget for women's apparel for 1982 will be substantially increased from 1981 expenditures of almost $2 million. The first flight of tv, radio, some fashion magazine advertising and newspaper supplements began in August.

Other divisions of the company include K mart Canada Ltd., which is a wholly owned subsidiary operating the company's Canadian stores, Kresge stores and the Jupiter chain, the company's limited-line small discount stores. The latter was cut by 13 units in 1981, bringing the total to 69 stores in the U.S., Canada and Puerto Rico. K mart has been keeping a watchful eye on the Kresge chain, and eliminated 25 failing stores in 1981. There are 250 Kresge stores in the U.S. and Canada.

Furr's Cafeterias, a subsidiary of K mart, consists of a chain of cafeterias in the southwestern U.S. In 1981, the company announced it would begin to increase the number of restaurants, planning to reach a growth rate of between 40 and 50 cafeterias per year by 1985.

To further its growth in the restaurant industry, K mart opened two fast-food restaurants in test markets on June 17. Called Abra K Dabra, the restaurants feature pizza, family entertainment, such as magic shows, and electronic games. Restaurants will be placed near to K marts across the country if the first two, located in the St. Louis area, test successfully. K mart introduced the restaurants with newspaper ads and spots on local radio and tv.

In September, 1981, K mart acquired a 44% interest in Astra, a Mexican holding company with food, general merchandise and related real estate operations.

K mart continues to own a 20% equity in G.J. Coles & Coy Ltd., Australia's largest retailer, which in turn owns 68 K mart stores, 362 supermarkets and 170 variety stores. The equity yielded $20.1 million for K mart, which was $8.6 million more than the previous year.

ADVERTISING EXPENDITURES

	1981	1980
Magazines	$6,250,800	$6,154,000
Spot tv	22,781,500	20,333,000
Network tv	11,800,100	5,364,000
Spot radio	7,564,400	8,500,000
Network radio	2,835,000	4,500,000
Outdoor	144,900	150,000
Total measured	53,497,300	46,831,500
Unmeasured*	287,290,000	275,000,000
Estimated total	340,787,300	321,831,500

*Includes preprint newspaper advertising

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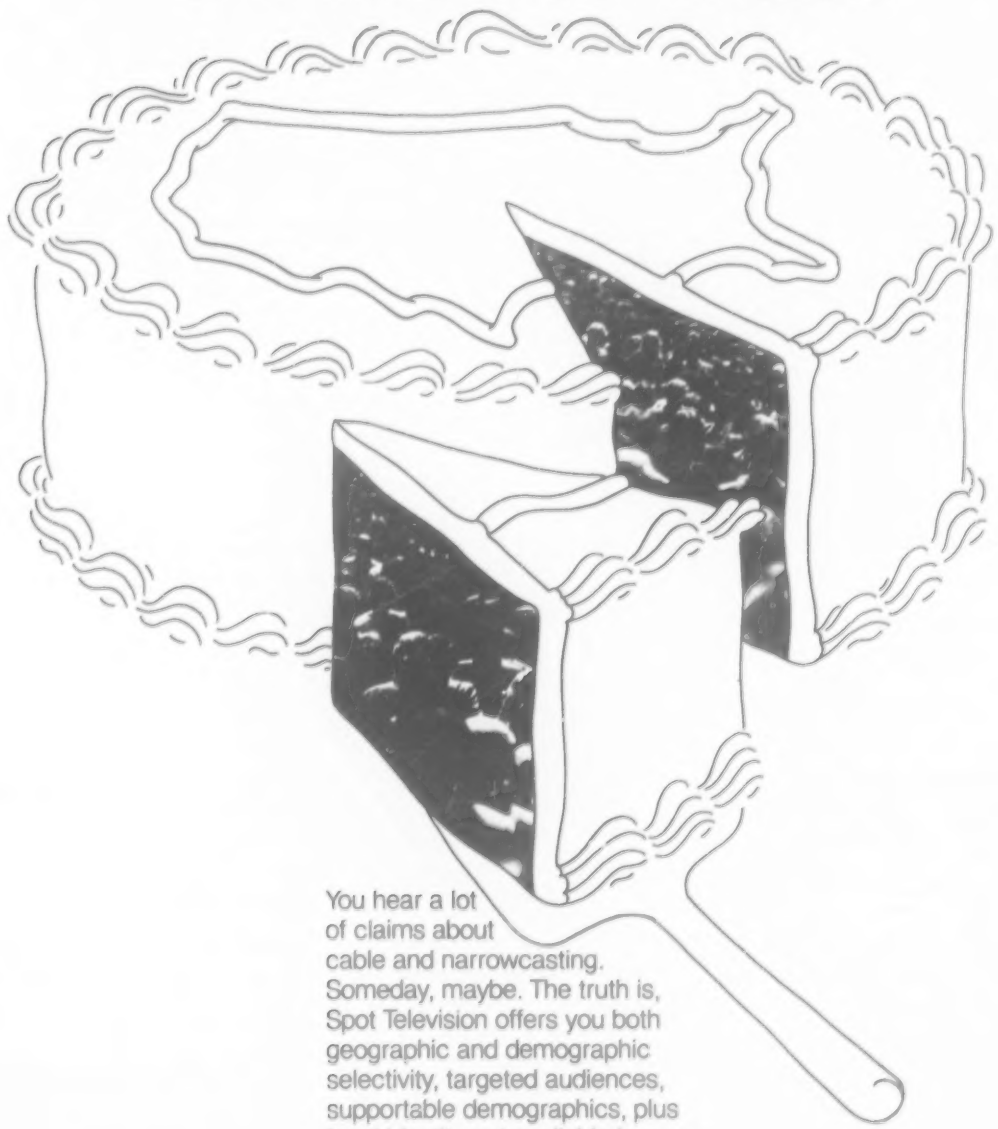

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ADVERTISING EXPENDITURES†

	1981	1980
Magazines	$7,285,000	$6,911,900
Spot tv	27,500,000	18,478,800
Network tv	12,756,000	8,060,100
Spot radio	6,226,000	6,549,400
Network radio	6,702,000	—
Outdoor	72,000	150,600
Total measured	$62,321,000	$44,311,000
Unmeasured	287,290,000	275,000,000
Estimated total	349,611,000	319,311,000

†Figures provided by the company

MARKETING PERSONNEL

J.L. Moser, director, adv and sales promo
R.M. Mazade, director, creative adv

ADVERTISING AGENCIES

Ross Roy Inc., Detroit—Peter Vetowich, senior director of retail.

Chalk, Nissen, Hanft, New York—Jonathan Logan women's sportswear—Howard Chalk, managing director.

Kellogg Co.

	1981	1980
Sales	$2,321,300,000	$2,150,900,000
Earnings	205,400,000	184,000,000
Advertising*	102,111,300	95,689,000

*AA estimate

Kellogg Co., Battle Creek, Mich., the nation's 54th largest advertiser, spent $102.1 million in advertising in 1981, with heavy increases in outdoor advertising and network radio. Over-all spending increased 6.7% from 1980's $95.7 million, and spending on network tv and magazines increased. Spot radio and tv and newspaper ads decreased.

Kellogg won what corporate officers termed "a major victory" in its 10-year battle with the Federal Trade Commission over charges of shared monopoly among the Big Three cereal makers. The FTC scrapped the complaint late last year without further appeals.

If successful, the action would have split Kellogg into five companies, distributing its brands among them. William E. LaMothe, chairman-chief executive officer, called the case "a classic example of government wasting taxpayers' dollars."

Also in 1981, the company posted its 37th consecutive year of increased sales with a worldwide total of $2.32 billion. That is an 0.8% increase from sales from the previous year. Earnings were up 12% to $205.4 million. U.S. sales, which account for 63% of the business, 1% more than in 1980, were $1.45 billion and U.S. earnings reached $151 million or 73% of total earnings, a 2% increase over 1980.

Although the company's sales and earnings have been rising briskly, Kellogg's share of the $3 billion-a-year American cereal market slipped from a peak of 43% in 1976 to 38.5% in 1981. However, this is still greater than the combined market share of its nearest rivals, General Mills and Post cereals.

Kellogg's Corn Flakes still remains the company's largest-selling product.

A major new product line, Nutri-Grain, was introduced during the year. It is Kellogg's only cereal with no sugar added, and the only U.S. flaked cereal made from whole grain. In order to thwart competitors, the company skipped test marketing and introduced four types of Nutri-Grain—corn, wheat, barley and rye—at the same time.

A record ad budget, an estimated $15 million, was set for the first year to advertise the new brand. Kellogg planned a heavy schedule of magazine ads, including *Self, Runner's World, Wall Street Journal, Sports Illustrated, National Geographic, Newsweek, Time* and *Vogue*.

Although Nutri-Grain grabbed a 1% share of the market, a success by traditional industry standards (the biggest seller, corn flakes, has a 6% share), the company was not wholly satisfied. Earlier this year, it quietly withdrew the rye and barley flavors and replaced them with a new flavor, Wheat & Raisins. Kellogg also is extending its Rice Krispies family with Marshmallow Krispies. The Snap, Crackle and Pop characters will be used in tv and print advertising.

The Mini-Wheats line was extended in January, with Apple Frosted Mini-Wheats. It was introduced nationally with the theme, "We've topped a good thing!"

An improved Special K cereal with a new flake and new packaging is being test marketed. And, in response to consumers' requests, more raisins were added to Kellogg's Raisin Bran cereal; a "New! More Raisins!" advertising campaign proved successful, the company said.

The company plans to expand its distribution of Le Shake liquid low-fat yogurt this year. The drinkable yogurt was successfully marketed in 1980 in the northeastern U.S.

Kellogg's international operations represent approximately 37% of the company's net sales and extend to 130 countries. Growth was reported during 1981 in three major and highly developed markets, Canada, the United Kingdom and Australia.

Kellogg has begun plans for construction of a new high-technology cereal facility that will utilize some existing equipment in the London, Ontario, plant. As one of the company's largest capital projects, plans for this facility include improvements to existing products and development of new cereals.

A major effort to refit and modernize packaging equipment in the Manchester, England, plant is under way. The Manchester facility is the company's second-largest cereal plant, next to Battle Creek, and serves over 75 countries in Europe, Africa and the Middle East.

The recently completed advanced technology plant in Wrexham, Wales, also helps the growing European market.

Kellogg holds a 49% share of the market in the United Kingdom and spent $23 million on advertising there last year.

The company said it plans to enter new markets in some areas of the world where the concept of a nutritious breakfast that includes ready-to-eat cereal is as novel as it was in the U.S. in 1906 when corn flakes were introduced.

Construction is under way on a new facility for processing a variety of ready-to-eat cereals in South Korea. Test market results, a high standard of living, a Western work ethic and above average consumer purchasing

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power indicate South Koreans will accept and enjoy ready-to-eat cereals, it said.

In Saudi Arabia, another new market entry for the company, Kellogg International introduced ready-to-eat cereals to 21,000 school children through a unique sampling project.

Mrs. Smith's Frozen Foods Co., a Kellogg subsidiary, introduced frozen crepes, quiche and Italian entrees nationally early this year. The entrees are promoted with the theme, "Nobody cooks like the Mrs." Eggo apple-cinnamon frozen waffles were introduced nationally early this year. Kellogg's Eggo, a leader in the category, has a dollar share of about 31%.

Kellogg's Salada Foods unit was reorganized into a subsidiary of Kellogg's U. S. food products division in 1982, with headquarters relocated to Little Falls, N.Y. Robert J. Lievense was named president of the new unit, with Edward F. Kline named senior vp-marketing and sales. A new line of drink mixes further extended the selection of beverage products available from Salada in 1982.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,815,500	$4,175,100
Magazines	5,097,500	4,407,600
Spot tv	17,276,700	16,960,000
Network tv	67,260,000	59,803,200
Spot radio	2,057,400	2,499,600
Network radio	1,460,500	619,700
Outdoor	143,700	11,600
Total measured	97,111,300	90,486,200
Unmeasured	5,000,000	5,202,800
Estimated total	102,111,300	95,689,000

KELLOGG U.S. FOOD PRODUCTS DIVISION
MARKETING PERSONNEL

A. G. Langbo, president
R. C. Fox, exec vp-sales
J. R. Aubuchon, senior vp-mktg
R. L. Myers, vp-director, group prod development
W. H. Swain, director, mktg services
R. L. Pollard, director, group prod development
T. C. Tussing, director, mkt development
D. H. Brenner, director, mkt development

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Cereals, Le Shake yogurt—W.T. Lynch, senior vp-client service director; J. M. Jenness, J. W. Drobnyk, vp-acct super; D. Cummings, K. Yednock, W. Whitman, acct supers; B. Key, T. O'Day, E. Hill, T. Roth, D. Baker, T. Pretzsch, G. Kash, D. Gletcher, K. Specht, S. Brewer, acct execs.

J. Walter Thompson USA, Chicago—Nutri-Grain cereals—Robert Westerfield, senior vp-client service director; Dean Proctor, vp-acct super; G. Lange, acct exec.

Vince Cullers Advertising, Chicago—Vince Cullers, president.

U.S. SUBSIDIARIES
MARKETING PERSONNEL

R. L. Nichols, group exec vp, Kellogg Co.

MRS. SMITH'S FROZEN FOODS CO.
Pottstown, Pa.
MARKETING PERSONNEL

R. L. Nichols, president-ceo
A. J. Simpson, exec vp-chief operating officer
Michael Wolfe, senior vp-mktg and sales
Jack MacDonald, natl sales mgr

FEARN INTERNATIONAL
Franklin Park, Ill.
MARKETING PERSONNEL

D. E. Thompson, president
E. K. Jorgenson, senior vp, sales and mktg

ADVERTISING AGENCY

Davis, Munder & Ostir—Percy Munder, president.

SALADA FOODS
MARKETING PERSONNEL

R. J. Lievense, president
E. F. Kline, senior vp, mktg and sales

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Mrs. Smith's, Eggo, Pure Packed Foods, Salada—Bill McBride, acct super; Donald B. Cummings, acct super, Salada.

Kimberly-Clark Corp.

	1981	1980
Sales	$2,900,000,000	$2,600,300,000
Earnings	205,000,000	182,000,000
Advertising*	62,440,000	54,527,900

*AA estimate

Kimberly-Clark Corp., Neenah, Wis., the 82nd largest advertiser in 1981, is estimated to have spent $62.4 million in advertising, up 15% from $54.5 million in 1980. Sales were up 11% to $2.9 billion from $2.6 billion the previous year. Net income increased 13% to $205 million from $182 million.

In 1980, K-C was reorganized into two operating groups: Consumer and service group, including such products as sanitary napkins, disposable diapers, tissues and paper towels; and a healthcare, paper and specialities group. The consumer and service group contributes approximately 65% of sales.

Part of the purpose of that reorganization was to shore up domestic business, a goal the company is beginning to accomplish. In contrast to 1980, K-C's domestic operations were stronger than its international operations in 1981. Net income in the U.S. was up 15% to $120 million; outside the U.S. it was up 10% to $85 million. The previous year, net income in the U.S. had declined 5% to $104 million, and outside the U.S. it had increased 61% to $77 million.

K-C, which essentially created the feminine hygiene category with the introduction of the Kotex sanitary pad in the 1920s, in 1980 shifted the emphasis of its advertising support to the New Freedom line. The company spent a total of $14.9 million in measured media on New Freedom, up 39% from a year earlier. Spending on the Kotex brand was $9.8 million, down 14%.

In early 1982, K-C launched a New Freedom super maxipad designed for protection on "heavy first days." Advertising says it is longer than "the other super maxipad."

With the two brands combined, the company claims approximately 25% of the $1 billion dollar feminine protection category. In the wake of the discovery of toxic shock syndrome and its link with tampon use, tampons have lost about 10 share points (from 47% to 37%), to sanitary napkins.

K-C apparently has made note of this development, and in 1981 almost eliminated ad spending for its Kotex Security tampon. That tampon has a minuscule share of the market.

K-C's Huggies disposable diapers with elastic legs, now in 87% of the country, saw some new competition from Procter & Gamble in 1982. After a very brief test period, P&G began to expand an elasticized Pampers with "stay-dry gathers" into a number of regional markets. The elasticized Pampers, priced at parity with regular Pampers, are priced 25% below Huggies and P&G's premium brand, Luvs.

Pampers is said to have approximately 50% of the field. Huggies is running slightly behind Luvs; they are running neck-and-neck in areas where they both are distributed. Most of the share held by Johnson & Johnson (8%) before it got out of the market in early 1981, has gone to lower-end products, now claiming 18% of the field.

Apparently determined to maintain its position, K-C hiked the Huggies ad budget by 87% to $12.8 million.

Kleenex Super Dry, distributed in the Southeast, or the 13% of the country where Huggies are not available, will remain in that region for the time being.

Kleenex facial tissue saw some new activity in early 1982, when K-C launched Kleenex Softique, an extra-soft formula, in the West. By July, Softique was moving into New England states, New Jersey, Pennsylvania, Washington, D.C., and parts of New York. The company continues to test a dry-formed tissue under the Softique name in Albany and Rochester, N.Y. The version now being expanded is made by the traditional wet formula.

Ad spending on Kleenex Boutique was increased 128% to $2.3 million. Spending on regular Kleenex facial tissues was down 28% to $3.8 million.

Kleenex's chief competitor is Procter & Gamble's Puffs, which it leads by a few share points.

K-C's Hi-Dri line of lower-price paper towels and toilet tissues received a small amount of ad support ($128,000) in 1981, its first, possibly in reaction to the introduction of P&G's new Summit line. The company also markets a Hi-Dri facial tissue in the Northeast, where generic activity is the strongest.

Depend, the company's entry into the briefs-for-incontinence field also is a high K-C priority. Previously testing in Kansas City and Green Bay, the product was expanded into the entire state of Wisconsin in 1981. The line will be introduced in much of the Midwest this fall. Available in drug and surgical supply stores, it is being supported by tv advertising. It competes against several products, which also are in early market stages. Procter & Gamble's Attends is distributed nationally in hospitals and nursing homes, and Johnson & Johnson is testing Espree in Tucson. (Depend is marketed under the Comform name in Lima, O.)

Both K-C and P&G are experimenting with ways to market their products directly.

The company discontinued its test market of Epic, nonwoven, durable cleaning cloths that had been testing in Jacksonville since 1981. It moved Tough Cat, a similar product, from test in Kansas City and St. Louis to Phoenix.

In mid-1982, Peter Larson, senior vp-marketing for the consumer and service companies, was named president of that group's U.S. business, a new position. Tom Dahl, formerly manager of seasonal products at S.C. Johnson & Son, joined as vp in charge of personal care products. J.D. Bernd was named to direct the activities of the tissue group.

K-C's Roswell, Ga.-based healthcare, nonwoven and industrial group introduced a disposable food service wipe called KleenUps, which is positioned against cloth.

That unit also introduced Spuncare, a cover gown for hospital personnel made of spunbonded polypropylene fabric.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,656,000	$1,534,800
Magazines	9,050,800	9,211,000
Spot tv	12,940,900	9,890,000
Network tv	21,145,600	18,107,000
Spot radio	648,200	341,900
Network radio	903,100	1,442,600
Total measured	46,344,600	40,527,900
Unmeasured	16,095,400	14,000,000
Estimated total	62,440,000	54,527,900

K-C CONSUMER AND SERVICE COMPANIES
MARKETING PERSONNEL

R.C. Ernest, president
P.N. Larson, president, U.S. business
R.F. Auchter, vp-infant care products
J.D. Bernd, vp-tissue business group
T.L. Dahl, vp-personal care business group
W.A. Dickens, vp-rsch, devel & fiber utilization
R.S. Fountaine, vp-U.S. mktg rsch
W.M. Heran, vp-new business devel, U.S.
M.C. Sacher, vp-service tissue products
G.A. Zins, vp-consumer tissue
R.C. Van Driest, vp-feminine care

K-C HEALTHCARE, PAPER & SPECIALTIES COMPANIES
(U.S. only)
MARKETING PERSONNEL

M.F. Gade, president
J.C. Whitaker, vp-business planning and Eastern U.S. forest prods business

K-C Health Care, Nonwoven & Industrial Group

M.F. Gade, president (acting)
J.S. Rausch, vp-business planning and controller
R.D. Carter, vp-nonwoven business
K.A. Ingram, vp-nonwoven and industrial division
G.R. McGrevin, vp-healthcare division
R.F. Rieter, vp-new business devel
A.B. Amdur, director-mktg rsch

K-C BUSINESS PAPER GROUP

A.H. Johnson, president

Neenah Paper Division

J.O. Skagen, vp and genl mgr
W.J. Schroeer, natl sales mgr
R.L. Mayotte, mgr-adv/sales/promotion

Brown-Bridge Division

R.W. Kohl, vp
J.A. Miller, genl mgr-sales and mktg

Karolton Envelope

R.R. Brown, vp
J.H. Werth, genl sales mgr
F.J. Belpulsi, mktg mgr

K-C TECHNICAL PAPERS & SPECIALTY PRODUCTS GROUP

R.H. Sonnentag, president

K-C Technical Papers & Specialty Products Businesses

R. Plaut, vp
J.H. Sweitzer, mktg rsch director

Specialty Products Business

J.W. Donehower, vp and genl mgr
J.R. Grau, business mgr-cigaret paper
J.P. Callahan, business mgr-tipping and specialty papers

Technical Papers Business

T.D. Plant, vp and genl mgr
J.W. Tosch, business mgr-dielectric and film prod

Coosa River Newsprint, Pulp & Forest Products Co.

S.B. Pinkerton, president
L.W. Howell, director-sales & mktg

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—consumer tissue prods, New Freedom feminine care prods, Depend incontinence briefs, Epic cloths—G. Barrett, mgmt director.

Ogilvy & Mather, New York—Kotex feminine care prods, infant care prods—C. Angers, group director.

Tatham-Laird & Kudner, Chicago—Tough Cat cloths—N. O'Meara, mgmt super.

Burton-Campbell, Atlanta—service prods, industrial wipes—Mike Bressler, acct super, Sharon Carrier, acct exec, Bonnie Marcus, acct exec.

P.B.A., Bloomington, Minn.—durable papers—Glenn Adair, president.

Kamstra Communications, St. Paul, Minn.—correspondence, cover & text papers—John Warner, vp-acct super.

MED Communications, Hopelawn, N.J.—healthcare prods—William Papciak, vp.

Lewis & Gilman, Philadelphia, Pa.—Spunguard operating room sterile disposable prods—Kenneth A. Marden, vp, HealthCom division.

Kaspar Kocs & Wesson, Brookfield, Wis.—nonwovens—Kevin Kaspar, president.

Liggett Group

	1981	1980
Sales*	$1,192,481,000	1,060,307,000†
Earnings*	53,600,000	57,500,000
Advertising**	43,500,000	36,000,000†

*Fiscal years ended Sept. 30
**AA estimate
†Restated

Liggett Group, Montvale, N.J., the 93rd largest national advertiser, increased its ad spending 21% in 1981 to an estimated $43.5 million.

Grand Metropolitan, a giant hotel, dairy, restaurant, gambling and beverage conglomerate, acquired Liggett Group in June, 1980.

In its first full year as a division of Grand Met, Liggett increased its sales 12%, to $1.2 billion, although earnings were down 7% in fiscal 1981 to $53.6 million. This compares with 1980's sales of $1.06 billion, and earnings of $57.5 million.

Liggett's nine operating companies manufacture and distribute cigarets, tobacco products, spirits and wines, pet foods, soft drinks, sporting goods and food ingredients.

Liggett cigarets include L&M, Lark, Chesterfield and Eve. Tobacco products include Velvet, Granger and Edgeworth pipe tobaccos and Red Man, the largest-selling chewing tobacco in America.

The unit cigaret sales of Liggett & Myers Tobacco Co. increased for the first time in 17 years, due to the success of new lines of generic cigarets and Eve 120's. L&M's generic product line is packaged in plain white. Carrying the simple legend "Cigarets" in black. L&M's generic cigaret sells at about $1 less per carton than name brands. The line of generics are all 14mg or under, and include menthol and ultralows. The generics holds a 1% share of the cigaret market, equivalent to $130 million at the factory level. L&M's market share dropped from 5.2% in 1967 to a 2.3% share of the domestic cigaret market last year.

The expansion to national distribution of Eve Lights 120's resulted in minor sales increases that were seen as surprising to the industry. The brand received $2 million in measured media support in 1981.

Liggett introduced Omni Luxury Lights 100's, a menthol cigaret, in several test markets. Mingo-Jones Agency is handling the promotion which features a man and woman in formal dress and states, "Introducing the world's most elegant menthol."

Last year, the Federal Trade Commission ordered Liggett Group to pay $85,000 in fines for allegedly failing to disclose health warnings "conspicuously" in ads and point-of-purchase material. The settlement requires more visible health warnings in oudoor ads. Several other major tobacco companies also got hit with similar restrictions and fines.

Liggett conducts its chewing and smoking tobacco business through a wholly owned subsidiary, The Pinkerton Tobacco Co. Sales were higher at The Pinkerton Co., where the company's principal brand, Red Man loose-leaf chewing tobacco, increased its share of market and strengthened its position as the largest-selling brand in the U.S.

Also contributing to the increase in sales was the success of a new product, Red Man Moist Plug, and the distribution benefits resulting from the consolidation of The Pinkerton Co. and L&M cigaret sales forces. In 1980, Pinkerton's measured support was $1 million. In 1981, it was more than doubled.

The Pinkerton Co. also manufactures and sells a wide variety of pipe tobacco brands under its own trademarks, principally Granger, Velvet and Black Clipper. Since 1974, Pinkerton has been manufacturing and selling other pipe tobacco under the brands Edgeworth Ready Rubbed, Rum and Maple, V.I.P., Holiday and John Rolfe. Pinkerton's sales of pipe tobaccos have continued to follow a long-term decline in the industry. The company recently entered several test markets with its first moist snuff product, Culver Brothers.

Liggett imports and distributes spirits and wines through its wholly owned subsidiaries, The Paddington Corp. and Carillon Importers. Paddington is primarily an importer of scotch whisky bottled under the J&B brand name of Justerini & Brooks Limited, an English company established in 1749, also owned by Grand Met.

Paddington has had the sole right to import J&B products since 1937. Sales of J&B were lower for 1981, according to *Business Week*, dropping 6.5% to 2.2 million cases, from 2.3 million cases in 1980.

Total sales of scotch in general have declined for the last few years, although J&B continues to be the largest selling scotch in the U.S. The media budget for 1981 was $15 million. In 1980, Paddington spent $10 million aggressively advertising J&B, via a campaign that touts the brand as having a taste that "whispers."

Paddington also distributes three other International Distillers & Vintners (IDV) scotches: Royal Ages 15 year old, Catto's Gold Label and Knockando, a single malt, which was introduced in 1981.

Paddington was appointed by IDV as the sole U.S. distributor of Baileys Original Irish Cream in 1980. Baileys has enjoyed remarkable success and has become one of the leading-selling imported liqueurs.

Baileys has an estimated 6% of the cordials and liqueur market, with an ad budget of $8 million. Baileys' success has resulted in a number of cream liqueurs from other companies. In fact, so many brands have followed in Baileys' path that industry observers predict an eventual shakeout. At present, however, none of the host of imitators has offered Baileys serious competition.

Carillon is the exclusive U.S. importer and distributor of Grand Marnier Liqueur, the leading French liqueur in the U.S. Media spending for Grand Marnier was $2 million in 1981.

In 1981, Carillon introduced the Piat d'Or line of French wines which have made a promising debut. Liggett also owns the trademark and distribution rights to Bombay English gin, distributed in the U.S. by Carillon. Carillon also imports Absolut Swedish Vodka.

While growth in the U.S. pet food industry was modest in 1981, Alpo premium canned dog food, the principal brand at Liggett's Allen Products Co., exceeded the industry rate of growth, improved its market share and maintained its position as the largest-selling brand of canned dog food. Media spending on Alpo in 1981 totaled nearly $13.5 million, according to Leading National Advertisers.

The Liv-A Snaps product line maintained its leadership position in its segment of the pet treat business. Sales of Alpo Beef Flavored Dinner and Alamo, major brands in the larger dry dog food segment of the market, eroded in the face of competitive market activity.

Liggett conducts its soft-drink business through its wholly owned subsidiaries, Atlantic Soft Drink Co. and Pepsi-Cola Bottling Co. of Fresno. The soft-drink bottling companies reported good results and maintained their leadership positions as the largest bottlers in their respective territories, with a dominant share of the soft-drink market.

Both companies bottle the full line of Pepsi-Cola products and operate in areas with very favorable climatic and demographic characteristics for soft-drink consumption.

Pepsi-Cola bottling Co. of Fresno continued to make excellent gains and broke ground last year for a major new bottling facility which will consolidate all production operations in one location.

High interest rates and the resultant contraction of trade inventory levels slowed the growth of the U.S. physical fitness and sporting goods industry in 1981, but Liggett's Diversified Products Co. achieved record results. New product introductions included a new line of boxing equipment, several new exercise bicycles and racquetball racquets, and a versatile compact home fitness system named Gym Pac 1000.

The U.S. food ingredient operations of Express Foods Cos., another Liggett subsidiary, were expanded and reorganized in 1981 with the acquisition of Western Dairy Products in San Francisco. This acquisition makes Express Foods one of the largest manufacturers of dairy-based protein ingredients in America.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,472,100	$3,775,300
Magazines	10,788,200	12,534,500

BUSINESS WITH BILL*

[Frankly, an advertisement]

Yes, frankly, this is an ad. Our objective? If we can reflect to you the uniqueness of our Bill Communications' properties, then you can judge us even better as a reader, perhaps an advertiser, and maybe even a future fellow employee.

John Hartman
Chairman of the Board
Bill Communications, Inc.

Teamwork! So very important in this competitive industry of publishing. Without teamwork your successes will be minimal. Bill Communications personifies the words "teamwork" and "team effort."

When I first arrived at BillCom five years ago, I noticed immediately the willingness of each department to offer complete accessibility to my necessary requirements. From our editorial staff, to accounting, to circulation, everyone was pulling together to assist my sales efforts on the East Coast for *Incentive Marketing*.

That same togetherness is continuing to grow five years later. For the past two and a half years, I have been managing the sales activities for the same publication in BillCom's West Coast office. Although the distance from our corporate office could not be greater, I constantly have the team support from my colleagues back East.

Yes, BillCom is a unique company. Everyone has an opportunity for personal growth and development, and our continued success is based on people who are involved and want to participate. Each person has the freedom to express his or her thoughts and communicate with corporate management.

Peter V. Edmunds
Western Sales Manager
Incentive Marketing

With Bill: 5 years

Fifty-three years with BillCom (and its predecessors) in what began as a temporary job—"fifty-three years" should speak for itself, I think, but I have been prevailed upon to say something more—reluctantly, I confess.

But I'll see what stands out among my souvenirs of what makes working for BillCom worthwhile.

The Great Depression, when everyone accepted salary cuts so that no one would be laid off.

The office party, when Ray Bill detailed our Profit Sharing Plan—first in the publication field. And we now also enjoy a host of other fringe benefits.

Getting very personal—I am here 53 years thanks to company policy of employee reevaluation after a certain age.

During these years my services as assistant editor, managing editor, production editor, associate editor, senior editor, plus working with printers, photoengravers, artists, advertisers, accountants, and many sterling associates along the way have given me a well-rounded, fascintating, and what-I-wanted experience in the business publication field. And the last five years or so have been enriched as I work part time for *Rubber World* and as editor of BillCom's company publication.

I doubt I could have received such experience and for so long elsewhere.

Sylvia R. Hague
Senior Editor
Rubber World

With Bill: 53 years

Bill Communications is a company for the independent, self-motivated, goal-oriented individual. Technical competence must be coupled with vision and tenacity. Corporate staff is kept to a minimum and the financial people like me are involved in the creative process as advisers, not as policemen. For them success is measured by numbers, and the numbers at Bill have been very gratifying, indeed. Sales in 1972, the year I joined the company, were $10 million. Sales in 1981 were $33 million. That represents an average increase of 15% per year for the last nine years. During those years, the company has started four new magazines, increased employment levels by 10%, and become a national leader of a disappearing breed—the privately held publishing company.

At Bill, the emphasis is always on quality, of product and performance. There are probably some areas where we could save a nickel here, a dime there, but Bill wouldn't be the company it is if we did.

Joseph J. Furey
Corporate Controller

With Bill: 10 years

*BILL COMMUNICATIONS, INC. *PUBLICATION DIVISION:* INCENTIVE MARKETING □ INDUSTRIAL CHEMICAL NEWS □ INSTITUTIONAL DISTRIBUTION □ JOBBER/RETAILER □ MODERN TIRE DEALER □ PLASTICS TECHNOLOGY □ RESTAURANT BUSINESS □ RESTAURANT DESIGN □ RUBBER WORLD □ SALES & MARKETING MANAGEMENT □ SUCCESSFUL MEETINGS □ *INFORMATION DIVISION:* BILLCOM LIST RENTAL □ INTEGRATED FOODSERVICES □ MARKET STATISTICS □ SALES BUILDERS
CORPORATE HEADQUARTERS: 633 THIRD AVENUE, NEW YORK, NY 10017 [212-986-4800].

Spot tv	8,862,000	3,438,800
Network t.	10,553,100	9,390,500
Spot radio	264,900	—
Outdoor	2,874,300	2,037,400
Total measured	41,814,500	31,586,400
Unmeasured	1,888,800	4,613,600
Estimated total	43,500,000	36,000,000

CORPORATE MARKETING PERSONNEL

Jonathan W. Old, president & ceo
Robert H. Fasick, vp-admin
Robert B. Seidensticker, vp, tobacco companies
Jim Adams, vp-corporate devel and strategy planning
Dan Provost, vp-public affairs
Al Kalish, director of corporate adv

LIGGETT & MYERS TOBACCO CO.

MARKETING PERSONNEL

K.v.R. Dey Jr, president & ceo
Hal Grant, vp-sales & mktg
Don Fish, natl director-adv and promo
John Franklin, mgr of mktg programs
Fred DiMenna, adv promo mgr
Joe Drescher, group promo mgr
Bob Seher, director-sales admin & services
L.P. Hughes, natl field sales mgr
Jim McPartland, eastern region sales mgr
Ennis Laws, southern region sales mgr
Dave Jackson, natl director, trade & sales promo
Jim Dowd, director, mktg private label & generics
Steven Cohen, director, sales planning & devel
Bobby Rigsbee, director, purchasing

ADVERTISING AGENCIES

Bloom Cos., Dallas—Bill Oakey, mgmt super; Steve Price, acct super; Nancy Rehling, acct exec; Alan Armstrong, acct exec; Cindy Avery, acct coord; Mark Oken, senior vp media dir; Bev Leibee, media planner, Eve Lights cigarets, special projects.

Mingo-Jones Advertising, New York-Omni cigarets-Frank Mingo, president.

PADDINGTON CORP.

MARKETING PERSONNEL

Al Ferro, president & ceo
Dick Mastracci, vp-genl sales mgr
John Daly, vp-sales, New York
Bob Suhr, vp-mktg
Al Giordano, vp-research planning
Joe McKenna, director of pr
Susan Lupien, brand director, Baileys Original Irish Cream
John Seewald, brand director, J&B
Tim Mulligan, asst brand director
D. James McCue, sales promo director
Ann E. Berenger, mgr sales research

ADVERTISING AGENCY

Backer & Spielvogel, New York—J&B Rare scotch, Catto's Gold Label scotch, Royal Ages scotch, Knockando scotch, Baileys Original Irish Cream liqueur, Crofts sherries and ports—John Kelly, vp-acct director; Larry Rosenthal, vp-acct director; Mike Rowland, acct super; Peter Marsman, acct exec; Steve Leff, exec vp and director-media services; Jay Schoenfield, senior vp-media director; Ann Meschery, vp-assoc media director; Fred Betts, media planner; Sid Shane, media super, J&B; Valerie Muller, media super, Baileys; Tom Volke, planner; Joan Greenberg, mgr, out-of-home.

CARILLON IMPORTERS

MARKETING PERSONNEL

Albert H. Singer, president & ceo
*Michel Roux, vp-natl sales mgr
Tim Enos, vp-mktg
Carolyn Kaiser, mgr, adv & promo

*Michel Roux will become president following Singer's retirement Sept. 30. Tim Enos will become exec vp.

ADVERTISING AGENCY

TBWA Advertising, New York—Grand Marnier, Absolut vodka, Cherry Marnier, Lapostolle cognac, Bombay gin, Bertani wines, Punte Mes, Achaia Clauss Greek wines andouzo, Lescours Abbaye, Dunhill Scotch, Ackerman-Lawrence sparkling wines, Piat wines—William Tragos, chairman & ceo; Brian Barry, vp-mgmt super; Jhan Synder, acct exec; Claude Fromm, vp-media director.

THE PINKERTON TOBACCO CO.

MARKETING PERSONNEL

Jim Nelson, vp-mktg
Don Robelen, chief financial officer & treas
Rich Russell, vp sales director
Bill Taylor, prod mgr
Arlene Coyle, prod mgr
Barbara Romano, asst prod mgr

ADVERTISING AGENCY

Benton & Bowles, New York—Red Man, Union Station, Big Duke, Black Clipper, Culver Bros. Snuff—Bill Sandeberg, acct super; Ira Schwarz, acct super; Frank Massaro, assoc media director.

ALLEN PRODUCTS CO.

MARKETING PERSONNEL

Joe Sestak, president & ceo
Jack Foley, exec vp
Frank Krum, senior vp-mktg & sales
Bob Beckwith, vp-sales
Jim Schmoyer, senior vp-operations
Ty Allen, senior prod mgr
Katherine Hillman, senior prod mgr
Ann E. Shaffer, prod mgr
Elaine Moore-prod mgr
Bart Campbell, mgr of pr

ADVERTISING AGENCY

Weightman Inc., Philadelphia—Alpo canned and dry dog food, Bi-ta dog biscuits, Liv-A Snaps pet treats, Alamo dry dog food—John Goodchild, vp-mgmt super; Ralph Day, senior acct super; Doug Schorres, acct super; David Wolfe, Mark Plamondon, William Annesley, Cathy Guarino, acct execs; Neil Harrison, vp-media director; Ray Dundas, assoc media director.

DIVERSIFIED PRODUCTS CORP.

MARKETING PERSONNEL

Cal James, president & ceo
Buddy Pilgrim, exec vp
Ira Silberman, senior vp
Ira Pollack, vp-corp mktg & purchasing
James Thompson, vp-mktg & sales
Lanier Johnson, mktg director
Greg Eveland, group prod mgr

ADVERTISING AGENCY

Walker & Associates, Memphis—Delons Walker, president.

LEACH INDUSTRIES

Charles Drake, vp & genl mgr

PEPSI-COLA BOTTLING CO. OF FRESNO

MARKETING PERSONNEL

Ron Dorrell, president & ceo

ATLANTIC SOFT DRINK CO.

MARKETING PERSONNEL

Larry Smith, president & ceo
James Moore, vp-mktg
Bob Buys, vp-operations

Loews Corp.

	1981	1980
Sales	$4,778,000,000	$4,535,000,000
Earnings	253,300,000	206,000,000
Advertising*	141,364,400	132,785,300

*AA estimate

Loews Corp., N.Y., the nation's 42nd largest advertiser, increased its ad budget 7% in 1981 to $141.4 million. Sales climbed 5.3% to $4.8 billion and net income rose 23% to $253.2 million, from $206 million in 1980. Income from continuing operations rose 20.8% to $268.2 million, and 1981 was the fifth consecutive year in which Loews reported record revenues and operating income.

CNA Financial Corp. had mixed results in 1981, with intense competition, inflation, high interest rates and the recessionary economy adversely affecting the insurance industry. In 1980 and 1981, CNA contributed 65% of Loews' revenues. Property and casualty insurance revenues were up 15.4% to $1.9 billion, but income contribution fell 6.4% to $80.3 million. Life insurance revenues were down about 5.5% and income contribution fell sharply again in 1981, down 16.3% to $25.8 million. Consumer finance revenues slipped 3.2%, while income contribution fell for the second consecutive year, 35% to $32.2 million, reflecting the closing of loan offices and the sale of receivables. CNA's ad budget was again devoted exclusively to magazines. Spending in 1981 increased 21% to $2 million.

The company strengthened its ties to independent agents by calling for a "Re-Declaration of Independence." As part of this campaign, the company proposed a "Bill of Rights" stressing the responsibility of agents and insurers. CNA is the No. 1 insurer of architects and engineers, and the second-largest in the libel and slander fields.

For the sixth year in a row, Loews' Lorillard Division reported satisfactory growth in cigaret sales. Lorillard held onto its rank as fifth-largest cigaret marketer in the U.S., despite an intense competitive environment.

However, Lorillard's share dropped 0.5% to 9.2%, while fourth-ranked American Tobacco also lost share points, dropping to 9.7% from 10.8%. In 1981, a 1% share of market was equivalent to more than $130 million at the factory level. Lorillard executives said the company's decline was due to massive ad spending by competitors, widespread use of free goods and merchandise by some companies and new product introductions by competitors.

Lorillard sales, representing 23.2% of Loews' revenues, rose 5.3% to $1.11 billion, and net income contribution climbed 12.3% to almost $178.2 million. Sales and net income increased for the fifth straight year.

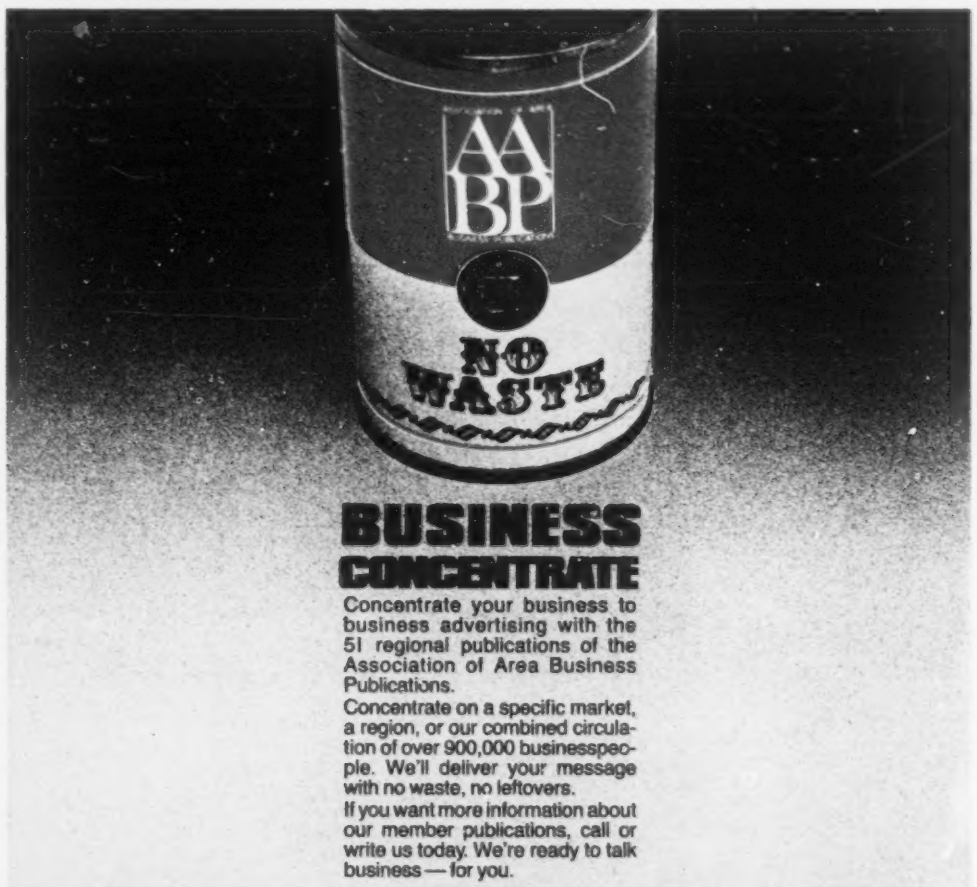
In an attempt to hold on to its remaining share, Lorillard has developed several new ad campaigns aimed at solidifying its grasp of the low-tar cigaret market, 15mg or lower. Low-tar cigaret consumption now accounts for almost two-thirds of the market, with the ultra-low tars (0 to 6mg) in the area of 11%. Low tars captured 60% of the market in 1981, up from 48.5% in 1980. Of this market, Lorillard has about 11%. About 75% of its cigaret volume is in the low-tarmarket, more than other companies, according to industry analyst John C. Maxwell Jr.

Kent III and Triumph, two 3mg brands introduced in 1979, fared quite differently in 1981. Kent III currently holds 1.3% of the market, while Triumph keeps its head above water at five-tenths of 1%, which is industry minimum for success.

Foote, Cone & Belding, the main Lorillard agency, created a spread which appeared in *Sports Illustrated* to dramatize the success of Kent III having made it big in its first years. The ad showed a panoramic view of Yankee Stadium with an oversize Kent III outdoor board surprinted over the left field wall. The ads were an extension of the Kent III cities campaign, with themes tailored to particular locales. Kent sales over-all fell to 18.65 billion units from 20.28 billion in 1980. Market share declined to 3.0%. Kent III and other Kent products were supported by $13 million spent on magazines, newspaper supplements and outdoor. Triumph sales were down 11.3% to 2.27 billion units. Spending was $12.6 million on magazines, newspaper supplements and outdoor. Triumph 100s rolled national in 1981 with the theme, "Taste the Umph in new Triumph 100s." Ads for the two brands have continued to focus on taste, despite the fact both are in the ultra-low tar market segment.

The rest of the Kent line did not fare as well as Kent III, slipping 8.7% to 11.3 billion units. Ad support, however, picked up 100% to just over $2 million, devoted to premiums, newspaper supplements and outdoor. Golden Lights, considered one of the industry's faster-growing brands, lost ground this year. Unit sales fell 14.4% to 9.60 billion. Ad backing in magazines, newspaper supplements and outdoor continued to drop, down 17% to $12.3 million.

Faced wih slumping sales of True, the ultra-low tar, Lorillard launched a new campaign to reverse the situation. True's unit sales slipped 10.8% to 9.85



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☐ Focus/Philadelphia, PA
☐ Long Island Business, NY
☐ Maryland Business Journal, MD
☐ New England Business, MA
☐ New Jersey Succe$$, NJ
☐ Pittsburgh Business Times, PA
☐ Regardie's Business Magazine, D.C.
☐ Vermont Business World, VT
☐ Westchester Business Journal, NY

SOUTH
☐ Advantage, TN
☐ Business Atlanta, GA
☐ Business North Carolina, NC
☐ Caribbean Business, LA
☐ Florida Trend, FL
☐ Houston Business Journal, TX
☐ Kentucky Business Ledger, KY
☐ Miami Review, FL
☐ Mid-South Business, TN
☐ New Orleans Citibusiness, LA
☐ Pinellas Review, FL
☐ Tampa Bay Business, FL
☐ Texas Business, TX

MIDWEST
☐ Corporate Report/Kansas City, MO
☐ Corporate Report/Minnesota, MN
☐ Crain's Chicago Business, IL
☐ Crain's Cleveland Business, OH
☐ Indiana Business, IN
☐ Indianapolis Business Journal, IN
☐ Journal Record, OK
☐ Kansas Business News, KS
☐ Minnesota Business Journal, MN
☐ Northern Ohio Business Journal, OH
☐ St. Louis Business Journal, MO
☐ Wisconsin Business Journal, WI

WEST
☐ Alaska Business & Industry, AK
☐ California Business, CA
☐ Colorado Business, CO
☐ Denver Business World, CO
☐ Hawaii Business, HI
☐ Oregon Business, OR
☐ Pacific Business News, HI

CANADA
☐ Alberta, Inc., ALT
☐ Atlantic Business, NS
☐ B.C. Business Magazine, BC
☐ Manitoba Business, MAN
☐ Saskatchewan Business, SASK

billion units from 11.04 billion last year. The series of ads was a drastic departure from previous True campaigns, which focused on low-tar content. The new approach was designed to pull readers into the ads by having them look for the True package emblem on one of a series of similar objects. Ad spending was $10.4 million in magazines, newspaper supplements and outdoor, down 12.6% from the previous year.

For the second year in a row, the best news for Lorillard came from its Newport brand, which topped its high sales gain in 1980: Unit sales were up more than 26% to 14.03 billion units. Loriliard's only major high-tar brand, it stays on top of True and Golden Lights to remain the company's second-biggest seller after Kent.

Ad backing for all Newports, including Newport Red nonmenthol brands, in magazines, newspaper supplements and outdoor was $11.9 million, up 28% from last year.

Lorillard tried two market probes with two low-tar smokes, Bistro Lights and Maverick. Bistro Lights, supported by $87,500 in magazine and outdoor, was billed as "Not just another faceless cigaret," featuring a smoker's face on the pack. The low-tar newcomer was tested in Sacramento.

Maverick, a cigaret tried once before in the 1970s, reappeared in Texas and Spokane, Wash., as a women's cigaret that's a "whole new breed." Maverick had $47,000 in outdoor advertising.

The company also launched Rebel and Heritage low-tars in minimarket tests with full advertising and promotion schedules. Ad spending for Rebel was $49,000 in outdoor, while Heritage received $36,600 for outdoor ads. Rebel is getting its feet wet in Erie, Pa., Nashville, Buffalo and Roanoke, Va., and Heritage is testing the waters in Lexington, Ky. and Jackson, Miss.

Old Gold, a regionally marketed brand, had sales of 2.10 billion units, down 10.3% from 2.34 billion units last year. Ad spending in magazines and outdoor went up 44% to just over $1 million.

Max 120s, designed to snip away at Philip Morris' Virginia Slims sales, had sales of 880 million units, down 8% from 1981. Ad spending totaled $285,400 in magazines and outdoor.

While small in comparison to cigaret volume, the company's chewing tobacco division continues to grow. The company is directing more attention to its successful Beechnut brand and is reformulating Big Red for national distribution. Beechnut spent $1 million on advertising in 1981, down $92,000, most of it on network and spot tv.

Loews' hotel division, which brings in 5% of Loews' total revenues, had revenues of $240.3 million in 1981. Ad spending for all hotel properties amounted to about $331,800, most of it in magazines.

Bulova Watch Co., 94% of which was acquired by Loews two years ago, contributed sales of $179.5 million in 1981, down 9% for its second full year of Loews ownership. Income contribution, however, was up 41.4% to $4.7 million. The company says new accounting, cost control and assembly systems were installed, causing some loss.

Over-all, Bulova watches received about $2.9 million in ad support, spread betweeen magazines, newspaper supplements, spot tv and outdoor. Caravelle watches received $33,700 for magazine and newspaper. All three watch lines, Bulova, Accutron and Caravelle, were revamped ano reintroduced in 1981.

Loews Theatre division continued its comeback from revenue declines and was up 9.5% to $59.9 million from $54.7 million. Income contribution was up sightly to $12.9 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$49,591,300	$45,624,400
Magazines	36,486,400	38,210,100
Spot tv	3,900,300	1,607,000
Network	1,332,600	4,363,600
Spot radio	32,800	304,000
Outdoor	25,041,000	21,676,100
Total measured	116,384,400	111,785,200
Unmeasured	25,000,000	21,000,000
Estimated total	141,384,400	132,785,200

LORILLARD DIVISION
MARKETING PERSONNEL

C.H. Judge, president
J.R. Ave, exec vp-mktg
R.H. Orcutt, senior vp-sales
T.H. Mau, vp-adv & brand mgmt
S.R. Ridgway, vp-pr
J.P. Mastandrea, director of sales-U.S.A.
G.R. Telford, group brand director
M.H. Burke, group brand director
C.W. Toti, director, mktg services
M.K. Capra, director, mktg devel
J.E. Daghlian, director, mktg devel
W. Sands, media director
P.A. Lawless, sales promo director
J.G. Flinn, mktg rsch director
R.D. Hammer, senior brand mgr
M.A. Kayiatos, E.M. Kiernan, P.R. Lawrence, E.G. Morgenthal, A. Pasheluk, C. Ray, brand mgrs
E. Schmitz, assoc brand mgr
C. Garbin, S. LaMonte, V. Lindsley, asst brand mgrs

ADVERTISING AGENCIES

Foote, Cone & Belding, New York—Kent, Kent III, Golden Lights, Max, new prods, corporate trade—Jack Oxee, Paul Iffland, mgmt supers.

Dancer Fitzgerald Sample, New York—Triumph, True, Beech-Nut chewing tobaccos, new prods—Tom Bohan, mgmt director; Joe Albanese, Don Bigda, Jerry Darringer, acct supers.

MCA Advertising, New York—Newport, Old Gold, new prods—George Hoefer, managing director.

SAMS, New York—all domestic prods in Hispanic markets—David Neuman, exec vp.

Case & McGrath, New York—new prods—Pat McGrath, president, Neil Tergeso, acct super.

LOEWS HOTELS
MARKETING PERSONNEL

Robert Hausman, president
William Maibach, exec vp
Ann Bontempo, vp-pr
Leo Bonardi, vp-sales

ADVERTISING AGENCIES

Landis & Landan, New York—Vernon Mosheim, acct exec.

Cavalieri, Kleier & Pearlman, New York—Ian Kleier, acct exec.

Enterprise Advertising Assn. LTD, Toronto—Alan C. Middleton, genl mgr.

LOEWS THEATRES
MARKETING PERSONNEL

Bernard Myerson, president
Bernard D. Diamond, exec vp
Donald E. Baker, vp-adv
Ted J. Arnow, asst vp-adv & promo
Henry I. Goldenberg, adv director

ADVERTISING AGENCY

Charles Schlaifer & Co., New York—Herb Joseph, vp-acct exec.

CNA INSURANCE COS.
MARKETING PERSONNEL

Edward J. Noha, chairman & ceo
R. Kropp, senior mgr-property & casualty mktg
R.B. Callahan, vp-life/health/pensions mktg
P.L. Engle, vp-mktg
Tom Snyder, asst vp-corp communications

ADVERTISING AGENCY

Frank C. Nahser Inc., Chicago—business, trade publications—Ron Nahser,president.

GENERAL FINANCE CORP.
MARKETING PERSONNEL

W.J. Devine, chairman & ceo
E.G. Stautzenbach, vp-director of mktg

ADVERTISING AGENCY

Cunningham & Walsh, Chicago—Jack Arnold, acct exec.

BULOVA WATCH CO.
MARKETING PERSONNEL

P.R. Tisch, chairman, exec committee
H.B. Henshel, chairman
A.H. Tisch, president
Jerry Josephson, vp-mktg
George Forman, vp-director, mktg services

ADVERTISING AGENCY

Doyle Dane Bernbach, New York—Ira Grindlinger, acct super.

MCA Inc.

	1981	1980
Sales	$1,328,988,000	$1,297,104,000
Earnings	89,788,000	119,042,000†
Advertising*	63,600,000	74,000,000

*AA estimate
†Revised

MCA Inc., Universal City, Cal., the 80th largest advertiser, cut ad spending by 14% in 1981, to an estimated $63.6 million.

A comparatively poor crop of films in 1981 from MCA's Universal Pictures, requiring less paid media ad support, caused the downturn, which is not uncommon in the cyclical motion picture arena, where the bulk of MCA's consumer marketing is focused.

In 1981 corporate financial results, MCA Inc. revenues were $1.33 billion, up just 2% from fiscal 1980's $1.30 billion. Net profits in 1981 of $89.8 million fell 25% from the year before and represent the poorest showing since 1977, excluding extraordinary income.

Fiscal 1981 and early 1982 were unusually active, marked by divestiture of operations and major new undertakings, usually through joint ventures.

Besides cutting its 1981 ad spending, MCA also altered its media distribution. Magazine buys accounted for only $530,500 of MCA's ad budget, down 68% from last year's $1.6 million, and newspaper expenditures fell 42%, to $4.1 million. Spot tv buys accounted for just $4.9 million this year, a decline of 50% from 1980's $9.9 million. Network radio spending was down 76% from last year, while network tv spending was increased 12%, to $17.9 million. Spot radio buys were also increased this year, up 31% to $6.4 million.

In 1981, the company spent $22.4 million in measured media promoting Universal Pictures, compared with 1980's $26.6 million. Of the 21 movies monitored by Leading National Advertisers, the three recipients with largest budgets were "Ghost Story," "Great Muppet Caper" and "Continental Divide."

In summer, 1981, Universal began buying cable tv ads backing "Nighthawks" and "An American Werewolf in London."

Filmed entertainment revenues—representing movie, tv and studio tour operations—were $788.7 million, inching up 2% from 1980, representing the lion's share of MCA's business.

In the theatrical arena, Universal's domestic market share shrank to just over 14% in 1981, down from 20% the year before, when it led the industry. "The Four Seasons" starring Alan Alda and "Bustin' Loose" starring Richard Fryor topped Universal's 1981 slate. "Night Hawks" starring Sylvester Stallone, "The Legend of the Lone Ranger," "All Night Long" and "Honky Tonk Freeway" were disappointments.

Universal Pictures' fortunes have improved significantly in 1982, due to the release of "E.T."

In a cost-cutting marketing innovation, Universal via Doyle Dane Bernbach advertised both "Conan The Barbarian" and "E.T." within a single 30-second network tv commercial. Heartwarming contemporary fantasy, "E.T." became summer 1982's big movie, certain to make the all-time movie hit list.

Universal was joined by Paramount Pictures and MGM/UA Entertainment in forming during October, 1981, United International Pictures, a joint venture to distribute films overseas.

Increasingly, efforts in movie production have been toward coventures or pickups of completed films. Universal's major film associates are British conglomerate Associated Communications Corp., PolyGram Pictures, RKO General, producer Dino De Laurentiis and Oak Industries. Also in theatrical, a new division has been established to produce programs for pay tv and cable.

In 1981, MCA said it wrote down $15 million for "unamortized tv values of theatrical films unlicensed to tv." However, it is said to own perhaps the most valuable film vault of all major film studios, worth $500 to $600 million.

Although not a marketer directly to consumers, Universal Television is a major supplier to the three networks with "Magnum, P.I." and NBC-TV's "Quincy," its most successful entries. Once the undisputed kingpin of network tv production, Universal Television has slipped recently.

Its traditional strength has been in hour dramas, which sell particularly well overseas, but a recent push in half-hour sit-com, lucrative in domestic syndication, fizzled when CBS-TV's "House Calls" and NBC-TV's "Harper Valley" were canceled.

MCA TV, the distribution and syndication arm, is among the most active major studio units engaged in barter syndication. "Sugar Ray Leonard's Golden Gloves" and off-ABC-TV "Hardy Boys/Nancy Drew Mysteries" are MCA TV's existing barter series. New advertiser-supported entries for fall 1982 and beyond are off-ABC-TV "Those Amazing Animals," "Memories with Lawrence Welk" and "Road to Los Angeles—1984."

In a deal locking up off-network series produced by a major independent, MCA TV has a long-term syndication deal with Alan Landsburg Productions bringing it syndication rights to ABC-TV's "That's Incredible," NBC-TV's "Gimme a Break."

Also considered part of filmed entertainment operations is Universal Studios Tour, conducted at MCA's 420-acre headquarters in Universal City, adjacent to Los Angeles. Promotions for the tour increased 17% in 1981, to $286,200.

As for major new efforts, MCA Inc. became a partner in a basic cable tv network, video programing and real estate development joint ventures. It also made acquisitions for its existing book publishing division.

In October, 1981, MCA bought one-third of USA Cable Network, the ad-supported basic cable network, with intentions to launch an in-home cable tv pay-per-view service. Its partners are Time Inc., Home Box Office parent, and Paramount Pictures, the Gulf & Western subsidiary.

MCA distributes home video software through MCA Videocassette. MCA and Walt Disney Productions are the plaintiffs in the landmark Sony Betamax case seeking copyright compensation for off-air tv videotaping.

In 1981, MCA entered a joint venture with a British entertainment conglomerate, MCA-Thorn EMI Programs International, to increase activity in the video market. The new entity produces and distributes video programing.

Separately, MCA is producing and distributing programing for the struggling optical—also called laser—format videodisc. NAP's Magnavox and Pioneer Electronics are also partnered in the Optical Programing Associates joint venture.

DiscoVision Associates, a joint venture of MCA and IBM that pressed optical format videodiscs, was sold in February, 1982, to Pioneer Electronic Corp. of Japan, folding what had been a major money loser. DVA retains its optical videodisc patent rights. Leber Katz Partners was the ad agency.

MCA's records and music publishing boosted operating profits 58% on revenues that were down 5% in 1981. This remarkable showing has been the talk of the depressed music business. Revenues were $175.2 million; profits amounted to $25.2 million, although measured media spending for MCA records and tapes were trimmed 57% in 1981, to a scant $127,200.

MCA Records repackaged old hits—its Platinum Plus line—thus wringing more life out of a product that already had been amortized. Innovative marketing of existing assets, plus a good showing with new products, let MCA music escape the general record industry downturn.

Platinum albums (1 million unit sales) in 1981 included Olivia Newton-John's "Physical," The Oak Ridge Boys' "Fancy Free," outgoing artist Steely Dan's "Gaucho" and Tom Petty and the Heartbreakers' "Hard Promises." Ten artists came up with gold albums (500,000 unit sales). In-house Lankershim Advertising handles.

Spencer Gifts, MCA's Atlantic City, N.J.-based retail and mail order division, posted revenues of $216.2 million in 1981, a 2% rise. Operating profits rose 56% from last year, to $13.7 million. Spencer Gifts claimed $6.9 mil-

lion of MCA's ad budget this year, a decline of 40% from 1980's $11.5 million.

"A stringent corporate cost control program and increased profitability of catalog mailings" during the year brought sharply increased operating profits despite the general economic recession, an MCA spokesman said. Spencer Gifts operated 420 stores at the end of 1981.

MCA's other operations had revenues of $148.8 million, up from 11% from the year before. Other operations showed an operating profit of $4.1 million, off 3% from the year before.

MCA Publishing Group posted its highest revenues ever, despite a soft market. Putnam Publishing and BJ Publishing are the major units. In addition, MCA acquired Grosset & Dunlap Publishing from Filmways and Playboy's PEI Books.

MCA bought a 423-acre site near Disney World in Orlando, Fla., where it plans to build another studio tourist attraction at a cost of $170 million. Back at MCA's headquarters facility, an existing outdoor amphitheatre with 6,200 capacity has been enclosed for $20 million, permitting year-round live event and film production.

In June, 1981, Avco Embassy president Robert G. Rehme was named president of Universal Pictures new distribution and marketing division.

MCA founder Dr. Jules C. Stein, a medical doctor, who started the company as a big band booking agency in Chicago during the 1920s, died in May 1981.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$4,121,200	$7,090,000
Magazines	530,500	1,639,800
Spot tv	4,914,100	9,875,800
Network tv	17,942,900	15,976,800
Spot radio	6,446,600	4,899,800
Network radio	86,600	368,300
Outdoor	269,600	292,600
Total measured	34,311,700	40,142,900
Unmeasured	29,288,300	33,857,100
Estimated total	63,600,000	74,000,000

MCA INC.

Lew R. Wasserman, chairman/ceo
Sidney Jay Sheinberg, president, chief operating officer

UNIVERSAL PICTURES

MARKETING PERSONNEL

Robert Rehme, president, distribution & mktg div
David Weitzner, exec vp-adv, publicity, promo
Gordon Armstrong, vp-adv, publicity, promo
William Soady, vp-genl sales mgr

ADVERTISING AGENCY

Doyle Dane Bernbach/West—Simon Kornblit, senior vp-mgmt super; Jim Spero, senior vp-media director; Linda Rene, media planner; Sue Taylor, senior acct exec; Ann-Marie Whitman, assist acct exec.

MCA VIDEOCASSETTE

MARKETING PERSONNEL

Gene Giaquinto, president
Jerry Hartman, vp-mktg

ADVERTISING AGENCY

Cavalieri, Kleier, Pearlman, New York—Ian Kleier, vice-chairman-acct super; John Cavalieri, chairman-creative director; Michael Katz, media dir.

SPENCER GIFTS

Atlantic City, N.J.

MARKETING PERSONNEL

J. Eugene Brog, president
John L. Doyle, exec vp-director operations
George R. Zilling, vp-mktg, planning, rsch, devel

Mail Order Operations

S. Gary Stern, vp-merchandising
Allan Bilofsky, director, adv services
Dotti J. Watts, intl mktg admin

ADVERTISING AGENCY

Fairfax Inc., New York—James Fishel, acct exec; Jonathon Horn, media director.

MCA RECORDS

MARKETING PERSONNEL

Bob Siner, president
Sam Passamano Jr., adv director/merch
Vince Cosgrave, vp-mktg/product devel

ADVERTISING AGENCY

Lankershim Advertising (inhouse)—part of marketing dept.

MCA DISTRIBUTING

Al Bergamo, president

Mars Inc.

	1981	1980
Sales*	$1,350,000,000	$976,360,000
Advertising*	78,400,000	83,729,375

*AA estimates

Mars Inc., the nation's 69th largest advertiser, emerged as the big winner in the candy bar wars of 1981 and trimmed its candy advertising enough to produce the first companywide decline in ad spending in four years—off 6.4% to an estimated $78.4 million. Ad spending boosts at the company's rice and pet food units, Uncle Ben's Foods and Kal Kan Foods, kept the decline from being even sharper.

U.S. sales, fattened on the candy boom, were up an estimated 38% to $1.35 billion last year. The company's extensive international operations put Mars brands at or near the top of the heap in Europe and elsewhere, with worldwide sales estimates for 1981 starting at a conservative $3 billion on up to double that amount.

Most of what's known of Mars' successes in the U.S. comes from grocery intelligence services and competitors who, of necessity, are students of its marketing moves. Mars itself, believed by observers to be this country's biggest privately held company, does not divulge its financial and advertising data and rarely boasts about its triumphs in public.

Available measured media estimates for Mars candy and snack advertising put the total for 1981 at $43 million, off 15.3% from the previous year. An M&M/Mars exec declined to discuss the figures, but a trade source suggested the company may have trimmed the ad budget to improve what he believed were anemic candy profit margins. M&M/Mars had raised wholesale prices last September, the source noted.

Meanwhile, however, measured media spending on the Kal Kan pet foods was up 26.6% to $14.8 million. An even bigger jump—56.5%—was reported in spending at Uncle Ben's Foods, where the estimate reached $7.2 million for 1981. Another big hike in ad spending at Uncle Ben's is apparently in the cards for this year.

The big story in 1981 for Mars, however, was candy. Easing prices for cocoa and sugar, key raw materials for chocolate candy bars, and rising chocolate consumption—to an estimated 9.3 lbs. per capita last year compared to 8.3 lbs. in 1979—set the stage for Mars in late 1980 to expand the size of its bars while holding its wholesale cost level.

By spring, 1981, unusually candid Mars execs were explaining their pricing tactics as a bold bid to expand volume even at the cost of slimmer profit margins. In February, about three months after expanding its bar size, Mars reported 30% jumps in sales volume for key brands like Milky Way, Snickers and Three Musketeers and 60% for its Mars bar. Even with the price hike that Mars put through in September, 1981, trade sources are saying that Mars may have taken in a 45% share of the approximately $2.1 billion in chocolate bars sold in the U.S. last year. If true, that would be a giant expansion from the roughly 33% share credited to Mars in 1980. Hershey, Peter Paul, Cadbury and Nabsico Brands are said to have lost share in the face of the Mars onslaught.

AA estimates U.S. candy and snack revenue for Mars reached about $950 million in 1981, although some estimates by trade observers put the U.S. total as high as $1.2 billion.

Not every Mars brand is a smash success, of course. Mars' Marathon candy bars, like Forever Yours bars earlier, were pulled from the market this April. But Mars execs and trade sources think they have two new product winners in M&M's Royals mint chocolates, a mint flavored M&M-type candy, and in Combos, a brand that is expected to broaden Mars' reach from confections into nonsweet snack food marketing.

Combos is a cheese filled crispy pretzel nugget, offered in nacho, cheddar and pizza flavors and available in regional markets in 1.5-oz. and 7-oz. packages. A three-pound package is being tested. It is the sole product currently being marketed by Mars' Snack-Master division, which had previously handled some of Mars candy brands.

At least one admiring trade observer said he believed Combos is selling at the national equivalent of $200 million a year in its regional markets. A Mars exec said that estimate is overblown, but that the product is doing "very well."

U.S. pet food shipments may have passed the $4 billion mark (wholesale) last year, perhaps reaching $4.1 billion, a $300 million increase over 1980, according to government economists who follow the industry. Despite major successes in European pet food markets, Mars is not a giant in the U.S. marketplace.

But it is trying not to fall farther behind. Its traditional strength has been in canned dog and cat foods, where analyst John Maxwell ranks Kal Kan canned dog food the No. 2 brand, Kal Kan canned cat food No. 3 and MPS Chunks canned dog food No. 13. Thorofed, another Kal Kan canned dog food product, has virtually disappeared from the market.

Kal Kan has been following the trend toward dry pet foods with two products, Mealtime dry dog food, now national and ranked seventh by Mr. Maxwell, and Crave dry cat food, which is going national this year. Ad support for Crave in new markets has been promised at a national rate of $20 million. Mr. Maxwell ranked Crave No. 8, well down the national list, at the end of last year, when it was still available only in selected western markets. AA estimates Kal Kan sales reached about $250 million (wholesale) in 1981.

Rice shipments in the U.S. are believed to have neared $1.9 billion last year, but 60% to 70% of the total in recent years has been going to export markets. Uncle Ben's converted brand rice is generally recognized as the No. 1-selling brand, although Colgate-Palmolive, with its Riviana brand, markets a number of different rice brands and is believed to be the market share leader.

Uncle Ben's Foods sharply expanded ad support for Uncle Ben's converted brand rice last year, and is believed to be spending even more aggressively this year. The company also offers a full line of speciality and flavored rices and Stuff-n' Such stuffing mixes. Two efforts to tap the frozen food market—SunCrisps, a frozen french fry made from rice, and Uncle Ben's Heat-'n Serve Rice—remain in test markets. New in test markets in 1981 was Uncle Ben's original brand rice.

Estimated measured media spending for major Mars brands last year was:

- Candy and snacks—M&M's, $5.6 million, off 46%; Mars bars, $5.3 million, up 114%; Milky Way, $4.5 million, off 41%; Snickers, $7.7 million, off 24%; Starburst, $2.4 million, off 49%; Summit, $3.7 million, off 40%; Three Musketeers, $4.6 million, up 31%; and Twix, $5.7 million, off 25%. Mars placed an estimated $560,000 in measured media behind Combos last year and $327,000 behind Royals mint chocolates. Support for Skittles fruit chews last year is estimated to be $248,000.
- Pet foods—Kal Kan canned dog food, $4 million, up 22%; Kal Kan canned cat food, $4.5 million, unchanged; Crave dry cat food, $1 million, up 18%; Mealtime dry dog food, $4.4 million, up 63%; and MPS chunks canned dog food, $423,000, comparison not available.
- Rice products—Uncle Ben's converted brand rice, $6.5 million, up 72%. Estimated measured media support for smaller brands was $148,000 for Heat-'n Serve frozen rice dishes, $187,000 for Uncle Ben's great recipe side dishes, and $247,000 for SunCrisps frozen french fries.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$914,300	$2,781,000
Magazines	1,462,100	308,000
Spot tv	32,217,700	29,545,200
Network tv	31,180,600	36,689,000
Spot radio	96,200	757,300
Network radio	—	206,800
Outdoor	5,900	3,000
Total measured	65,876,800	70,290,500
Unmeasured	12,523,200	13,438,875
Estimated total	78,400,000	83,729,375

MARS INC.

McLean, Va.

Forrest E. Mars Jr. and John F. Mars, co-presidents

MARKETING PERSONNEL

M&M/Mars
Hackettstown, N.J.

Howard L. Walker, president

M&M/Mars Direct Division
Hackettstown, N.J.

Alun Jones, senior vp-mktg

M&M/Mars Broker Division
Waco, Tex.

Ove Sorensen, vp

Snack-Master
Albany, Ga.

Sam Dewar, president
Trevor Hodgson, vp-sales and mktg

Uncle Ben's Foods
Houston

Thomas Armstrong, president
Rod Sands, mktg director

Uncle Ben's Frozen Foods
St. Charles, Ill.

Richard Guja, genl mgr

Kal Kan Foods
Vernon, Cal.

John H. Barrow, president
Ed Conn, vp-mktg and sales

ADVERTISING AGENCIES

D'Arcy-MacManus & Masius, New York—Milky Way, Twix, Summit, Skittles fruit chews, Munch, new prods—Charles McConnell, mgmt rep.

Ted Bates Advertising/New York—M&M's, Three Musketeers, Snickers, Starburst, Mars bars, Royals, Snack-Master's Combos—Larry Light, exec vp-client services. Kal Kan canned dog and cat foods, Mealtime dry dog food—Jerry Brady, mgmt rep.; Howard Sonner, acct super. St. Louis—Crave dry cat food, MPS Chunks canned dog food, Thorofed canned dog food—Jack Bruemmer, mgmt rep; Bob Faust, acct super.

J. Walter Thompson USA, Chicago—Uncle Ben's converted brand rice prods, SunCrisps frozen french fries, Heat- 'n Serve frozen rice prods—Brian Squires, mgmt rep; Marion Howington, group creative director.

Castor Spanish International, New York—Jack Aguirre, acct super, Uncle Ben's Converted brand rice prods.

Jeffrey Martin Inc.

	1981	1980
Sales	$75,000,000	$45,000,000
Advertising*	41,000,000	35,708,100

*AA estimate

Jeffrey Martin Inc., Union, N.J., the 97th leading national advertiser, increased advertising 8.7% to an estimated $41 million in 1981 from an estimated $35.7 million in 1980.

Sales for 1981 were estimated at $75 million, up about 60% from $45 million in 1980. Part of the company's sizable sales increase is attributable to the inclusion of volume generated by brands it acquired when it signed an agreement in mid-1981 with Purex Industries to manufacture and distribute Purex's health & beauty aids lines.

Products picked up from Purex include Bantron, a smoking deterrent, Ayds appetite suppressant candy, Pursettes tampons, Campana Italian Balm hand softening lotion, Bert's gelatin capsules, Doan's pills and rub for backaches and Cuticura soap.

Under Purex these brands were unadvertised in 1980 and had witnessed severe drops in market share. Ayds, for one, was said to have dropped to a 5% share of the total diet pill market, down from a one-time high of 66%.

After assuming manufacturing and distribution control over those brands in 1981, Martin moved at once to increase ad spending. Measured media support for Ayds climbed from $4.3 million in 1980 to $4.6 million for the last six months of 1981, while advertising behind Doan's increased from $1.3 million to $4.7 million. Both Bantron and Cuticura, which had been unadvertised, received approximately $166,100 and $1.3 million in measured media support, respectively, according to Leading National Advertisers.

While the increased spending on the former Purex brands helped boost the company's total ad spending in 1981, they are expected to continue to do so this year. Total company ad

spending is forecasted at $65 million for 1982. Pursettes will receive $6 million in support while Bantron will receive $12 million. The brands have also given Martin a greater European presence because of Purex's base there with the distribution of Ayds and Cuticura soap. This year, Martin's Topol smoker's tooth polish and Porcelana fade cream will be marketed in England, with Topol venturing into Italy and France as well.

In the meantime, Martin has continued to aggressively back its own brands. Topol, with estimated sales of $30 million-plus and a 4% share of grocery store sales, received $14.5 million in measured media spending during 1981, up from $13 million in 1980. Porcelana's measured media spending dropped from $14.7 million in 1980 to $8 million in 1981. However, this could be partly attributable to some changes in the robustness of the category as well as the company's plans to expand the fade cream to include a sun-care version in 1982. Porcelana still retains a 55% share of drugstore fade cream sales, but the category itself is down in volume from two years ago.

This year, Jeffrey Martin signed on with the Computer Assisted Marketing Research Analysis service of Sound Marketing Inc., Greenwich, Conn., which provides advertising and sales reports with advertising-to-sales ratios, moving averages, analysis of brand development index, advertising penetration index and cost-per-gross rating point comparison.

Advertising continues to be handled in-house, but the company has been looking for an outside agency to share responsibility for its brands. Martin continues to buy its broadcast time on an opportunistic basis. The company has increased both its use of radio and tv during the last year as well as magazine support.

In the first half of this year, Jeffrey Martin was identified as one of the suitors of Nabisco's J.B. Williams division. Whether or not that acquisition comes to pass, the company is projecting the year's sales at over $100 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$82,300	$142,900
Magazines	2,001,700	236,900
Spot tv	9,089,500	11,404,800
Network tv	14,613,500	14,187,500
Network radio	8,459,500	7,436,000
Total measured	34,246,800	33,408,100
Unmeasured	6,753,200	2,300,000
Estimated total	41,000,000	35,708,100

MARKETING PERSONNEL

Martin Himmel, president
Robert Varian, vp-mktg & adv
John Sullivan, mktg director
Patrick Dwyer, mktg director
Richard Feldheim, media director
Alfred Socolow, exec producer
Don Martin, producer
Lisa Wagner, asst media director

ADVERTISING AGENCY

Dunnan & Jeffrey, Union, N.J. (in-house)—Robert Varian, vp.

Mattel Inc.

	1981	1980
Sales*	$1,134,252,000	$915,690,000
Earnings*	39,102,000	7,898,000
Advertising**	110,600,000	87,100,000

*Fiscal year ends Jan. 30.
**AA estimate

Mattel Inc., Hawthorne, Cal., boosted advertising and promotion spending 27% in 1981 to an estimated $110.6 million, making it the 49th largest U.S. advertiser.

The sharp advertising increase is largely a result of Intellivision's programable videogame console. Sales soared to more than 1 million units, compared to 1980 sales of just over 200,000 console units. Intellivision has a 20% share in the domestic programable video game category, making it a distant second to Warner Communications' Atari subsidiary, whose market share is about 70%.

Sales of the videogame pushed over-all corporate revenues to $1.1 billion in 1981, a 24% increase over 1980. Corporate 1981 operating profits rose 111% to $148.0 million. Net profits were $39.1 million, skyrocketing 395% over 1980.

Toy and Hobby Products, Mattel's biggest unit, posted sales of $503.5 million, a 12.5 % increase from 1980. Mattel is the world's largest single toy maker with an estimated 10% share of the $4.2 billion U.S. toy/game market.

Mattel made 3 million large dolls in 1981; the Tippee Toes doll was the biggest seller in this category with more than 1.5 million units.

Ad spending for Mattel dolls and accessories increased 116% in 1981, up to $15.7 million from last year's $7.2 million.The Barbie dolls, which have sold 135 million since the 1959 debut, and the Hot Wheels miniature die-cast car line paced the entire segment to record operating profits of $65.5 million, up 58%.

See'n Say talking preschoolers' toys, Monchichi dolls and Children's Discovery programable kid computer are other significant Toy and Hobby Products lines. Mattel also includes in this unit plastic model kit sales from Monogram Models, Morton Grove, Ill.

According to the company, Mattel Electronics posted sales of $287.6 million, a 141% increase over 1980's $119.3 million.

Out of that, the 1 million console unit sales of Intellivision translated into estimated revenues of $200 million.

Mattel Electronics' operating profits were $73.1 million, a whopping 901% increase over 1980. Those profits are the reward from a successful gamble that Intellivision, starting late in 1979, could carve a niche in the home programable video game market pioneered by Atari. Stock analysts have predicted about 2.5 million console units will be sold by Mattel in 1982.

Advertising via Ogilvy & Mather, Los Angeles, rips Atari in competitive jabs using George Plimpton as presenter. The Plimpton-fronted ads contributed to the bulk of the 78% increase in measured network tv spending, which totaled $26 million in 1981. Total measured media spending for Intellivision was $9.08 million in 1981, compared to $427,600 in 1980, and an excess of $8 million was con-

Which city has the largest concentration of cultural facilities in the nation?

( ) New York City
( ) Boston
( ) Los Angeles
( ) Cleveland

Refine your thinking. It's Cleveland. Where a lot of well bred people with a lot of bread support the arts.

This city is the home of the world-renowned Cleveland Orchestra, Cleveland Museum of Art, six other major museums, the Cleveland Clinic, Case Western Reserve University, and a long list of theatres and other cultural institutions.

Clevelanders have good taste in reading, too. They read The Plain Dealer for a complete guide to the arts and entertainment. Learn how to reach our readers by contacting your local Newhouse Newspapers representative. Or call (216) 344-4079.

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buys. Ed Libov Associates was assigned some media buying in 1981, previously handled by O&M.

Intellivision's $210 wholesale price is about twice Atari's wholesale unit cost. In late 1982, Atari will introduce a new generation programable videogame with improved features. The product will wholesale for $250 and stock analysts say it is aimed directly at Intellivision.

In game cartridge developments, Mattel said in 1982 that it will market game cartridges compatible with the Atari's first generation VCS format under the M Network trade name. Also, Mattel said in 1982 it has licensed unidentified coin-operated arcade videogames for Intellivision, which represents the first major challenge to Atari's dominant arcade game licensing for its home video game.

Other Mattel Electronics products include portable electronic games such as Dungeons & Dragons, Computer Chess and others. Mattel will market a game cartridge based on Walt Disney Productions' July-released "Tron." The cartridge will be available in September.

Mattel's electronic games accounted for only $2 million of 1981's ad spending, a 275% decrease from the previous year's $7.7 million.

In fall 1982, Mattel plans to introduce Intellivoice, an Intellivision peripheral that synthesizes human voices during game play.

A joint venture of Mattel and General Instruments, Play Cable offers Intellivision software delivered via cable tv lines for a monthly fee.

For several years Mattel has been test marketing the keyboard component of Intellivision which attaches to the existing game console. The keyboard component, designed as an easy-to-use home computer and marketed through major retailers, is a departure from the home computer industry's current reliance on specialty stores.

Western Publishing, Racine, Wis., showed poor results in 1981 as revenues advanced just 4% to $277.9 million while operating profits tumbled 46% to $10.5 million. Reduced collections from direct consumer sales were one negative factor. Ad spending was cut by 80%.

Acquired in June, 1979, Western Publishing markets books, games and puzzles under the Golden Book and Whitman trade names. Other products involve licenses with Walt Disney, Children's Television Workshop/Sesame Street, Warner Bros. and Walter Lantz Productions.

Mattel retrenched operations of its live-attraction Entertainment segment—which posted a $1.1 million operating loss in 1981 on revenues of $77.3 million.

"Each one of the operations which comprise this segment suffered a decline in attendance," said Mattel.

Ringling Bros. and Barnum & Bailey Combined Shows was sold to Mattel for $22.8 million in March, 1981. Ice Follies and Holiday on Ice Inc. operations were included in this sale.

Mattel Communications, a unit charged with developing high-technology products for consumer markets, began test marketing in mid-1982 an 11-product line of personal security products. Kenyon & Eckhardt's western division was named in February, 1982 to succeed Carlson, Liebowitz & Olshever, Los Angeles.

The product line, called People Protection Products, (PPP), uses Michael ("Hill Street Blues") Conrad as presenter in tv test ads. PPP products, which retail from $10 to $80, were test marketed in five cities.

In other corporate developments, a 1981 stockholders' suit that charged Mattel and some of its officers with fraud was settled out of court at a cost of $2.9 million in February, 1981. Mattel also sustained expenses in connection with the December, 1980, bankruptcy of two buyers of Metaframe Corp., once part of Mattel.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,306,700	$1,252,000
Magazines	4,128,200	2,091,300
Spot tv	16,085,900	15,510,900
Network tv	25,960,200	14,556,600
Spot radio	—	11,900
Outdoor	196,900	141,200
Total measured	48,677,900	33,563,900
Unmeasured	61,922,100	53,536,100
Estimated total	110,600,000	87,100,000

MATTEL TOYS

MARKETING PERSONNEL

Raymond P. Wagner, president
Glenn A. Hastings, president, Mattel Toys U.S.A.
John W. Amerman, president, Mattel Toys International
Thomas Kalinske, senior vp-mktg
Loren Hildebrand, senior vp-sales

MATTEL ELECTRONICS

MARKETING PERSONNEL

Joshua Denham, president
Peter Pirner, senior vp-mktg

ADVERTISING AGENCIES

Ogilvy & Mather, Los Angeles—Gerard Smith, senior vp-managing director; John Carter, senior vp-exec creative director; Jim Surmanek, senior vp-exec media director; Steve Blinn, vp-mgmt super; Tim Elliott, vp-mgmt super; Jill Himonas, vp-mgmt super; Richard Kelley, vp-creative director; Christina Stevens, vp-creative director; Paul Walter, vp-creative director; Ron Reilly, senior vp-media director.

Ed Libov Associates, Los Angeles—Thomas Maney, exec vp-genl mgr; Michael Cox, vp-director planning; Ave Butensky, chief operating officer (New York); Dan Chepley, senior vp (New York); Marty Schmidt, senior vp-director planning & rsch (New York).

WESTERN PUBLISHING CO.

Racine, Wis.

MARKETING PERSONNEL

Joseph Marino, chairman & president
Gerald Saltzgaber, senior vp-consumer prods

ADVERTISING AGENCY

MCA Advertising, New York—Warren Dechter, exec vp; William Spencer, vp; Dawn Sibley, senior vp-media director; Bernard Most, creative director; Walter Cohen, creative director.

PPP INC.

MARKETING PERSONNEL

Donald D. Sawyer, president
Robert Boole, exec vp

ADVERTISING AGENCY

Kenyon & Eckhardt western division, Los Angeles—Robert Wolf, senior vp-genl mgr; John Adams, senior vp-mgmt super; Doug Howatt, acct exec; John LaPick, senior vp-creative director; Lee Wilson, media super; Peter Kay, media planner; Kaye Bentley, media buyer.

McDonald's Corp.

	1981	1980
Sales	$7,129,000,000	$6,226,000,000
Earnings	264,834,000	220,893,000
Advertising*	230,248,200	206,962,100

*AA estimate

McDonald's Corp., Oak Brook, Ill., the nation's 15th largest advertiser, increased its domestic advertising and promotional spending by 11% this year, to an estimated total of $230.2 million. In its financial data, the company placed 1981 worldwide advertising and promotion expenditures at $322 million, a 14% increase over the $282 million reported in 1980.

McDonald's 1981 systemwide sales reached $7.13 billion, up 15% over the 1980 total of $6.23 billion. Net income was $264.8 million, a 20% increase from the 1980 total of $221 million. Sales in McDonald's restaurants outside the U. S. were $1.359 billion, a 15% increase over the 1980 figure, despite adverse foreign currency translation due to the strengthening dollar.

The company added 476 restaurants in 1981, bringing the worldwide total at yearend to 6,739. Of that number, 5,554 are located in the U.S. The remaining 1,185 restaurants are in 29 countries and territories.

McDonald's was among the top advertising news makers of 1981. The company stunned the advertising world in October with the announcement that it would move its $75 million national account to Leo Burnett USA from Needham, Harper & Steers.

The 11-year relationship between McDonald's and NH&S had brought business and advertising success to both client and agency: The chain experienced its greatest growth during the 1970s, and Needham received numerous awards over the years for its McDonald's work.

In making the change, McDonald's exec vp-chief marketing officer, Paul Schrage, cited the Burnett agency's "depth and track record to further strengthen our marketing and industry leadership" as the reason for the move.

Burnett's top management had wooed McDonald's execs for years and its persistence and work on the Holland, Belgium and French businesses, which the agency picked up in 1980, apparently impressed the chain's management. The decision to move the account, however, created an uproar in advertising and marketing circles, stirring up the issue of client/agency loyalty. Burnett officially took over the account in January, 1982.

In August, 1981, McDonald's returned to the "You deserve a break today" theme in NH&S-created advertising. The initial ads from Burnett during the first few months of 1982 carried out the plans NH&S had laid for the chain. Burnett picked up on both the "break" theme and the tone of the chain's earlier advertising in the first major pool of spots launched in the spring of 1982. The commercials emphasized people and situations which are typical of contemporary life styles—hallmarks of McDonald's ad style.

Meanwhile, the company faced a fierce market share battle in the fast-food restaurant industry, with a barrage of national promotions, new products and increased ad spending. At a November, 1981, securities analysts meeting, McDonald's execs said the company's domestic market share was 18.6%, compared with 18% in 1980.

New products figured prominently in McDonald's marketing strategy during the year and into 1982. The McChicken sandwich was rolled out to about 4,200 stores by yearend, but the company still classified the sandwich as a test product. The product met with mixed consumer response and other chains introduced chicken breast sandwiches, making comparisons with McDonald's processed and formed McChicken. In November, McDonald's said it would "refine and improve" the product. The chain pulled its Chopped Beefsteak sandwich, testing in 2,000 stores, on Nov. 1, after the sandwich failed to garner lasting customer support. It was first introduced in 1978.

Chicken McNuggets, boneless fried chicken pieces with side sauces, continued to roll out in 1981, and by yearend were in about 2,200 restaurants. Expansion proceded in the first half of 1982 to several major markets, including Seattle, Milwaukee and Indianapolis. Sausage and ham biscuits, in Southeast tests, moved into more than 1,100 stores in the southern region.

McRib, a boneless pork sandwich topped with pickles, onions and barbecue sauce, first launched in June, 1981, has expanded more rapidly than any product in McDonald's history. By June, 1982, McRib had been moved into about 2,500 stores, adding a new dimension to the chain's menu, once dominated by beef products.

In addition to new products, a score of national promotions peppered the McDonald's marketing arsenal. The company attributed record sales in the first half of 1981 to the "Build A Big Mac" collector-card game. It then gave customers a chance to collect Muppet-themed glasses during the summer as part of a tie-in with "The Great Muppet Caper" movie. In late fall and early winter, McDonald's offered the "Menu Music Chant" game. Another collector-card promotion, "Quality in the Bag," was launched in the spring of 1982.

Despite some industrywide criticism of the promotions as a form of discounting, it appeared as if McDonald's would continue the gamesmanship. A summer 1982, promotion featuring a videogame theme was planned, along with two children's "Happy Meal" promotions.

McDonald's tried various in-store experiments on a trial basis in 1981. The company constructed "Dessert Centers," walkup areas in the front of the restaurants where soft drinks, shakes and desserts are served, in several test units. A limited test of 24-hour service was started, but execs told securities analysts they were skeptical about any widescale implementation of the around-the-clock service. McDonald's continued to test the Mini-Mac concept, a smaller restaurant that caters only to drive-through or pedestrian traffic.

The percentage of freestanding restaurants with drive-throughs increased from 71% to 79%. During the year, McDonald's expanded the McDonald's Playland facilities, bringing the total at yearend to 979, compared to 581 at the close of 1980. Built adjacent to restaurants or integrated into the interior design of the dining area, McDonald's Playland features a McDonaldland theme and the chain's children's characters. The chain plans to expand the Playland concept, adding 1,000 more play areas. A test concept, children's miniature golf on the restaurant grounds, was tried in single units in Dallas, San Diego and an unidentified New York site.

International expansion is a key priority for the chain, and as the year went on, McDonald's opened its first units in Spain, Denmark and the Philippines. McDonald's said it planned to enter Mexico, Venezuela, Colombia and Norway within the next two years.

In June, 1982, the company's board of directors named Edward Schmitt, president-chief administrative officer, to the post of vice-chairman and chief administrative officer. Michael Quinlan, president, McDonald's U.S.A., was appointed president-chief operating officer of the company, while maintaining his former domestic duties. Edward Rensi, executive vp-chief operations officer, was elected senior executive vp and appointed to the board of directors.

During 1981, McDonald's made several other executive appointments. William Youngclaus, formerly senior vp-director of client services, Young & Rubicam, Chicago, joined the company as vp-marketing. He succeeded Raymond Caruso, who assumed the position of vp-communications. Mr. Caruso headed a new company department encompassing corporate communications, public relations, public affairs, creative services and the company's cross-departmental Total Marketing Approach (TMA) task force.

For the three years preceding the 1984 Olympic Games, McDonald's, which has the exclusive fast-food restaurant rights to the event, will sponsor "age group" and Junior Olympic swim meets. In addition to supporting pre-Olympics events, McDonald's sponsorship plans include underwriting costs associated with the McDonald's Olympic Swim Stadium on the University of Southern California campus in Los Angeles. The company is expected to be a major advertiser during the games' broadcasts.

ADVERTISING EXPENDITURES

	1981	1980
Magazine	$175,000	$2,377,900
Spot tv	75,272,400	70,715,700
Network tv	54,129,700	53,588,300
Spot radio	1,632,000	953,200
Network radio	3,255,400	41,900
Outdoor	3,682,800	3,185,100
Total measured	138,148,200	130,862,100
Unmeasured	92,100,000	76,100,000
Estimated total	230,248,200	206,962,100

MARKETING PERSONNEL

Paul D. Schrage, exec vp-chief mktg officer
William P. Youngclaus, vp-mktg
Raymond S. Caruso, vp-communications
Roy T. Bergold Jr., asst vp-director
Richard G. Starmann, asst vp-corporate

communications
Stanley Nicpon, asst vp-director, field mktg
Tom Gruber, vp-intl mktg
Ron Miessler, asst vp-director, creative services
David B. Green, asst vp-director, natl mktg
Michael Donahue, director, promotional development
Robert Lins, creative director
Dick Johnson, director, business analysis
Don Lorr, director, mktg intelligence
Jim Rand, director, mktg development
Emil Teri, director, field mktg

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—John Miller, vp-acct dir, client service; Mike Allen, acct super, field mktg; Bob Heller, acct super, adults; Bob Hunderfund, acct super, youth; John Maruskin, acct super, new products/special projects; Ed Sessions, intl acct director, intl client service.

Burrell Advertising, Chicago—black consumer mktg.

Conill Advertising, New York—Spanish consumer mktg.

Frankel & Co., Chicago—sales promo.

Miles Laboratories

	1981	1980
Sales	$767,606,000	$686,117,000
Earnings	1,465,000	7,433,000
Advertising*	72,084,700	72,987,900

*AA estimate

Miles Laboratories, Elkhart, Ind., the 73rd largest advertiser, spent approximately $72 million on advertising in 1981, down 1.2% from 1980's total of $72.9 million.

Sales rose by 12% over 1980 to $768 million. Earnings decreased to $1.5 million, because of high interest charges and foreign currency fluctuations.

In 1981, Miles spent $53 million on research and development worldwide, an 18% increase over 1980.

Measured media spending decreased 2% over-all in 1981, down to $43.7 million from $44.6. Although Miles increased its spending in spot tv by 2%, up to $5.7 million from 1980's $5.5 million and magazines, spending in all other categories measured by Leading National Advertisers was down. Newspaper spending fell to $14,600 from last year's $31,400, and in spot radio, Miles cut its budget to $51,100 from $178,400 in 1980. Network radio was cut to $444,600 from last year's $528,300. Magazine spending rose 50% to $3 million.

The company markets its products through four operating units: Miles Pharmaceuticals, Miles consumer products group, Miles professional products group, Miles biotechnology group.

The consumer products group is composed of the consumer healthcare and the grocery products divisions. Miles markets children's and adult's vitamins under the brand names One-A-Day, Flintstones and Bugs Bunny and home remedies under the names Alka-Seltzer, Alka-Seltzer Plus, Alka-2, Bactine and Miles Nervine.

The Alka-Seltzer product line increased its measured ad support by 8% this year, up to $21.1 million in 1981 from $19.5 million in 1980. Alka-Seltzer Plus Cold Medicine received $4.95 million in media support in 1981, adding to its share in the highly competitive cold remedy market. In January, Miles hired Conill Advertising, New York, to handle Alka-Seltzer's Hispanic advertising.

Bactine antiseptic anesthetic cut its measured media support by 11%, down to $1.2 million from $1.3 million. In 1981, Miles introduced Bactine hydrocortisone skin cream in a network tv and couponing program. An estimated $1 million was spent on advertising the new product in the last few months of 1981.

In the $1.7 billion vitamin market, the company expanded the One-A-Day multivitamin line and introduced One-A-Day Stressgard, a stress formula vitamin and mineral combination. At the same time, One-A-Day Plus Minerals was reformulated to contain 12 vitamins and 12 minerals. One-A-Day products reportedly hold at least 32% of the vitamin market.

In addition, all five products, including One-A-Day Essential, One-A-Day Plus Iron and One-A-Day Plus Extra C, revamped their packaging to convey an entire One-A-Day line look.

A new advertising campaign was developed using the theme, "Putting nutrition to work for your body." The campaign received $6.3 million of measured media support, a decrease of 15% from last year's $7.4 million, and in 1982, the company launched a network tv and consumer magazine campaign. Miles plans to spend $10 million promoting the vitamins in 1982.

The grocery division encompasses S.O.S cleaning products and the Morningstar Farms and Worthington Foods lines of textured vegetable protein foods.

S.O.S soap pads continued to dominate the scouring tool market in the U.S. and Canada, reportedly holding a 35% share. S.O. Ezy, a two-sided scrubber with soap introduced in the fall of 1980, has established itself as a major entry in the medium-to-light cleaning category. Combined promotion budget for the products totaled $4 million in 1981.

Nonconsumer marketed products include prescription pharmaceuticals, dermatologicals, medical instruments and diagnostics, laboratory supplies, enzymes, food ingredients and industrial chemicals.

A substantial sales increase over 1980 was achieved by Miles Pharmaceuticals. Highlighting this successful year of expansion was the Food & Drug Administration approval of Mezlin (mezlocillin sodium), the first of a new generation of broad-spectrum semisynthetic penicillins used intravenously or intramuscularly, injectable in lower respiratory tract, urinary tract, skin and intra-abdominal infections.

The professional products group is composed of the Ames division, Lab-Tek division and the research products division. The Ames division, which introduced the Ames Dextro System in 1980 for insulin-dependent diabetics to self-monitor blood glucose levels, recorded excellent results last year. It was upgraded by the Glucometer Reflectance Photometer, a portable electronic instrument less expensive to purchase and easier to calibrate than the Dextro-

The 1981 Ad Dollar Summary

Year-End Issue Only $100.00

- The only complete listing of all brands active in six major media: consumer magazines, national newspaper supplements, network and spot television, network radio, outdoor.
- Expenditures for more than 28,000 brands—listed in alphabetical order with parent company identification and media used.

PLUS

- The top 1000 companies with Ad Dollars listed by media.
- The top 10 brands in each of 243 product categories with category total.

A complete summary of Ad Dollars from the PIB Service, LNA Broadcast Services, LNA Outdoor. The official industry figures prepared by MPA, TVB, RAB, OAAA used by every major advertiser and their advertising agencies.

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Company

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The Lab-Tek division introduced two new products. They were a large 650ml flask that is specially treated to assure optimal cell yield in tissue culture growth and the Lux brand Select-A-Multi-well Plate for micro-inoculation.

In research products, the Monoform monoclonal antibodies line, first introduced in 1981, was expanded to make additional products available to the research community worldwide.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$14,600	$31,400
Magazines	3,030,400	$2,010,000
Spot tv	5,655,800	5,529,100
Network tv	34,491,200	35,839,300
Spot radio	51,100	178,400
Network radio	444,600	528,300
Total measured	43,687,700	44,116,500
Unmeasured	28,397,000	28,871,400
Estimated total	72,084,700	72,987,900

CONSUMER PRODUCTS GROUP
MARKETING PERSONNEL
G.E. Davy, corp exec vp

CONSUMER HEALTH CARE DIVISION
MARKETING PERSONNEL
S.M. Reim, vp-mktg, U.S. nutritional and medicinal prods
M.B. Streicker, vp-mktg services
R.L. Novak, natl sales mgr
M.F. Neidorff, vp-intl mktg
ADVERTISING AGENCIES
Wells, Rich, Greene, New York—Alka-Seltzer, Alka-Seltzer Plus, Alka-2, new prods—Walter Holden, senior vp-group head

J. Walter Thompson USA, New York—One-A-Day vitamin prods—Garth Hallberg, senior vp-group acct director.

Tatham-Laird & Kudner, Chicago—Bactine, Nervine, Bugs Bunny, Flintstones vitamins, new prods—Timothy Collins, senior partner.

Clifford A. Botway Inc., New York—network tv and radio buying—Clifford A. Botway, chairman; Edward Kobza, president.

Boger, Martin, Fairchild & Co., Elkart, Ind.—overseas military and trade adv.

Sieber & McIntyre, Chicago—medical/professional adv.

Conill Advertising Associates, New York—Hispanic adv.

GROCERY PRODUCTS DIVISION
MARKETING PERSONNEL
J.W. Grant, president
H.G. Fitts, vp-household prods operations
F.E. Gustafson, vp-mktg food prods
R.R. Rowe, natl sales mgr

WORTHINGTON FOODS
MARKETING PERSONNEL
A.R. Buller, exec vp
T.J. Kimbrow, natl sales mgr
F.D. Poston, mgr prod mktg
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—S.O.S and S.O. Ezy soap pads, new prods—A. Kopelman, group senior vp; R. Luik, mgmt super; I. Grirdlinger, acct super.

Tatham-Laird & Kudner, Chicago—Morningstar Farms prods—N.O. O'Meara, mgmt super.

Hammeroff/Milenthal, Columbus, O.—Worthington Foods prods—Sharon Wilkin, senior vp-acct exec.

BIOTECHNOLOGY GROUP
MARKETING PERSONNEL
R.B. Kocher, corp senior vp
D.J. Spence, vp-planning, new ventures
A.C. Lauria, mgr-mktg services
M.E. Freed, super-adv/pr

CITRO-TECH PRODUCTS
MARKETING PERSONNEL
R.J. McGrath, president
H.C. Stalter, vp, mktg
F.V. Coglianese director of industrial mktg
G.T. Blair, natl sales mgr, industrial mktg
J.C. Bakos, director, intl

ENZYME PRODUCTS
MARKETING PERSONNEL
N.W. Meyer, president
A.A. Blaze, mktg director
W.G. Allen, genl sales mgr
N.D. Hupp, director of intl mktg, enzymes
R.M. Halcrow, director of Siebel operations (brewing ingredients)

MARSCHALL PRODUCTS
MARKETING PERSONNEL
V.W. Christensen, president
V.G. Rowley, vp mktg-dairy ingredients
K.J. Woldt, sales mgr
R.A. West, new prod devel
D.G. Whitehead, mgr-intl mktg
ADVERTISING AGENCIES
Stephen & Brady, Madison, Wis.—Hugh Brady, president; Greg Brady, vp-acct super; Pamela Hickey, acct super; Matt Joyce, acct exec.

Ash Advertising, Elkhart, Ind.—citric/industrial—J.B. Ash, president.

Juhl Advertising Agency, Elkhart, Ind.—citric/food ingredients—Bruce Cashbaugh, acct exec.

PROFESSIONAL PRODUCTS GROUP
MARKETING PERSONNEL
J.H. Rosloff, corp senior vp

AMES DIVISION
MARKETING PERSONNEL
R.D. Falb, president
J.W. Duncan, exec vp-mktg and business unit mgmt
J.A. Best, director of business unit home healthcare
J.T. Mulgrew, director of business unit chemistry systems
H.L. Drye, director of business unit diabetes systems
T.C. Collatz, director of business unit urine systems
R.H.J. Wakeling, director of intl mktg
P.E. Doherty, director of mktg services, U.S.
J.J. Lavery, director of sales, U.S.
E.E. Thomson, mgr of professional relations
M.M. Walters, mgr of diabetes adv
J.G. Voyta, super of urine adv
J.G. Emgenbroich, super of chemistry adv
ADVERTISING AGENCY
Lavey/Wolff/Swift, New York—Ron Furedi, senior vp and acct super, Mike Shavel, acct exec.

Deltakos, New York—new diabetes prods—West Hostetler, senior vp and acct super

LAB-TEK DIVISION
MARKETING PERSONNEL
V. Esposito, president
R.F. Meyers, vp-intl operations
J.L. Ogle, director of U.S. mktg
J.W. Williams, director of U.S. sales
S. Johnson, super of mktg services
ADVERTISING AGENCY
Arnold, Hoff & Associates, Chicago—Noble Arnold, president-acct super.

RESEARCH PRODUCTS DIVISION
MARKETING PERSONNEL
D.A. Stauffer, president
J.V. Thomas, mktg director
L.R. Hubbard, mktg director, Western Hemisphere
P.D. Bromfield, mktg director, Eastern Hemisphere
H.M. Free, mktg services director

LIFE SCIENCE INSTRUMENTS
MARKETING PERSONNEL
A.H. Clemens, vp
J.M. Shade, systems mktg mgr, North America
P. Wasser, mktg director, intl
ADVERTISING AGENCY
Lavey/Wolff/Swift, New York—Ron Furedi, senior vp; Mark Dimor, acct exec.

MILES PHARMACEUTICALS
MARKETING PERSONNEL
R. Buell, president
R.L. Engle, director of sales
C.D. Webb, director of prod mgmt
R. Yvars, mktg services director
W.J. Isbell, mgr-mktg services
ADVERTISING AGENCY
Lavey/Wolff/Swift, New York—J. Noel, vp acct super.

Medicus, New York—J. Ibelli, acct super.

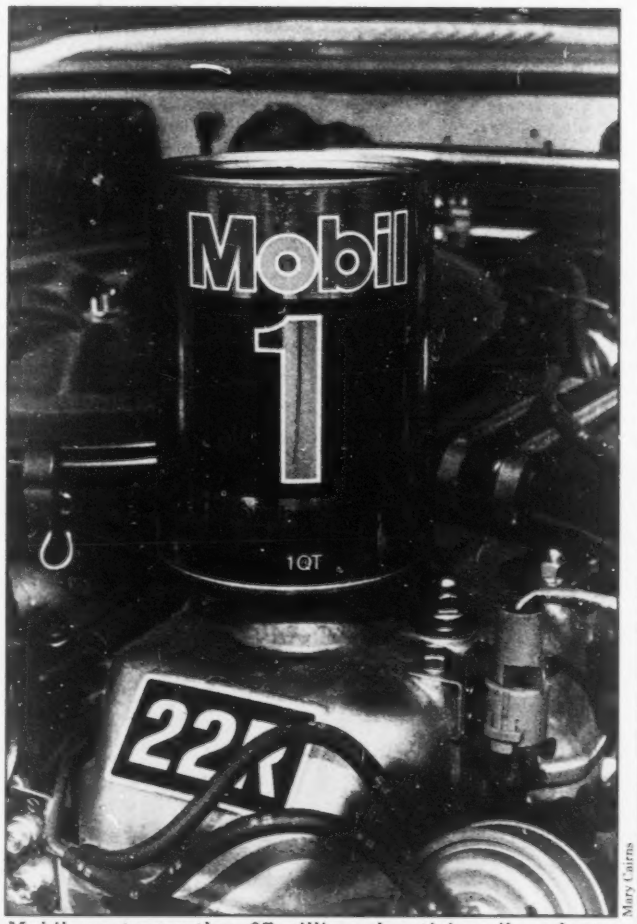
Mobil Corp.

	1981	1980
Sales	$68,587,000,000	$63,726,000,000
Earnings	2,433,000,000	2,813,000,000
Advertising*	293,103,200	274,316,700†

*AA estimate
†Restated

Mobil Corp., New York, the nation's 10th largest advertiser, increased its ad spending to $293.1 million in 1981, up 6.8% from $274.3 million in 1980.

The 1980 figure has been revised since last year's report to include newspaper preprint advertising, which is included in the 1981 total.



Mary Cairns

Mobil spent more than $7 million advertising oil products.

The quickly accelerating gains Mobil recorded on its balance sheets of the last several years slowed appreciably in 1981, as the corporation saw sales rise by 7.7% to $68.6 billion in 1981 from $63.7 billion in 1980. This compared with an increase of 32% in sales from 1979 to 1980 and a 29% jump from 1978 to 1979.

Even more notable was the dip in Mobil's earnings, which totaled $2.4 billion in 1981, a decrease of 14.3% from the record $2.8 billion of 1980. Again, this was a marked difference from the earnings gains of the immediately preceding years: Forty per cent from 1979 to 1980 and 77% from 1978 to 1979.

The company attributed the more modest figures to the worldwide economic slowdown, a reduced demand for energy and a global oil surplus, as well as lower foreign inventory profits and weaker foreign currencies. Despite the slowdown, the company noted, 1981 earnings were second best only to record earnings of 1980, and Mobil Corp. maintained its No. 2 standing in *Fortune's* list of the nation's 500 largest industrials, behind Exxon Corp. and ahead of General Motors Corp.

Reduced demand for energy and a surplus of oil would, of course, have a substantial effect on this primarily energy-related company's performance. Worldwide energy operations accounted for 84.5% of sales in 1981, with revenues of $58 billion, compared with $53.8 billion in 1980, or an increase of 7.8%. Earnings, however, decreased 10.3%, from $2.9 billion in 1980 to $2.6 billion in 1981. (Earnings from the energy operations are measured before corporate expenses and other items; hence, they are actually more than Mobil Corp.'s total earnings.)

The rise-in-sales, drop-in-earnings picture also affected Mobil's chemical operations, which saw revenues in 1981 of $2.4 billion, up 20% from $2 billion in 1980. Earnings at the same time dropped 21% to $93 million in 1981 from $119 million in 1980. Mobil attributed the decline to lower petrochemical and phosphorus earnings in the U.S. and lower petrochemical and plastics margins in Europe.

As adversely affected by economic conditions these two segments of Mobil's family may have been, retail operations—through the Montgomery Ward & Co. subsidiary—could not escape the severe financial trials and tribulations that started several years ago. Although revenues increased 3.4%, from $5.9 billion in 1980 to $6.1 billion in 1981, Wards reported a loss of $160 million. This compares with a loss of $162 million in 1980.

Mobil's paperboard operations, handled by its Container Corp. of America subsidiary, also recorded an earnings decline, from $65 million in 1980 to $50 million in 1981, a decrease of 23.1%. These figures came on revenues of $1.85 billion in 1981 and $1.74 billion in 1980, a 6.3% increase.

This over-all picture of a slowdown in growth was overshadowed during the last year by Mobil's participation in the merger and acquisition scramble that has underscored much of recent American business activity. Hardly a week went by in the second half of 1981 when Mobil, a corporation of high visibility even by the standards of big business, was not in the headlines of the business or consumer press.

In July, 1981, Mobil entered the celebrated bidding for Conoco, the nation's ninth largest oil company, with an ultimate offer of $120 a share, topping bids by E.I. du Pont de Nemours & Co. and Seagram Co. Ltd. But concern arose over antitrust considerations, as well as over Mobil's tactics, and the eventual winner in the battle turned out to be Du Pont, which acquired Conoco for a reported $7.8 billion, the most expensive takeover in American history.

Seemingly undaunted, Mobil later in the year made a $5.1 billion offer to acquire Marathon Oil Co., and the case turned out to be another in which the wooer was much more willing than the wooed. Marathon directors, vigorously opposed to the move, attempted to obtain a court injunction against Mobil, and eventually found a friendly suitor in U.S. Steel Corp., which offered $125 a share. The $6.4 billion purchase price, after much wrangling in the courts and among public relations campaigns, went to U.S. Steel, as the U.S. Supreme Court cleared the way for the steel giant early this year.

To many observers, who described Mobil variously as "combative" and "renegade," the hostile—and unsuccessful—takeover attempts cast the oil giant in a negative light. Mobil Corp. chairman Rawleigh Warner explained the proposed acquisitions as part of the company's long-term objective of obtaining crude oil reserves. But many attributed the failures of the takeover efforts to fears over antitrust considerations.

Meanwhile, even as Mobil failed to buy oil reserves through these two highly publicized battles, it managed to strike some success in its oil exploration attempts worldwide. The company reported that finding and developing new energy sources accounted for about 59% of capital expenditures in 1981.

During the year, Mobil made significant discoveries of hydrocarbons in the U.S., Nigeria, Cameroon and West Germany. It expanded its holdings in the Gulf of Mexico, spudded its first well off the coast of New England and continued to evaluate its natural gas strike in Mobile Bay, Ala.

At the end of the year, Mobil held 2.4 billion bbls. of crude oil and other liquid hydrocarbon reserves worldwide, an increase of more than 300 million bbls. since 1979. Natural gas reserves over the same period increased 20% to 17.4 trillion cu. ft. from 14.4 trillion cu. ft.

In the consumer arena, Mobil motor oils continued to receive a significant portion of Mobil Oil Co. advertising and marketing support. In all, Mobil spent more than $7.1 million in 1981 to advertise its various lines of oil, all of the spending going to spot tv. That compares with nearly $6.1 million the company spent on motor oil ad spending in 1980.

Most of the 1981 ad support—

$2.2 million—went toward Mobil 1, a synthetic fuel-efficient product, and Mobil Super, a gas-saving conventional oil introduced in 1981.

One notable change Mobil made during the year in its consumer marketing was to increase ad spending for Mobil gasoline. Whereas in 1980, the company spent only $10,000 in ad spending for gasoline, in 1981 it pumped $4.2 million, exclusively in spot tv—toward its primary consumer product. The significant increase in spending reflected a trend in the gasoline business toward a heavier emphasis on marketing and marketing concerns as gas prices edged downward in late 1981 and early 1982.

Worldwide, Mobil has 35,500 retail dealer outlets, 47% of them in the U.S., for its various lines of gasoline and petroleum products. In 1981, sales volume for these products declined from previous years, with automotive gasoline being sold at the rate of 710,000 bbls. a day, compared with 776,000 in 1980 and 796,000 in 1979.

One byproduct of the fluctuations of gasoline prices and concern over cost-cutting was an industry reassessment in early 1982 of credit card usage at retail outlets. Atlantic Richfield Co. in April coupled a move to stop accepting credit cards with a cut in wholesale gasoline prices of nearly 3 cents. For its part, Mobil began using a discount-for-cash approach to gas sales.

In the chemical end of Mobil's consumer business, Mobil Chemical Corp. introduced a "20% tougher" plastic waste bag under the Hefty brand family. In all, Mobil spent $12.2 million in 1981 to support its Hefty lines, which range from foam dinnerware to the various styles of plastic bags. The figure was up considerably from the $8.5 million Mobil spent in 1980.

Most of the support for the Hefty brand went to trash can liners and tall kitchen bags, which together received more than $11.1 million.

Meanwhile, Montgomery Ward & Co., Mobil's venture into retailing, continued to suffer losses on the balance sheets, as Wards' new management began to show signs of a new strategy to provide an uplift.

Much of the discussion about Wards centered on the plans being developed under the direction of Stephen L. Pistner, who came to Wards in early 1981 as president after a successful career at Dayton Hudson Corp. At Dayton Hudson, Mr. Pistner was credited with building up the company's successful Target discount store operation.

But at Wards, the challenges are proving to be tougher. With Mobil lending huge sums of money to help Wards back on its feet, the retailer has had to deal with building up a stronger identification for itself and an economy that has not been all that cooperative to sales.

Nevertheless, Mr. Pistner, who took over as chief executive officer in September (succeeding Edward S. Donnell), has streamlined management, brought in an army of new people and centralized many operations, including advertising.

The strategy that is emerging seems to hinge on Wards' ability to become less of a mass merchandiser and more of a retail operation with specialty areas throughout the store.

So far, this has meant changing the product mix—paring down the number of items the stores carry, an emphasis on high turnover products and the introduction of more brand name merchandise.

One thing was definite during the year: Under Mr. Pistner, Wards would not be converting 115 of its units into Jefferson Ward outlets, the company's discount operation, as had been planned.

Evidence of Mr. Pistner's strong hand was the centralization in late 1981 of Wards advertising efforts. In the past, Wards ad efforts were placed largely on a local basis, but beginning in 1982 the retailer started committing 70% of its newspaper advertising to preprinted color supplements appearing in Sunday newspapers in its various markets.

In 1981, measured media spending for Wards and Wards merchandise totaled $20.8 million, the bulk of it in spot tv and only $138,900 in newspaper supplements. Total spending was down from the $24.9 million recorded in 1980. Ad spending for Jefferson Ward in 1981 totaled $2.7 million—all of it in spot tv—compared with $1.7 million in 1980.

While Montgomery Ward goes through a period of major readjustment, Mobil's paperboard and packaging subsidiary, Container Corp. of America, enlarged its timberland holdings and began construction of a technical and research complex in Carol Stream, Ill. During the year, CCA continued its 32-year-old "Great Ideas" ad campaign and introduced a "Container Container" series to promote its ability to develop "innovative" packaging.

CCA's measured media ad spending in 1981 totaled $220,500, but Mobil reported an additional $332,165. In 1980, measured spending amounted to $96,800.

As active as all of Mobil's divisions were in 1981, one would expect corporate advertising spending to have increased as well. It did. In 1981, the company reported spending $6.1 million for corporate print ads, compared with $5.0 million in 1980, and $2.9 million for tv issue commercials, compared with $2.0 million in 1980.

Leading the way, of course, were the all-print quarter page "advertorials" that appear on the op-ed pages of leading dailies and in selected consumer magazines. Those series are in their 11th year, and they continue to be a source of controversy, particularly when a lot of attention focuses on Mobil or the oil industry in general.

But Mobil is also a leading underwriter of Public Broadcasting Service programing, celebrating its 10th anniversary

Informative, entertaining, responsible, bright, contemporary, readable, believable (with widely acclaimed special sections every morning), the News is the choice of Denver's affluent and influential—the decision makers and the buyers. More of this city's major movers and shakers read and respond to the News than any other newspaper. Studies confirm it.* (And we'll be happy to supply you with the facts and figures.) Denver chooses the News.

*Belden, CMS, 1981.

Denver's Extraordinary Morning Newspaper

Rocky Mountain News

A Scripps-Howard Newspaper. Represented nationally by Story & Kelly-Smith, Inc.
ATLANTA • NEW YORK • BOSTON • SAN FRANCISCO • CHICAGO • DALLAS • LOS ANGELES • PHILADELPHIA • DETROIT

with "Masterpiece Theatre" in 1981. It also lined up a series of heavyweight programs for its "Mobil Showcase Network" for syndication across the country. A top title in the series is an 8½-hour miniseries of "Nicholas Nickleby," a Tony-award winning play and the subject of much attention on Broadway in 1981.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$8,534,000	$5,923,400
Magazines	2,740,100	2,746,800
Farm publications	1,454,000	1,314,600
Spot tv	33,641,500	33,117,600
Network tv	11,339,800	8,868,400
Spot radio	2,597,800	2,872,900
Outdoor	38,100	135,300
Total measured	60,395,300	55,377,100
Unmeasured	233,103,200	218,939,600
Total	293,498,500	274,316,700

MOBIL OIL CORP.

CORPORATE PUBLIC AFFAIRS PERSONNEL

H. Schmertz, vp
R.P. Maxon, genl mgr

MARKETING PERSONNEL

Marketing & Refining Division

R. L. Abbott, vp-genl mgr, mktg
D.K. Richardson, genl mgr, resale mktg
H. Hokamp, genl mgr, commercial mktg
K.C. Esty, genl mgr, mktg services
J.P. Landy, adv mgr

ADVERTISING AGENCIES

Doyle Dane Bernbach, New York—Mobil consumer and public affairs adv—Alan O. Pando, group senior vp; Larry Iannuzelli, vp-mgmt super; Brian Craig, acct super; Anne Oliver, acct super; Barbara Best, acct exec; John White, acct exec.

Creamer Inc., New York—Mobil commercial adv—F.J. Dixon, acct super. Chicago—Mobil farm adv—Ron Horstman, acct super.

MOBIL CHEMICAL

MARKETING PERSONNEL

Plastics Division, Consumer Products Department

P. Luchsinger, vp-mktg & sales
M.L. Sweeney, mgr-mktg services

Packaging Department

R. Sax, mgr-graphics communications
R.E. Johnson, mktg mgr, food prods
L. Boudens, mktg mgr, institutional prods

Design Products Department

E. Simpson, prod mgr

Commercial Films Department

J. Murphy, prod mgr

ADVERTISING AGENCIES

Ted Bates Advertising, New York—consumer prods, Hefty bags, Hefty disposable prods—Don Ashley, vp.

Conklin Labs & BeBee, Syracuse, N.Y.—pallet unitization prods, film division design prods—Thomas Colligen, president.

Food Fundamentals, Stone Mountain, Ga.—institutional prods—Joe Skillen, acct exec.

Hutchins/Young & Rubicam, Rochester, N.Y.—commercial films dept—Larry Smith, acct exec.

MONTGOMERY WARD & CO.

MARKETING PERSONNEL

D. Snell, vp-ad & sales promo
J.D. Flakne, asst retail merch mgr
C.P. Brewster, retail ad media mgr

ADVERTISING AGENCIES

Media Bureau International, Chicago—Richard Pickett, president; Norma Wren, vp.

CPM Inc., Chicago—Norman Goldring, president; Roger Casty, vp-media director

CONTAINER CORP. OF AMERICA

MARKETING PERSONNEL

J. Massey, director-communication
R. Best, mgr-communication

ADVERTISING AGENCY

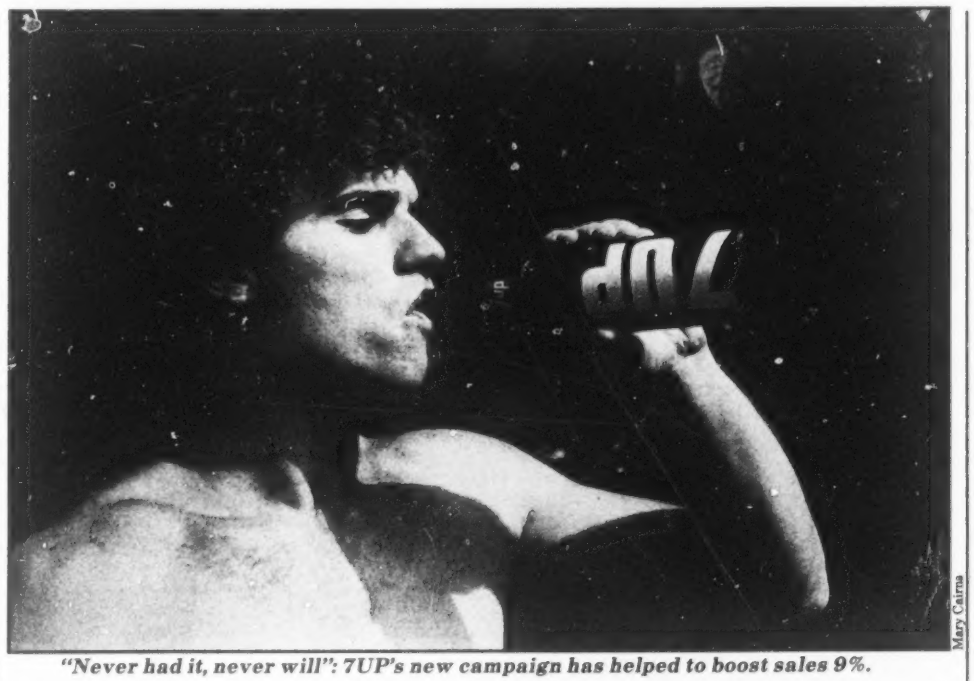
CPM Inc., Chicago—Norman Goldring, president; Marlene Tornabene, acct mgr.

Philip Morris Inc.

	1981	1980
Sales	$10,885,900,000	$9,822,300,000
Earnings	676,200,000	576,800,000
Advertising*	432,971,400	364,594,700

*AA estimate

Philip Morris Inc., New York, the fourth largest national advertiser, increased its advertising 19% in 1981, to an estimated $433 million, a year in which, as usual, cigaret and brewing operations played the key roles in the company's sales and earnings growth.



Mary Cairns

"Never had it, never will": 7UP's new campaign has helped to boost sales 9%.

Consolidated sales were up 10.8% to $10.9 billion in 1981. Earnings were $676.2 million, a 17.2% gain over 1980. For the first six months of 1982, consolidated sales were $5.9 billion, an increase of 8.6% over the same period last year. Net earnings climbed 22.9% to $357.1 million from $290.6 million earned during the first six months of 1981.

The contributions of Miller Brewing Co., Milwaukee, to consolidated revenues and operating income in 1981 were 26.1% and 8.1%, respectively. (It increased operating revenues 11.6% to $2.3 billion.) Miller had a 21.9% share of the industry in 1981, up from 20.6% in 1980. It had an 8.1% increase in bbls. sold in 1981 over 1980.

The company's U.S. and international cigaret sales increased to 449 billion units in 1981. Philip Morris U.S.A., the company's largest operating unit, increased its domestic cigaret output (including exports) to 245 billion units, or 33.9% of the U.S. market, the volume of which totaled 627 billion units in 1981, according to the Maxwell Report.

Seven-Up Co., St. Louis, reported a $1.7 million loss in operating income in 1981, well under the 1980 loss of $7.1 million. Operating revenues increased from $353.2 million in 1980 to $432.1 million in 1981.

With its share of the domestic soft drink market slipping just below 7% in 1981, Philip Morris made two key moves: A repositioning of 7UP, using a no-caffeine campaign, and moving a new cola drink, Like, into eight test markets. Like, which is 99% caffeine-free, was backed by $2.3 million in advertising.

The no-caffeine campaign immediately drew cries of protest from other soft drink manufacturers and bottlers. Bottlers producing other drinks, such as Coke, Pepsi and Dr Pepper, believe the advertising campaign, touting no caffeine, could hurt sales of drinks containing caffeine. Officials of PepsiCo Inc. said the campaign relied on scare tactics. Seven-Up is spending about $1.5 million on the no-caffeine spots.

All of the commercials center on the no-caffeine theme. The one spot that has triggered the most controversy shows rival products: Dr Pepper, Coca-Cola, Pepsi-Cola, Mountain Dew, Tab and Mello Yello. In it, Tug McGraw, Philadelphia Phillies relief pitcher, tells a group of children, including his daughter, to find the soda without caffeine. "It's 7UP!" he says. "I'm talkin' no caffeine. I mean zero. Never had it, never will."

The company took risks when it decided to introduce Like and undertake the no-caffeine campaign. Approximately 40% of Seven-Up's volume goes through bottlers that also handle Pepsi Cola, Coca-Cola or R.C. colas. They may be alienated by an anti-caffeine campaign.

If it intends to take Like nationally, Seven-Up needs to find bottlers not already committed to Pepsi, Coke or another cola, or who would be willing to take a chance with a new cola.

Both the new campaign and the Like introduction seem to be going well for the company. Like's share of the market in test has shown a steady increase, while industry analysts report that 7UP sales have increased between 8-10% since the introduction of the no-caffeine spots.

Miller Brewing Co. changed its pricing strategy in 1981 in response to increasingly competitive market conditions. Miller delayed its price increases approximately three months following Anheuser-Busch increases in late 1980 and again in late 1981.

This tactic, combined with an advertising blitz, enabled the brewer to increase volume 8.1% over 1980 to record a record shipment level of 40.3 million bbls, giving Miller a 22% share of the market.

Miller's hot property, Lite beer, has come under heavy attack from Anheuser's new Budweiser Light. A-B has spent approximately $40 million in the brew's introduction. In 1981, Lite accounted for 2.9 million of the 3 million gain in Miller's barrelage.

Lowenbrau, which was tapped to counter Michelob, has not fared well over time with consumers who were skeptical when Philip Morris began brewing the German beer in the U.S. But in 1981, Lowenbrau had 27% growth in barrelage to an estimated 1.7 million bbls.

That growth cost Miller $19.5 million in advertising, more than half of which was spent on Miller High Life, which shipped about 23 million bbls. High Life accounted for approximately 60% of the company's total shipments in 1981.

Philip Morris continued its quest to introduce a successful menthol cigaret to compete with Brown & Williamson's Kool and R.J. Reynolds' Salem. It began retesting Northwind as a low-tar, menthol smoke.

The company's entry in the ultralow-tar category, Cambridge, has not proved successful after two years on the market. The cigaret has gained only a 0.2% share of the market. (In a related development, the company started national introduction in June of Benson & Hedges Ultra Lights.)

Despite trouble with a few brands, Philip Morris' worldwide cigaret business is the company's money-making machine. Over the past decade, Philip Morris has doubled its market share. In 1981, U.S. cigaret sales were up 1.4% while Philip Morris was recording a 4.3% gain. The company's domestic market share moved from 31% in 1980 to 31.8% in 1981.

Marlboro remains the top-selling smoke in the industry, Benson & Hedges is the leading 100mm cigaret, Merit is the top-selling free-standing low tar and Virginia Slim is the top-selling cigaret designed for women.

Philip Morris U.S.A. had operating revenues of $3.8 billion and operating income of $906 million in 1981. Philip Morris International had operating revenues of $3.4 billion and operating income of $373 million.

Looking for other advertising avenues, Philip Morris instituted the Merit Report, an opinion poll that will be conducted in 140 U.S. cities. The poll is conducted by company employes who will tour the country in vans.

In each city, citizens can go into the computer-equipped vehicles and answer 10 multiple-choice questions on national issues. At the end of each week, the data are fed into a main bank in New York so that press releases reporting the national results can be sent to news organizations throughout the country. Philip Morris is reportedly spending $10 million a year on the poll.

ADVERTISING EXPENDITURES

	1981	1980
Newspaper	$90,602,700	$77,624,200
Magazines	102,835,100	79,326,700
Spot tv	20,052,600	22,666,700
Network tv	99,556,800	97,377,900
Spot radio	18,113,200	11,107,300
Outdoor	41,809,000	31,491,000
Total measured	372,971,400	319,594,700
Unmeasured	60,000,000	45,000,000
Estimated total	432,971,400	364,594,700

TOBACCO PRODUCTS DIVISION

MARKETING PERSONNEL

James J. Morgan, exec vp-mktg
James L. Thompson, vp-media
Robert A. Fitzmaurice, vp-brand & promo
Albert J. Bissmeyer, vp-merch
John J. Jeb Lee, vp-mktg services
Thomas R. Keim, director, brand mgmt
Jon N. Zoler, director, mktg rsch
Ellen Merlo, director, mktg communications
William K. Cutler, director-merch materials
Edwin J. McQuigg, director-merch planning
Melvin Lamster, director-merch programs
Vincent J. Weiner, director-special promo & production
Alan H. Bick, director, natl accts admin
Herbert H. Foster, asst to exec vp-mktg
Robert P. Roper Jr., brand mgr, Marlboro
Richard L. Stirlen, brand mgr, Merit
Lawrence E. Wilson, brand mgr, Benson & Hedges
Howard Goldfrach, brand mgr, Virginia Slims
Alysia J. Cohen, brand mgr, Parliament
Jack W. McAuley, mgr-brand programs, Marlboro
Cathy L. Lieber, mgr-brand programs, Virginia Slims
Cathy M. Gillis, mgr-brand programs, Merit
Claude A. Beck, director-media

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Marlboro, Merit, Virginia Slims, Parliament Lights, Cambridge, Saratoga—Hal Adams, exec-vp; William Engelbrecht, senior vp-client service director; Pete Volz, vp-acct super, Marlboro, Parliament Lights, Saratoga; Paul Driggs, vp-acct super, Virginia Slims, corporate, trade; Peter Metz, vp-acct super, Merit, Cambridge; Tom Dudreck, acct exec, Marlboro, trade; Bud McCullen, acct exec, Merit; Ray Pokorny, acct exec, Virginia Slims, Parliament Lights; Mark Hazeltine, acct exec, Cambridge, Saratoga; Ted Simon, acct exec, new prods.

Wells, Rich, Greene—Benson & Hedges—David Bulleit, senior vp-account group head; Jane Eastman, senior vp-mgmt super; Vince Minicucci, senior vp-mgmt super; Robert Rosenthal, acct exec; Richard Barry, acct coordinator; Arnold Weinrib, senior vp-mktg director.

MILLER BREWING CO.

MARKETING PERSONNEL

Lauren S. Williams, exec vp
William S. Catlin, vp-brand mgmt
John Garner, asst to exec vp
Bob Toledo, group prod director
Douglas E. Rogers, brand mgr, Miller High Life
W.H. (Barry) Barrett, brand mgr, Lite
Jerry F. Schmutte, brand mgr, Lowenbrau
Sam Frank, brand mgr, Miller Special Reserve
Michael Boykin, brand mgr, Magnum Malt Liquor
Leonard Goldstein, vp-sales

ADVERTISING AGENCIES

Backer & Spielvogel, New York—Miller High Life, Lite, Lowenbrau—Miller High Life: Jeff Palmer, senior vp, group mgmt rep; Constantine Scaros, vp-mgmt super; Randy Windschitl, vp-acct

director, Miller High Life; Howard Sherman, acct exec, Lite; John Griswold, vp-acct director, Lite; Vince Falcone, acct exec, Lowenbrau; Ed Keating, vp-acct director, Lowenbrau; Howard Uniman, acct exec, Miller High Life; Michael Russell, acct exec, Magnum and new prods.

Mingo-Jones, New York—Miller High Life, Lite, corporate adv—Frank Mingo, president; Caroline Jones, exec vp-creative; Wendell Crosswhite, senior vp-genl mgr; Sam Chisholm, vp-mgmt super; Alan Corwin, vp-assoc creative director; Michael Randazzo, vp-assoc creative director; Sam Reed, vp-assoc creative director; Roger Green, media director; Fred Grant, acct exec.

SEVEN-UP CO.
MARKETING PERSONNEL

Charles W. Schmid, vp-franchise
Wilson F. Fowle, vp-mktg
Ralph Countryman Jr., vp-media services
David L. Smith, vp-creative
Richard White, group prod director-7UP brands
David Haffner, group prod director, new/allied brands
Anthony J. Rebello, director-foodservice prods

ADVERTISING AGENCIES

N W Ayer, New York—7 UP, Diet 7UP—Clark Hine, senior vp-exec acct director; Joseph Harte, senior vp-mgmt super; Lauren Tucker, vp-acct super, 7UP; Richard LeFurgy, vp-acct super, Diet 7UP; Keith Gould, senior vp-exec creative director; Ellen Jacobson, vp-creative super, 7UP; Frank DeFilippo, senior vp-creative super, Diet 7UP; William Wietecha, vp-acct super, Seven-Up field force.

Backer & Spielvogel, New York—new prods—Randy Lindell, senior vp-director acct service; Robert Gibralter, acct super; Charles Ryant, senior vp-assoc creative director; Norman Tanen, vp-assoc creative director.

PHILIP MORRIS INTERNATIONAL
MARKETING PERSONNEL

Ed Gray, director, mktg services
Franklin Caton, mgr-mktg support services
Kay Galeotti, adv coordinator
Alice Liu, mgr-consumer research services

ADVERTISING AGENCY

Leo Burnett USA, Chicago—Jim Oates, mgmt director; Skip Long, acct exec.

PHILIP MORRIS INDUSTRIAL
MARKETING PERSONNEL

William D. McCoy, president-ceo
Robert Moore, director-corp affairs

ADVERTISING AGENCIES

Graphics One Associates, Stamford, Conn.—Jack Bousian, acct exec.

Scannell Inc., Brookfield, Wis.—Joe Schall, acct exec.

MISSION VIEJO CO.
MARKETING PERSONNEL

Harvey Stearn, vp-mktg & product devel
Grant Sullivan, director, mktg

ADVERTISING AGENCY

Cochrane Chase & Livingston & Co., Newport Beach, Cal.—Ron Reiter, acct exec.

King Advertising and Public Relations—Newport Beach, Cal.—Marty Reinfried, acct exec.

MortonNorwich Products

	1981	1980
Sales*	$957,584,000	$846,601,000
Earnings*	53,010,000	47,730,000
Advertising**	42,483,800	50,212,800

*Fiscal year ending June 30
**AA estimate

MortonNorwich Products, Chicago, the 94th largest national advertiser, decreased its advertising spending approximately 15% to an estimated $42.5 million.

Sales of $957.6 million for fiscal 1981 represent a 13% increase over $846.6 million in sales for fiscal 1980. Net income was up about 11% to $53 million from $47.7 million in fiscal 1980.

For fiscal 1982, ended June 30, the company reported a 26% increase in net income, up to $48.5 million. Net gain for the year was $79.8 million, primarily due to the sale of the pharmaceutical division. Net sales were up 9% in 1982, to $787 million.

In March, 1982, Procter & Gamble agreed to buy MortonNorwich's $216 million pharmaceutical business, the Norwich-Eaton division. The cost to Procter & Gamble was $371 million in cash.

The pharmaceutical operation, which produces professional drugs as well as over-the-counter medications, recorded profits of $21.9 million on sales of $215.8 million last year. In fiscal 1981 the unit showed earnings growth of 36% over 1980 and accounted for 22% of MortonNorwich's operating profits and 23% of total sales.

At the time the sale to P&G was announced, analysts agreed the reason MortonNorwich sold its drug business is that the market demands excessive cash expenditures on the part of companies in order to have an impact. A New York Times report said "In 1982 about 15 drug companies will each spend $100 million or more on research and development . . . compared with MortonNorwich's total corporate research and development last year of only $24.3 million."

Norwich-Eaton's over-the-counter products are estimated to make up 80% of sales for the unit. Among these products is Pepto-Bismol, a $65 million brand with approximately 12% of the $550 million stomach remedy market. The company spent about $6.3 million to advertise the product in calendar 1981, down from last year's $7.4 million.

In the sore throat remedy market, the company has the brand leader in Chloraseptic, an oral antiseptic-anesthetic. The company said sales of the brand, because of growth in the lozenges, were up 14%. Chloraseptic has over a 40% share of the market. During 1981, advertising for the line was moved to Henderson Advertising from James Neal Harvey Inc. Henderson also handles many brands in the company's household products division. Chloraseptic was backed by about $3.7 million in measured media advertising in calendar 1981, about even with the previous year's spending.

Norwich aspirin, the company says, was up 55% in sales from 1980, where a 50% increase was shown. Sales of aspirin were about $6 million. The company used consumer promotion, tying in Norwich aspirin with Chloraspetic and Pepto-Bismol. Coupons in freestanding newspaper inserts were used.

Ad spending for the Encare Oval contraceptive was cut almost in half to about $500,000, all in magazines. Procter & Gamble will not be acquiring the Encare Oval product with the rest of the pharmaceuticals unit.

The household products division, Texize, was a success story for MortonNorwich in 1981, as sales rose 19% to $228.6 million from $191.6 million. Earnings were up 50% to $23.1 million from $15.4 million.

Yes heavy-duty detergent plus fabric softener, which was rolled out nationally in July, 1981, accounted for 40% of the division's sales growth.

Yes received $8.4 million in measured media spending, a 55% boost from 1980. Of that sum, $4.2 million went to network tv, $2.8 million to spot tv and $1.2 million to magazines. Ad spending for Yes the previous year was $5.4 million.

Another household product mainstay for the company is Spray 'n Wash, the leader in the soil and stain remover category with 49% of the market. Sales for Spray 'n Wash were up 5% in the company's fiscal year. The company cut ad spending for the brand by 34%, down to $5 million from $7.7 million in calendar 1980.

Another category-leading product that got a cut in ad support was Fantastik spray cleaner, where spending was down 14% to $4.5 million, from $5.7 million. The majority of 1981 spending was in network tv. Sales for Fantastik were up 14%, the company said.

Glass*Plus, the No. 2 product in the $100 million-plus glass cleaner market, experienced sales growth of 18% in the company's fiscal 1981. Ad spending for this brand was down 16%, to $3.6 million from $4.3 million.

Wood*Plus, in its second year of national distribution, had a 4.1% share of a category which is dominated by S.C. Johnson & Son with its Pledge brand. Wood*Plus ad spending was up slightly to $129,700 from $96,600.

The No-Pest line of insecticides also is a minor factor in a Johnson Wax-dominated category. Where Raid has 48.4% and American Home Products' Black Flag line has 17.4%, the Texize No-Pest line shows up with 4.1% of the segment. Ad support behind the brand was cut 44% to $1.2 million from $2.3 million the previous calendar year. The company introduced a new product in the line, a flea spray.

Ad spending for Grease Relief kitchen and laundry cleaner was cut completely from $899,000 spent in calendar 1980.

In the company's Morton Salt division, sales were $321 million, up from $295.3 million in fiscal 1980. Profits were $46.9 million, up from $45.2 million the previous year. No measured media spending was recorded in calendar 1981 except for Morton Salt pellets and pellens, which were backed by $68,100, mostly in newspaper supplements. Despite some concern over a possible agency review, Needham, Harper & Steers continues as the agency on a fee basis.

In July, 1982, MortonNorwich acquired Thiokol Corp., a specialty chemicals company, for about $540 million in cash and stock. The acquisition was largely financed by the proceeds from the sale of the company's pharmaceutical division to Procter & Gamble.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,926,300	$1,660,300
Magazines	2,969,000	3,305,300
Spot tv	7,017,900	7,173,700
Network tv	25,661,200	31,190,300
Spot radio	25,700	91,300
Network radio	2,281,800	3,459,800
Outdoor	53,300	94,900
Total measured	39,983,200	46,995,500
Unmeasured	2,810,960	5,217,000
Estimated total	42,483,780	50,212,800

TEXIZE
MARKETING PERSONNEL

J.F. Mayer, president
W.D. West, senior vp-mktg
G.E. Mercer, vp-mktg
D.D. Smith, director of new business devel
Charles Tornabene, director of new product devel

ADVERTISING AGENCIES

Henderson Advertising, Greenville, S.C.—Fantastik, Janitor-In-A-Drum, K2r, Pine Power, Spray 'n Wash, Glass*Plus, No-Pest, Texize cleaner, new prods—R.W. Callahan Jr, exec vp-director of account services.

Liller Neal, Atlanta—Grease Relief, Yes, All Ways Soft, Wood*Plus, new prods—R. Hemsley, senior vp.

MORTON SALT
MARKETING PERSONNEL

W.E. Johnston Jr., president
J.F. Poe, vp-sales
R.L. Pierobon, vp-mktg
B.W. F. Weston, director of mktg
M.A. Eikleberry, director of consumer mktg
D.B. Nilson, director of highway and industrial mktg
R.W. McDonald, director of communications
L.T. Kozon-Mattes, director of mktg rsch
R.E. Bravieri, T.J. Butler, R.J. Grube, M.P. Jurgensen, J.R. Pfeil, prod mgrs

ADVERTISING AGENCIES

Needham, Harper & Steers, Chicago—R. P. Lavea, vp, senior acct director, J.R. Vogrin, J. Nichols, acct execs.

Seiber & McIntyre, Chicago—Morton Salt—Dave McCarty, acct super.

MORTON CHEMICAL
MARKETING PERSONNEL

R. B. Covalt, president
R. B. Kron, senior vp
A. Seiling, vp-electrical & electronic materials
Dr. S. Zweig, vp, adhesives, coatings & chemical specialties
N.G. Reddeman, mgr, adhesives and coatings
J. J. Fuerholzer, mgr, chemical specialties
T. E. Nowakowski, group mgr, dyestuffs
J.W. Rowlett, group mgr, industrial chemicals
P. L. Weyna, director, chemical development

Nabisco Brands

	1981	1980
Sales	$5,818,200,000	$5,587,200,000**
Earnings	266,300,000	234,600,000†
Advertising*	340,983,000	192,124,000

*AA estimate
**Nabisco Inc. and Standard Brands combined
†Revised

Nabisco Brands, New York, the seventh largest national advertiser in 1981, spent an estimated $341 million on advertising, a 77.4% increase over estimated 1980 expenditures of $192.1 million.

In 1981, Nabisco merged with Standard Brands, forming Nabisco Brands, the nation's fourth-largest food company. The merger was approved by stockholders on July 6, 1981.

In the same month, through William Esty Co., the company ran a newspaper ad "Announcing the First Day of Trading for Nabisco Brands." It featured Robert Schaeberle, new chairman-chief executive officer and former Nabisco Inc. chairman, and new president F. Ross Johnson, former chairman of Standard Brands.

Contrary to the stockholder prospectus that stated Nabisco and Standard Brands would retain their separate identities and operations, the two companies consolidated totally and dropped the Standard Brands name.

Most financial analysts said that the integration and reorganization took place much sooner than they expected. Industry forecasters over the last 14 months have continually commented on Nabisco having emerged as the stronger partner in the marriage.

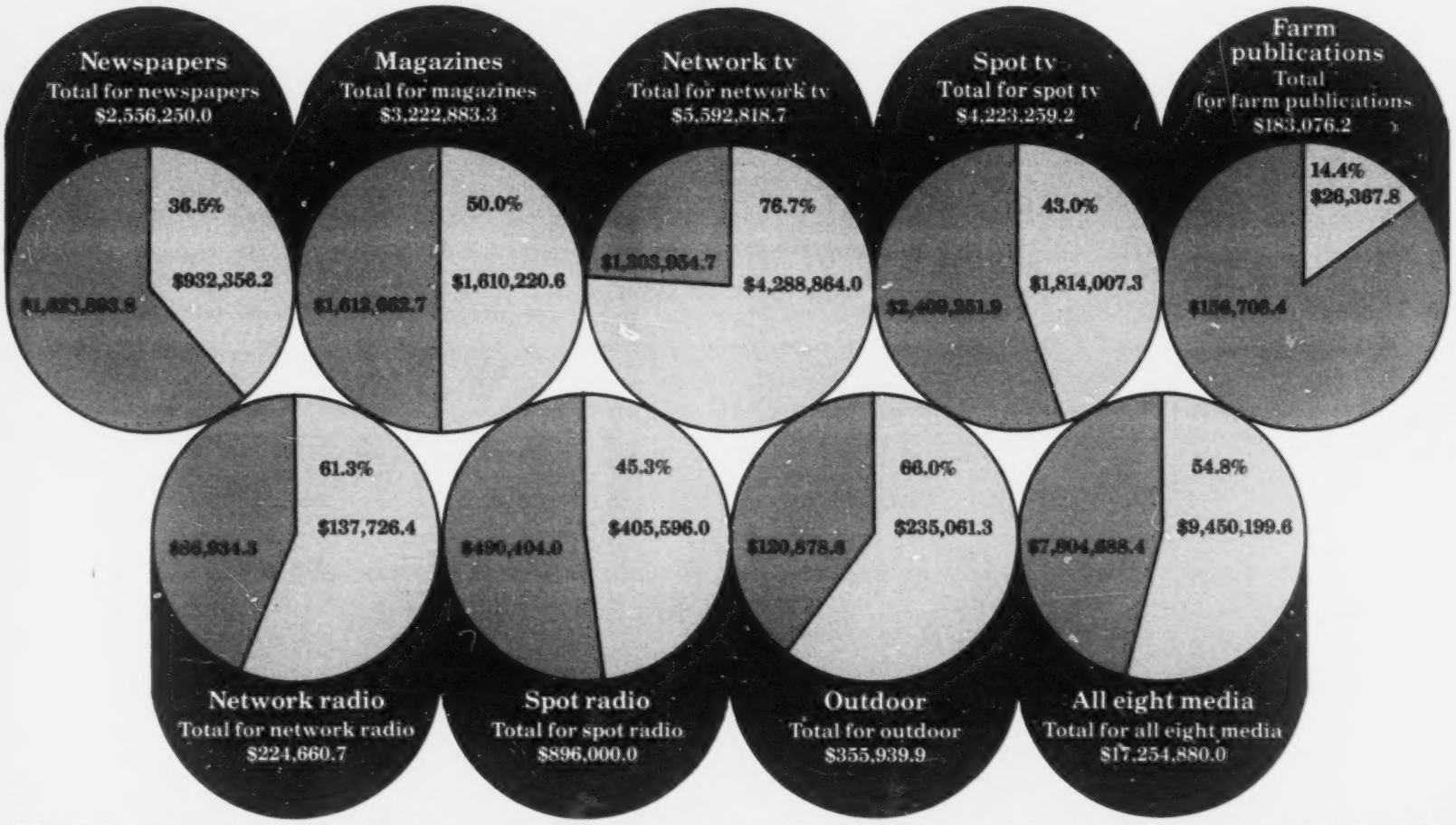
Since the merger, the company has gone through major revisions of its organizational map as well as agency reassignments. At yearend 1981, Nabisco was organized under two branches, Nabisco Foods and Nabisco Products. These two operating groups were created shortly after the merger—as well as

Mary Hershey

Is she conviced that Nabisco's Oreo is the No. 1 cookie?

BEST AVAILABLE COPY

100 leading national advertisers account for giant share of expenditures in most media



Of the 17.3 billion invested by national advertisers in eight media last year, more than half (9.5 billion) came from the 100 leading national adve. isers, as shown in these charts. Sources: Leading National Advertisers; Publishers Information Bureau; Broadcast Advertisers Reports; Radio Expenditure Reports; Institute of Outdoor Advertising; Outdoor Advertising Assn. of America; Radio Advertising Bureau; Agricultural Marketing Information Service (AGRI-COM); Media Records

after management announced its intention to run both companies independently with one corporate parent.

Under the second reorganization, announced in May, the company was split into two major branches. Nabisco Brands U.S.A. includes all domestic food operations, all Nabisco food products and Standard Brand food products as well as the beverage group. It also includes food ingredients, a segment on which the company spends no ad dollars.

The second division, Nabisco Brands International, consists of all nonfood products, J.B. Williams toiletries and pharmaceuticals, its Associated Products division (shower curtains and household accessories) and all foreign holdings. Nabisco's international operations account for 30% of the company's net sales and 25% of operating income.

The company reported worldwide sales of $5.8 billion in 1981, 4% greater than its net sales of $5.6 billion of both companies combined in 1980. Net income rose 13.4% to $266.3 million from combined income of $234.8 million in 1980. Earnings per share of common stock were up 12.9% to $4.21. Nabisco reported earnings for the first half of this year of $129.7 million, up 18% from the same period last year, and an increase in sales of 4%, to $2.92 billion.

Nabisco's performance was also strengthened by its acquisition of Squibb Corp.'s Life Savers. The move added a complementary line of rolled candies, bubble and chewing gum to the company's already diverse confectionery division. The December, 1981, $250 million purchase made Nabisco Brands the third-largest confectionery marketer in the U.S. Life Savers is also the country's largest producer of bubble gum, with a 33% share of that market. In the chewing gum market, Life Savers has an 11% share, trailing the lead of Wrigley and Warner-Lambert's American Chicle division.

Nabisco's entry into the chewing and bubble gum market has added more leaders to the company's line of top brands, like Oreo, which more than one industry observer believes is the nation's No. 1 cookie. But the company faces formidable competition in both the cookie and snack markets. Cookies and crackers accounted for 30% of the company's total sales.

Keebler and American Brands' Sunshine still trail Nabisco as cookie competitors. However, in May Frito-Lay introduced a 16-variety line of Grandma's cookies aimed at grabbing Nabisco's limelight. To counter Frito-Lay's move, Nabisco has been beefing up its line of salty snacks in cannisters under the Planter's label and introduced a corn chip to compete with Frito-Lay's No. 1-selling Frito's corn chip.

In agency realignments prior to the merger of Standard Brands and Nabisco, the former dropped Wells, Rich, Greene; Doyle Dane Bernbach; D'Arcy-MacManus & Partners and Chicago-based Lee King and consolidated its food and confectionary business at MCA Advertising. Marketing Co. of America had been hired in 1979 for marketing advice. MCA handled Nabisco's introduction in December, 1981, to Florida test markets of Sunburst, a 100% sunflower oil margarine. Thus far, no plans have been announced to introduce Sunburst nationally.

But earlier this year, Nabisco ended its relationship with MCA. It split reassignments of some of its brands between McCann-Erickson and Benton & Bowles.

McCann-Erickson added Baby Ruth and Butterfingers candy bars to the Nabis-co accounts of hot and ready-to-eat cereals and Dromedary baking mixes.

Benton & Bowles, which handles the Planters line of nuts, oil and snacks, gained the Fleischmann's and Blue Bonnet margarine lines.

Media spending for Fleischmann's and Blue Bonnet in 1981 totaled upwards of $3.3 million while Baby Ruth and Butterfinger received only $12,400 of media support in 1981.

MCA also lost Tender Leaf tea, Royal puddings and gelatins and Fleischmann's Egg Beaters. These products will be promoted on a project basis by Ted Chin & Co.

In another agency reassignment, Nabisco moved approximately $6 million worth of its Life Savers business to Dancer Fitzgerald Sample, New York, from Foote, Cone & Belding this summer. Dancer adds Bubble Yum bubble gum to Life Savers and Breath Savers roll candies and Care*Free gum.

Dancer's challenge will clearly be to keep Bubble Yum the leader in the soft bubble gum category it virtually created in the mid-1970s. It has major competition from two later entries, Warner-Lambert's Bubblicious and Wrigley's Hubba Bubba.

Also in 1981, Nabisco introduced Gold Line dessert cookies, I Scream sandwich cookies, Fudge Striped Shortbread, and two snack crackers, Country Crackers and Better Cheddars. The latter was introduced via tv commercials featuring actor Ron ("Barney Miller") Carey and national newspaper ads. Other products introduced to test markets in 1981 were Morning Power, a vitamin-enriched hot cereal, and Country Cremes, vanilla custard cookies.

Internationally, the company acquired a 30% interest in Grupo Gamesa, the Mexican leader in cookie and cracker sales. In addition, it signed an agreement to acquire the final 25% of Gallesta Artiach, a major cookie and cracker manufacturer in Spain of which the company already owned a 75% interest.

In other moves in 1981, Nabisco disposed of its Pinata Mexican food and Royal Dragon Oriental food operations, and sold its U.S. Chase & Sanborn coffee business to General Coffee Corp. for more than $15 million. Prior to the sale of the coffee division, the brand had been unadvertised for some time.

A major move planned in 1982 is the sale of Nabisco's J.B. Williams toiletries and pharmaceuticals division, which has suffered a steady decline in earnings since 1979. J.B. Williams includes brands marketed in more than 20 countries: Lectric Shave, Aqua Velva, Rose Milk lotion, Geritol vitamins, Femiron vitamins and iron, Deep-Down topical analgesic, Acu-Test pregnancy test kit, P.V.M. appetite suppressant and diet

plan, Serutan laxative, Sominex sleep aids and Vivarin stimulant tablets. In 1981, the company spent more than $10 million on advertising for Geritol, the largest dollar amount it spent on any single Nabisco brand.

J.B. Williams was up for sale prior to the Nabisco-Standard Brands merger. Nabisco reportedly is asking $75 million for the division. Included in the sale will be house shop Parkson Advertising, which is a part of the Williams division. Parkson currently buys about $60 million worth of network tv for all Nabisco products and handles creative for Triscuit, Escort, Wheat Thins and Chicken-in-a-Biscuit crackers, amounting to an estimated $5 million in billing.

Even with the volume of business handled by Parkson, Nabisco, under the direction of W. Lee Abbott, has put together a new marketing services department. However, Mr. Abbott does not rule out allowing the Nabisco business to remain at Parkson even under another company's leadership.

Also recently announced was Nabisco's plan to sponsor exclusively the tv coverage of the Jan. 1, 1983, Tournament of Roses parade. The company will spend an estimated $2 million through Parkson. The company expects to involve as many as 30 brands of cookies, crackers, nuts, margarines, snacks, cereals, pet food and toiletries.

Announced late in July was the sale of the company's Julius Wile Sons & Co. wine and spirits business to Whitbread & Co., a British brewer. The $155 million sale removed Fleischmann vodka and gin, Canadian LTD, Caffe Lolita liqueur, Inver House scotch, Dunphy's cream liqueur and Irish whisky, American and Silhouette vodkas from the Nabisco product line-up. The Wile division also imported Metaxa brandy and Dry Sack sherry.

According to industry sources, Nabisco may apply some of its earnings from the Wile sale toward the purchase of British cookie and cracker maker Huntley & Palmer Foods.

The company will move its corporate headquarters from New York to Nabisco Brands Plaza in Parsippany, N.J. The move is expected to be completed late this fall.

ADVERTISING EXPENDITURES

	1981	1980†
Newspapers	$5,065,300	$5,137,900
Magazines	17,709,400	18,037,300
Spot tv	25,452,400	23,943,300
Network tv	60,048,300	48,005,800
Spot radio	308,400	4,398,900
Network radio	10,554,900	—
Outdoor	1,147,400	480,000
Tot.l measured	120,963,000	94,060,800
Unmeasured	220,000,000	98,063,200
Estimated total	340,963,000	192,124,000

† Nabisco Inc. and Standard Brands combined

ADVERTISING EXPENDITURES
Nabisco Inc.*

	1980
Newspapers	$1,331,500
Magazines	9,500,100
Spot tv	13,313,800
Network tv	39,151,400
Spot radio	556,000
Network radio	—
Outdoor	—
Total measured	63,933,400
Unmeasured	98,075,000
Estimated total	180,000,000

*Prior to merger

ADVERTISING EXPENDITURES
Standard Brands*

	1980
Newspapers	$3,816,400
Magazines	5,457,200
Spot tv	10,629,500
Network tv	5,942,100
Spot radio	3,842,200
Network radio	—
Outdoor	439,900
Total measured	30,137,400
Unmeasured	11,986,600
Estimated total	42,124,000

*Prior to merger

NABISCO BRANDS
Office of the Chairman
Robert M. Schaeberle, chairman-ceo
F. Ross Johnson, president
Martin F.C. Emmett, senior exec vp
James O. Welch Jr, senior exec vp

NABISCO BRANDS U.S.A.
James O. Welch Jr., president
Robert J. Powelson, exec vp-operations
Claude B. Hampton, senior vp-group exec
Edward P. Redding, senior vp-group exec
MARKETING PERSONNEL
W. Lee Abbott, vp
Samuel B. Haines, division vp-mktg support
George A. Erfurt, director-sales promo
Robert C. Garguillo, director-mkt rsch
Louis J. Rubinacci, director-media

BISCUIT DIVISION
MARKETING PERSONNEL
Claude B. Hampton, president
J. Maxwell Enock, vp-mktg
John M. DiBlasio, group brand mgr, cookies
William R. Stuart, group brand mgr, crackers
David R. Holmes, vp-mktg, snack foods
Mel B. Perlmutter, director-mktg, snack foods
Dante G. Bonardi, adv mgr
ADVERTISING AGENCIES
William Esty Co., New York—cookies, crackers, snack foods—Jeffrey A. Greene, senior vp.

Parkson Advertising, New York—crackers—Dean Heitler, vp-client services.

CONFECTIONERY DIVISION
MARKETING PERSONNEL
Nabisco Confections
Henry J. Bornhofft Jr., president
Harold E. Boutillier, mktg director
ADVERTISING AGENCY
Arnold & Co., Boston—Larry Green, senior vp.

CURTISS DIVISION
MARKETING PERSONNEL
Edward L. Bjornson, exec vp-genl mgr
Lawrence D. Baumgart, mktg mgr
ADVERTISING AGENCY
McCann-Erickson, New York—Sharon Glynn, acct super.

FOOD SERVICE DIVISION
MARKETING PERSONNEL
William J. Tobin, president
James P. Casey, vp-mktg, food and beverage
John T. Mitchell, vp-mktg, bakery and cereal
ADVERTISING AGENCY
Food Group, New York—D. Axelrod, president.

LIFE SAVERS
MARKETING PERSONNEL
Peter N. Rogers, president
Robert W. Denny, vp-prod mgmt, gum
Erick N. Shullman, vp-prod mgmt, candy
ADVERTISING AGENCY
Dancer Fitzgerald Sample, New York—Joseph Mack, exec vp-mgmt director.

MARGARINE AND DESSERT DIVISION
MARKETING PERSONNEL
David M. Chamberlain, president
Ellen R. Marram, vp-marketing-category mgr, margarines, Egg Beaters
Roger L. Wagner, director-category mgr, dry grocery
ADVERTISING AGENCIES
Benton & Bowles, New York—Blue Bonnet margarines—James Schank, acct exec; Fleishmann's margarines, Cynthia Kienzel, acct exec.

Ted Chin Advertising, New York—Royal dessert, Egg Beaters—Ron Self, vp-acct super.

PLANTERS DIVISION
MARKETING PERSONNEL
Fred Corrado, president
Robert B. Truckenbrod, vp-mktg
ADVERTISING AGENCY
Benton & Bowles, New York—Ken Hite, mgmt super; Ted Burnett, acct director. New prods products and Planters nuts: George Burnett, super. Planters nuts: Erica Gillespie, acct exec. New prods: Gloria Trierweiler, acct exec. Planters snacks and oil: Richard S'Dao, super; Andy Alef, acct exec.

SPECIAL PRODUCTS DIVISION
MARKETING PERSONNEL
G.F. Randolph Plass Jr., president
William B. McKnight, vp-mktg
Ruth L. Brodsky, group brand mgr, breakfast foods
Stephen G. Wilkerson, group brand mgr, pet foods
ADVERTISING AGENCIES
McCann-Erickson, New York—ready-to-eat and hot cereals, Dromedary products—Gary Schwinder, acct super.

William Esty Co., New York, Milk-Bone Brand Pet Snacks—Thomas Hayes, senior vp.

BEVERAGES GROUP
MARKETING PERSONNEL
Paul Lohneyer, president, All Brand Importers
Leo Begleiter, senior vp-mktg, All Brand Importers
ADVERTISING AGENCY
Mathieu, Gerfen & Bresner, New York—Ralph Contessa, acct super; Jim Signorile, acct exec.

Nestle Enterprises

	1981	1980
Sales*	$2,387,000,000	$2,400,000,000
Advertising**	88,000,000	82,000,000

*U.S. only
**AA estimate

Nestle Enterprises, White Plains, N.Y., a subsidiary of Nestle S.A., Vevey, Switzerland, is the 61st largest U.S. advertiser, having logged $88 million in spending in 1981, up 7% from the previous year.

Sales dropped 0.5% to $2.39 billion, reflecting substantial cost decreases in raw products, such as sugar, coffee and cocoa beans.

The parent company, Nestle S.A., recorded a 13% sales hike, with sales of 27,734 billion Swiss francs in 1981. North American operations contributed 18.7% of total worldwide sales, up from about 18.3% in 1980.

Pierre Liotard-Vogt, Nestle S.A. chairman, said the 1981 results were achieved by cutting "whatever is superfluous" and by arranging consolidations or activity alignments with other companies.

In 1981, a reorganization took place here when David Guerrant, chairman and president of Nestle Enterprises, relinquished the presidency of Nestle Co. to Jean Caste and became general director of all Nestle's North American food companies. Now reporting to him are The Nestle Co., Libby, McNeill & Libby, Stouffer Corp., Beech-Nut Nutrition Corp., Wine World, Nestle Enterprises Ltd., Canada and Nestle-Libby, Puerto Rico. Nestle Enterprises is the holding company for Nestle's U.S. and Puerto Rican subsidiaries.

Mr. Guerrant's goals include coordinating North American holdings and improving profitability since international officers appear to believe that the sales picture could be much better in the U.S. and Canada.

Jean Caste moved up to president of Nestle, from president of Cosmair, the U.S. subsidiary of L'Oreal, a Paris-based cosmetics company in which Nestle S.A. owns a substantial interest.

Mr. Caste reportedly was brought in to set priorities and to determine best areas of business investments, with a responsibility also for dropping those products not making money.

Mr. Caste noted that product development would be ongoing, commenting that "to be healthy a company must have a permanent product development program, and all products must be permanently under review."

Mr. Caste, who is due to exit the Nestle post within the year for responsibilities at the Swiss headquarters, is expected to continue axing nonprofitable arms of the U.S. operation and to oversee improved development and testing for the domestic products.

The international company, while lobbying against it, agreed to abide by an overwhelming vote in spring, 1981, by the World Health Organization in adopting a code to restrict marketing of infant foods. The U.S. cast the lone dissenting vote on the measure, which came to the forefront after controversy erupted regarding marketing of infant formulas in underdeveloped countries where the water supply is poor.

While Nestle does not emphasize the marketing of infant formula and baby food in the U.S., the company did make changes at its Beech-Nut subsidiary. Niels L. Hoyvald assumed that unit's presidency, and the name of the company was changed to Beech-Nut Nutrition. New products in 1981 were geared toward older children.

The company seems bent on making its mark in nutritional circles, as evidenced by its establishment of a Washington-based Coordination Center for Nutrition to oversee grants to organizations for research in nutrition. Nestle introduced a low-fat, low-starch, low-sugar line of foods under the New Cookery label in the U.S. Pasta, chili and cocoa mix were among items offered with a focus on weight maintenance.

Testing of New Cookery products took place in a few major cities and mixed results were noticeable almost immediately, as some of the New Cookery line had caloric value comparable to regular competing foods. Others claimed pricing was high for the products.

Within several months, the line was removed, although Nestle officials said it might reappear at some time under another name. While New Cookery multi-product measured spending is listed near the $70,000 mark, industry analysts figure New Cookery promotion and ad spending ranged upwards of $3.5 million.

Stouffer Corp. unveiled Lean Cuisine in a rollout which buyers called one of the most successful ever seen. Lean Cuisine foods are pushed as "light eating" offerings which also are for the calorie conscious. Single-servings are a major part of the prepared entries.

Stouffer's also backed its expanding frozen side dish business with a $2 million spending base, and spent $3.6 million, the highest sum for any of its products, on ads for its frozen pizza.

Coffee consumption continues to drop, although with the major population moving into middle age, a leveling off is expected after years of decline. Thus Taster's Choice decaffeinated was the lone Nestle brand gaining, having moved from a 4.3 market share up to 6 in the instant line.

More than $15 million in measured spending, up from $9.4 million in 1980, was used to promote Taster's Choice regular freeze-dried coffee, which nevertheless dropped more than 2 market share points to 9.5%. Pressure appeared highest from Folger's in the soluble coffee segment, now accounting for 16.5% of the industry's volume. This year, Nestle introduced a new, improved Taster's Choice, backed by a record ad expenditure.

Nestle reportedly sold about $75 million in soups, but that figure is declining. While dropping both Lunchtime and Souptime, Nestle's began testing of Simmer Soup, a dehydrated variety with five flavors.

Wispride cheese spread also was withdrawn while Nestle tests new spreads under the same label.

Chambourcy Inc., a new unit of Nestle Enterprises, unveiled in the U.S. a six-item line of French-style yogurt, which the company already sells in Europe and Latin America.

The tea business remains weak for Nestle in a declining market. Still Nestea instant tea, backed by $4.7 million in measured spending, holds 48% of its segment, and the company's ice tea mixes, regular and low-calorie, hold more than 25% in their respective categories. New this year is an improved soluble Nestea.

Though Nestle still has no candy bars among the top 10 in the nation, its Crunch, backed by $5.3 million in spending, and $100,000 candy bar have gained shares in the growing chocolate bar category. Nestle spent $1 million in ads to support a rock album tie-in with the $100,000 bar.

Ads for the popular Nestle's chocolate morsels pinpointed ways to make dough and freeze part of it for later baking. More than $9 million, half on network tv, was alloted for spending on the morsels, also promoting a package with three extra ounces of the small chocolate bits.

Jordan, Case & McGrath grabbed the account for Montclair, a mineral water offered by a Nestle Canadian unit.

Introduction in the U.S. has rocketed the beverage to No. 2 behind Perrier in New York, and to a 52% hold on the Miami market.

Nestle's Wine World, in the Napa Valley, owns 2,000 acres of prime vineyards. Wine World is a marketer of Beringer premium wines, Los Hermanos medium-price wines and an import division representing certain French, Italian and German wines.

In December, 1981, Libby agreed in principle to sell its U.S. canned fruit operations to California Canners & Growers, San Francisco, and its canned vegetable operations to S.S. Pierce Co., Dundee, N.Y.

The sales were completed in June and March, respectively.

Libby will now focus on non-seasonal and noncommodity products, as well as tomato juices, nectars, pumpkins and corned beef.

Libby used $2.8 million, a large part of its budget, to back

its Lite canned fruits. The company introduced Daybreak, the first orange breakfast drink with real orange juice, with measured media spending of $20.5 million. Banana and Pineapple Frosts were also introduced during the year, complementing Orange Frost, introduced in January, 1981.

Libby consolidated its $4 million account at the Bloom Cos., Dallas, moving beverages, pumpkin, produce products and new products from long-term agency, Tatham-Laird & Kudner, Chicago.

While over-all network tv spending for Nestle items was down almost $1 million, spot tv received approximately $27.2 million, up from $25.6 million in 1980. Magazines spending also increased by $2 million, while newspaper buys were cut by $1 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,065,000	$4,027,400
Magazines	7,293,000	5,204,500
Spot tv	27,199,900	25,600,800
Network tv	35,027,000	35,993,900
Spot radio	306,400	847,600
Network radio	2,135,900	1,030,600
Outdoor	140,400	244,800
Total measured	75,167,600	72,949,600
Unmeasured	12,832,400	9,050,400
Estimated total	88,000,000	82,000,000

NESTLE ENTERPRISES

MARKETING PERSONNEL

H.F. McInerney, vp-mktg services
W.D. Yeager, director-adv
J.J. Cornwall, director-mktg rsch
A.D. Sampogna, consumer communications mgr

COFFEE/TEA DIVISION

MARKETING PERSONNEL

W.I. Savel, group vp-coffee/tea division
J.J. Albrecht, vp-contracts division

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Taster's Choice regular and decaffeinated—Bill Smith, client service director; Garrett Kroll, Jerry Conner, acct supers.

J. Walter Thompson USA, New York—Sunrise and Nestea—Peter Schweitzer, senior vp-group acct director; Herb Kemp, mgmt super; John Tracosas, vp-acct super, Sunrise; Rob Austin, acct rep, Sunrise; Fran Alexander, acct rep, Nestea.

Jordan, Case & McGrath, New York—Deer Park Water and Montclair Water—Jack Taylor, mgmt super; Paul Fleming, acct super.

McCann-Erickson, New York—Nescafe regular and decaffeinated—Robert D. Wadsworth, senior vp-mgmt rep; Peter S. Hall, acct director.

CHOCOLATE DIVISION

MARKETING PERSONNEL

W.R. Jones, group vp-chocolate division

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Nestle bars, Morsels, new candy products—Bill Smith, client service director; Garrett Kroll, Jerry Conner, acct supers.

Jordan, Case & McGrath, New York—$100,000 Bar and Nestle Hot Cocoa Mix—Jack Taylor, mgmt super; Paul Fleming, acct super.

McCann-Erickson, New York—Quik—Robert D. Wadsworth, senior vp-mgmt rep; Peter S. Hall, acct director.

SPECIAL MARKETS DIVISION

MARKETING PERSONNEL

L.D. Ledin, vp-foodservice
V.K. Wipf, genl mgr-FIDCO
R.T. Maleeny, genl mgr-Synfleur
B.J. Maloney, genl mgr-govt sales
M.K. Cronin, division vp and genl mgr-cheese division
J.R. Giegerich, genl mgr-fund raising

ADVERTISING AGENCY

Poutray & Holyoke, Norwalk, Conn.—FIDCO products—Art Poutray, president; Carol Pekar, mgmt super.

LIBBY, McNEILL & LIBBY

MARKETING PERSONNEL

I.W. Murray, president-ceo
J.W. Stevenson, vp-mktg
R. Schwarze, vp-sales
W. Cuff, vp-new prod devel
G.D. James, vp-prod mgmt
W.J. Barry, vp-mkt devel
P.J. Peters, director-mktg communications
L.P. Judy, vp-planning and devel

ADVERTISING AGENCY

Bloom Cos., Dallas—canned juices and drinks, canned pumpkin, canned meats, nectar products, fruits, specialty products and new products—Nick Arend, vp-mgmt super; Olga Gil, acct super.

STOUFFER CORP.

MARKETING PERSONNNEL

James M. Biggar, president-ceo
John Quagliata, vp-genl mgr, Stouffer restaurants division
Robert McGuigan, senior vp-mktg, Stouffer foods division
Gerald V. DeCroce, vp-mktg, Stouffer foods
Dave Alexander, mktg mgr, entree prods
Ulf Anderfelt, mktg mgr, side dishes
Milton C. Miles, mktg mgr, New Ventures
Joseph A. Gaeto, mktg mgr, pizza

ADVERTISING AGENCIES

Creamer Inc., Pittsburgh—frozen foods—Richard J. Weber, Howard Gittins, vps; Richard Grinberg, John O'Leary, mgmt supers; Tim Barr, Agnes Woloszyk, Pat Wood, acct execs.

Wyse Advertising, Cleveland—Stouffer hotels and restaurants—Charles Boggs, senior vp-group super; John Killpack, acct super.

WINE WORLD

MARKETING PERSONNEL

Mike Moone, vp-natl sales mgr
J.R. Van Tuyn, vp-import sales mgr
J.F. Tonjum, vp-mktg

ADVERTISING AGENCY

Keye/Donna/Pearlstein, Beverly Hills, Cal.—Spike Bragg, mgmt super; Gary Senser, acct super.

BEECH-NUT NUTRITION CORP.

MARKETING PERSONNEL

Niels L. Hoyvald, president
George Kilpatrick, vp-mktg
Russ Decker, mgr-mktg services

ADVERTISING AGENCY

Sherwood & Schneider, New York—James Massey, mgmt super; Tom Neuman, acct super.

Nissan Motor Corp., U.S.A.

	1981	1980†
Sales*	$15,680,000,000	$14,667,000,000
Earnings*	408,600,000	428,800,000
Advertising**	87,884,100	69,865,700

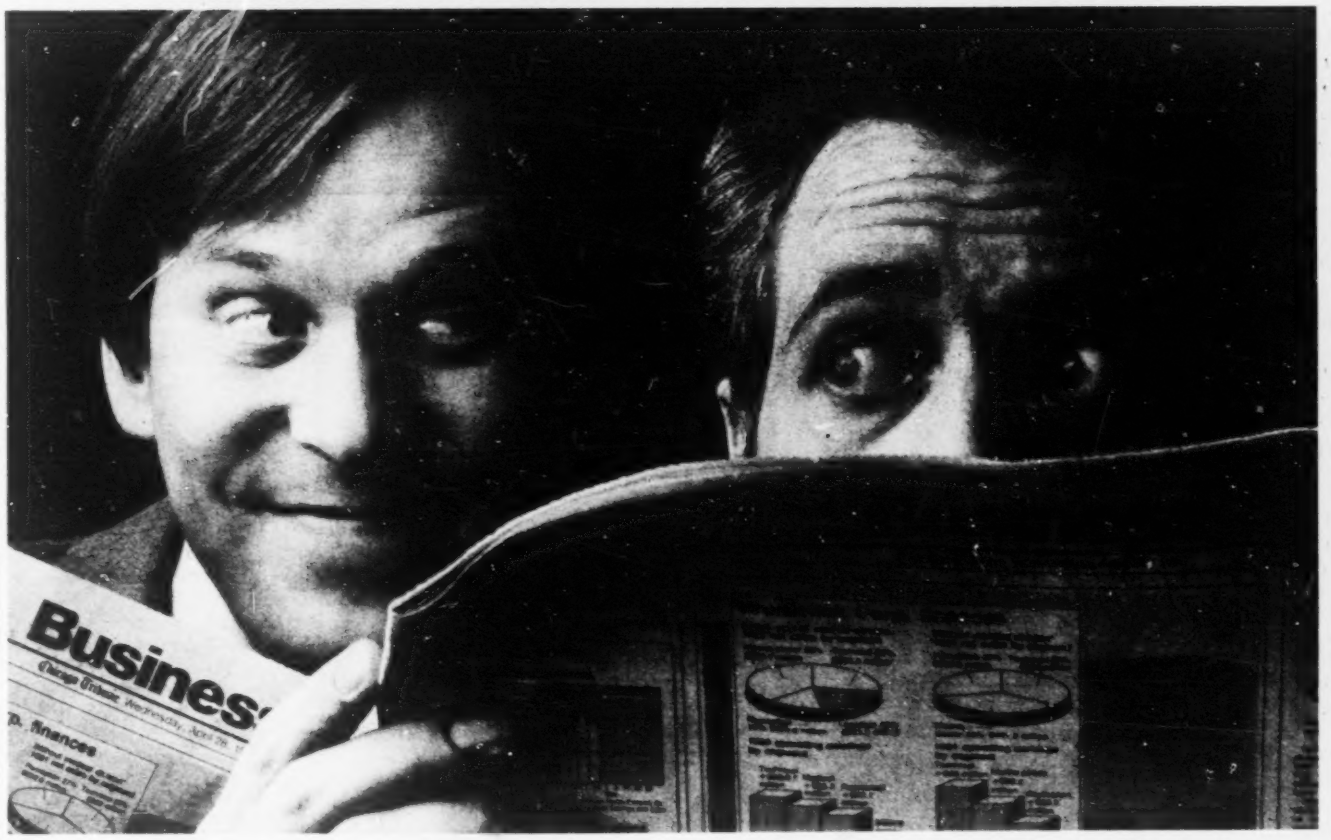
*Fiscal year ends March 31
**AA estimate
†Figures for fiscal 1980 restated

Nissan Motor Corp., U.S.A., a subsidiary of Nissan Motor Co. Ltd., which is based in Tokyo, was the 62nd largest national advertiser in 1981, with an estimated expenditure of $87.9 million, up 26% from 1980 spending of $69.9 million. In the fiscal year ended March 31, the parent company, Nissan Motor Co. Ltd., reported reduced earnings from year earlier figures. The losses are partially attributable to currency fluctuations.

Sales for Nissan reached a record $15.6 billion in 1981, although net income for the Carson, Cal.-based subsidiary dropped 4.7% to $408.6 million. This compares with 1980's earnings of $428.8 million, on sales of $14.67 billion. The maker of Datsun cars and trucks produced a total of 2.6 million units for the year, including 226,165 knockdown sets for overseas assembly, down 2.3% from 1980. Overseas volume was down 4.4% to 1.4 million, while U.S. car sales dropped from 516,890 in 1980 to 464,805 in 1981.

Nissan's share of the market in 1981 amounted to 20% of import registrations in the U.S., and 5.4% of the nation's total

EVERY DAY, THE NEWSPAPERS PUBLISH ALL OF YOUR COMPETITION'S LITTLE SECRETS.



Newspaper ads can tell you a lot about your competition that they'd rather you didn't know.

Like how big their budgets really are.

Or where they're test-marketing their new products.

And which existing brands are experimenting with major strategy shifts.

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market. The company ranks fourth in worldwide production, behind General Motors, Ford and Toyota.

Datsun's 1981-82 model year saw a continuation of the creative umbrella "We Are Driven." The theme serves as a unifying device to emphasize specific consumer benefits for each car line, but with the decision to change the corporate logo from Datsun to Nissan, a gradual process slated for the next several years, the Nissan name has become more prominent in the company's advertising. The change is expected to cost Nissan an estimated $150 million to implement in the U.S.

The 1982 model year saw the introduction of the Nissan Stanza, the company's first venture into the "global" car market and the first model to carry the Nissan nameplate in the U.S. In terms of interior size, the model is the largest car ever sold by Nissan in this country, seating five passengers. With front-wheel-drive, the Stanza has an Environmental Protection Agency rating of 32mpg city and 46mpg highway. The three Stanza models, which replaced the Datsun 510 series, are priced from $7,000 to $8,000.

The Stanza received a major portion of Nissan's October to December spending in sponsorship of Monday Night Football on ABC-TV, spot tv, newsweeklies, business publications and outdoor. Also promoted as new for '82 were styling changes for the sporty Datsun 280 ZX and 200 SX models, which also had the support of spots on college football bowl games going into the new calendar year.

In the spring of '82, the all-new fuel-efficient, front-wheel-drive Nissan Sentra, the second car to be marketed under the Nissan name, was introduced as a replacement for the Datsun 210, an effort that was budgeted at $19 million for a six-month period beginning May 1. The bulk of the Sentra budget, $12 million, went into the first weeks of the promotion using tv, radio, newsweeklies, sports magazines, newspapers and outdoor in Los Angeles and San Francisco.

At 43mpg city and 58mpg highway, the Sentra claims the highest mileage of any gasoline-powered auto in the U.S. The base price of the five-passenger Sentra line starts at $4,949, about $150 more than the 210 it replaced. Tv spots and print advertising featured a variety of people who praised the car's fuel efficiency and low price, with the theme, "You need this car!" followed by the familiar tag line "We Are Driven."

While the full Nissan/Datsun line shared in the support given to the introduction of the '82 models, the main thrust of the effort was behind the Sentra and the company's pickup trucks. The push behind the Sentra produced record sales for Nissan during June '82—46,747 units, half of them new Sentras—the best June sales month in Nissan history.

At the same time, Nissan truck sales nose-dived from year earlier figures, beginning with a 4.2% dip in May and a 37.6% drop in June, to 6,718 units from 10,783 trucks a year earlier. Depressed truck sales throughout the industry fueled a price war in the compact-truck market with Nissan, Mazda and Toyota alternately cutting prices to lay claim to having the lowest-price standard truck. Tv, radio and newspaper ads backed the company's price-war promotions.

The company is scheduled to begin U.S. production of its pickup trucks in the U.S. in the fall of '83 when a new plant, with a 15,000-unit per month capacity, opens in Smyrna, Tenn.

The end of the model year saw the company promoting the introduction of a new five-speed transmission, produced in the U.S. by Borg-Warner, as an option on the Datsun 280 ZX turbo.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$8,824,000	$6,870,000
Magazines	9,827,200	7,404,800
Spot tv	20,006,200	15,384,300
Network tv	21,605,100	18,150,000
Spot radio	7,666,800	5,850,400
Outdoor	954,800	706,200
Total measured	68,884,100	54,365,700
Unmeasured	19,000,000	15,500,000
Estimated total	87,884,100	69,865,700

MARKETING PERSONNEL

R.B. Kent, vp-mktg services
J.M. Opre, adv director
T. Foutz, natl ad mgr
D. Kidman, natl sales promo/merch mgr
J. C McDonnell, corp pr mgr
C. Briggs, media planning mgr
D. Finley, dealer adv mgr

ADVERTISING AGENCY

William Esty Co., New York/Los Angeles—all Datsun vehicles—George Beech, mgmt super.

North American Philips Corp.

	1981	1980
Sales	$3,030,044,000	$2,171,379,000
Earnings	103,974,000	74,488,000
Advertising*	83,881,500	68,514,793

*AA estimate

New York-based North American Philips Corp., with an advertising budget of nearly $84 million in 1981, ranks as the country's 65th largest advertiser.

North American Philips Corp. is an outgrowth of the N.V. Philips industrial organization, which is based in the Netherlands. The U.S. corporation has an extensive and varying product line in consumer products and services, electrical and electronic components and professional equipment. Norelco, Genie, Magnavox, Philco and Sylvania are among its better known brand names.

Sales in 1981 amounted to $3.03 billion, representing a 40% increase over the year before. Earnings also increased 40%, totaling $104 million for the year. Advertising expenditures increased by 22% from $68.5 million to $83.9 million. Network tv got the biggest boost in ad spending, receiving more than $20 million.

The two main consumer products divisions are N.A.P. Consumer Electronics and Norelco Consumer Products divisions. NAP Consumer Electronics represents the Magnavox, Odyssey, Sylvania and Philco brand names. The wide array of product offerings include tv sets, videocassette recorders and cameras, home videogames sold under the Odyssey 2 brand name, projection tv sets, the Magnavox and Sylvania Laser Vision videodisc players.

Philco and Sylvania home entertainment product organizations, which were recently acquired by NAP, were integrated with NAP's Magnavox subsidiary in order to reduce costs. New headquarters for the enlarged organization are in Knoxville, Tenn. In 1981, the newly-formed triumvirate introduced a new tv chassis design. The new design boasts fewer parts, permits assembly on more highly automated equipment and claims to deliver greater product reliability. The sales of these varied brand names boosted the company to the No. 3 spot in U.S. tv sales.

The three tv lines also introduced a rear-screen projection tv with a 50-in. diagonal screen in 1982. Although Magnavox, Philco and Sylvania integrated their technological efforts, brand-name differentiation exists, and advertising programs remain distinct. With color tv as its main product emphasis, the Magnavox division is continuing product advertising with Leonard Nimoy as spokesman.

The videogame sector continues to grow in the consumer electronics field, and Odyssey was no exception. According to NAP's annual report, more Odyssey 2 games were sold in 1981 than in all three of the previous years, making it No. 3 in the domestic market.

One successful game entry, however, K.C. Munchkin, has been withdrawn from sale pending the outcome of a lawsuit filed by Atari. The suit charges that K.C. Munchkin infringes on Atari's highly successful Pac-Man game, which is under license from Namco Ltd. New titles in the Odyssey 2 series include K.C.'s Krazy Chase, Freedom Fighters, Pick Axe Pete, Quest for the Rings and The Great Wall Street Fortune Hunt.

Odyssey 2 begins a new campaign this fall for its 50-plus videogames. The thrust will be to promote the Odyssey 2 alphanumeric keyboard, a unique feature in the videogame market. The theme "the keyboard is the key to greater game challenge," will be brought home to consumers by the Wizard of Odyssey, a character spokesperson. Media emphasis will be on network tv, print, co-op and trade publication advertising.

Sylvania plans to continue the theme of a Doyle Dane Bernbach-inspired campaign, now in its sixth year. The "best color picture" theme will be backed by a fourth quarter regional promotion tie-in with distributors. Game show, trade and co-op advertising will round out the mix.

Magnavox and Sylvania both carry the LaserVision optical videodisc player. A model introduced this year, Magnavox Model VC 8010 and Sylvania Model VP 7200, features random access infrared remote control.

The laser discs, which are manufactured primarily by Pioneer Electronics Corp. and also by 3M Company, feature more than 250 program titles in such categories as sports, musicals, concerts, kiddie programs, R-rated titles and special interactive programing discs which invite audience participation.

Philco is celebrating the 90th anniversary of its name this year in various promotions, including trade advertising and two limited edition anniversary models. The company also introduced a 30-day money-back guarantee on its color tv line, which ends Dec. 31, 1983.

Philips ECG Inc., acquired in Jan., 1981, as part of NAP's GTE tv set and related components business, is now the in-house supplier of picture, data display and receiving tubes to Magnavox, Philco and Sylvania.

Sales for Norelco personal care products and home appliances in 1981 paralleled 1980 sales, though earnings declined. Boxer Gerry Cooney and the New York Jets' Mark Gastineau became spokesmen for Norelco rotatract razors. The new theme, "Tough on your beard. Not on your face," is scheduled to run on tv in an attempt to reach the youth market. Prime time tv, network sports, late fringe and cable sports tv will run the 239 spots scheduled to air during the latter half of this year.

Norelco men's electric razors lead the category nationally. To further expand electric shaver usage, NAP bought the rights to the Schick name and trademark in the U.S. Plans are to reintroduce the Schick product line, which has not been a factor in the market in many years. However, Remington, NAP's chief American competitor, filed an antitrust suit to block Philips' use of the Schick name. Philips plans to "defend the suit vigorously," a company spokesperson said.

The Norelco Clean Air Machine, which debuted in 1980 and is now available in several models, leads that category. At the end of 1981, 1.5 million Norelco units had been sold. The new models include a Kitty Clean Air Machine, designed to keep the litter box area fresh, a baby's room clean air machine in a corresponding decor and a Car Clean Air Machine, introduced a year earlier.

Norelco has allocated its largest six-month advertising budget to date for a Clean Air Machine campaign by McCaffrey & McCall, which began in mid-'82. The commercials demonstrate the efficiency of clean air machines, and a new 30-second spot will focus on just the filter.

Additional advertising money is being channeled toward what Norelco calls its largest product introduction ever. The new Norelco Clean Water Machine will be supported by a media budget three times higher than that spent on the Clean Air Machine introductory campaign in the fall of 1980.

The freestanding unit with carafe will be positioned against the bottled water market. Tv advertising using animation begins Sept. 13.

Norelco's personal care product line was extended by two new products in 1981—the Norelco lighted mirror and the Norelco Hot Brush & Comb.

In the spring of 1982, Norelco introduced the new Chic collection of personal care products, consisting of 11 new products, including: Hair curling irons, curling brushes, hair dryers and style dryers, all in a rich burgundy color.

North American Philips Alliance Mfg. Co. subsidiary, marketer of Genie garage door openers, expanded its participation in the do-it-yourself market, a category that has aided garage door openers which have been hurt by the ailing housing industry. The do-it-yourself openers received increased advertising support. The campaign is highlighted by in store promotional material.

Other North American Philips divisions include NAP Lighting Corp., Anchor Brush Co., Baker, Knapp & Tubs Inc., a furniture marketer, Selmer Co., the country's leading supplier of band and orchestral instruments, and Carolina Coach Co., the third-largest regular route intercity bus carrier in the U.S.

Several major personnel changes took place at NAP in 1981. On Jan. 1, 1982, president Cees Bruynes also became chief executive officer, succeeding Pieter C. Vink, who will continue as chairman.

Edward L. Klein, vp-group executive, was elected exec vp. Mr. Klein is responsible for all electrical and electronic component operations.

Kenneth C. Meinken Jr., formerly president of NAP Consumer Electronics Corp., was elected exec vp with responsibility for all consumer products and services operations.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,384,300	$1,497,500
Magazines	7,181,800	3,894,400
Farm publications	229,800	—
Spot tv	4,375,400	4,839,100
Network tv	20,468,500	13,270,000
Network radio	450,000	—
Outdoor	54,100	15,000
Total measured	34,152,900	23,516,000
Unmeasured	49,728,500	44,998,193
Estimated total	83,881,500	68,514,793

NORTH AMERICAN PHILIPS CONSUMER ELECTRONICS CORP.

MARKETING PERSONNEL

Frank R. Lann, president
M.L. Jones, senior vp-mktg

Magnavox

K.C. Thompson, vp-genl mgr
Rita E. Hutner, vp-adv
W. Campbell, vp-natl sales mgr
R. Doyle, director-design
J. Proud, mktg director

Odyssey

D.M. Arganbright, vp-genl mgr
Gerald A. Michaelson, vp-mktg
Mike Staup, vp-prod development
Dick Omlor, mgr-admin
Bob Strickland, natl sales mgr

Sylvania

R.R. Stoltenberg, vp-genl mgr
G. Harrison, director-adv & sales promo
R. Marsiglio, mktg director
B. Anderson, director-design
H. Draper, vp-sales
H. Galliford, director-sales planning & admin

Philco

E.R. Policicchio, vp-genl mgr
A. Hershey, director-mktg
M. Ross, director-merch
J.T. O'Flynn, vp-sales
F. Pietrick, director-sales planning and admin

ADVERTISING AGENCIES

Campbell-Ewald, Warren, Mich.—Pete Dow, president; Ham Schirmer, group senior vp. Magnavox: Dick Eick, vp-acct super; George Back, vp-acct exec; Karen Baehr, acct exec. Odyssey: Frank Hoag, senior vp-acct super; John Wattles, acct exec.

Doyle Dane Bernbach, New York—Sylvania—Paul Paulson, president; Larry Iannazzelli, senior vp, mgmt super; Bob Stern, acct exec.

Infantino Corea Enterprises (ICE),

Rochester, N.Y.—Philco—Jerry Infantino, president; Roger Eibl, vp-acct super; Bob Stebich, acct exec.

Davis Newman Payne, Knoxville, Tenn.—Philco (local)—Jim Reed, acct exec.

NORELCO CONSUMER PRODUCTS DIVISION
MARKETING PERSONNEL

Richard Q. Kress, president
Patrick Dinley, vp-sales
J. Richard Gonzalez, vp-adv
Robert Beasley, genl mgr, personal care group
Patrick Campbell, genl mgr, appliance group
Carola Crowley, mgr, beauty care division
Gerry Carrino, mgr, kitchen appliance div

ADVERTISING AGENCIES

McCaffrey & McCall, New York—Norelco electric razors, personal care products, kitchen appliances, health care appliances—Bo Mitchell, vp-mgmt super; Ron Vavra, vp-acct super; Jim L'Heureux, acct exec.

Norton Simon Inc.

	1981	1980
Sales*	$3,191,898,000	3,012,772,000
Earnings	103,655,000	124,730,000
Advertising**	149,875,600	149,000,000

*Fiscal years ended June 30, 1981, and 1980
**AA estimate

Norton Simon Inc., New York, the 39th largest advertiser, increased its ad expenditures 0.6% to an estimated $149.9 million in fiscal 1981. While NSI's worldwide sales increased 5.9% to $3.19 billion, reflecting continued inflationary pressure, its net earnings dropped 16.8% to $103.6 million. Declines in NSI's vehicle rental and packaging segments offset strong earnings in its other businesses.

The company reported that its earnings decline "came as no surprise" because of the poor economic environment. To cushion itself against the volatile economy and to enable itself to grab investment opportunites, NSI has placed a high premium on liquidity: At the end of fiscal 1981, its working capital was over $882 million.

For the fiscal year ended June 30, 1982, NSI reported a 33% decline in income from continuing operations, at $66 million, down from $99.1 million a year ago.

Revenue from continuing operations for the fiscal year was $2.994 billion, compared with $2.993 billion in 1981. Net income for the 1982 fiscal year, including that of continuing operations was $107.7 million, up 4% from $103.6 million.

The 1982 figure includes $12.9 million from discontinued operations, and an extraordinary gain of $28.6 million from the extinguishment of debt.

The company's foods segment, despite a 1.3% drop in sales to $988 million, managed a slight earnings increase thanks to improvement in the tomato market upon which NSI depends heavily for its Hunt's tomato products. Strong performances from Orville Redenbacher's Gourmet Popping Corn and Manwich sloppy joe sauce, both market leaders, further buoyed the foods segment's earnings.

NSI's heaviest ad spending went to Wesson Oil—over $7.4 million in measured media support, channeled mostly to network and spot tv, according to Leading National Advertisers. That spending level was 18.1% higher than last year's. NSI's Hunt-Wesson Foods in February moved the Wesson Oil account from BBDO to Ketchum, San Francisco, in an effort to regain market share it had steadily lost for the past few years. In February, Wesson held a 20% share of the oil market, trailing Procter & Gamble's market-leading 25% share with Crisco. Wesson also went national with its new "easy grip" bottle after a successful test in the Southeast.

Orville Redenbacher's Gourmet Popping Corn got $5.1 million in measured media support, all to network and spot tv, as the popcorn kept its market lead with record-high volumes. Also in fiscal '81, NSI rolled national with Orville Redenbacher's Gourmet Buttery Flavor Popping Oil, backed by $1.5 million in measured media support, again all to tv.

NSI kept up its heavy backing of Manwich sloppy joe sauce, another market leader, with $4.3 million in measured media support, $2.77 million of which went to network tv, with the remainder spread over spot tv, magazines and newspaper supplements. Manwich remained the No. 1 sloppy joe product.

NSI's light oil entry, Sunlite, a 100% sunflower oil, got almost $3.4 million in measured media support, most of it in network tv. Earlier this year, Sunlite was running neck-and-neck with, but slowly gaining on, its direct competitor, P&G's Puritan. The two oils had a combined share of 11% to 12% of the cooking oil market.

Hunt's tomato sauce and tomato paste maintained their No. 1 positions in the market with combined measured media support of over $3.5 million. Spot tv took all the tomato paste advertising, while sauce ads ran mainly on network tv. NSI continued testing ad campaigns aimed at promoting Hunt's tomato products as a whole rather than individually.

Things weren't as rosy in fiscal 1981 for NSI's vehicle rental segment where earnings dropped nearly 50% despite a 7.5% sales jump to $872.8 million. Avis, NSI's car rental arm, blamed the skid on low volumes stemming from the sorry economic state and the decrease in leisure and business air travel. Airline travel, the source of 75% of Avis' domestic volume, declined in fiscal 1981 for the first time in 20 years. This year's fourth quarter operating profits fell 60%, and the total decline for the fiscal year was 33%.

Avis Rent A Car System received $7.2 million in measured media support in 1981. In May, Avis launched a new ad campaign via McCaffrey & McCall, successor to BBDO, featuring as Avis spokesman David Mahoney, chairman-chief executive officer and chairman of Avis. The $17 million campaign, themed "Trying harder makes Avis second to none," introduced new guaranteed rates and unlimited mileage policies used at corporately owned rental centers and by participating licensees. A group of franchises jumped the ad strategy ship in April and

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moved their $6 million account to Bozell & Jacobs.

During 1981, the company completed arrangements to lease from trusts virtually all of the vehicles in its ailing domestic car rental business and negotiated similar arrangements for vehicles in several overseas operations, a move aimed at reducing the capital invested in rental vehicles in order to limit the risk of losses. Similar leasing arrangements are expected in 1982.

NSI's cosmetics and fashion segment registered a 15.3% sales jump in fiscal 1981 to $617.6 million. Cosmetics and fashion had the biggest profits increase of all NSI's segments as its earnings more than doubled from 1980 to '81. Max Factor & Co.'s Epris fragrance, endorsed in its ads by ex-"Charlie's Angels" actress Jaclyn Smith, got over $5.9 million in measured media support, $4.5 million going to network tv. Epris surpassed NSI's original projections at both sell-in and sell-through levels after its introduction in 1981.

The Maxi cosmetics line, supported by a program of consumer couponing, spot tv commercials and national print ads, extended its line of popular-price products with nine more makeup items in 1982. In 1981, Maxi mascara received the most support of any product in that line with $1.2 million, most going to magazines.

The segment focused two marketing efforts on a pair of skin treatment lines geared for diverse market segments. In the premium-price category, Max Factor introduced three new products—Very Gentle Eye Makeup Remover Gel, Emergency Blemish Stick and Oil Control Skin Primer—to its Living Proof Skincare System line that sells in selected department and specialty stores. For the medium-price, mass-market category, NSI gave continuing support to its Skin Principle Skin Support System.

Max Factor also entered the women's designer fragrances market in 1982. Missoni perfume rolled out into selected department and specialty stores throughout the U.S. and internationally, supported by a heavy campaign of print ads in national women's magazines, some city and regional magazines and major-market newspapers. Several product line extensions from Max Factor were backed by an umbrella ad theme that asked, "Don't you love being a woman?"

Halston Fragrances' Halston Night perfume, introduced to upper-end markets in early 1981, received $543,000 in measured media support.

McCall's sewing patterns got $524,100 in measured media support. McCall's made what the company called "significant" share gains after beginning a marketing drive targeted toward special segments of the home sewing market.

Sales of NSI's beverages segment increased 3.5% to $430.2 million in 1981. The segment posted a slight earnings increase on the performances of Canada Dry Corp. and Somerset Importers. But in March, 1982, NSI sold Canada Dry to Dr Pepper Co. for $143 million, leaving its beverages segment dealing only in those of the alcoholic variety. Somerset Importers' Johnnie Walker Red Label scotch received $5.1 million in measured media support, nearly all of which went to magazines. Johnnie Walker Black Label scotch got $3.8 million in measured media support, and NSI backed Tanqueray gin with $3.5 million.

Somerset Wine Co. narrowed and reconfigured its product line to maintain a strong market position in basic consumption areas. The company planned to focus on the California wine business, while increasing its force in French and Italian wines. In French wines, Somerset increased case sales and market share. The company said it intended to maintain its current French market position with concentration on the finest classified growths and a balance of midprice wines. Somerset Wine gained position in the Italian wine market, working with Cantina Settesoli.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$9,925,500	$5,461,800
Magazines	21,486,000	17,278,100
Spot tv	9,013,300	19,870,900
Network tv	28,660,400	26,734,950
Spot radio	1,001,200	1,343,400
Network radio	1,055,500	321,400
Outdoor	2,515,100	2,254,800
Total measured	73,652,000	73,264,200
Unmeasured	76,223,600	75,735,800
Estimated total	149,875,600	149,000,000

NORTON SIMON INC.
MARKETING PERSONNEL

Joseph W. Daly, director-media

AVIS INC.
MARKETING PERSONNEL

Albert W. Dold, corporate vp-mktg
George E. Mead, vp-adv-rent a car
Robert F. McNamara, vp-sales and mktg-rent a car
Edward Zilnicki, director-mktg-rent a car
Lawrence D. Mazur, vp-mktg-car leasing
Tom Swartele, vp-mktg-Europe

ADVERTISING AGENCY

McCaffrey & McCall, New York—U.S. rent a car—Margaret G. Wasley, exec vp; Bo Mitchell, senior vp-mgmt super; Samuel Fertig, vp-acct super.

HUNT-WESSON FOODS
MARKETING PERSONNEL

Frederick B. Rentschler, president-ceo
Albert J. Crosson, exec vp
James F. Frawley, vp-consumer mktg
Robert E. Williams, vp
David J. Hopwood, vp-food service sales and mktg
Robert S. Beattie, director-mktg rsch
Clifford A. Brennan, mktg director, tomato products
Dale Hardner, director-mkt devel
Larry D. Langford, mktg director-oil products
James M. Myers, mktg director-convenience foods
Joseph E. Potocki, director-merch services

ADVERTISING AGENCIES

Ketchum Advertising, San Francisco—Hunt's tomato sauce, Hunt's tomato paste, Hunt's tomato ketchup, Hunt's Prima Salsa spaghetti sauce, Hunt's Manwich sandwich sauce, Hunt's Meatloaf fixin's, Big John's Beans 'n' Fixin's, Orville Redenbacher's Gourmet Popping Corn, Orville Redenbacher's Gourmet Buttery Flavor Popping Oil, Wesson Buttery Flavor Oil, Wesson Oil, Hunt's Snack Pack, Snowdrift shortening—Robert Kroyer, mgmt super; Dan Odishoo, mgmt super (Wesson).

BBDO/West—Pfeiffer Salad Dressings, New Products—Joseph Barrett, exec vp.

Dailey & Associates, Los Angeles—Sunlite oil, Hunt's Wip—Steve Chabre, acct mgr.

SOMERSET IMPORTERS LTD.
MARKETING PERSONNEL

John E. Heilmann, president-ceo
F.J. Cirona, senior vp-finance & admin
N.L. Bianchini, senior vp-wines
R.F. Vreeland, senior vp-director of mktg
V.S. Machi, vp-mktg & sales service
R.W. Slone, vp-group mktg director
E. Feldman, vp-group mktg director
R.J. Wonsik, vp-group mktg director
A.M. Friedman, vp-director of creative services
F.A. Muller, brand mgr
A.J. Palmisano, brand mgr
J.S. Glover, brand mgr
A.J. Wagner, brand mgr
C.E. Albert, brand mgr
P.M. Cartolano, director of mktg and sales admin

SOMERSET WINE CO.
MARKETING PERSONNEL

Neil L. Bianchini, senior vp-genl mgr
Alex T. Sgoutas, vp-mktg
Richard J. Claflin, vp-sales
Perry Kozlow, asst natl sales mgr
Linda J. Sichel, director mktg-imported wines
Steve Cousins, director mktg-American wines
Marilyn Hamburg, mktg services super
Brian Mom, San Martin pr mgr

ADVERTISING AGENCIES

Smith/Greenland, New York—Johnnie Walker Red Label scotch, Johnnie Walker Black Label scotch, John Begg Blue Cap & Gold Cap scotch, Tanqueray gin, Pimm's Cup, Hine Cognac, Old Fitzgerald, W.L. Weller, Weller 107, Cabin Still and Rebel Yell bourbons, Crawford's scotch, Canada Dry gin and Canada Dry bourbon—Murray Platte, exec vp-mgmt super, Henry Wenthen, senior vp-acct super, Keith Jackson, Samuel Borwick, Elizabeth Lee, acct execs.

Dancer Fitzgerald Sample, New York—Michael Donahue, senior vp-mgmt super, Joseph Scutero, acct super, Joanne Matejov, acct exec.

MAX FACTOR & CO.
MARKETING PERSONNEL

Michael Darling, exec vp, worldwide mktg
Red Weiss, exec vp-mktg and development worldwide
Jane Lewis, senior vp-creative services
Carol Leslie, vp-creative director
Stewart Brown, vp-adv director
Al Bistany, exec vp-U.S. sales

ADVERTISING AGENCY

Wells, Rich, Greene, New York—Max Factor & Co.—Martin Stern, exec vp-mgmt group head; Jack Valente, planning group head; Thomas Heck, senior vp-creative group head; Nancy Vaughn, senior vp-creative group head; Linda Baron, acct exec.

HALSTON ENTERPRISES
MARKETING PERSONNEL

Michael Lichtenstein, mng director
Michael Pellegrino, mktg director

HALSTON FRAGRANCES
MARKETING PERSONNEL

Tom Knowles, exec vp-genl mgr
Arnold E. Pachtinger, senior vp-sales
Jane D. Terker, vp-mktg
Paul Wilmot, vp-sales promo

ORLANE INC.
MARKETING PERSONNEL

Richard Granger, exec vp-genl mgr
Simone Hoffman, vp-mktg
John W. Chavers, senior vp-sales
Joseph R. Messina, vp-creative services

ADVERTISING AGENCY

Benton & Bowles, Paris—Marie Christine Fouche, acct super.

McCALL PATTERN CO.
MARKETING PERSONNEL

Robert Hermann, senior vp
Judy Raymond, vp-adv and promo services
Richard Rogers, vp-genl merch mgr

ADVERTISING AGENCY

Inhouse—Judy Raymond, vp; Pat Micciche, adv mgr; Tony DeVino, art director.

Noxell Corp.

	1981	1980
Sales	$233,112,000	$204,160,000
Earnings	16,864,000	14,699,000
Advertising*	41,082,100	41,318,600

*AA estimate

Noxell Corp., Baltimore, the 96th largest national advertiser, decreased its advertising expenditures 0.5%, to an estimated $41.1 million in 1981, from $41.3 million in 1980.

The company, which markets popular-price cosmetics, skin creams and household products under brand names including Noxzema, Cover Girl, RainTree and Lestoil, had a sales increase of 14%, to $233.1 million. Earnings were up 15% to $16.9 million.

Noxell said one-half of its dollar growth came from volume increases and the remainder from higher prices and shifts in the company's product mix. The company is also experiencing growth in international markets and is looking to that area for more growth in the future. Cover Girl cosmetics were introduced on a test basis in France in 1981, and expansion into Latin America is planned.

Noxell made several changes in its ad agency lineup last year, eliminating Foote, Cone & Belding and Scali, McCabe, Sloves from its roster. FCB had Lestoil and new products, while Scali gave up new products and RainTree. Backer & Spielvogel was the big winner, picking up Lestoil and RainTree lines as well as some new products work.

The cosmetics division accounted for 47% of Noxell's net sales. Cover Girl products sales were up a total of 20% in 1981. The Cover Girl line of facial makeups showed the fastest growth, the company said.

Spending for Cover Girl makeup was down slightly last year to $6.5 million from $6.9 million the previous year. Most of the spending was in network tv.

One Cover Girl product group that got a boost in ad spending was mascara, with a 5.2% increase to $8.1 million from $7.7 million, mostly in network tv. Cover Girl mascara is second to Maybelline in mass merchandise, food and drug outlets with an 18.4% market share.

Cover Girl NailSlicks, which got a big chunk of the budget with $3.7 million in advertising, is said by the company to be the leader among nail polishes sold in food and mass merchandise outlets. In mass merchandise stores, NailSlicks has a 15.1% unit share; in food stores 22.9%, and in drugstores, where Revlon is the leader with 26.8%, Cover Girl has 7.1%. The share for three-outlet sales for Cover Girl is 11.5% in the nail polish category.

Products in the Cover Girl line introduced in 1981 included LipBlush, a thin, lightly colored high-gloss product, BlushMates, Cream-on-Blush, with a sponge applicator, and Conditioning Eye Make-up Remover.

Model Kelly Emberg was added to the lineup of Cheryl Tiegs and Christie Brinkley, who appear as spokeswomen for Cover Girl products. In addition, the Cover Girl line was repackaged to give it a uniform identity, the company said.

The Moisture Wear line of cosmetics, designed for an older consumer than the Cover Girl user, got an ad spending boost of 41% to $3.1 million from $2.2 million. The line was also repackaged to give it a more sophisticated, upscale image, and actress Erin Gray was signed as spokeswoman. Ad spending was divided between network tv and magazines.

In the toiletries category, which contributed 28% of the company's revenues, sales were up 13% from 1980. Noxzema, the flagship brand for Noxell, received two different ad strategies, designed for two groups of consumers. Mariel Hemingway promoted the cleansing benefits of the skin cream to teen agers, while Meredith Baxter Birney was the spokeswoman for the older segment of the market, addressing the moisturizing properties of Noxzema.

Noxzema has a 22% share in the skin cleanser market. Total ad support for the skin cream decreased again this year, down 9% to $5.2 million, mostly in network tv.

Noxell now claims it has a total skincare line, led by Noxzema. Other products in the line are Noxzema Antiseptic Skin Cleanser and Noxzema 12-Hour Acne Medicine, which went national in June, 1981. In addition, the company began testing Noxzema Continuous Protection moisturizer in September, 1981.

Ad spending for Antiseptic Skin Cleanser was down slightly to $1.2 million from $1.4 million the previous year. The launch of Noxzema 12-Hour Acne Medicine got about $1 million in measured media for the last six months of the year, mostly in network and spot tv. At the time it was launched nationally, the product was slated for $3 million a year in advertising.

The acne preparation is advertised as having a 12-hour formula as well as a special skin softener that fights against flaking, scaling and overdrying. The product contains 10% benzoyl peroxide. In trade materials at the time of the launch, Noxell said the product obtained an average market share of 14% in test markets.

Noxell continued to expand its RainTree line in 1981 when it went national with RainTree hand and body lotion, a line extension to its RainTree moisturizer. The new product was backed by about $2 million in tv advertising. RainTree Moisturizing lotion and cream got $2.4 million in advertising support. After the death late in 1981 of its spokeswoman, actress Natalie Wood, Noxell pulled the commercials from the air.

RainTree is No. 2 in the mass-distributed moisturizer segment, but with its 4% market share, it is far behind No. 1, Oil of Olay, which has 40% of the market.

Noxzema shaving cream maintained its 13% share of market. The company said it introduced a "new protectant formula" with a lubricating agent, dimethicone. Measured media spending for the shaving cream was $1.6 million, and the company also said it made buys on male-oriented cable tv programming.

Noxell acknowledged a flat performance in the household products category where it markets Lestoil heavy-duty cleaner and Lestoil deodorizing rug shampoo.

An agency change and new trade programs were two steps the company said it took to improve performance.

Household product sales were about 7% of net sales. Lestoil was backed by $1.4 million, mostly in spot tv. The rug shampoo, which the company was not successful in expanding outside of its eastern marketing area, got about $465,000 in magazine advertising.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$11,800	$103,100

Magazines	9,936,300	8,997,700
Spot tv	3,686,800	2,959,800
Network tv	25,946,800	28,092,700
Spot radio	86,300	39,900
Network radio	294,100	—
Total measured	39,963,100	40,193,200
Unmeasured	1,119,000	1,125,400
Estimated total	41,082,100	41,318,600

MARKETING PERSONNEL

George L. Bunting Jr., president
Marvin L. Hathaway, exec vp-domestic
R.G. Duke, vp-toiletry/household prods mktg
F.J. Harrison, vp-cosmetic prods mktg
P.M. Troup, mktg director
R.H. Yeager, E.M. McNamara, M. Bowers, C.J. Busta, group prod mgrs
E.H. Levering, vp-sales
D.J. Gallow, director-mktg research

ADVERTISING AGENCIES

SSC&B, New York—Noxzema skin cream, Cover Girl prods, new prods—Spencer Plavoukos, F. Stone Roberts, exec vps; Paul La Stayo, senior vp-toiletries; William F. Abrams, senior vp-cosmetics; George Bauerschmidt, Ann Hughes, vp-acct supers, cosmetics; Beth Green, Donna Squilla, David Sparks, vp-acct supers, cosmetics; Susan Exum, acct super; Lauren Goodman, Paula Alex, acct execs, Holly Macaulay, asst acct execs.

Backer & Spielvogel, New York—Lestoil, RainTree prods, new prods—Randy Lindel, director of acct services; Alice Bond, acct director; Denise Durvett, acct exec.

William Esty Co., New York—Noxzema shave cream, new prods—Richard Van den Bosch, senior vp-mgmt super; Steve Moynahan, vp-mgmt super; Joe Kensil, acct exec.

J.C. Penney Co.

	1981	1980
Sales*	$11,860,000,000	$11,353,000,000
Earnings*	387,000,000	268,000,000†
Advertising**	208,600,000	188,000,000

*Worldwide
**AA estimate
†Restated

J.C. Penney Co., New York, the nation's third largest retailer, increased its ad spending 11% to $208 million in 1981, to become the 18th largest U.S. advertiser.

Penney's advertising expense for newspapers, television, radio and other media worldwide for 1981 was $302 million, excluding catalog preparation and distribution costs.

AA figures do not include retail advertising for individual stores, although expenditures for preprint newspaper advertising have been included in AA's estimate of unmeasured spending. The 1981 figure represents about a 12% increase over the $270 million spent in 1980.

In 1981, sales of $11.9 billion represented an increase of 4.5% over the $11.4 billion in sales reported for 1980. Income from continuing operations was $387 million, a whopping 44.1% increase over 1980's figure of $268 million.

Full line store sales were $7.9 billion, up 8.5% from $7.2 billion in 1980. Soft line store sales were down slightly, to $2.38 billion in 1981 from $2.39 billion in 1980. The number of full line stores increased once again in 1981 to 597 compared with 552 in 1980.

Full line and soft line stores' profit increased in 1981 over the 1980 level due to increased sales, improved gross margin, and tight expense control. Profits for soft line stores had decreased from 1979 to 1980, due to lower sales.

A total of 1,065 soft line stores were in operation at the end of 1981 compared with 1,120 in 1980. The number of soft line stores has declined for the third year in a row.

The plight of small town soft line stores is illustrated by the closing of J.C. Penney store #0500-9 in Hamilton, Mo. James Cash Penney started his retailing career in Hamilton at the turn of the century working at the J.M. Hale Dry Goods store. Not wishing to go into competition with his first employer, Mr. Penney did not open a store in Hamilton until after Mr. Hale retired in 1924.

The town's 1,582 residents see the closing on June 6, 1981, as a case of "corporate betrayal," claiming that the New York-based headquarters have forgotten the rural Missouri roots of its founder. "There's still a strong feeling here that it was never Mr. Penney's idea to close this store while there was still a J.C. Penney chain," said Paul McCoy, secretary-treasurer of the Hamilton Chamber of Commerce and a guide at the J.C. Penney Memorial Library in town.

However, shopping malls have eroded the business in most small towns and Hamilton is no exception. The store had not shown a profit for the last several years.

Catalog sales rose 7.9% to $1.68 billion in 1980, surpassing last year's record $1.54 billion. Of that total, $1.23 billion was derived from catalog centers in stores, with mail order and outlet stores accounting for the remaining $407 million.

Increased emphasis on fashion items and a special sweepstakes promotion have been credited with the catalog sales gain. On the first page of the book, Penney informed readers that entry in the $500,000 sweepstakes was automatic for any customer who made a purchase from the catalog between late August and late December.

Another innovative promotion in the form of cents-off coupons developed by the Couponing Group Ltd., New York, was inaugurated in Penney's 1981 fall/winter catalog. Coupons were sold by the Couponing Group to package goods, health & beauty aids and household companies.

Drugstore sales, operating as Thrift Drug or the Treasury Drug Center, rose 7% to $507 million from $474 million in 1980. During 1981, 12 stores opened and 30 stores closed. At year's end, 343 drugstores were in operation. Profits were about the same as in the prior year, despite the cost of closing stores in certain markets.

J.C. Penney Financial Services, the insurance arm of the retailer, reported net income of $29 million in 1981, up from $28 million in 1980. Insurance centers were opened in 31 stores in 1981. By year's end, instore centers were operating in 98 J.C. Penney stores in 13 markets.

In an effort to keep its insurance sales closely associated with the Penney name, the company announced in 1981 that it is seeking a buyer for Great American Reserve Insurance Co. J.C. Penney Financial Services sells a variety of insurance in three ways: Through its stores, through direct marketing via mail and telephone and through 300 agents in 17 branch offices.

It often was possible for consumers to buy insurance from Great American Reserve and

KNOW THY COMPETITION

See page 125

LNA

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AA-9

never realize the company was owned by Penney. The decision to sell means the company has decided to concentrate on direct response and the store operation through the other two companies.

A combination of elements contributed to the company's 1981 performance. Gross margin rose to 31.7% from 29.4% in the prior year as a result of higher markup and significantly lower LIFO (last-in first-out inventory valuation method) provisions, which more than offset increased markdowns.

Two factors were of particular significance.

First, and most importantly, was the successful implementation of Penney's strategy to place increased emphasis on higher taste level apparel and soft home furnishings, which provide higher markup.

Second was the decline in inflation in the soft goods category of general merchandise to 4.0% from 5.8% in 1980.

J.C. Penney's capital expenditures budget for 1982 approximates $325 million. Virtually all of the increase over the 1981 budget of $208 million represents funds allocated to modernize existing stores.

As part of this modernization, the company will be devoting a greater proportion of selling space to women's apparel and accessories, menswear, children's wear, home furnishings and leisure merchandise—all areas of traditional strength for the company.

In new stores, soft goods will comprise 70% of selling space, compared with 60% in older stores.

This strategy is designed to appeal to shoppers in suburban malls, who are believed to be more interested in what are called "ego-intensive" goods than in merchandise such as washing machines.

Some observers foresee the day when Penney's may drop some hard lines altogether. "They may get out of the durable business in the next five years," says Walter Loeb, retail analyst with Morgan Stanley & Co., New York. "You don't associate Penney's with refrigerators."

Women's apparel and accessories is the largest of the six merchandise divisions, followed by menswear, children's wear, leisure and automotive equipment, home furnishings and home improvement items. The company promotes a number of its own brands in the apparel area, among them the Fox, Track and Court and Hunt Club for action wear and the U.S.A. Olympic running shoes.

The most heavily advertised product areas in all media for 1981 are as follows: $6.6 million for women's apparel; $1.5 million for women's intimate apparel; $2.1 million for women's sportswear; $1.9 million for men's sport shirts and apparel; $3.8 million for men's sportswear; $3.8 million for family sportswear; $1 million for children's sportswear; $4.2 million for J.C. Penney auto accessories, tires and car insurance, and $2.4 million for Penney's home entertainment center.

ADVERTISING EXPENDITURES

	1981	1980
Magazines	$8,880,300	$5,084,100
Spot tv	12,954,500	14,648,500
Network tv	23,555,900	18,579,100
Spot radio	353,900	151,900
Network radio	85,800	322,900
Outdoor	111,100	107,500
Total measured	47,941,500	38,894,000
Unmeasured	160,658,500	149,106,000
Estimated total	208,600,000	188,000,000

MARKETING PERSONNEL

Howard Evens, senior vp-director, corp mktg
Lou Bremer, mgr-mktg communications
John Lucas, mgr-adv
Jim Boynton, mgr-media services
Bob Allen, mgr-sales plans
Karen Rosenman, mgr-merch publicity
Bob Jung, mktg publications coordinator
Tom Jewell, mgr-visual merch
Dean Clopton, mgr-presentation
Mal Bliss, mgr-packaging and labeling
Bill Speer, mgr-store devel
Sid Stein, mgr-mkt rsch & plans services

ADVERTISING AGENCIES

McCaffrey & McCall, New York—natl adv—William Viesner, senior vp, group acct super; Jim L'Heureux, acct exec.

Wells, Rich, Greene, New York—J.C. Penney Financial Services—Ken Olshan, chairman U.S.A.; Mike Temaris, vp mgmt super.

PepsiCo Inc.

	1981	1980
Sales	$7,027,443,000	$5,975,220,00*
Earnings**†	333,456,000*	291,572,000*
Advertising†	260,000,000	233,400,000

*Restated
**Income before extraordinary charge
†AA estimate

PepsiCo Inc., Purchase, N.Y., the nation's 14th largest advertiser, increased U.S. advertising 11.4% to an estimated $260 million.

The company spent $376.5 million in advertising worldwide in 1981, up 5.1% from 1980. Advertising accounts for about half of the company's total marketing budget. In 1981, Pepsi increased marketing expenditures about 25% worldwide, including a 71% hike in spending for the foodservice division. PepsiCo reduced its spending on network and spot tv 4% in 1981, down to $139.6 million, after increasing it 22% in 1980.

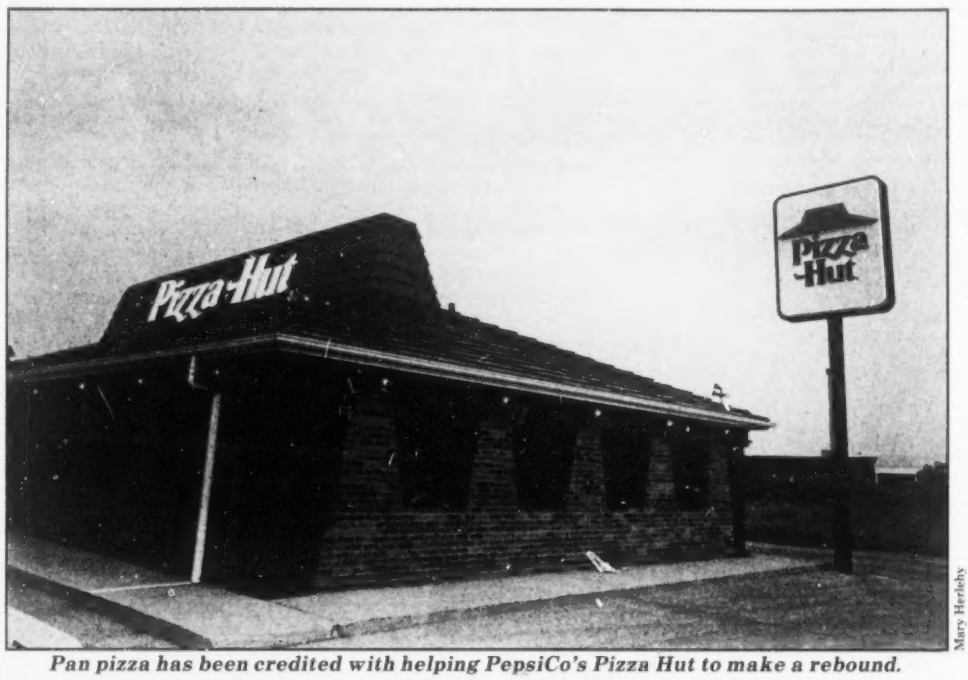
For the first six months, Pepsi reported earnings of $159.8 million, a 14% increase over the previous year. Sales rose 8% to $3.37 billion.

PepsiCo's growth in the 1980s is expected to come from increased beverage distribution outside food stores, expanded new product activity in snack foods and restaurants and an increased presence in foreign markets for beverages. According to Gerald J. Fischer, PepsiCo vp-corporate development, the company is experiencing a slowdown in traditional grocery outlets and is aggressively looking for other distribution channels for its soft drinks to fuel growth.

The best expansion hope appears to be in both drug and mass merchandisers, as sales in these outlets ran about 30% higher in 1981 than in the previous year. Other key growth areas will be in fountain and vending sales.

Earlier this year, company executives said marketing expenditures for 1982 will depend on the economy and how much money is needed to encourage consumers.

PepsiCo's net earnings rose 14% to $333.5 million in 1981, compared with a 10% increase in 1980. The company reported sales slightly exceeding the $7 billion mark, increasing by 18%.



Mary Herlehy

Pan pizza has been credited with helping PepsiCo's Pizza Hut to make a rebound.

These comparisons exclude the impact of the extraordinary charge in 1980 for the writeoff of motor car carrier operating rights. A change to last-in, first-out (LIFO) accounting for certain domestic inventories reduced net income in 1981 by $4.6 billion, or 5 cents a share. Before this adjustment, income was up 16% in 1981.

Pepsi-Cola's 1981 soft drink market share, according to an April, 1982, *Beverage Industry* report, was 18.3%, up from 1980's 18% share. Major rival Coca-Cola remained in the lead in 1981 with a 24.2% share, down slightly from 1980's 24.3%.

The foodservice division made substantial gains in 1981. Revenues at $1.07 billion increased 23% from the fiscal year ending in December, compared with a 17% increase in 1980. These figures reflect Pepsi's effort to increase store sales, which were up 18% in 1981, following a 21% increase in 1980.

Food products were also up 19% in revenues in 1981, following a 21% increase in 1980. Price increases along with volume growth contributed to improved profits here and abroad in 1980 and 1981, with performance in Mexico particularly strong. Company executives report foreign operating profits are beating domestic ones. PepsiCo is planning to expand overseas with more bottling franchises, and broad snack food penetration is expected in international markets by the end of 1982.

Approximately 76% of PepsiCo International's volume came from its franchise operation, which sells soft drink concentrate to franchised bottlers. The remainder came from United Beverage International (UBI), the company-owned, 11-country flagship bottling system. Total case sales rose 2.5%, down from an 8% growth in 1980. A sluggish worldwide economy was seen as a contributing factor in slowing sales.

According to Leading National Advertisers, measured media expenditures for Pepsi-Cola alone, the company's most heavily promoted soft drink, totaled $23.7 million in 1981. During the year, the company aired six commercials in the "Catch that Pepsi Spirit" campaign, on the air since February, 1981.

The Pepsi Challenge campaign is credited with giving Pepsi a lead over Coca-Cola in sales through certain types of outlets.

For 1982, Pepsi has dropped "Catch that Pepsi Spirit" in favor of "Pepsi's got your taste for life." The theme supplements Challenge on network tv and focuses more closely on taste than previous efforts. Instant winner consumer promotions and collectibie bottle cap games complement ad strategies.

Diet Pepsi is the company's second most-advertised soft drink brand, with a measured media ad budget of $12.1 million. The brand climbed a notch in the industry from No. 9 in 1980 to No. 8 in 1981. "Now you see it, now you don't," a new theme, included three versions in its first year. The jingle, sung by Joanie Sommers, was considered by some experts the most outstanding element of the three campaigns for Pepsi-Cola, Diet Pepsi and Pepsi Light. Company executives reported the highly stylized new commercials focused attention on the brand, which experienced the best sales for January and February in a number of years.

Pepsi Light, which moved from low calorie to sugar free in 1979, spent $5.1 million in advertising in 1981, off from $5.6 million in 1980. Despite the decrease in spending, the brand moved from 0.4% market share in 1980 to 0.5% in 1981. The "Lookin' light, lookin' Pepsi Light" campaign with actress Lauren Hutton included two tv spots in 1981.

Mountain Dew advanced from No. 7 to No. 6 in industry ranking in 1981. The drink remains the company's third most heavily advertised soft drink. Volume rose to the 179 million case level, an increase of 5.9% over 1980. The ad budget for 1981 totaled $10.9 million, up slightly from $10.8 million in 1980. Market share remained at 2.9%, same as in 1980. "Give me a Dew," the theme line from the brand's ad campaign, and the jingle that accompanies it, play important roles in the over-all campaign, which centers on the healthy activities of the young.

Aspen, Pepsi-Cola's apple-flavored soft drink, which debuted in 1979, will continue to be marketed in Los Angeles, where, the company says, it is doing reasonably well. The drink has been dropped from Denver and Philadelphia because of poor results. Media expenditures for 1981 were a modest $400,000. Teem's market share dropped to 0.2%, from 1981's 0.3%. Its ad budget was $60,800.

Food products, consisting of Frito-Lay and PepsiCo Foods International, had sales of $2.2 billion in 1981. Frito-Lay, PepsiCo's largest profit contributor, achieved its 13th consecutive year of record earnings. In the $14 billion snack food market, Frito-Lay registered a 20% sales increase to $1.8 billion. Frito-Lay's six leading national brands had retail sales of more than $100 million each.

The largest brands are Doritos, Lays and Ruffles potato chips, Chee-tos cheese-flavored snacks, Tostitos and Doritos tortilla chips and Fritos corn chips. Fritos is celebrating its 50th anniversary this year with ads themed, "They wouldn't have lasted for 50 years if they didn't taste so good." New ads for Lays potato chips focus on quality.

New line extensions introduced nationally in 1981 for Frito-Lay are Chee-tos cheese balls, Lays zesty cheese-flavored potato chips and Ruffles bacon and sour cream-flavored potato chips.

Test marketed in 1981 were Chee-tos bacon and cheddar-flavored cheese snacks and Bakenets hot and spicy fried pork skins. New product activity for 1982 includes the national rollout of Frito Light and Doritos Crispy Lights, as well as expansion of Tiffles crispy corn chips and Ta-Tos potato chips.

Tostitos recorded sales of $165 million in 1981. Measured media expenditures were $8.5 million for the brand in 1981.

PepsiCo attributes part of the growth success to its Total Snack Program. Themed "Good things to know about good things to eat," the print campaign relates nutritional information in an extension of the information labeling Frito-Lay began two years ago.

GrandMa's brand single-serve cookies and snack bars, acquired by PepsiCo in 1980, had measured media expenditures of $535,300, down from 1980's $736,200. Total sales exceeded $30 million. Frito-Lay is testing GrandMa's bagged cookies.

Though the foodservice division, which comprises Pizza Hut, Taco Bell and PepsiCo Food Service International, will not see major expansion until 1983, it tallied operating profits of $82 million in 1981, up 37.6% from the previous year. Improved earnings at Pizza Hut and Taco Bell stemmed from volume and price increases, as well as favorable ingredient costs. Though Taco Bell and Pizza Hut outpaced the restaurant industry in 1981, the company is hoping to increase per unit sales before building a significant number of new restaurants.

Pizza Hut closed about 100 unprofitable restaurants in 1981. Both Pizza Hut and Taco Bell have some of the highest ratios of company-owned versus franchised stores in the restaurant industry. Donald Smith, president of the foodservice division, said both chains will push franchising as a method of increasing revenues. With a combined total of more than 5,300 units, 50% of Pizza Hut stores are owned by Pepsi, as are 48% of Taco Bell units. Plans call for 25 of the 75 new Pizza Huts to be company owned and 70 of the 160 new Taco Bell stores are slated to be company owned. Total per store sales growth for Pizza Hut was 24% in 1981, the highest one-year increase in the company's history.

Ad expenditures for 1981 were $24.2 million and spending in 1982 is estimated at $50 million, more than twice what the chain spent in 1980 and 1981. The bulk of this is scheduled to go to spot and network tv, which in 1981 had a combined media expenditure of $24.1 million. New tv spots are targeting the take-out market, traditionally a weak spot for Pizza Hut. The chain cut couponing by more than half its 1980 rate. Value-added coupons are expected to take a greater share of the promotional budget.

Pan pizza has been credited with the company's sales turnaround. The chain hopes to keep up sales momentum by introducing a quick-cooking pizza product and other new products geared toward the lunch market.

Like Pizza Hut, Taco Bell has emphasized upgrading its facilities. Addition of drive-through windows caused sales to jump about 20% in 1981 and more will be phased in this year. More effort is also being centered on training and service.

Measured media advertising for Taco Bell ran $10.4 million in 1981, up 24% from $8.4 million in 1980. The bulk of the spending went to spot tv, leaving $5 million for outdoor.

In March, PepsiCo acquired San Francisco Boulangerie, a retail bakery chain specializing in original San Francisco sourdough and other variety breads. The company plans to open from eight to 12 new locations in northern California by the end of the year. Lynch & Rockey, San Francisco, is the chain's first agency.

Wilson Sporting Goods concluded the third straight year of earnings improvement, reversing the trend of the late '70s. Sales rose to $277 million, up 20% from 1980, while operating profits increased by 28%. Advertising strategy shifted, placing more emphasis on the competitive spirit, in addition to product features. Leo Burnett U.S.A.'s "ProStaff introduces Orange Aid" inaugurated the introduction of orange balls in golf. Wilson intends to stress its strong acceptance with its "Brand of pros" theme.

Of PepsiCo's two transportation companies, North American Van Lines and Lee Way Motor Freight, the former passed the $500 million mark in annual revenues in December, 1981, and completed the year with a $510 million total. Despite the intense competition of the first full year of deregulation in the trucking and moving industries, aggressive pricing, expansion into new markets and new marketing programs helped the company achieve this record. The household goods division registered a record year in 1981 in both shipments and revenues, which totaled $197.5 million. The division opened the year with a consumer promotion, the moving industry's first sweepstakes.

North American's commercial transport division entered a number of new markets, which contributed to a volume increase of 9.3% for the division.

Lee Way Motor Freight, however, experienced a loss in 1981. Declining industry volume produced widespread industry discounting.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,712,100	1,843,400
Magazines	3,610,300	2,865,500
Spot tv	69,767,500	57,940,500
Network tv	68,733,100	86,832,100
Spot radio	11,416,600	8,649,600
Outdoor	924,500	738,800
Total measured	157,219,100	160,868,900
Unmeasured	102,780,900	72,531,100
Estimated total	260,000,000	233,400,000

PEPSI-COLA CO.
MARKETING PERSONNEL

John Sculley, president-ceo
John Pingel, exec vp-sales and mktg
Robert Sander, senior vp-sales
Larry Higby, vp-mktg
Norman Sylvester, vp-adv
Joseph Block, vp-consumer mktg programs
Henry Hayes, media director

Pepsi-Cola Bottling Group

Robert G. Dettmer, president
Roger Enrico, senior vp-sales & mktg

ADVERTISING AGENCIES

BBDO, New York—Pepsi-Cola, Diet Pepsi, Pepsi Light, Mountain Dew—Jack F. Kraushaar, Ken Robers, mgmt supers.

J. Walter Thompson USA, New York—Teem, On-Tap root beer—Peter Schweitzer, mgmt super.

PEPSICO INTERNATIONAL
MARKETING PERSONNEL

Peter K. Warren, chairman

On June 27, 1982, the space shuttle Columbia made history.

Photo Courtesy NASA

So did TeleCaptioning.

The instant the shuttle went up on June 27, the word went out—literally—for the first time ever, because of the advanced technology of real-time captioning. Real-time captioning was developed by the National Captioning Institute in order to provide simultaneous subtitling of live events.

Hundreds of thousands of people with hearing impairments were able to thrill to the full impact of the shuttle's breathtaking flight as it occurred. And their full participation in this historic event was historic in itself.

NCI's TeleCaptioning was created solely to open up the world of television to the deaf and hearing impaired. It's made television come alive, with over 40 hours of TeleCaptioned programs—from "Dynasty" to "Little House on the Prairie" to "ABC's World News Tonight" to the Super Bowl itself. And NCI has not only the capability, but the commitment to maintain this vital service on a national basis.

TeleCaptioning has also provided hundreds of advertisers with a new way of reaching the hearing impaired, a market extraordinarily loyal to products of companies that have made the effort to reach them. Among these are Procter & Gamble, American Express, Datsun and McDonald's.

If you want your program, product or service to be "heard" by a market that's too important to miss, please send in the coupon or call us. We'll be happy to provide you information on what TeleCaptioning can do for you.

National Captioning Institute, Inc.
NCI TeleCaptioning: There's no better sound in sight.

Real-time captioning of Columbia's launch and landing was made possible by a grant from the Johnson's Wax Fund, Inc.

National Captioning Institute, Inc.
5203 Leesburg Pike, Falls Church, Va. 22041
(703) 998-2420
ATTN: Mr. Thomas Watchorn,
Executive Director, Marketing

Please send me more information on what TeleCaptioning can do for my company.

NAME: _____
TITLE: _____
COMPANY: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
PHONE: ( ) _____

AA

Victor A. Bonono, president
Thomas J. Rattigan, exec vp
Richard I. Ahern, president, UBI
James J. Postl, vp-mktg

PEPSICO FOODS INTERNATIONAL

MARKETING PERSONNEL

Graham G. Butler, president
Bruce Derkash, mktg director

ADVERTISING AGENCY

Lynch & Rockey, San Francisco—San Francisco Boulangerie—Terry Lynch, acct super; Martin Rockey, creative director; Wendy Larkin, acct exec.

FRITO-LAY

MARKETING PERSONNEL

D. Wayne Calloway, president
Willard C. Korn, senior vp
Jack DeMarco, vp-sales
Steve Zimmerly, mktg services director
Patt Korr-Roschki, group media mgr

ADVERTISING AGENCIES

Foote, Cone & Belding, New York.
Young & Rubicam, New York.

Tracy-Locke/BBDO, Dallas—David Novak, vp-mgmt super; Doritos and dips: Mike Rawlings, acct super; Scott Helbing, acct exec; Brett Carver, asst acct exec. Tostitos, variety pack, Funyuns, Bakeneta: Katie Hallett, acct super; Denny Post, acct exec; Patrick Terry, asst acct exec. Sunchips, Lays and consumer information: Tom Dunker, vp-acct super; Bruce Orr, acct exec, Lays; Terry Davenport, asst acct exec, Lays. Warren Chang, acct exec, consumer information and Sunchips.

PIZZA HUT

MARKETING PERSONNEL

Arthur G. Gunther, president, ceo
Bud Gates, vp-mktg
Andy Sekel, director-corporate communications

TACO BELL

MARKETING PERSONNEL

Don Smith, chairman
Chuck Boppell, president
Dick Deleguardia, vp-mktg
John Moorhead, vp-adv & promo
Dick Rogers, vp-field mktg
John Lyon, mktg devel director

ADVERTISING AGENCY

Grey Advertising, Los Angeles—Dan Michel, vp-mgmt super; Fred Morache, vp-field mktg; Alan Kupchik, senior vp-creative director.

ADVERTISING AGENCY

Foote, Cone & Belding, Chicago—Pizza Hut—Bruce Mason, senior vp, group mgmt super; Mitch Engel, acct super.

LEE WAY MOTOR FREIGHT

MARKETING PERSONNEL

R.H. Sykes, exec vp, sales & mktg
A.M. Geraldo, mktg dir
P.A. Fox, vp-natl accts sales

ADVERTISING AGENCY

Ackerman & McQueen, Oklahoma City—J. Nauser.

NORTH AMERICAN VAN LINES

MARKETING PERSONNEL

Kenneth W. Macfield, president
Joseph D. Ruffolo, exec vp, household goods div
Thomas P. Fagan, vp-sales & agency devel
Blaine Sowers, president-commercial transport div
Rick Rogan, vp-sales, commercial transport div
Rob Fletcher, mktg dir, commerical transport div
Robert Lake, vp & genl mgr, intl div
Rich Buckley, vp-sales & mktg
Tom Harris, vp-genl mgr, intl div
Tom Zirk, vp-U.S. sales, intl

ADVERTISING AGENCY

Doe-Anderson, Louisville, Ky.—Phil Payne, acct super.

WILSON SPORTING GOODS

MARKETING PERSONNEL

Robert H. Beeby, president
Malcolm Candis, senior vp-mktg
Gus Lachenauer, senior vp-sales

ADVERTISING AGENCY

Leo Burnett USA, Chicago—Wilson Sporting Goods—Bill Boris, Steve Gritton, acct supers.

Pfizer Inc.

	1981	1980
Sales	$3,249,700,000	$3,029,300,000
Earnings	273,700,000	253,900,000†
Advertising**	59,000,000	49,712,000

**AA estimate
†Restated

Pfizer Inc., New York, the 83rd largest U.S. advertiser, increased its domestic advertising expenditures 19% to an estimated $59 million in 1981.

Worldwide sales for the company increased 7% in 1981, to $3.25 billion. Sales in the U.S. rose to $1.4 billion, accounting for approximately 43% of the total.

For the first quarter of 1982, worldwide sales were $808 million, down slightly from $810 million registered in 1981's opening quarter.

Pfizer reported a sales increase of 5% for the first six months of this year to $1.68 billion, while net income for the first half increased 28% to $168.8 million.

All Pfizer marketing categories scored sales increases in 1981, with the consumer division and materials science division each recording a 12% gain.

Strong performances by Pfizer's consumer division's two U.S. operations—Leeming/Pacquin and Coty—were credited as major factors in its 1981 sales advance. The division also showed a 32% gain in operating profit.

Pfizer's healthcare segment, meanwhile, showed an 8% sales increase, with international sales rising 11% and domestic sales 4% from 1980.

The segment is the company's largest and most profitable business category and comprised 55% of Pfizer's consolidated sales last year, while accounting for more than 80% of its total operating profit.

The company achieved sales advances despite a withdrawal during the year from the diagnostic business.

Pfizer's other marketing categories, agricultural products, and specialty chemicals, showed 1981 sales increases of 5% and 1%, respectively.

Pfizer executives say 1981 sales gains were actually greater than the reported yearend figures indicate. Local currency fluctuations and the stronger U.S. dollar abroad had the effect of diluting the gains achieved, calculating the "real" sales gains scored by the company as being about 5% higher than indicated by the yearend figures.

The modest drop in sales in the opening quarter of 1982, similarly, becomes a modest sales gain when adjusted for local currency fluctuations, according to Pfizer.

Net income from continuing operations increased 8% to $273.7 in 1981. In 1982's opening quarter, net income was up 18%, from $72 million to $88 million.

The consumer products division receives the bulk of Pfizer's measured media ad spending, which last year increased 25% to more than $38 million, up from $30.7 million. The ad money increase was funneled into tv, up approximately $5 million; magazines, up $1 million, and farm publications, up $600,000. Of 1981's $38 million measured media total, nearly $31.5 million went to network tv, and $4.1 million went to consumer magazines.

Pfizer's consumer business segment gets the bulk of the company's measured media support. The segment markets fragrances and cosmetics through its Coty division and through its Leeming/Pacquin division, proprietary drugs, including Visine eye drops, Ben-Gay analgesics, Unisom Nighttime Sleep Aid, and Desitin Skin Care and baby care products, plus Pacquin and Barbasol toiletry items.

Coty's leading selling brands include Emeraude, Wild Musk, Nuance and Sophia. A 1980 new product entry that carries the endorsement of actress Sophia Loren, Sophia fragrances, became Coty's top advertised product in 1981, receiving more than $6 million in measured media support.

Coty calls Sophia its most successful ever new fragrance product, and says sales have been outrunning all its forecasts. It was a major contributor to the division's increase of nearly 20% last year, an increase that builds on 1980's 15% sales gain. Nuance perfume received $3.7 million in 1981 measured media support and Emeraude got $2.7 million.

Joining the Coty lineup last year after receiving extensive test marketing was the Stetson line of aftershave and cologne for men. Stetson, launched nationally in September, 1981, received a $4 million yearend ad burst.

Warwick Advertising, New York, handles the new entry. Another Coty lineup addition last Fall was Shape 'n Shadow Eye Kit.

The Leeming/Pacquin division is Pfizer's largest consumer product operation. Unisom and Visine sales, plus the expansion of the Pacquin skincare line, paced the division and were the chief contributors to its 1981 sales gains.

Unisom set the fastest pace and showed a sales gain of approximately 35% from 1980. In its second full year on the market, the product received more than $4 million in measured media support.

The Visine line extended its top-selling position in the eye drop market, abetted by continued growth of Visine A.C., which relieves minor eye irritation caused by allergies and colds. Measured media amounted to approximately $8 million.

The Pacquin hand cream line was extended with the introduction of Pacquin Skin Cream with Aloe late in the year. The new entry is being supported with magazine ads, couponing and sample giveaways.

Ben-Gay, which holds well over one-third of the analgesic cream market in the U.S. and is that category's leading brand seller, received nearly $5 million in measured media support—$3.4 million for Ben-Gay Analgesic Ointment, and $1.4 million for Ben-Gay Extra Strength Balm. All of the Ben-Gay spending went to tv.

Barbasol, meanwhile, is a non-advertised brand, but continues to show strong sales growth in the men's shaving cream market, according to Leeming/Pacquin.

Pfizer expects the healthcare products division to produce major sales gains for the company in the next few years. Expected sales of about eight or nine new medicines should play the major role.

The division markets its pharmaceuticals in seven therapeutic areas—antibiotics, antiinflammatory agents, central nervous system agents, cardiovascular agents, antiinfection, oral antidiabetes agents and other pharmaceuticals.

Antibiotic products are the sales leader and account for 39% of Pfizer's worldwide pharmaceutical sales.

It is the success of its new pharmaceuticals that Pfizer highlights as its most significant 1981 marketing development. At the forefront are Procardia, a cardiovascular agent for angina treatment launched in the U.S. in early 1982; and Feldene, a once-a-day antiarthritic agent, and Pfizer's first entry in the $600 million-a-year domestic antiarthritic drug market.

Supporting its commitment to technological innovation, Pfizer has been on an accelerated research and development program, and plans to increase r&d spending about 20%, to approximately $20 million this year.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$24,500	$37,500
Magazines	4,140,200	3,188,400
Farm publications	2,232,200	1,591,000
Spot tv	423,400	1,463,900
Network tv	31,403,200	24,301,700
Spot radio	1,900	74,900
Network radio	—	49,000
Outdoor	700	5,800
Total measured	38,226,100	29,713,200
Unmeasured	20,773,900	19,000,000
Estimated total	59,000,000	49,712,000

AGRICULTURAL DIVISION

MARKETING PERSONNEL

R.M. Hendrickson, president
W.P. Crawford, president, Pfizer genetics
F.R. Johnson, president, H&N Inc.
C.G. Risoldi, director of mktg, animal health
E.T. Hughes, director of sales, animal health
R.A. Stacchini, mgr, mktg communications, animal health
W.S. Schuermann, mgr, mktg services, genetics

ADVERTISING AGENCIES

Barickman Advertising, Kansas City—Animal health—Jim Aust, acct super.

Brewer Advertising, Kansas City—Genetics—A.J. Adolfi, acct super.

LEEMING/PACQUIN DIVISION

MARKETING PERSONNEL

B. Tagert, president
J.F. Anderson, vp-mktg
T.F. Coughlin, vp-sales

ADVERTISING AGENCIES

Avrett, Free & Fischer, New York—Unisom—Paul Obre, acct super.

McCaffrey & McCall, New York—Ben-Gay, Desitin, Pacquin, Rheaban—Burtis Flounders, mgmt super; George Hadley, acct super.

Ted Bates & Co., New York—Visine, A.C.—Malcolm McConnell, mgmt super, Arnie Schartz, acct super.

COTY DIVISION

MARKETING PERSONNEL

D.J. Flannery, president, Coty U.S. operations
J. Markowski, vp-mktg
J.F. Harmon, president, worldwide Coty operations
J. Abernathy, vp-sales

ADVERTISING AGENCIES

Hicks & Greist—Sophia and cosmetics—Josann Avery, acct exec.

Warwick Advertising—Emeraude and Stetson—Pam Sarnoff, acct exec.

John Paul Itta Inc.—Nuance—John Paul Itta, acct exec.

Adforce Inc., New York—Robert Geller, president; John McAvity, vp-broadcast; Martin Gennusa, vp-media.

CHEMICALS DIVISION

MARKETING PERSONNEL

F. Adams Jr., president
D.F. Farley, vp-operations
P.J. Regan, vp-operations
W.D. Benfer, vp-U.S. sales
F.P. Chapman, vp-mktg
Vincent DeGennaro, director, adv & promo
C.N. Mastin, genl sales mgr.

ADVERTISING AGENCY

D'Arcy-MacManus & Masius, New York—F.P. Harvey, senior vp-mgmt super; Charles Rose, vp-acct super; D.E. Bray, acct exec.

PFIZER PHARMACEUTICALS

MARKETING PERSONNEL

S. G. Gilgore, president
J. Jefferis, vp-medical director
R. Goode, director, mktg research/planning

PFIZER LABORATORIES

MARKETING PERSONNEL

W. Steere, vp & director, operations
W.J. Robison, vp-sales
G. Jortner, vp-mktg
K. Katen, director, prod mgt

ADVERTISING AGENCIES

Klemtner Advertising, New York—Vibramycin, Terramycin, Vistaril, other ethical drugs—Morgan Cline, exec vp.

William Douglas McAdams Inc., New York—Diabinese—Eugene Fine, vp.

Carrafiello Diehl, New York—Glucotrol—Tony Bennett, senior vp.

Dorritie & Lyons, New York—Minipress, Minizide, Feldene, Procardia, Renese—John Dorritie, president.

ROERIG DIVISION

MARKETING PERSONNEL

P. Tombros, vp-director, operations
L. Larkin, vp-sales
R. DeLuccia, vp-mktg

ADVERTISING AGENCIES

Robert A. Becker Inc., New York—Geopen, Geocillin, Antivert, Atarax.

Dorritie & Lyons, New York—Marax, Cefobid—Jim Streup, vp.

Klemtner Advertising—Spectrobid—Zahavi, acct super.

Carrafiello Diehl—Sinequan, Navane.

PFIPHARMECS DIVISION

MARKETING PERSONNEL

F.D. Price, vp-director of operations
S. Harr, director of mktg
D. Willans, natl sales mgr

ADVERTISING AGENCIES

S.J. Weinstein Associates.
Rosenfeld Sirowitz & Lawson.

MINERALS, PIGMENTS & METALS DIVISION

MARKETING PERSONNEL

J.P. Bartels, president
W. Nazarewicz, vp-minerals
H.W. Flandreau, vp-mfg
P.A. Guercio, vp-metals
W.M. Stephson, vp-magnetic materials business devel
G.L. Metcalf, vp-pigments/magnetics
H.F. Stolte, mktg services mgr

ADVERTISING AGENCY

Newmark, Posner & Mitchell, New York—Richard Walker, acct exec.

HOWMEDICA INC.

MARKETING PERSONNEL

T.W. Eckels, chairman
E.C. Bessey, president & ceo
T.E. White, senior vp, worldwide dental operations
R.B. Whitman, senior vp
D. Fitzgerald, senior vp, worldwide orthopedic operations

ADVERTISING AGENCY

Techni-Graphics—Hugh Phares, president.

QUIGLEY CO.

MARKETING PERSONNEL

J.P. Bartels, chairman
D.R. Thacker, president
D.R. Holmes, vp
I.J. Dreyling, vp-technical
E.W. Garvin Jr., vp-sales
R.M. Galloway, director of sales and mktg

ADFORCE INC.

MARKETING PERSONNEL

Robert Geller, president
John McAvity, vp-broadcast
Martin Gennusa, vp-media

Pillsbury Co.

	1981	1980
Sales*	$3,385,100,000	$3,301,700,000
Earnings*	136,300,000	119,600,000
Advertising**	131,015,100	124,025,700

*Fiscal year ends May 31
**AA estimate

Pillsbury, the nation's 47th largest advertiser in 1981, increased ad spending 5.6% over 1980 to $131 million, up from $124 million in 1980. The company reported 1982 earnings of $136.3 million, up 14% from $119.6 million in 1981, on sales

of $3.39 billion, up from $3.3 billion in '81, but financial analysts found the figures disappointing because fourth-quarter results included significant nonrecurring gains to balance flat operating results.

The company denied it had sought out non-operating income to boost earnings, and said the nonrecurring gains were "random events." The sale of the Wheat Nuts line occurred too late in the quarter to inform the market, a company official said.

During calendar 1981, the company also sold its Speas and Speas Farm apple juice unit to Sawyer Fruit and Vegetable Cooperative and its Wilton Enterprises subsidiary to a private investment group. The company purchased the Wickes Co. agricultural division, a marketer of dry, edible beans, peas and lentils sold under the Jack Rabbit label.

The company's share in the $756 million dessert mix category remained even at about 21%, behind Duncan Hines and Betty Crocker brands, despite a 44% decline in ad spending for Pillsbury Plus cake mix. Ad expenditures dropped significantly for the brownie mix—to less than $150,000 from more than $2.2 million the year before. However, ready-to-spread Frosting Supreme saw a 30% boost in advertising, to $5 million, and Streusel Swirl dessert cake mix received an ad budget hike of 60%, to $4.3 million. The company early this year consolidated its Frosting Supreme and refrigerated pie crust accounts at BBDO, New York, already the agency for cake mixes, as a result of a product conflict at former agency Leo Burnett USA, Chicago.

The company introduced coconut pecan and coconut almond Frosting Supreme and Oats 'n Brown Sugar Pillsbury Plus cake mix, being marketed nationally backed by a $7 million multimedia campaign. The introduction is expected to revitalize sales of German chocolate cake mix, which is intended to be used with the coconut pecan frosting. The company is calling the line the first major flavor introduction since the 1980 Carrot 'n Spice cake mix and cream cheese frosting.

Pillsbury, still maintaining its No. 1 position with about 60% of the volume in the $556 million refrigerated dough category, entered a new refrigerated dough product—Pipin' Hot Loaf—in four test markets, Grand Rapids, Mich., Syracuse, N.Y., Pittsfield, Mass., and Marion, Ind., late last year, and could roll out the product as early as this fall. The product, a refrigerated white bread dough that provides a loaf of bread in 30 minutes, uses a new technology for creating a yeast substitute that Pillsbury hopes can be used in other dough-based products. Tv spots use the theme, "There's a new loaf coming."

In an attempt to revitalize the refrigerated dough category, which declined through the '70s, Pillsbury has introduced five new products nationally since the beginning of calendar 1981: Parker House rolls, a two-item line of coffee cakes, double chocolate chip cookies, basic butter biscuits and reformulated Heat 'n Eat prebaked biscuits (formerly 1869 brand).

Pillsbury is now moving toward national introduction this fall of All Ready pie crusts, testing for two years in Cincinnati, Indianapolis, Milwaukee, Peoria, Ill., and St. Louis. The product, positioned as having homemade quality without the fuss, is sold in packages of two precut pieces of refrigerated dough.

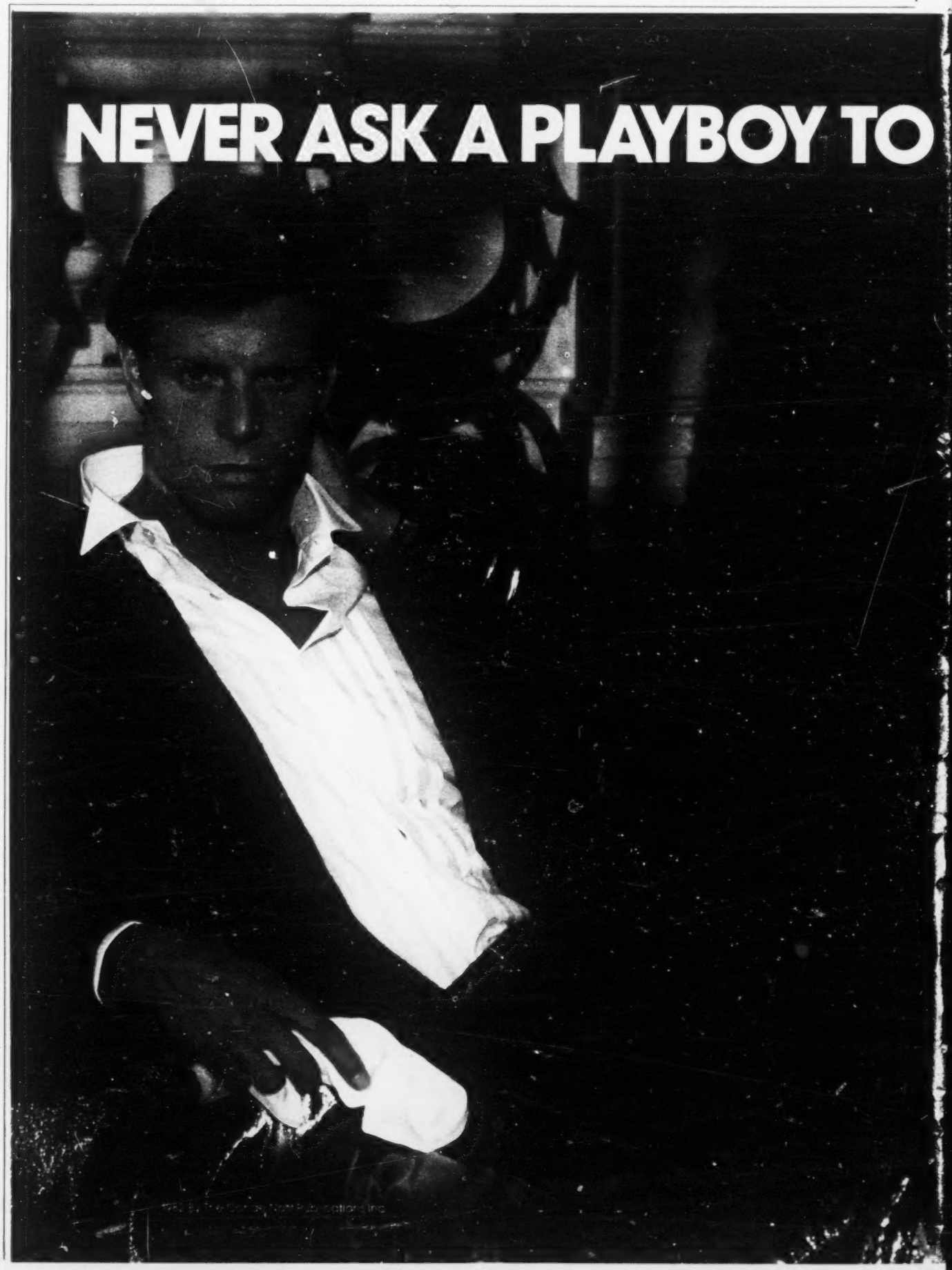
Management changes in the refrigerated products group included the naming of Robert Lindsay Jr. to director of marketing following the resignation of Peter Mihajlov. Michael Paxton succeeded Mr. Lindsay as director of new products; George Flett was named group marketing manager-specialty products to succeed Mr. Paxton. John Levine took over Mr. Flett's prior post as group marketing manager-new products.

This spring, the company began testing frozen New York-style cheesecake under the Margaret Baker's brand name in Denver, following several months of testing in Minneapolis. The product, containing four individual servings, previously was sold at foodservice. Pillsbury bought the brand in 1979 as part of the Green Giant purchase.

Pillsbury also introduced a four-item line of frozen toaster streudel into Phoenix test market this winter to compete with Kellogg's Pop-Tarts and Sara Lee cinnamon danish. Multimedia advertising at a $15 million national level supports the products.

Pillsbury moved out of convenience stores in selected markets and is now testing a three-item line of Heat & Eat microwave pizza in supermarkets in the Minneapolis area.

Pillsbury microwave popcorn



is reaching national distribution following last year's rollout. The Hungry Jack label is being eliminated from the package to give more prominence to the Pillsbury name. The company also markets microwave popcorn under the Heat & Eat label in convenience stores in the Southeast, Midwest, Northwest, California and Texas.

Frozen foods have been targeted as a growth vehicle for Pillsbury. Although its existing Green Giant entrees have been disappointing, the company is convinced that certain segments of frozen foods have growth potential. One area is the burgeoning Mexican food category, where Green Giant is still testing its Fiesta Grande line.

The unsuccessful Green Giant Toast Toppers were dropped during the year, and, in an attempt to put the business in the black and combat increasing competition from new low-calorie frozen entrees from Stouffer, Green Giant rolled out a new line of twin-pouch frozen entrees that are getting significant advertising support. Green Giant management is believed to be monitoring the low-calorie segment carefully, and could possibly make a move in the category. Green Giant frozen entrees received a 441% boost in ad spending during calendar 1981, to $1.3 million. A new ad campaign for entrees, the first Green Giant campaign without the Jolly Green Giant, broke in 15 markets in January, under the theme, "Welcome him home with Green Giant."

The company, already No. 1 in the frozen vegetables category, entered test markets last year with a five-item line of Valley Combinations mixed vegetables. Both frozen and canned vegetables received increased ad spending over calendar 1981, including a nearly 300% boost in spending for canned vegetables to about $1 million, and a 21% increase for frozen vegetables with cheese, to $1.5 million.

Since last fall, Pillsbury, ranking No. 1 in frozen pizza with a 31% market share, has been engaged in legal battles with top competitor Jeno's Inc. over Jeno's claim that Pillsbury misappropriated trade secrets by using manufacturing technology originally developed by Jeno's, and that Pillsbury altered its marketing strategy to injure Jeno's business. Pillsbury denied the charges and countersued, charging Jeno's with unfair competition and deceptive trade practices for packaging its pizza in packaging similar to Totino's and infringing on Pillsbury's patent for crisp-crust pizza. Jeno's was ordered to change its packaging to a yellow background. Jeno's next complained to the U.S. Department of Agriculture that Totino's packaging contains false statements that Totino's has "a deluxe topping on a crust nobody else has," but the department determined the package was not misleading.

Jeno's also warned tv stations nationally that they will be subject to lawsuits if they run Totino's spots that "denigrate the frozen pizza industry." Following Pillsbury's response to the networks, ABC upheld the company's right to make the claims; NBC asked for further substantiation, and its reply is still pending.

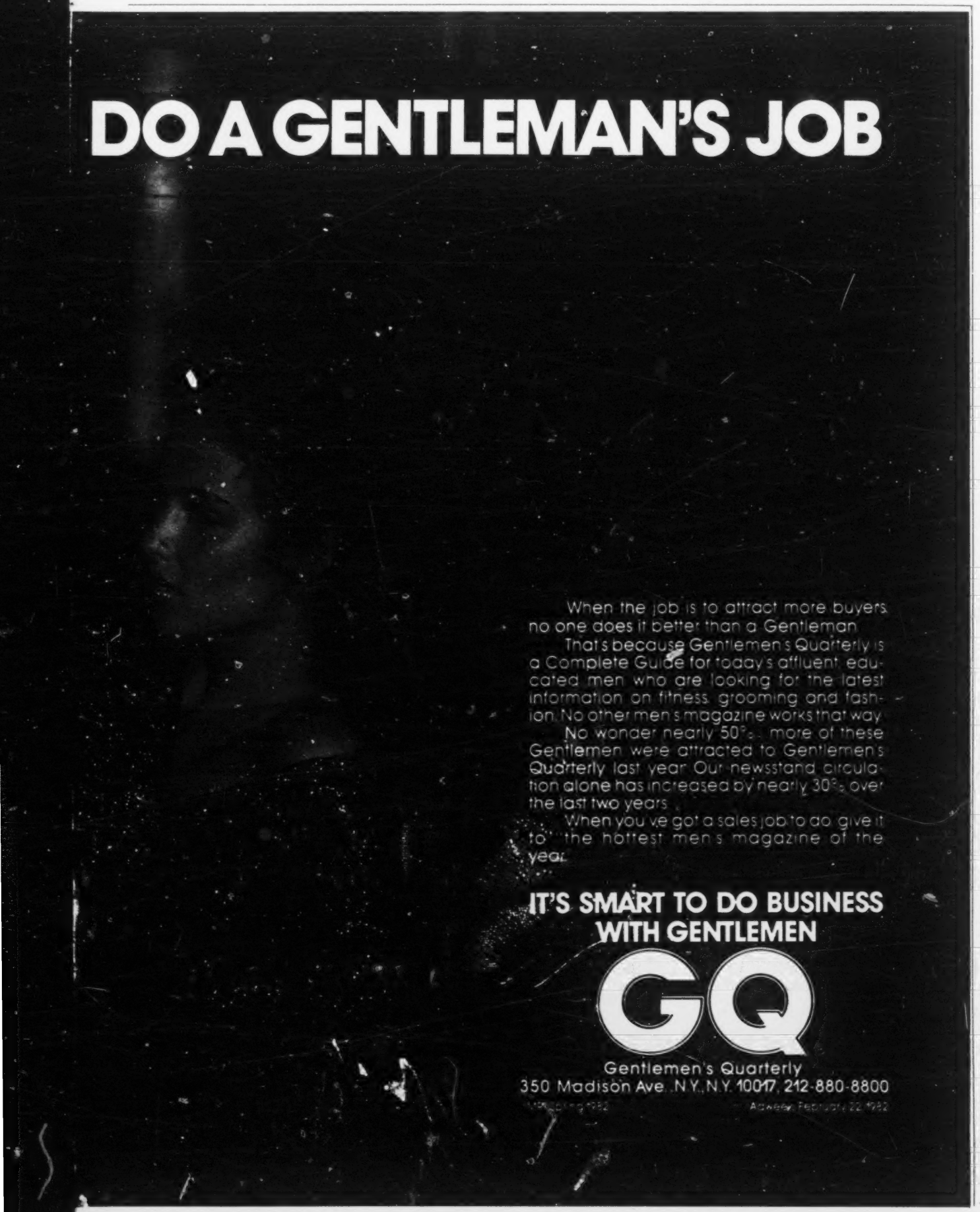
Meanwhile, Totino's continued to gain consumer support as it extended into national distribution. Introductory advertising in new markets last year included buy two-get one free offers. Ad spending for the brand nonetheless dropped 19% in calendar 1981, to $2.5 million.

Internationally, the company is pursuing a joint venture with Snow Brand Milk Products, Tokyo, to introduce Totino's in Japanese markets.

This spring, Pillsbury consolidated Burger King, Steak & Ale, Bennigan's and Poppin' Fresh operations into a restaurant group under the direction of Steak & Ale chairman Norman Brinker, now president of the group, headquartered in Dallas. The restaurant group recorded improved profits in fiscal 1982, led by Steak & Ale and Bennigan's.

Burger King, holding about 10% of the fast-food market in the U.S. and the No. 2 worldwide slot, had estimated earnings growth of about 10% in fiscal 1982 to $130 million. The chain, with about 3,000 domestic units, broke a new ad campaign earlier this year, under the "Aren't you hungry" theme, and focusing on products.

Burger King U.S.A., this spring, is expected to grow through acquisition, including the addition of 250 new restaurants this year. Among the new concepts being tried at Burger King are the development of smaller, 50 to 60-seat units that recognize increased drive-through business; late-night drive-through service, breakfast entrees and chicken, seafood and Mexican basket dinner meals. Internationally, Burger King has targeted the Japanese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That's because Gentlemen's Quarterly is a Complete Guide for today's affluent educated men who are looking for the latest information on fitness, grooming and fashion. No other men's magazine works that way.
No wonder nearly 50% more of these Gentlemen were attracted to Gentlemen's Quarterly last year. Our newsstand circulation alone has increased by nearly 30% over the last two years.
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GQ
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350 Madison Ave., N.Y., N.Y. 10017, 212-880-8800
Advertising February 22 1982

and possibly Mexican markets for expansion. Jerry B. Ruenheck, named president this year, is calling for a 1% increase in market share per year.

SSC&B, New York, was named for the $6 million to $10 million Steak & Ale Restaurants account, including Steak & Ale and Bennigan's, in January, after previous agency Leo Burnett USA took on the McDonald's account.

Calendar 1981 spending for both chains totaled about $4 million, more than $3.5 of which went to Steak & Ale. Steak & Ale expansion is slated for major Sunbelt markets.

Poppin Fresh Pies extended its "Pie-sneakers" campaign with new spots featuring chicken pot pie, taco salad and lasagne pie. The company hiked ad spending 23% to $1.5 million for the chain in calendar 1981. Company officials indicated that the chain may revise its current coffee shop concept; Pillsbury has stopped expansion of the chain in favor of improving unit volume.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,121,200	$3,056,300
Magazines	5,599,800	5,148,100
Spot tv	32,590,800	31,915,600
Network tv	59,265,500	53,254,900
Spot radio	2,376,600	2,791,100
Network radio	—	314,300
Outdoor	402,600	414,800
Total measured	102,355,700	96,895,100
Unmeasured	28,659,400	*7,130,600
Estimated total	131,015,100	124,025,700

MARKETING PERSONNEL

Consumer Products Group

John Stafford, president, consumer group
Raymond V. Kimrey, group vp-refrig prods
Thomas McBurney, group vp-grocery prods
Kent Larson, group vp-frozen foods
Donald A. Osell, vp-mktg services
Anthony Scherber, vp-genl sales mgr
William Edgley, director-adv services
Seth Dingley, director-mktg services

Grocery Products

Dan Locke, business unit mgr, dry grocery prods
John Darcy, director of mktg, new prods

Refrigerated Foods

Robert Lindsay, director-mktg
Michael J. Paxton, director-mktg new prods
George Flett, group mktg mgr, specialty prods
John Levine, group mktg mgr-new prods
Larry Wheeler, group mktg mgr-breadstuffs

Restaurant Group

Norman Brinker, president-restaurant group & ceo, Steak & Ale Restaurant Corp.
Hal Smith, president-chief operating officer, Steak & Ale Restaurant.
Louis Neeb, chairman, Burger King
Jerry Ruenheck, president-chief operating officer, Burger King Corp.
J. Jeffrey Campbell, president, Burger King USA
Fred Gonzales, mktg director, Poppin Fresh Pies

Agri-Products Group

Richard Coonrod, president

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—Green Giant prods, refrigerated foods, Hungry Jack potatoes and pancakes—Bill Boria, mgmt director.

BBDO, New York—Pillsbury Plus, Bundt and Streusel Swirl cake mixes, artificial sweeteners, Quick Bread mixes, frostings, All Ready pie crust—Robert Spofford, mgmt super.

Paragon Cos., Minneapolis—Totino's frozen pizza, Heat 'n Eat microwave popcorn and pizza, microwave popcorn, Margaret Baker's—Philip Hummel, mgmt super.

Ketchum Advertising, San Francisco—family flour, Figurines, American Beauty pasta—Robert Kroyer, mgmt super.

J. Walter Thompson USA, New York—Burger King—Harry Clark, acct dir.

Pride, Barber & Pride, Minneapolis—bakery flour, mixes and equipment, food-service—William C. Barber, president, director of client services.

SSC&B, New York—Steak & Ale, Bennigan's—Jim Coakley, mgmt super; Jay Schreik, acct super; Diane Anton, Dan Mauzy, acct execs.

Polaroid Corp.

	1981	1980
Sales	$1,419,600,000	$1,450,785,000
Earnings	31,100,000	85,406,000
Advertising*	51,750,000	49,253,300

*AA estimate

Polaroid Corp., Cambridge, Mass., the nation's 88th largest advertiser, increased its U.S. advertising expenditures by 5% in 1981.

Worldwide sales fell 2% to $1.42 billion, while earnings plummeted to $31.1 million from $85.4 million in 1980. The decline in earnings was in part attributed to payouts to the number of employes that elected to take early retirement under the company's voluntary severance program.

Polaroid continued its dominance of the $2 billion instant camera market in 1981, but it continues to be faced with the same marketing problem that has plagued the industry for the past four years—a lessening demand for instant cameras.

While Polaroid has continued to maintain its 66% share of the instant-camera market against archrival Eastman Kodak Co., the market itself has been shrinking.

In 1981, the company reported selling 5.6 million instant cameras, including 1 million Sun Cameras introduced in mid-year. This figure is down from the 6.6 million units sold in 1980, the 7.3 million sold in 1979 and the 9.4 million instant cameras sold in 1978.

Likewise, sales of instant film for both amateur and technical instant cameras fell for the second year to below 200 million units. Polaroid currently has a 25% share of the instant film market.

In an effort to build the sagging market—and increase its market share at the expense of Kodak, Polaroid, in June 1981, introduced the Polaroid Sun System consisting of two instant cameras (the 660 and the 640, each with a built-in flash) and a new ultra-high speed 600 ASA instant film. The film is the fastest on the market today, and can be used only with the Sun camera.

At the time of the introduction, Polaroid president, William J. McCune Jr., said the camera "will substantially increase the variety of situations in which the user can take an instant color picture with confidence, with a pleasing result, at a lower operating cost."

The Sun System, which has been heavily advertised using veteran Polaroid spokespeople James Garner and Mariette Hartley, received more than $16 million in advertising support, with nearly $13.5 million in network tv during the second half of 1981.

What makes the Sun System different from other instant cameras currently available is its ability to employ electronic flash in every picture-taking situation, both indoors and outdoors. This is accomplished by electronically calculating a blend of strobe light and natural light. As a result, the company says, the camera is able to deliver "more satisfactory pictures per pack of film."

Shortly after the introduction of the Sun System, Fuji Photo Film Co. introduced its first instant camera and film system.

At the time of the introduction last August, Fuji said its plans called for marketing the camera in Japan. Those familiar with the industry said the Fuji introduction could serve as a boon to Kodak's own instant film since the two systems are compatible.

Wall Streeters, however, discounted the possibility that Fuji would begin marketing the system in the U.S. anytime in the near future.

While Polaroid would have little to fear from a U.S. introduction by Fuji, its sales could be adversely affected by the Japan introduction. Japan is Polaroid's third-biggest market after the U.S. and Germany.

Film for the Fuji system is similar in many ways to Polaroid's. Both film formats are approximately the same size, and both films develop in 60 seconds.

The one significant difference in the cameras' operation is the placement of the battery. The Fuji system operates with a stored battery in the camera, while Polaroid provides a battery built into each pack of film, thereby insuring that the battery will always be fresh.

This past March, Polaroid introduced the Amigo 620, and a lower price Sun 650 which also uses the high-speed 600 film system. While an advertising budget for the Amigo 620 was not revealed, the company said it hoped to reach 91% of all U.S. adults an average of eight times. To accomplish this, the company began running 30-second commercials during prime time, featuring Mariette Hartley and the Muppets.

The tag line in print ads for the camera is "Meet Polaroid's Amigo, a new friend that's full of fun."

Since the retirement of Edwin Land, the company's founder, a number of reorganizational moves have taken place at the company under the direction of William McCune. I.M. Booth, an executive vp, was elected chief operating officer. Leaving the company after 17 years was Ted Voss, Polaroid's worldwide marketing group vp, to become senior vp/marketing for Atari Inc. Peter C. Wensberg, executive vp, was named head of worldwide advertising.

Since Mr. McCune took the helm, a number of steps have been implemented to rid Polaroid of its image as a "one product company." In October, 1980, Mr. McCune instituted three business groups within the company with responsibilities extending throughout its worldwide operations. The three units are: Amateur Photographic Products, which continues to account for the majority of the company's sales; TechPhoto, which includes technical and industrial photographic products, and Diversified Products, which covers nonphotographic areas. Last year, the three groups introduced a total of 38 new products and systems.

Commenting on the company's reorganization, Mr. McCune wrote in the annual report that the TechPhoto unit currently accounts for about 30% of the company's total sales.

The six products which received $1 million or more in advertising support during 1981 were all amateur photographic products. The products were: Polaroid Autofocus Sun Cameras and film, $16.2 million; Polaroid film, including TimesZero Supercolor, $6.5 million; Polaroid OneStep cameras, $6.3 million; Polaroid OneStep cameras and accessories, $5 million; Polaroid Sonar OneStep cameras and film, $1.3 million; and Polaroid Cameras, including the Button, $1.1 million.

More than $30 million of Polaroid's $41 million measured media spending went to network tv. Magazines received $6.4 million, and $1.5 million was spent on spot tv. Newspaper supplements, the only other medium used, received $51,000.

The company's growing involvement with technical photography led to a number of medical and industrial product introductions throughout 1981. In January, the company revealed its new Polaprinter slide copier. A compact desktop system, the copier is used for producing instant color and b&w prints and b&w negatives from 35mm slides.

In June the company brought out its Polaroid Type 612 ultra-high speed instrument recording film. Rated at a 20,000 ASA equivalent, the high-speed material is designed for oscilloscope trace recording, photomicrography and other scientific and technical applications.

The Polaroid SX-70 Photomicrographic System for instant self-developing images of subjects viewed through virtually any microscope was introduced.

The Polaroid CP-770 contrast enhancement filter was first introduced last September. The filter, an antireflection filter, attaches to video display terminal screens to eliminate glare and improve contrast for better readability and less eye fatigue.

The Polaroid Instant Endocamera, also introduced in September, attaches to the viewing end of flexible or rigid endoscopes and provides specialists in obstetrics, gynecology, urology and other branches of internal medicine with immediate color records of endoscopic examinations, which can be used for analysis, referral, patient education and records.

Also available last fall was the Polaroid Instant 8x10 Radiographic system. The system enables medical and industrial users of X-ray equipment to expose, process and view 8x10 radiographic transparencies quickly and easily in the field, hospital or office.

The company expects to introduce several new products and systems in 1982.

After nearly six years of battling Kodak in the instant-camera field, Polaroid may finally have its day in court. A lawsuit filed in 1976 in U.S. District Court in Boston, charging Kodak with the violation of its patents may soon be decided.

Polaroid has charged that the "manufacture, use and sale [by Kodak] of instant cameras and instant print film infringes on a number of U.S. patents owned by Polaroid."

Reportedly, three of the 10 patents in question are held by Polaroid's founder, Edwin H. Land. Polaroid has maintained that Kodak copied parts of its SX-70 camera.

Kodak charges that Polaroid patents every slight improvement rather than only true innovations.

The juryless trial was concluded on Feb. 26, 1982. Polaroid expects a decision in the case before fall 1982.

Polaroid also filed similar suits against Kodak and certain of its affiliates in the U.K. and Canada.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,300,500	$919,500
Magazines	6,418,200	5,140,000
Spot tv	1,457,200	904,700
Network tv	30,334,200	29,812,500
Spot radio	539,000	—
Network radio	—	413,300
Outdoor	—	4,700
Total measured	41,049,200	37,194,900
Unmeasured	10,700,800	13,058,400
Estimated total	51,750,000	49,253,300

MARKETING PERSONNEL

Peter C. Wensberg, executive vp
Joseph J. McLaughlin, group vp, worldwide mktg operations
Peter Eichorn, vp-international mktg
Lee C. Brewer, asst vp, North American mktg
James P. Andrews, director, North American adv
Robert K. Fitzgerald, senior adv mgr
Stephen A. Bassett, adv mgr
Richard P. Giacchetti, adv mgr
Adrian E. vanDorpe, adv director, business & professional prods
Rick Colson, individual adv mgr
Robert H. O'Brien, individual adv mgr
Lawrence E. Beeson, director, intl adv
Lynn W. Keyser, intl adv mgr
Kathleen R. Malone, adv mgr export mkts

ADVERTISING AGENCIES

Doyle, Dane, Bernbach, New York—domestic acct group—James McConnell, group senior vp; Robert Moehl, vp-mgmt super; Greg Argand, vp-acct super; Ann Schlessinger, acct super; Walter Regel, Elizabeth Savage, Jack Stanyon, acct execs; Tina Devries, budget coordinator. International (U.S.): Lloyd Highbloom, group senior vp; Dennis Byrnes, senior vp, mgmt super; Kathy Beatty, acct super-Latin & South America; Joan Wolf, acct super-tv production; Donna Aird, acct exec; Ray Targonski, budget super. Europe (London): Tim Dyson, senior vp-mgmt super; Judy Thompson, acct exec. Middle East group (London): Geoffrey Dempsey, senior vp; Derek Bowden, media super; Richard Pook, acct exec. Business professional products: Lloyd Highbloom, group senior vp; John Fenyo, vp-mgmt super; Nancy Wiese, vp-acct super; Donna Aird and Irene Soeller, acct execs; Ray Targonski, budget super.

Needham, Harper & Steers, Chicago—Polaroid Task Force—Jack McBride, senior vp-mgmt rep; Walter Menzel, vp-acct super; Lori Comparin and Lynne Tauman, acct coordinators. Creative: Susan Gillette, senior vp-creative director; Bill Biderbost, vp-creative director. Media: Don Carlson, assoc media director; Cathy Sweeney, media asst. Research: Kay Satow, vp-deputy research director; Harlon Stewart, research super; Deborah Potts, rach assoc.

Procter & Gamble Co.

	1981	1980
Sales*	$11,944,000,000	$11,416,000,000
Earnings*	777,000,000	668,000,000
Advertising**	671,757,400	649,600,000

*Fiscal year ends June 30
**AA estimate

Procter & Gamble Co., Cin-

cinnati, the perennial No. 1 national advertiser, is estimated to have increased its 1981 advertising and promotion budget in the U.S. by approximately 4% over 1980 to $671.76 million.

The percentage increase, which has been shrinking steadily in recent years, was down slightly from 1980, when the company's investment jumped 6% from the previous year's spending.

In fiscal 1982, ended June 30, P&G reported sales of $11.94 billion, an increase of 5% over fiscal 1981. Earnings increased 16% to $777 million.

Under the leadership of a new chief executive, John Smale, P&G in 1981 began to pursue new directions through which it hopes to achieve its traditional 7½% growth rate.

For example, in the absence of a blockbuster product with which to revolutionize and overtake a market, the company has more new products in test worldwide than at any time in its history; there are 14 in the U.S. alone. The flurry of testing may also be an indication that the company is being forced to reach further for winning products; in 1981 the only new product it rolled out nationally was Crest gel toothpaste.

At the same time it is preparing for growth by acquisition.

P&G continued to show interest in the beverage industry (first demonstrated with the 1980 acquisition of the U.S. and international operations—excluding Canada—of Crush International) by acquiring the citrus processing operations of Ben Hill Griffin Inc. in 1981 for an undisclosed amount.

In early 1982, the company made its long anticipated move into the healthcare industry, acquiring MortonNorwich Products' $216 million pharmaceutical business for $371 million.

That property gives P&G a vehicle with which to learn the pharmaceutical business, in addition to the immediate support of a 330-member detail force. It also brings to P&G over-the-counter products in areas that complement its current product lineup. One of them, Pepto-Bismol, will make P&G the leader in the stomach remedy business where it currently has no entry. Chloraseptic, an antiseptic-anesthetic, gives the company a sore-throat remedy.

As it has with other acquisitions, P&G plans to operate the MortonNorwich business as a separate entity for the immediate future.

Meanwhile, the No. 1 spender in network tv, P&G broke the half-billion dollar mark in total tv expenditures in 1981, increasing its spot and network buying by 6% to $521.6 million. All of that increase went into network, where P&G raised spending by 9% to $393.24 million. Spending on spot tv continued to be cut, declining by 6% to $128.4 million in 1981.

The company also sliced several million dollars from its magazine budget for the second year in a row, cutting spending 4% to $35.7 million.

In radio, where the company had been increasing its investment steadily for several years, spending was cut dramatically from more than $4 million to $160,000.

Although it is difficult to determine how much money P&G is spending in cable tv, the company was an early supporter of Turner Broadcasting System's Cable News Network and is the network's largest sponsor. In December, it began support of a second cable outlet when it became a sponsor of Continental Broadcasting Network's weekly cooking program, "At Home With Beverly Nye."

And in early 1982, P&G started advertising on WTBS, Atlanta, Turner Broadcasting's "superstation."

In the promotions area, as probably the largest user of sampling, couponing, price-off, on-pack and other vehicles, P&G is estimated to have spent $108 million in unmeasured media in 1981.

All of this adds up to P&G's being such a large advertiser that its spending in just one category often exceeds the entire budget of a smaller company. For example, in 1981 it spent $115 million on 15 laundry products, up 10% from a year earlier.

The company spent $45 million on seven soap products; $43 million on five dishwashing products; $60 million on paper products; $147 million on personal care products; $64 million on food products; $20 million on household cleaning products, and $51 million on beverages, including coffee and soft drinks.

Normally P&G's most heavily advertised brand, Crest toothpaste received even more support than usual in 1981, when the company increased its spending for the brand by 59% to $45.45 million. The increase in spending was part of the "toothpaste war," which erupted during the year. P&G in April launched Advanced Formula Crest, based on a sodium fluoride substance rather than a stannous fluoride and said to be better tasting than the old formula and twice as effective in cavity protection. As it had with the original formula 22 years ago, the brand again obtained the seal of approval from the American Dental Assn.

Not six months later, in response to the inroads made by gels, in particular Beecham's Aquafresh, P&G rolled nationally with the Crest gel it had been testing in Burlington, Vt., and the Pacific Northwest. P&G reportedly sped up its plans to beat the rollout of Colgate-Palmolive's Colgate winterfresh gel.

By May of this year, the efforts by the two companies appeared to be paying off. The gel items accounted for approximately one-third of total sales for both brands, and the erosion of Crest's share had been reversed; Crest's share was above a 35% share for the first time in several years; Colgate was up to 21%.

Although the company's coffee brands remain among the most heavily supported, spending was reduced somewhat.

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KNOW THY COMPETITION

See page 125

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Folger's received $26 million in support (down 4%), and High Point was backed with $21 million (down 14%). Ivory, with four advertised products, received $24 million in support, down 8% from a year earlier. And the Duncan Hines mixes were given $23 million in advertising, up 35%. Spending on the Crisco products, both oil and shortening, was up 11% to $21 million.

Of other P&G brands, the following received between $15 million and $20 million in measured media support: Both Luvs and Pampers disposable diapers; Head & Shoulders shampoo, and Tide detergent, which continues as the nation's No. 1-selling laundry detergent.

Backed by $10 million to $15 million were Bold 3 laundry detergent with fabric softener, Bounce fabric softener, Bounty paper towels, Cascade automatic dishwashing detergent, Cheer laundry detergent, Downy fabric softener, Era laundry detergent; Gleem toothpaste, Pert shampoo, Scope mouthwash and both Secret and Sure antiperspirants.

Challenged by the maturity of the category and the strong presence of generic and private label products, P&G has become active in the paper business. Although Charmin toilet paper, Bounty paper towels and Pampers disposable diapers all are clear market leaders, the company is dabbling with ways to further strengthen its presence.

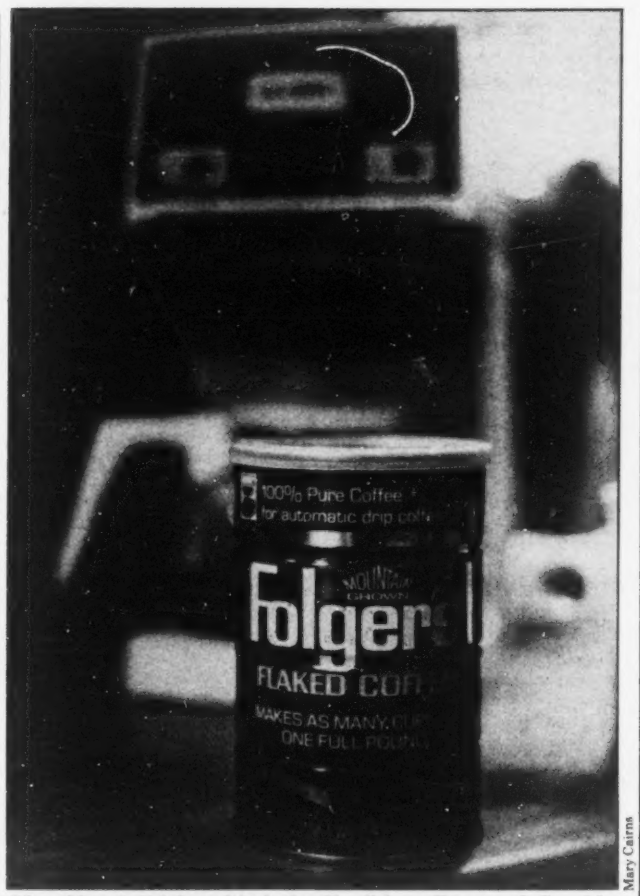
In June, 1981, the company introduced Summit, a line of unadvertised paper towels and toilet tissue priced from 25% to 30% below Bounty and Charmin, into nonfood outlets via a special sales force.

In August, it reintroduced Certain, a premoistened toilet tissue, into test in Omaha/Lincoln, Neb., and Des Moines, Ia. The new version is said to be less greasy and priced at parity with other "quality" bathroom tissues, in contrast to a version that tested in Fort Wayne and Indianapolis between 1978 and 1980. Certain was expanded further into Wisconsin and parts of Michigan in April, 1982.

In June, the company entered the toilet tissue business, with Banner, a moderately priced brand it is testing in parts of Georgia and North and South Carolina. Some of Banner's cost of savings is achieved by sacrificing 0.4 ins. of width, and some by using less expensive raw materials.

Charmin, P&G's premium-price product, climbed from a 16.6% dollar share to 18.4% in 1981; White Cloud, a two-ply product, rose from a 7.7% share to 8%. Spending on Charmin was $8 million, down 16%; on White Cloud it zoomed 182% to $9 million. Puffs facial tissue and Posh Puffs, at 70% and 65% distribution, respectively, are closing in on Kimberly-Clark's Kleenex products. Spending on Puffs totaled $5.4 million in 1981, remaining steady with the 1980 level.

Although P&G's Pampers hold more than a 50% dollar share of the disposable diaper market, the company apparently is concerned about guarding that franchise. In early 1982 it began to test a version of Pampers with elastic legs, called "stay dry gathers," in Fort Wayne and Lima, O. By June the new version, priced comparably with the old, was in Denver, Los Angeles, San Francisco, St. Louis and Hawaii. Although the company still considers the new version a "test" brand, it is expected to continue rolling the product out, replacing many package sizes of regular Pampers as it moves. Altogether in 1981, Pampers was backed by $19.8 million in measured media support, up 5%.



Mary Cairns

Mrs. Olson's "richest kind of coffee," from Procter & Gamble.

The company believes that demand for Luvs, its higher-price diaper with elastic legs, will continue because it offers "premium fit and containment." Luvs, which competes with Kimberly-Clark's Kleenex Huggies, was backed by $17.8 million in 1981, down 3% from 1980, the year it was introduced. Nationally its share is higher than Huggies', but in the 87% of the country where Huggies is distributed the two products are neck and neck.

The two companies have had the branded end of the market to themselves since February 1981, when Johnson & Johnson bowed out of the field. Nevertheless, unadvertised brands are active, and most of J&J's share (8%) is thought to have gone to such lower-end products.

In the $1.8 billion laundry detergent category, P&G is the undisputed leader. Combined, its brands hold just more than half the market. Included are: Tide (23.5%), Cheer (8.3%), Era (4.2%), Bold 3 (5.2%), Dash (2%), Oxydol (4.2%). Spending on those brands remained level.

The company appears to have taken notice of Colgate-Palmolive's introduction of Fresh Start, a concentrated granular product that had chalked up a 3.5% share by spring of 1982. In May, 1982, it began to test Ariel, a concentrated low sudsing granular laundry detergent in Colorado, Wyoming and parts of Nebraska, South Dakota, Utah and New Mexico. A strong brand overseas, Ariel is the company's largest-selling detergent.

The company also is testing Era Plus, a heavy-duty all-purpose liquid detergent with enzymes, in Minnesota, North Dakota and South Dakota.

Also in detergents, P&G continued to rollout Solo, a combination fabric softener and liquid detergent. By mid-1982 it was in 35% to 40% of the country, primarily in the East and Midwest. Competing against Texize's Yes, which rolled out nationally during 1981, Solo was backed by $2.2 million.

In other laundry products, P&G took two steps that affirmed its interest in the $500 million bleach market. In early 1981, the company began to test Biz (first a presoak, then a detergent booster) as an all fabric bleach. In January, 1982, Biz was relaunched nationally with this positioning, coming up directly against Clorox Co.'s Clorox 2.

In October, P&G put Vibrant dry bleach into test in Charleston, W.Va. Vibrant is positioned as a bleach that is as effective as liquid and as safe as dry bleaches. It is based on a new technology that reportedly is cause for high hopes for expanding the category.

In regular fabric softeners, P&G maintained its hold on more than 50% of the business with Bounce and Downy. Spending was down 5% on Downy to $14 million; on Bounce it was down 10% to $12.9 million.

In dishwashing detergents P&G also is No. 1. Cascade continued to lead the automatic segment, and the liquid brands maintained their shares: Ivory (17%), Dawn (13.5%) and Joy (12.5%).

Lever Bros. presented a new challenge with Sunlight, said to contain real lemon juice for extra cleaning power. Sunlight began to roll out in November following a successful marketing test in Phoenix, Ariz.

P&G continued to test Cinch, a dishwashing liquid containing abrasives, in Kansas City, and moved it into Phoenix in April, 1982.

Also in test in Kansas City, Omaha and areas of California and West Virginia is a product that opens a new category for P&G. Brigade automatic toilet bowl cleaner dispenses metered amounts of chlorine bleaches when the toilet is flushed. It has performed very well in Kansas City and is thought to be on the verge of national rollout.

Among antiperspirant/deodorants, P&G maintained its leadership position with Secret and Sure. It is testing a silicone-based dry roll-on Sure antiperspirant in Wisconsin, Georgia and Florida.

In bar soaps the company's six brands control the $1 billion category. They include Zest (8%), Ivory (7.8%), Coast (6.7%), Safeguard (6%), Camay (4.2%).

In August, 1981, the company entered the liquid soap category with Rejoice. Testing in Houston, Rejoice is positioned for use "instead of a bar." However, much of the optimism surrounding the initial expectations for liquid soap has subsided, and observers believe Rejoice will not be launched nationally.

In shampoos, a category whose dollar volume has long been controlled by P&G, the fickle nature of the business is making it difficult for all contenders. Pert, launched with $16 million in early 1980, had a 4.2% share by mid-1982. Prell, with a 4.4% share, continued to drop. And Head & Shoulders, supplemented by a conditioning formula rolled out in late 1980, held steady at just under 12%. The company is testing a new formula of Head & Shoulders in Milwaukee.

Spending on Pert was $14 million, down 15%; on Prell, support totaled $10 million, down 8%.

The company is testing an economy-price Ivory shampoo in parts of Missouri, Maine, Vermont and Wisconisn.

Apparently determined to get into the conditioner business, the company moved Head & Shoulders conditioner, said to "instantly condition hair and help control dandruff, itch and flakes," into test in the Northwest.

Procter & Gamble continues to test Abound, a conditioner in towlette form, in Peoria; and Pert cream rinse/conditioner in Milwaukee, Nashville and Buffalo/Rochester, N.Y.

Also in haircare products, the company introduced a new formula of Lilt home perm with a mild fragrance and without amonia. Spending on the home permanent line was up 35% to $4.8 million.

After testing a number of strategies for reviving Wondra skin lotion, the company in late 1982 prepared to relaunch the brand in an upright bottle with a new formula said to "relieve dry skin better."

Once with as much as a 13% share, Wondra was down to 4.6% when the restaging was announced to retailers.

The company is competing in a category which has heated up in the past year with the entry of S.C. Johnson & Son's Soft Sense, Andrew Jergens Co.'s Jergens Aloe & Lanolin and Chesebrough-Pond's dermatology formula Vaseline Intensive Care.

While the revitalization of Crest took much of the toothpaste limelight, P&G also increased spending behind Gleem by 52%, to $11.45 million, positioning it as a plaque remover. Gleem, which holds between a 2% and 3% share, lost some ground during the year. Pace, a gel that had been testing in several areas of the country since 1980, was expanded into Omaha and Phoenix in mid-1981, then withdrawn from all markets in April, 1982.

In food products, the company began to test two new products in the Duncan Hines line. Duncan Hines "ready-to-spread" frosting began testing in Evansville, Louisville and Lexington, Ky., in four flavors in November. Duncan Hines microwave cake mix was moved into the Seattle area in a yellow flavor. The latter product is believed to be one of the first non-frozen grocery products made specifically for microwave cooking.

Spending on the entire Duncan Hines line rose 35% to $23 million. Duncan Hines is the leader in the $750 million dessert mix category, with a 35% share. The cookie mix, launched nationally in 1980, was supported with $5.5 million.

Pringle's potato chips, long considered a major disappointment to the company, were revitalized in March, 1981, with an improved taste. Spending on the product, which had declined to $339,000, catapulted to $8 million.

In other food products, the company continued to test a butter-flavor version of Crisco shortening in Arizona.

In coffee, P&G's Folgers instant brand held steady with an 11% share, and its instant High Point decaffeinated coffee (rolled out nationally in May, 1980) chalked up a 5.5% share. Folger's ground roast coffee, which includes a high-yield flaked version lost one share point (to 24%), possibly thanks to a strong challenge from General Foods with the launch of Master Blend, which achieved a 5% share.

The company continues to test a High Point vacuum grind. It also is thought to be working on a highly aromatic coffee product. Actress Lauren Bacall was enlisted as a spokeswoman for High Point.

In soft drinks, although the company has made some formula and packaging modifications and changed the advertis-

ing themes for the products it inherited with the acquisition of Crush International, it is said still to be studying the business, and observers believe there is more activity to come.

Spending on Orange Crush was up 647% to $3 million; on Hires Root Beer it was up 255% to $875,000, and on Sun Drop it was stagnant.

Although the acquisition of the MortonNorwich pharmaceutical business is the first P&G has made in that field, the company has been moving in that direction internally for a number of years with both pharmaceuticals and paper products.

The company's prescription drugs are Osteoscan, an injected drug used to facilitate radiological diagnosis of bone disease; Didrnel, a tablet for symptoms of Paget's disease of the bone, and Topicycline, a topical antibiotic for the treatment of acne.

The company also markets Boundary, a line of surgical drapes and gowns, and Attends, a brief for use by incontinent adults.

In late 1981, P&G began to experiment with direct sales of Attends (it is marketed institutionally), advertising in *TV Guide*.

It also made the product available through the Sears, Roebuck & Co. catalog and 50 surgical supply stores and convalescent pharmacies. Although it once tested Attends at the consumer level in Idaho, that project has been discontinued.

Through its P&G productions, the company produces six regular soap operas: "Search for Tomorrow," "As the World Turns," "The Edge of Night," "The Guiding Light," "Another World" and "Texas." In March of 1981, "Search for Tomorrow" jumped from CBS to NBC.

P&G also produces prime-time shows, made-for-tv movies and specials such as "The People's Choice Awards," "Peter and Paul," "A Private Battle" and "The Patricia Neal Story."

In 1981 it announced that with Grey Advertising it would produce four two-hour first-run movies for prime time syndication.

In early 1982 the company embarked on its biggest prime-time special ever, with the co-production and sponsorship of "Marco Polo," a 10-hour four-day miniseries.

Also in early 1982, the first of a reported 400 cases pending against P&G in the Rely tampon controversy came to trial. The cases were brought by or on behalf of toxic shock syndrome victims who contend the disease is associated with use of Rely tampons.

P&G withdrew the product in September, 1980.

The results of the court trials by mid-1982 had proven inconclusive in terms of establishing precedents.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$6,077,100	$7,976,000
Magazines	35,737,400	37,162,000
Spot tv	128,360,400	135,275,000
Network tv	393,236,000	581,077,500
Spot radio	180,500	4,196,500
Outdoor	136,500	35,500
Total measured	563,697,400	545,723,300
Unmeasured	108,060,000	103,901,000
Estimated total	671,757,400	649,624,300

MARKETING PERSONNEL

W.E. Forbis, vp-sales
W.P. Nock, sales mgr-coffee division
F.W. Caswell, sales mgr-beauty care division
J.K. Goodwin, sales mgr-bar soap & household cleaning prods division
R.W. Gibson, sales mgr-packaged soap & detergent division
V.O. Hamilton, sales mgr-paper prods division
D.J. Lahey, sales mgr-food prods division
G.M. Breissinger, sales mgr-health & personal care division
Charles O. Carroll, vp-Norwich division and genl mgr-Norwich-Eaton Pharmaceuticals

ADVERTISING PERSONNEL

R.V. Goldstein, vp-adv
B.L. Byrnes, adv mgr-coffee division
J.T. Smith, adv mgr-food prods division
E.A. Glover, adv mgr-packaged soap & detergent division
R.B. Gordon, adv mgr-bar soap & household cleaning prods division
M.S. Levy, adv mgr-health & personal care division
R.J. Herbold, adv mgr-beauty care division
W.J. Wallace, adv mgr-paper prods division
J.D. Henry, mgr-mkt rsch dept
R.S. Morrison, division mgr-genl adv dept
J.A. Wishard, division mgr-genl adv dept
R.L. Wehling, division mgr-genl adv dept

ADVERTISING AGENCIES

Benton & Bowles, New York—Bounce, Charmin, Crest, Dawn, Ivory Snow, Pampers, Scope, Wondra, Vibrant, Zest, Attends, Ivory shampoo, Pepto Bismal, Unguentine, NP-27—T. Carey, senior vp-acct director; R. Hopple, senior vp-acct directors, J. Boyd, mgmt super.

Henderson Advertising, Greemville, S.C.—Chloraseptic, Head & Chest—D. Strauss, mgmt super.

Lally, McFarland & Pantello, New York—ethical pharmaceutical prods—Ron Pantello, president.

Leo Burnett USA, Chicago—Cheer, Era, Camay, Lava, Lilt, Secret, Gleem, Abound, Cinch—P.M. Husting, senior vp-client services director.

Compton Advertising, New York—Tide, Cascade, Crisco, Top Job, Comet, Ivory bar & liquid, High Point, Duncan Hines cake, brownie and muffin mixes, Pert—P. Voss, exec vp.

Cunningham & Walsh, Chicago—Folger's, Certain, Crush, Hires, Sun Drop—W. Albright, exec vp-acct group director.

Dancer Fitzgerald Sample, New York—Bounty, White Cloud, Oxydol, Dreft, Luvs, Solo—J. Plumez, exec vp-mgmt dir.

Doyle Dane Bernbach, New York—Coast, Gain, Puritan, Rejoice—M. Harkrader Jr., senior vp-mgmt super; C. Lehmann, senior vp-mgmt super; B. Beach, senior vp-mgmt super.

Grey Advertising, New York—Downy, Joy, Bold 3, Jif, Puffs, Duncan Hines cookie mix—H. Yager, exec vp; N. Kreisberg, senior vp.

Tatham-Laird & Kudner, Chicago—Biz, Head & Shoulders, Mr. Clean—T. Collins, senior partner.

Wells, Rich, Greene, New York—Pringle's, Safeguard, Sure, Prell—J. Weinstein, senior vp-acct group head.

Young & Rubicam, New York—Ariel, Dash, Spic & Span, Brigade—C. Alexander, senior vp-mgmt super.

Quaker Oats Co.

	1981	1980
Sales*	$2,599,500,000	$2,405,200,000
Earnings*	105,200,000	96,400,000
Advertising**	95,597,100	99,666,700

*For fiscal years ended June 30
**AA estimate

Quaker Oats Co., Chicago, the 56th largest national advertiser, spent an estimated $95.6 million in advertising in 1981, a decrease of 4% from 1980. The largest drop came in network tv, which fell from $46.7 million in expenditures in 1980 to $34.2 million in 1981.

Sales for the 1981 fiscal year, ending June 30, 1981, were $2.6 billion, an 8% increase over last year. Earnings totaled $105.2 million, up 9% over 1980.

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For fiscal 1982, which ended June 30 of this year, sales totaled $2.70 billion, an increase of 8% over fiscal year 1981. Earnings for that period were $120.6 million, up 11%.

An international marketer of grocery products, pet foods, toys and specialty chemicals, Quaker also owns and operates specialty retail and mail-order marketing companies.

The company's largest business segment is its U.S. grocery products unit, which in 1981 had $1.05 billion in sales, a 12% increase over 1980. Sales for fiscal 1982 totaled $1.2 billion, up 13% from 1981. Over-all unit volume did decline slightly, according to the company, because of "flat tonnage trends in the grocery industry, as well as competitive pressures in the pet foods business."

During fiscal 1982, unit volume increased among human food categories, and the full year's inclusion of Ken-L Ration Kibbles 'n Bits raised the total volume above a year ago, offsetting declines of other pet food products, the company said.

Quaker's primary strategy for the grocery operation has been to focus on internal product development. Three new products introduced in 1981—Aunt Jemima Lite syrup, Ken-L Ration Kibbles 'n Bits and Chewy Granola Bars—have proved to be successful entries in their categories.

Aunt Jemima Lite syrup, a reduced-calories product, was supported by ad expenditures of $2.8 million, the major part going to network tv. The company reported the product as having increased Quaker's market share almost 50%, allowing it to reach the No. 2 position in the pancake syrup category.

Ken-L Ration Kibbles 'n Bits moved Quaker from No. 6 to No. 3 share position in the dry dog food category during fiscal 1981. In fiscal 1982, the company solidified that No. 3 position with the help of that product, as well as Tender Chunks. Measured ad expenditures for the product in fiscal 1981 were $7.3 million. A $25 million introductory advertising and promotion budget supported a Kibbles 'n Bits' campaign, handled by J. Walter Thompson USA, Chicago. It featured dogs literally singing for their supper and has been one of Quaker's most successful new product campaigns in years.

As for the Chewy Granola Bars, since being introduced in late 1981, the product has performed better than the company expected. The product, designed to crumble General Mills' Nature Valley brand dominance of the category, was supported by $1.6 million in ad spending in fiscal 1981, all in for spot tv.

Cap'n Crunch, a fortified ready-to-eat cereal, enjoyed volume growth in fiscal 1981, with a 3.6% share of the $2.5 billion market. Quaker's other ready-to-eat cereals, Life, Corn Bran and 100% Natural, all contributed to the company's 8% share of the market.

Reformulated Halfsies corn and rice cereal presweetened with aspartame has been in distribution in the central U.S. this year. According to a company official, a national rollout is expected sometime in 1983.

Quaker's hot cereal product's over-all volume was down in fiscal 1981, this being attributed to a mild winter. A harsher winter in fiscal 1982, however, helped increase the product's volume.

The company did retain its No. 1 market share in the category, and Quaker Oats is the country's best-selling cereal, hot or cold. Measured ad expenditures for the product for 1981 were $3.6 million, the majority going to network tv.

Quaker's pancake mixes and syrup, marketed under the Aunt Jemima brand, experienced strong growth in fiscal 1981, mainly because of the success of the Lite syrup. But growth in fiscal 1982 was flat—the entire market was down 3%—though Lite had volume increases above its introductory year.

Quaker also enjoys the No. 1 market share in the corn meal, grits and tortilla flour category. Last fall, a new buttermilk corn meal mix was introduced in the southeastern U.S.

Quaker markets frozen foods under both the Aunt Jemima and the Celeste frozen pizza brands. Volume was off in the frozen foods area in 1981, largely because of declining industry trends in frozen breakfast foods. Fiscal 1982, however, proved to be better, as both product categories improved. Three new pizza flavors—Canadian bacon, Suprema and Suprema without meat—began region-by-region introduction in 1981, and Aunt Jemima waffles rolled out with a new flavor—apple and cinnamon.

Wolf Brand chili, sold regionally in the southwestern U.S., continues to be profitable and seeks to strengthen its regional markets. Ad spending in 1981 totaled $151,400, most of which went for spot tv.

On April 16, Quaker's foodservice division acquired Ardmore Farms, a Florida-based processor of portion-control juice marketed primarily to hospitals, schools, airlines and fast-food chains.

Before the acquistion, the foodservice division was already marketing a line of more than 200 products, including hot and ready-to-eat cereals, Wolf Brand chili, Aunt Jemima frozen breakfast products and Burry cookies and crackers.

Quaker pet food products, marketed under the Ken-L Ration and Puss 'n Boots brands, were, of course, spurred by Kibbles 'n Bits. But industry volume trends in the canned and semimoist dog food categories declined in fiscal 1981. The company has de-emphasized its canned pet food business with the closing of two plant operations.

Quaker is currently testing Ken-L Ration Sizzlin Skillet dog food in the Midwest and New England. The dog food is packaged in 3-lb. resealable cans. In the dry dog food category, Quaker currently holds an 8% share.

Over-all cat food unit volume declined in fiscal 1982.

International grocery products, Quaker's second-largest business segment, provided about one-third of consolidated sales and almost one-fifth of operating income. Sales were $845.1 million, an increase of 16% over 1980. Operating income totaled $49.5 million, 33% over 1980.

The company's three major product categories are edible oil, pet foods and cereal in Europe. In Italy, a controlling interest in Chiari & Forti represents Quaker's largest single operating company outside the U.S. It's the leading edible oil company in Italy and manufactures Cuore brand oil.

Through a joint venture agreement reached with Henkel, the largest household products company in Germany, Quaker's Minou cat food and Fido dog food are sold and distributed. To further strengthen Quaker's position as the No. 2 marketer of pet foods in Europe, two acquisitions were made in 1981: Quaker acquired 100% of Vitto di Morando, SpA, the third-largest pet food company in Italy, and 80% of Arlaud & Serre, a French marketer of pet accessories.

The Fisher-Price Toys division represents Quaker's third major business segment. Fisher-Price introduced 65 new products at the 1982 Toy Fair in New York—its largest introduction ever. The division said it would direct tv advertising to children for the first time, in response to positive consumer testing with mothers.

Fisher-Price accounted for 15% of the company's sales in fiscal 1981. The division remains the market leader in infant and preschool toys. Measured ad support for 1981 was $9.5 million,—16% of the company's total measured advertising expenditures.

In keeping with Quaker's operating strategy of expanding direct-to-consumer business, Jos. A. Bank Clothiers was acquired in July, 1981. Jos. A. Bank is a 14-store retailer and mail-order marketer of men's and women's clothing and accessories. The chain generated more than $58 million in sales for Quaker in fiscal 1981, and the company expects that its three direct-to-consumer businesses—Herrschners, Brookstone and Bank—will realize $117.8 million in sales for fiscal 1982.

Quaker entered the home videogame market in April, 1982, by acquiring U.S. Games, a California-based marketer of videogame cartridges. Quaker's in-house agency, AdCom, handles advertising for the new unit.

On June 22, Quaker sold its Magic Pan restaurant division to private investors for an undisclosed amount. The restaurants have had minimal ad support.

AdCom, incidentally, had a new president as of June, 1982, when the agency's vp and creative director Gary Bayer succeeded Elizabeth Harrington, now vp-advertising.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,753,900	$961,000
Magazines	8,120,400	9,456,300
Spot tv	14,452,700	11,263,300
Network tv	34,161,400	46,653,900
Spot radio	129,100	—
Outdoor	7,200	—
Total measured	58,624,700	88,334,200
Unmeasured	36,972,400	31,332,500
Estimated total	95,597,100	99,666,700

MARKETING PERSONNEL

U.S. Grocery Products Group Staff

Frank J. Morgan, exec vp
Richard H. Glantz, corp senior vp-mgmt services
J. Byron Felter, vp-sales
Elizabeth D. Harrington, vp-adv
Max M. Lomont, vp-package design
Katherine E. Smith, vp-consumer services
Dudley M. Ruch, vp-mktg rsch
William P. Brown, director-media

Foods Division

Jack M. Young, president
Douglas W. Mills, vp-product mgmt
Philip A. Marineau, director prod mgmt, foods
Cynthia M. Vacin, director-prod mgmt, frozen foods
Susan E. Beck, Frederick J. Fritz, Barbara Allen, Elaine Bolli, J. Scott Talgo, prod group mgrs
Peter Consolazio, group mgr-promotions
David H. Burke, natl sales mgr-frozen foods

Pet Foods Division

H.E. "Pete" Rhodes, president
James B. Kauffman, vp-prod mgmt
Nancy Pitz, director-prod mgmt
M. Catherine Jaros, D. Richard Stevens, prod group mgrs

Wolf Brand Chili Products

U.B. Shockley, president
Jack E. Eadon, director of mktg

Food service Division

Russell L. Jones, vp and gen mgr
Robert D. Stoothoff, ntl sales mgr
Paul V. Baron, prod group mgr

International Grocery Products Group

Robert N. Thurston, exec vp

Fisher-Price Toys

Franklyn S. Barry Jr., president
James H. Frank, vp-genl mgr-intl
James R. Tindall, vp-genl mgr-U.S.
James W. Cudney, director of mktg
Thomas Oller, director of adv
Harold S. Tolley, director of pr

Chemicals Division

A. William Haarlow, president
William J. McKillip, vp-rsch and mktg

Direct Mail Marketing Division

Samuel B. Slade, president

Brookstone Co.

Richard Chollet, president

Herrschners

Robert Thomas, president

Jos. A. Bank Clothiers

Leonard Ginsburg, president

ADVERTISING AGENCIES

AdCom, Chicago—Cap 'n Crunch, Halfsies and other presweetened cereals, regular and instant oatmeal, Celeste pizza, Chewy Granola Bars and U.S. Games, new products—Gary Bayer, president-creative director; Joan G. Stark, vp-media director; Dennis Roy, director of acct mgmt.

BBDO, New York—Corn Bran, Life cereal, puffed cereals, Shredded Wheat, Puss 'n Boots cat foods, new prods—Charles Decker, vp-mgmt super.

BBDM Advertising, Chicago—industrial cereals—Lee Wolf, acct super.

Campbell-Mithun, Chicago—foodservice prods—David R. Seibel, president.

Conill & Associates, New York—Hispanic prods—Rafael Conill, president.

Jordan, Case & McGrath, New York—new food prods—Pat McGrath, president.

Ladd/Wells/Presba Advertising, Chicago—chemicals (foundry)—Robert Ladd, vp.

Sumner-Berry-Brown Advertising, Dallas—Wolf Brand prods—Robert E. Berry, partner.

J. Walter Thompson USA, Chicago and New York—Aunt Jemima breakfast prods, mixes and syrup, Ken-L Ration dog foods—Lloyd Stein, senior vp, mgmt super.

Waring & LaRosa, New York—Fisher-Price toys and new food prods—Saul Waring, president.

Zylke & Associates, Chicago—chemicals (nonfoundry)—Richard M. Bueschel, acct super.

RCA Corp.

	1981	1980
Sales	$8,004,800,000	$8,011,300,000
Earnings	54,000,000	315,300,000
Advertising*	208,798,300	164,328,300

*AA estimate

RCA Corp., New York, the 17th largest national advertiser, increased advertising expenditures by 27% in 1981 to $208.8 million.

Worldwide sales decreased a bit in 1981, to $8.005 billion from the $8.01 billion tallied the year before.

However, earnings plummeted by 83% to $54 million from $315.3 million in 1980. The drop has been attributed to declines in the sales of picture tubes, transportation services and broadcasting, as well as to the economy and, in particuliar, high interest rates.

The poor profits overshadowed a good year for some of RCA's divisions. RCA led in sales of both color and b&w televisions in the U.S.; the government systems division had a record year, winning in excess of $800 million in new and expanded military contracts, and C.I.T. Financial Corp. had what the company called "an outstanding year."

During the year and into 1982, RCA continued in its newly adopted policy of divesting itself of noncommunications or electronics subsidiaries. It is actively looking for a company to buy its Hertz Corp. operation and trying to sell Coronet Industries, a carpet concern.

It sold off Gibson Greeting Cards for $80 million, and it reportedly considered selling off C.I.T. Financial, but then decided against it.

At the same time, RCA is refocusing on its core electronics and communication businesses. A corporate task force has been formed to devise plans for RCA's participation in satellite communications, pay tv, interactive communications, data transmission, cable and broadcast television systems, consumer communications and entertainment services. RCA plans to build on these new business opportunities through an expansion of its own capabilities, acquisition and joint ventures. In 1982, in fact, the company ventured into cable tv with the Entertainment Channel.

The company is also on a program to cut costs by eliminating or curtailing staff activities in the U.K., Canada and Switzerland, reducing substantially its capital expenditures and cutting back on personnel. In the U.S., 75 jobs were cut in 1981.

According to chairman-ceo Thornton F. Bradshaw, RCA's strategy is not designed for an overnight turnaround. "It is designed for the long haul, capitalizing on the strengths that have been RCA's heritage," Mr. Bradshaw said. "By any measure, 1981 was one of RCA's most difficult years, reflective perhaps of both the external environment and the unsettling management changes of the recent past. But the key elements to restore stable progress are within our grasp."

The first quarter of 1982 confirms both Mr. Bradshaw's enthusiasm and his contention that the company is not headed for a quick turnaround. Sales for the first three months of 1982 totaled $1.96 billion, up slightly from the $1.94 billion reported for the same period in 1981. Earnings increased to $60.5 million, a 44% increase over the previous year.

In the first quarter, RCA Global Communications began

offering domestic telex service in 70 U.S. cities and 250 countries; the solid state division introduced a videotex data terminal; RCA introduced the first eight-hour videocassette, and the service company began marketing an energy-management system and announced plans to enter the color data display tube business.

This apparent movement ahead comes on top of some shaky times in 1981, as Mr. Bradshaw noted. He had to calm some shareholders last year after Bendix Corp. bought 5.5 million shares, or 7.3%, of RCA. The RCA chief assured stockholders that Bendix was not going to take over the company or, indeed, even buy any more stock. He has also been denying persistent rumors that NBC is ready for the auction block.

Among RCA's units that Mr. Bradshaw oversees, the electronics segment is the largest, accounting for 55% of the company's sales total. It is divided up into consumer product and services; commercial products and services, and goverment systems and services. For the division as a whole, sales were up by 11%, but income was down by 43% because of costs in introducing the RCA SelectaVision videodisc player and a loss in the commercial products and services division.

Sales of consumer products and services unit were up by 20% in 1981 to $2.32 billion from $1.92 billion, while profits went up 32% to $132.2 million from $99.6 million. The principal products of the division are tv receivers (black and white and color), videocassette recorders, videodisc players and discs and records and recorded tapes.

In the past year, RCA introduced a portable 9-in. color tv, a 50-in. color projection tv receiver and unveiled its ColorTrak 2000 series. The ad budget for RCA television sets was nearly doubled, moving to $88.8 million in 1981 from $44.5 million in 1980. Measured media for color tv sets was up slightly, increasing to $14.3 million from $14.2 million last year.

The videocassette recorders operation was the first to introduce a home video camera using Newvicon tube.

Less upbeat news came in the videodisc player category. After investing more than $200 million in the development of SelectaVision videodisc players, RCA introduced the product last year. But consumer reception did not approach the company's lofty expectations. RCA predicted 200,000 units would be sold in the first year; only 60,000 videodisc players were sold in the first six months.

The system, called "CED" (capacitance electronic disc), consists of a player and record-like disc that produces sound and pictures for display on a tv screen. The company spent $8.7 million in measured media to promote the new product.

While the players were not doing as well as expected, videodisc sales were substantially stronger.

More than 2 million discs were sold in 1981, and, as a result, production capability has been increased by more than 300%.

In more conventional technology, the bottom line for RCA's records and recorded tapes suffered in 1981, despite increased sales and profits. While the division fared well in the U.S., the same cannot be said for overseas, where the strong U.S. dollar and poor economic conditions in Europe and South America resulted in a depressed bottom line—for the second year in a row. The company made a significant artist acquisition in 1981—it signed Diana Ross to its roster. The division spent $1.89 million in measured media, a 62% increase over 1980.

The $6 million RCA Music Service account, part of RCA's consumer products and services unit, changed agencies last year, going to Rapp & Collins from Tatham-Laird & Kudner and then a few months later from Rapp & Collins to Benton & Bowles.

NBC, in the meantime, had a sales increase of 6% to $1.62 billion from $1.52 billion in 1980, while profits skidded 36% to $48.1 million as a result of low audience ratings, a write-down of certain program material and increased programing costs.

In an attempt to spruce up the NBC act, a management overhaul took place last July. With Mr. Bradshaw at the helm of RCA, Grant A. Tinker took over as chairman-chief executive officer of NBC, Robert E. Mulholland became president-chief operating officer and Irwin B. Segelstein was named vice-chairman. Herbert Schlosser, formerly NBC network president, enjoyed an upward turn in fortunes in 1981, when Mr. Bradshaw named him in charge of all the company's home entertainment software activities, except the National Broadcasting Co.

But the outlook is not as rosy for NBC. While the network boasts that its "pride is showing," fewer people are watching it than the other networks. Mr. Tinker himself said the network is in its "11th hour." NBC came in third behind CBS and ABC for the whole of 1981. It also didn't help that a 13-week strike by the writers delayed the start of the 1981 season until 1982.

The network did score a winner with "Hill Street Blues," the highly acclaimed police series. The "Today" show added new blood with Bryant Gumbel and Chris Wallace, filling the gap left by Tom Brokaw when he became a co-anchor on the nightly news. In the summer of 1982, "Today" added another half hour in its continual battle to fend off the prime competition, ABC's "Good Morning America." In the daytime soap battle, NBC was again the cellar dweller.

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As I See it

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LNA

MEASURING MEDIA . . .

Brand Expenditures. A good place to begin . . . a good place to end.

Measuring media for its advertising content is done by independently held companies in co-operation with the media. These measurements provide a breakdown of brand expenditures.

Brand expenditures answer the very first question often asked by advertisers: How much do I have to spend? For it is competitive brand expenditures that indicate how much is necessary to spend to keep up with the competition, or how much it will cost to introduce a new brand into the marketplace; the price of admission. An analysis of brand expenditures can also lend insight to a brand's marketing strategy — the overall media-mix, the selection of the individual vehicles within a particular medium, regionality, seasonal variation, etc. But in the beginning, the question is how much? How much are they spending? How much will I have to spend?

Once a brand's ad budget is determined, the other measurement services come into play to provide additional marketing intelligence: Audience measurement, sales measurement, measurement of the market itself.

Audience measurement, which provides a profile of the reader/viewer/listener helps direct where advertising dollars are to be spent. Naturally, these dollars are going to be placed in those media whose audience has a high buying/usage profile of a particular product type. And within the media, in the magazines, on the programs, and during the dayparts that will reach the heavy user. Determine who the heavy user is, find out what they read, look at and listen to, and you have come a long way in determining where to place ad dollars. Audience measurement: Key marketing intelligence.

Sales measurement — A tracking of product movement, whether it is off the shelf or out of the warehouse, can be a great aid in determining *when* to spend. Sales measurement provides the sought-after share of market figures, as well as analytical data for those whose bent it is to show advertising effectiveness. Naturally, you spend when your market is buying or shortly before, and data supplied by the sales measurement services tells you when they are buying. This is not necessarily a simple decision. All the money spent on advertising sunglasses during the winter months is not directed at the skiing market. The major manufacturers know sunglasses are an impulse item. Drug and sundry stores buy their sunglass display units in the winter and that is when to advertise. Know thy market — and where it is. In this vast country, there are tremendous regional variations. In Aspen, happiness is a dog and a jeep. The Southeast, for reasons we will not go into here, is a heavy pet food market. The sales measurement services show these seasonal and regional variations of spending patterns.

Measuring the marketplace — Thousands of door-to-door interviews in the field and in the store, are often directly fed back to those interviewed in the creative and copy approach to a particular campaign. Chances are that, "I like its clean, fresh smell" did not come out of a copywriter's head but directly off an interviewer's sheet, tabulated in some editing and coding department in one of the many market measurement companies. A new product or the emphasis of a specific attribute of an existing product comes from ideas expressed in the field — the marketplace — whose measurement is another essential ingredient of marketing intelligence.

All of the major and once minor brands utilize these measurement services. Services are subscribed to, reports received, data analyzed. It is a long and costly process to obtain and review the available information which gives the industry its expertise. At the end of all of the acquisition and analysis of services used to determine how much to spend, where to spend, when to spend and what to say, advertising dollars are spent; time is bought, space purchased. And we come full circle — back to the media measurement services. We tell you who spent, how much, where, when and against whom.

Brand expenditures — A good place to begin . . . a good place to end.

LNA

Since the beginning of the 1981-82 prime time season, NBC has lost about 800,000 homes. In the February sweeps, 130 NBC affiliates lost ground—only 33 improved and 13 stayed even. The network's measured media spending was increased 5% to $14.9 million from $14.2 million in 1980.

NBC Radio Network had better fortunes, as it continued to attract more listeners than any other network, according to the company. Its eight owned am and fm stations hit record listener levels in 1981. NBC's "The Source" network claimed the largest share of listeners aged 18 to 34 years old. In measured spending, the radio network spent less in measured media in 1981 than in 1980, dropping to $292,500 from $911,700.

RCA's transportation services, specifically the Hertz Corp., suffered in 1981. Sales were up 11% to $1.4 billion, but profits dove 72%. The drop is attributed to a special charge to cover the restructuring of truck operations, higher interest costs incurred in financing an expanded vehicle fleet and reduced profit margins. RCA is hoping to find a buyer for Hertz, thereby lifting a $1.3 million debt off its balance sheets.

It is speculated that RCA is asking $750 million for Hertz. For a while last spring, RCA thought it had found its saviour in the Firestone Tire & Rubber Co., but those talks broke off without a sale.

The Hertz car rental segment introduced a new rate structure last year, eliminating mileage charges and giving a guaranteed flat rate. As the company gained in its airport market share, it expanded its facilities or added new ones in the airpports in Los Angeles, Chicago, Atlanta, Houston and Boston.

Measured media spending for the segment was up 42% in 1981, to $10.4 million from $7.28 million in 1980. The company has signed former Buffalo Bills running back great O.J. Simpson for yet another year of rushing and flying through airports.

Sales for RCA's communications segment were up 6% in 1981, reaching $269.8 million, compared with the $253.5 million recorded the year before. A new subsidiary was formed in 1981—RCA Communications. It was designed to consolidate RCA's communications businesses and "to provide them with over-all strategic direction and financial planning."

C.I.T. Financial Services suffered a slight decline in equity in profit before taxes on income, slipping to $168.3 million from $177.4 in 1980 as a result of reduced net yield on the receivables portfolio restated in 1980. The company's financial portfolio exceeded $7.2 billion by the end of 1981, an increase of $1.8 billion over 1980. The portfolio makeup includes 53% industrial financing and leasing receivables, 33% consumer receivables and 14% factoring, commercial financing and wholesale receivables.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$29,536,900	$25,122,100
Magazines	27,329,500	34,176,800
Spot tv	12,021,000	6,212,800
Network tv	36,273,900	19,873,800
Spot radio	296,300	182,600
Network radio	2,022,100	1,409,500
Outdoor	348,500	319,700
Total measured	107,828,200	77,297,300
Unmeasured	100,970,100	87,031,000
Estimated total	208,798,300	164,328,300

CORPORATE MARKETING STAFF

K.W. Bilby, exec vp-corporate affairs
T.B. Ross, vp-corporate communications
D.L. Alligood, director-corporate adv
L.M. Berberian, staff vp-mktg
Joel Wolk, director, adv liaison & media services

ADVERTISING AGENCIES

Ted Bates & Co., New York—RCA corporate adv—Lee Hines, mgmt super; Irene Lubgan, acct exec.

Uniworld Group, New York—RCA community affairs—Bryon Lewis, president; Bernard Baskett, acct super; Wayne Shealy, acct exec.

CONSUMER ELECTRONICS DIVISION

MARKETING PERSONNEL

Arnold T. Valencia, president, RCA Distributing Corp. and RCA Sales Corp.
J.K. DeVoe, vp-consumer communications
W.S. Beres, natl adv mgr.
L. Small, retail & Canadian adv mgr.
David Croner, vp-mktg operations

ADVERTISING AGENCY

Leo Burnett USA, Chicago—Dennis Dunlap, vp-mgmt director; Jackson Brown, vp-acct director-color tv, vcr & videodisc player; John Kerastas, acct exec, tv; Jim McNitt, acct exec, vcr; Leslie Weil, acct exec, videodisc.

SELECTAVISION VIDEODISCS

MARKETING PERSONNEL

Howard Ballon, dir-mktg
Alan Blumenthal, dir-adv

ADVERTISING AGENCY

Dancer Fitzgerald Sample, New York—SelectaVision videodisc software—Bob Weckes, mgmt super; Kurt Graetzer, acct super.

RCA LTD. (CANADA)

MARKETING PERSONNEL

J.K. DeVoe, vp-consumer communication
L. Small, mgr-Canadian and retail adv
Burton Prosser, vp-merchandising, Canada.

C.I.T. FINANCIAL CORP.

MARKETING PERSONNEL

Michael Nettleton, vp-mktg, C.I.T. Financial Service
Barry Sideroff, vp-adv, C.I.T. Financial Service
G.S. Kessler, vp-mktg, C.I.T. Corp.

ADVERTISING AGENCY

Kelly, Nason, New York—C.I.T. financial services—Carl Gehron, vp-acct super.

RCA SERVICE CO.

MARKETING PERSONNEL

E.A. Malm, division vp-telephone systems & data serv
L.D. Chitwood, division vp-consumer services mktg
R. Zieselman, mktg services mgr

ADVERTISING AGENCY

Al Paul Lefton Co., New York and Philadelphia—J.W. North, mgmt super; Herb Rosen, acct super; Robert Ellis, acct exec.

Richard Bandler Co., New York—William Young, vp.

DISTRIBUTOR & SPECIAL PRODUCTS DIVISION

MARKETING PERSONNEL

D. Weisensten, division vp-merch
H.L. Craton, division vp-sales
A.D. Ricketti, mgr-adv & sales promo

ADVERTISING AGENCY

Al Paul Lefton Co., Philadelphia—Ken Haverstick, acct exec.

RCA RECORDS

MARKETING PERSONNEL

Jack Chudnoff, vp-merch
Jack Craigo, vp-mktg
Tony King, director-creative services
Barbara Sisilli, adv media mgr

ADVERTISING AGENCY

Grey Advertising, New York-Len Fogge, acct exec.

CORONET INDUSTRIES

MARKETING PERSONNEL

Wendell Pierce, director-adv, promo & publicity

HERTZ CORP.

MARKETING PERSONNEL

Hal Bingaman, vp-mktg
Thomas W. Jans, division vp-mktg, rent a car div

ADVERTISING AGENCY

Scali, McCabe, Sloves, New York—car div—Murray Gaylord, mgmt super; Steve Friedman, acct super.

NATIONAL BROADCASTING CO.

MARKETING PERSONNEL

Steve Sohmer, vp-adv & creative services
Paula Mermelstein, vp-on-air promo & print copy
Charles V. Blake, vp-print & design
Chuck Stepner, vp-special projects (West Coast)
Jay Michelis, vp-talent relations & creative services (West Coast)
Noel Engler, vp-adv & on-air promo (West Coast)
Frank Pintauro, vp-adv operations
Robert Blackmore, vp-sales
John Nesvig, vp-mktg
Don Eddy, director-mktg services
Hal Alterman, director-mktg projects

ADVERTISING AGENCY

McCann-Erickson, New York—Jim Kuras, exec vp; Frank Pascual, acct exec; John Dunn, senior vp; Rebecca Tudor, creative group head; Vince Tortorelli, media group head; Judy Sullivan, media planner.

RCA MUSIC SERVICE

MARKETING PERSONNEL

Robert Gordon, division vp-music service
Raju Puthukarai, dir-mkt & planning
Richard Rubin, mgr-creative services

ADVERTISING AENCY

Benton & Bowles, New York.

COMMERCIAL COMMUNICATIONS SYSTEMS DIVISION

MARKETING PERSONNEL

J.B. Howe, division vp-genl mgr
W.A. Taylor, division vp-mktg
Miles Moon, creative services mgr
James Gimbel, director-intl mktg
Don Reinert, mktg mgr-cablevision systems

ADVERTISING AENCY

RCA Creative Services (inhouse)—Miles Moon, dept mgr; A.M. Hilliard, adv & sales promo dept mgr.

RCA PICTURE TUBE DIVISION

John Rittenhouse, division vp-genl mgr
F.P. McCaffrey, mgr-mkt research & export sales
Ray Horn, admin, news & info

SOLID STATE DIVISION

MARKETING PERSONNEL

Lon Cantor, director-communications & adv
D.W. Ludlum, mgr-adv & sales promo, solid state
J.F. Chattin, mgr-adv & sales promo & publications, electro optics & devices

ADVERTISING AGENCY

Cappiello & Chabrowe, New York—Terry Chabrowe, acct super.

RCA GLOBAL COMMUNICATIONS

MARKETING PERSONNEL

Ken Gross, vp-mktg & sales
Dan Dwyer, senior adv rep
Joe Ciano, genl sales mgr
Ed Yeaker, mgr-adv
Jon Plet, senior adv admin

ADVERTISING AGENCY

Ronald B. Mitchell Associates, Bethesda, Md.—Ron Mitchell, pres.

RCA AMERICAN COMMUNICATIONS

MARKETING PERSONNEL

John Williamson, director-public affairs

ADVERTISING AGENCY

Hammond & Farrell, New York—Jeff Kaumeyer, vp.

GOVERNMENT SYSTEMS DIVISION

MARKETING PERSONNEL

Paul E. Wright, division vp-genl mgr
F.H. Stelter, division vp-mktg
N.F. Pensiero, director-public affairs
David Shore, division vp-business devel
C.A. Schmidt, division vp & genl mgr-astro-electronics
A.T. Hospodor, division vp & genl mgr-automated systems
A.C. Thompson, mktg director-govt communications systems
J.E. Murname, mktg director-automated systems
J. Durbin, mktg director-missile & missile radar

ADVERTISING AGENCY

Al Paul Lefton Co., Philadelphia—Richard Rossi, acct exec.

Ralston Purina Co.

	1981	1980
Sales	$5,224,700,000*	$4,873,200,000
Earnings	174,800,000*	163,000,000
Advertising**	192,984,000	206,794,860

*Fiscal year ended Sept. 30, 1981
**AA estimate

Ralston Purina Co., St. Louis, the 25th largest national advertiser, reduced domestic advertising spending in 1981 to an estimated $193.0 million, down 7% from $206.8 million in 1980.

The company tallied alltime record earnings and sales in the fiscal year ending Sept. 30, 1981. Total sales reached $5.22 billion compared with $4.87 billion last year, a 7% increase. Net earnings were $174.8 million in 1981, also a 7% increase from 1980, when earnings totaled $163 million.

Ralston Purina's operations comprise three main units: Worldwide animal feeds, domestic and worldwide grocery products and Foodmaker, the San Diego-based restaurant subsidiary consisting of Jack in the Box and Continental Restaurant Systems. During fiscal 1981, the animal feed operations produced 40% of the company's total sales and 29% of its earnings. Domestic grocery products accounted for 25% of sales, but contributed 52% of profits. Foodmaker's sales were 11% of total sales and 11% of earnings.

As 1981 unfolded, it became clear through a series of management changes and through the company's actions that Ralston Purina would devote itself to refreshing and restaging many of its existing grocery products. That process included new packaging for a number of brands and new operating strategies for other products to accommodate the shift in consumer markets to generic items, house brands and "value" labels.

The move was a departure from the company's actions in previous years when it kept up an accelerated new product introduction pace in pet foods and cereals, its primary grocery products categories. The strategy shift led to decreases in advertising expenditures for the year.

A decision to deemphasize advertising support for the Chicken of the Sea brand also contributed to the decline.

On the other hand, the company's Jack in the Box restaurants received increased support, as the chain introduced new products throughout the year and battled to recoup sales after receiving adverse publicity.

A management succession occurred during the year, resulting in a number of corporate personnel changes. William P. Stiritz, group vp-grocery products and restaurant operations, was chosen to succeed R. Hal Dean as the company's president in January, 1981. He added the chief executive officer title in July, 1981, and later, in January, 1982, was named chairman. Paul Cornelsen, vice-chairman and chief operating officer, resigned his post in September, 1981. The move was expected by company watchers after Mr. Stritz was chosen for the top job.

In the marketing area, William H. Lacey, vp-director of marketing, grocery products division, was named president, grocery products, succeeding Mr. Stiritz.

In March, 1981, Blair Gensamer, division vp-director of marketing, cat food, was named to a new post handling pet food marketing; in spring, 1982, he became division vp-director of marketing for all grocery products.

William Claggett continued in his post as division vp-director, advertising & marketing services.

All three of Ralston Purina's major grocery products businesses—dog food, cat food and cereal—recorded higher earnings in 1981. Competition continued to be fierce. The result was a high level of trade promotions and allowances in all three categories.

Van Camp tuna products and Country Stand fresh mushrooms were the two earnings trouble spots for the company, and analysts speculated that both businesses were potential divestiture candidates. In a cost-saving and marketing-related measure, the tuna operation's marketing, distribution and sales functions were integrated into the company's grocery products unit in June, 1981.

In the dry dog food business, the company's traditional stronghold, Ralston Purina dominated the category with an estimated 45% share of the market in retail sales in 1981. Sales

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of generic and private label products grew rapidly as consumers tended to trade down in the recessionary environment of 1981.

The company benefited throughout 1981 from several dog food product relaunches started in late 1980 and early 1981. Purina Dog Chow, the flagship brand, received renewed advertising support in 1981 after the company redesigned its package in late 1980—the first change in 25 years. Measured media spending hit $5.9 million, a 103% increase over the 1980 figure, $2.9 million. Chuck Wagon, which had experienced share declines for several years, was reformulated and reintroduced as a three-particle product in January, 1981. Advertising and promotion dramatically increased for the brand, to $7 million in 1981, from $2.6 million, a 169% increase.

In February, 1981, the company relaunched High Protein Dog Meal under the name High Protein Plus. It followed in May, 1981, with a line extension, High Protein Flavors. Measured ad support for the change was small for the category—$677,200.

Moist & Chunky, a soft-moist brand introduced in the late 1970s to counter Quaker Oats Co.'s Tender Chunks line, also received a boost in late 1981. The brand, which had fallen to a 1% share of the market, underwent a package design change, including a down-sizing to 4 lb. and 8 lb. sizes. It also got some advertising and couponing support in the first half of 1982. In 1981, however, there was no measured media support. Retailers were skeptical about the changes and the brand's chances for future success, according to industry sources.

Mainstay, a highly touted and much-advertised brand launched in early 1980, received a new lease on life from the company late in 1981. Reacting to the volume and share gains of low price brands, the company reintroduced Mainstay as a "value" brand, dropping its flavored-particle presentation in favor of more traditional chunks. The brand was repackaged, downsized to 4 lb. and 8 lb. sizes and priced at levels between the generics and Purina Dog Chow. The original Mainstay received only $350,000 in measured media support in 1981 (compared with the introductory level of $11.2 million in 1980). When the new, low-priced version hit supermarket shelves in early 1982, the company supported it with coupons only, and indications were that the brand would be unadvertised.

Ad and promotion spending dropped significantly for a number of other dog food products. Hero, a dry dog food formulated for large breed dogs and puppies, was supported with a $2.8 million measured media budget in its second year of distribution, down 56% from $6.3 million in 1980, its first year of national distribution. In June, 1982, the brand hovered at only about a 1% share. The Fit & Trim brand lost virtually all of its support in 1981: Its budget was $63,000, against $2.4 million in 1980.

The company also made cuts in the three-item Blend line. The brands received about $1 million in 1981, compared with $3 million in 1980. In May, 1982, the Butcher's Blend brand was repackaged in 9 lb. and 4.5 lb. bags, reflecting another down-sizing effort.

Support for Bonz, a dog snack launched in 1979, dropped dramatically during the year, but the brand maintained its No. 2 status behind Nabisco's Milk-Bone. In 1981, Bonz' measured media expenditures were $1.7 million, against $7.2 million in 1980, a 77% reduction. Both Purina High Protein Dog Meal and Puppy Chow spending stayed about the same during the year.

New product testing in the dog food category was downplayed in light of the relaunching efforts. Maverick, a semi-moist brand packed in a canister, was pulled from Erie, Pa., and Peoria, Ill., tests in January, 1981. In the spring of 1982, Ralston started selling Thrive dry dog food in Ohio, Pittsburgh, Phoenix-Tucson, Houston and Jacksonville-Tampa, Fla., test markets.

Cat food sales and market share, in the meantime, fared well in 1981 in a category that continued to outpace the rest of the pet food industry. The company said its volume outperformed the market, and all three categories—dry, semimoist and canned—were ahead of 1980. Thrive, a major new dry cat food, rolled out in January, 1981. The brand received $10.3 million in measured media support, making it the product to capture the highest expenditures in 1981.

The company wrestled with its problems in the canned cat food market in 1981 and early 1982 through an array of marketing strategies. In March, 1981, Ralston introduced Purina 100, a new brand, replacing its Purina Variety Menu line. At the time of the introduction, the company said it would get out of the canned cat food business if the product failed.

The product did not fail, but by late 1981, the company decided it could make better inroads on category leaders Star-Kist's 9-Lives and Carnation's Friskies Buffet by cutting the price and converting Purina 100 into a low-price, value brand. By year's end, it had captured about 10% of retail sales in the estimated $700 million gourmet canned cat food market.

With the new positioning, advertising and consumer promotion support for Purina 100 was virtually eliminated. Until the strategy switch, the company had spent $5.3 million on measured media. In July, 1982, Ralston took a step back into the canned market with Meow Mix Meals, a test market product in western New York and Denver.

Purina Cat Chow continued to maintain its leading position in the dry cat food category during the year, but it received less measured media support. The company spent $6 million behind the brand in 1981, compared with $8.3 in 1980. Good Mews, another dry brand, also was cut: Spending dropped from $3.5 million in 1980 to $741,100 in 1981. Spending on Whisker Lickins and Tender Vittles semi-moist brands also decreased in 1981.

During the year, Ralston Purina got into one new business and out of another. In late 1981, the company started testing its first nonfood pet product, Top Secret, a cat litter deodorizer, in Marion, Ind., and Pittsfield, Mass. And in October, 1981, the company announced the sale of the Deco Plants division, a home party direct sales operation. Officials said the division did not fit into long-range goals.

In the cereal business, Ralston Purina continued to achieve success in 1981. Both branded and private label cereals had record sales and earnings, recording the largest year-to-year advances in the company's history. Two national introductions in 1980—Wheat & Raisin Chex and Waffelos—helped spur growth in 1981, and both brands were heavily advertised. Waffelos was backed by $6.1 million in measured media in 1981, its first full year in national distribution. This came as spending for the entire Chex line was down about 6% in 1981, from $9.5 million last year to $8.9 million.

The company introduced a Blueberry Waffelos line extension and Dinky Donuts in 1981. The latter was the object of some competitive wrangling between Ralston Purina and General Mills, which put its Donutz brand in one of the same test markets, and then, nationwide. Ralston filed a trademark infringement and unfair competition complaint in late March, 1981. The suit was settled out of court in September, 1981.

In April, 1982, Ralston's children's cereal agency, McDonald & Little, Atlanta, resigned the $12 million account. The agency had been purchased in 1981 by Ted Bates Worldwide, and Bates' Campbell-Mithun subsidiary handles several General Mills adult and family cereals.

After an extended agency review, the company reassigned the children's cereals brands and several other products in July. Don Tennant Co., Chicago, was awarded Cookie-Crisp cereals and Dinky Donuts; Avrett, Free & Fischer, New York, was assigned Waffelos. As part of a realignment, Ralston Purina moved the Special Dinners cat food brand and Chicken of the Sea tuna account to TBWA Advertising, New York, which had handled the latter brand on a project basis during the year. The assignment represented the first major piece of domestic Ralston Purina business for TBWA, which handles some company products in France and Germany.

Jack in the Box restaurants suffered from adverse publicity in 1981 that temporarily affected sales and earnings. In August, 1981, U.S. Department of Agriculture inspectors discovered Australian horsemeat in meat shipments headed for Jack in the Box restaurants.

The 800-unit chain subsequently switched to American-grown beef and increased ad support to emphasize the chain's quality products.

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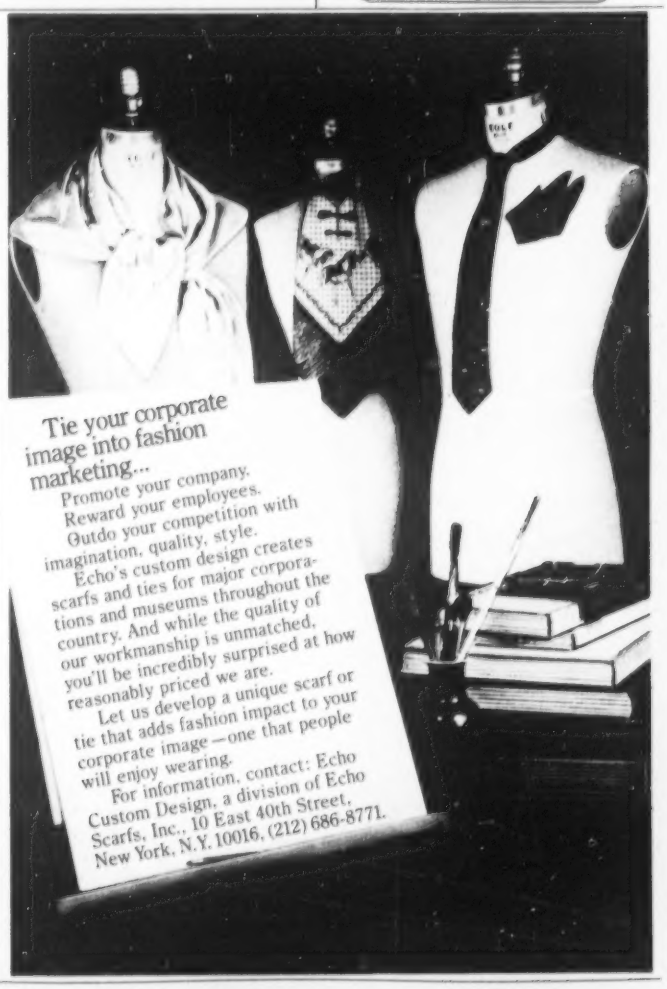
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versy, the chain continued to aggressively launch new products and increase advertising and sales promotion to support them.

Measured media spending for Jack in the Box during the year jumped 11%, to $9.8 million in 1981 from $8.8 million in 1980.

New products—the focus of the advertising—included the Bacon Cheeseburger Supreme and the Club Supreme, which came out in 1981. Through mid-1982, Jack in the Box rolled out the Hot Beef & Cheese Supreme, a Crescent Breakfast line and individual salads. The chain compared its new products to McDonald's and Burger King in a campaign started at year's end and directed at the leaders.

The company announced its intention to again start franchising Jack in the Box in 1982. The program would include existing units as well as new restaurants. Remodeling and renovation programs also were put into place during the year.

Continental Restaurant Systems, the company's chain of approximately 85 diverse full service restaurants, reached record sales and earnings levels in 1981 with average annual unit sales at more than $1.5 million. The company targeted its Carlos Murphy's restaurant concept, launched in 1979, as a major growth vehicle for the division.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$1,175,800	$2,184,900
Magazines	11,604,200	13,541,300
Farm publications	770,700	995,100
Spot tv	18,345,300	20,060,600
Network tv	66,715,500	73,586,200
Spot radio	4,987,600	4,969,400
Outdoor	5,000	50,300
Total measured	103,503,000	114,887,700
Unmeasured	89,462,000	91,907,160
Estimated total	192,964,000	206,794,860

GROCERY PRODUCTS

W.H. Lacey, president

MARKETING PERSONNEL

W.M. Claggett, div vp-director, adv/mktg services

B.E. Gensamer, div vp-director of mktg

ADVERTISING AGENCIES

Avrett, Free & Fischer, New York—Purina 100, Kitten Chow, Cat Chow, Good Mews cat foods; Waffelos children's cereal; new prods—Ron Thomas, senior vp-director client services.

Checkerboard Advertising Co., St. Louis (house agency)—professional marketing group; new prods.

Della Femina Travisano & Partners, New York—new prods—Jerry Della Femina, chairman.

Don Tennant Co., Chicago—Whisker Lickins, Thrive cat foods; Thrive dog food; Cookie-Crisp, Dinky Donuts children's cereals; new prods—Tom Prchal, director, client services.

Drossman Yustein Clowes, New York—Meow Mix cat food—Matthew Mansfield, vp-mgmt super.

Gardner Advertising Co., St. Louis—Puppy Chow, Fit & Trim, Chuck Wagon dog foods; Bonz dog snacks; new prods—John Fox, acct dir.

MCA Advertising, New York—Mainstay, Hero dog foods; High Protein dog meals; new prods—Warren Dechter, exec vp.

TBWA Advertising, New York—Chicken of the Sea tuna; Special Dinners cat food; new prods—William Tragos, chairman-ceo.

Tatham-Laird & Kudner, Chicago—Happy Cat cat food; Top Secret cat litter deodorizer; new prods—Robert Cappelli, senior partner.

Wells, Rich, Greene, New York—Purina Dog Chow, Blends, Moist & Chunky dog foods; Tender Vittles cat food; Chex cereals, new prods—E.R. Petray, New York, senior vp.

RESTAURANT DIVISION FOODMAKER INC.

MARKETING PERSONNEL

J.W. Goodall Jr., corporate vp and president & ceo, Foodmaker

T.W. Doan, exec vp, Continental Restaurant Systems

Jay Brown, corp vp-mktg director, Jack in the Box

R.L. Hogan, div vp-retail mktg, Jack in the Box

J.L. Evans, div vp-mktg, Continental Restaurant Systems

J.W. Hickman, director of adv, Continental Restaurant Systems

ADVERTISING AGENCIES

WRG/West, Los Angeles—Jack in the Box—Barry Klein, senior vp-group head

Cochrane Chase, Livingston & Co., Irvine, Cal.—Continental Restaurant Systems—Marvin Maron, acct super.

CHOW/PRODUCE PRODUCTS DIVISION

W.M. Jones, corporate vp and president

MARKETING PERSONNEL

Chow

E.L. McMillan, div vp-mktg director

Produce Products

R.R. Reeves, div vp-director

J.W. Gerber, director-sales, marketing & distribution

ADVERTISING AGENCIES

Fletcher/Mayo, St. Joseph, Mo.—Frank Christman, acct super.

BFV&L Advertising, St. Louis—health industries—Mark Lashly, mgmt rep.

Checkerboard Advertising Co., St. Louis (house agency)—Lifestyle horse feeds; special projects.

Dorf/MJH, New York—prod publicity projects—Alex Stanton, acct super.

Valentine Radford, Kansas City—dealer adv—Phil Schroeder, acct super.

BFV&L—Country Stand fresh mushrooms and produce—J. Mark Lashley, president.

RALSTON PURINA INTERNATIONAL

T.H. Mullenix, president, Ralston Purina International.

MARKETING PERSONNEL

E.S. Farrelly, div vp-director, agriproducts mktg

V.L.E. Stisser, div vp-mng director, Asia, Pacific and Canada div

D.A. Mefford, mng director, European div

R.N. Morrow, div vp-president & managing director, Mexican div

J.C. Langley, div vp-genl mgr, Lance

L.A. Van Houten, div vp-mng director, South and Central American div

A.V.L. Brokaw, director, consumer prods mktg

DIVERSIFIED BUSINESSES DIVISION

P.H. Hatfield, president

MARKETING PERSONNEL

A.C. Edwards, div vp-mng director

J.V. Heinz, director, sales

R.M. Moeller, managing director-mariculture operations

D.B. Smart, vp-director-foodservice

ADVERTISING AGENCIES

Burson-Marsteller, Chicago—protein and dairy food systems

Mandabach & Simms, Chicago—food service—Ron W. Plummer, vp-director

ENTERTAINMENT GROUP

MARKETING PERSONNEL

Keystone International

R.A. Maynard, president

J.D. Jones, vp-mktg

S.R. Corneillier, director of mktg

St. Louis Blues (hockey team)

E.P. Francis, pres & genl mgr

D. Shasserre, director of mktg

ADVERTISING AGENCIES

Heckler Associates, Seattle—Keystone—Terry Heckler, president.

Checkerboard Advertising Co. (house agency), St. Louis—media for Keystone and Blues.

Donnelly Advertising, St. Louis—creative, promos for Blues.

Revlon Inc.

	1981	1980
Sales	$2,365,938,000	2,203,324,000
Earnings	174,821,000	192,407,000
Advertising*	106,838,750	105,430,400

*AA estimate

Revlon Inc., New York, the 50th largest national advertiser, increased its advertising by approximately 1% in 1981 to $106.6 million. The company placed its worldwide ad expenditures at $198.9 million, an 8.4% increase over the $183.5 spent in 1980.

Sales increased to about $2.37 billion in 1981, up by approximately 7% over the previous year's volume of $2.20 billion. Sales in the first half of 1982 climbed a fraction of a per cent, rising to $1.13 billion from $1.12 billion over the same period in 1981.

Despite the sales gains, however, earnings declined for the first time in the company's history in 1981, by about 9% from the 1980 level.

The drop continued in 1982 as first half earnings declined 27% to $67.7 million from the $92.2 million recorded in the first half of 1981.

The decrease in earnings in 1981, from $192.4 million to $174.8 million, has been attributed primarily to adverse currency developments and foreign business troubles. These developments prompted Wall Street to question the company's credibility and to remove the stock from buy recommendation lists, analysts said at the time.

Still, net return on sales was 7.4% and return on equity was 18.6%, ratios that allow the company to boast a bit.

The healthcare/beauty aids marketer continued to show a greater annual growth rate in sales of its healthcare products than in beauty products this year. But the latter's domestic business contributed high operating profits.

Sales of Revlon's healthcare group rose by 4%, or $978 million, to $1.11 billion in 1981, accounting for about 47% of total sales, compared with 45% in 1980. Operating profits in 1981 were $152.2 million, down by 11% from 1980's $171.3 million.

Beauty products now account for 53% of total sales, compared with 55% in 1980. In 1981, the beauty product category registered a $1.25 billion volume for the company, compared with $1.23 billion in 1980.

But operating profit for the beauty business dropped to $207.5 million in 1981, down 3.4% from the previous year's $214.9 million. Operating profit from outside the U.S., Canada and Puerto Rico was $21.8 million, down from $36.6 million in 1980.

The domestic division, however, contributed $820.7 million in sales, or 35% of total corporate sales, up 6.3% from 1980. Operating profit rose from $178.3 million in 1980 to $185.8 million in 1981, accounting for an estimated 52% of total operating profit.

A worldwide breakdown shows that 31% of net sales comes from cosmetics and fragrances, 22% from beauty care and treatment, 18% from ethical pharmaceuticals, 15% from diagnostic products, 6% from vision care and 8% from other health products and services.

In 1981, the U.S., Canada and Puerto Rico accounted for $1.52 billion of total sales; Europe, Middle East and Africa, $533.9 million and other areas of the world, $307.7 million. During 1981, Revlon spent $17 million revamping some of its overseas operations.

While the company opted to retain full ownership of its operations in larger countries, it became a distributor in secondary and tertiary countries including Austria, the Low Countries and Switzerland.

Although the company continued to be committed to research and development, boosting expenditures in this area from $69.4 million in 1980 to $91.3 million in 1981, new product introductions within cosmetics, fragrances and beauty care seemed limited to line extensions.

Where new product activity was not linked to line extensions, it was low key and not widely advertised and promoted. For example, Ivoire de Balmain, a new prestige fragrance, was introduced with only $123,200 spent in measured media advertising, low for even this segment of the fragrance business.

The company did increase spending behind Scoundrel, however, from $2.9 million to over $4 million, while Chaz remained about even at just over $2 million.

Charlie also saw a measured media boost from under $1 million to over $2 million.

Revlon remains the No. 1 marketer of color cosmetics in the U.S., but it is said to be under pressure from Estee Lauder in department stores and Noxell's Cover Girl and Maybelline in other outlets.

The company also continued its new strategy of promoting its Flex products as the Flex haircare system and added Flex extra body and Flex Net Unscented Soft Hold. The new positioning of the line was viewed as a strategy to boost the line's market share, which slipped from 6.8% to 6.3% in 1981, although Flex conditioner remains the No. 1 after-shampoo conditioner sold in the U.S. Measured media spending was increased for Flex from $4.3 million to more than $7 million.

Revlon also introduced the Foot Groomer as the first product in a new line called PediCare implements, and it prepared for the introduction of Glis'n haircolor shampoo in the U.S., a forerunner of Clairol's I Like My Grey, now in test.

Domestically, the company's professional products group introduced Sensor MP-200, the first microprocessor hair computer to offer, Revlon claims, permanent conditioning and perfect perming in a single unit.

Internationally, Revlon added Eterna 27 Daily supplement, for dry and aging skin, and Sensations Perfumed Body Spray, the first in a new line of personal care products. Sensations is thought to be another entry in the deo-cologne market, similar to Lever Bros.' Impulse and Bristol-Myers' new entry, now marketed only overseas.

From its healthcare group, Revlon reformulated its Co-Salt as NoSalt in 1981, while Tums antacid and Oxy acne treatments recorded record sales and boosted their respective market shares. Technicon introduced RA-1000 as the first of a new line of test-selective analyzers, and Meloy Laboratories was the first manufacturer to be awarded gamma interferon for clinical evaluation. In early 1982, Meloy became the first to deliver gamma interferon for use in clinical studies on human cancer patients.

During 1981, Meloy, in conjunction with other units of the Revlon Health Care Group, became the first domestic manufacturer to deliver human leukocytes for use in government sponsered clinical trials.

Continuous Curve received Food & Drug Administration approval for its extended-wear contact lenses for myopia and astigmatism, and in March received FDA approval for hyperopia as well. Barnes-Hind brought out Soft Care Sterile Disinfectant Solution and Soft Mate Comfort Drops, as it endeavored to offer a wider selection of soft lens solutions, a market segment it has been slower to pursue than the competition. In the meantime, the division was adversely affected by decline in demand from the market for hard contact lens solutions, pricing pressures and rising material costs.

Revlon and Thompson Medical Co. mutually agreed to discontinue acquisition talks, presumably because of Thompson's disappointing first quarter in 1981 and a slowdown in the sales growth of its diet control products, according to analysts.

However, later in 1981, chairman Michel Bergerac indicated that the company would refrain from any major acquisitions in areas that would complement existing businesses or further diversify the company. He said Revlon will concentrate instead on improving the positions of existing businesses.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$436,900	$891,400
Magazines	10,937,100	10,969,700
Spot tv	23,372,500	23,310,600
Network tv	24,730,300	25,305,600
Spot radio	621,400	1,073,000
Network radio	1,874,500	1,547,900
Total measured	61,972,600	61,897,900
Unmeasured	44,666,150	43,532,500
Estimated total	106,638,750	105,430,400

REVLON INC.

New York

MARKETING PERSONNEL

Sanford Buchsbaum, exec vp-adv

Michael Collins, adv director

George W. Feld, vp-adv services

Anthony Cozzolino, media/budget director

John Maisano, president, Group I

Harvey Schwartz, president, Group II

Lawrence Wechsler, president, Group III

ADVERTISING AGENCIES

Grey Advertising, New York—All Classic Revlon and Natural Wonder prods, Flex, Jontue, Ivoire, Scoundrel, Colorsilk, Eterna 27, European Collagen Complex—Robert Zimmern, exec vp.

50th Floor Workshop, Revlon's in-house agency—Moon Drops, Formula 2, Mitchum, Revlon lipstick and nail enamel, Charlie, Chaz, Ultima II, Ciara, Cerissa, Etherea, Norell, Princess Marcella Borghese, Bill Blass—Martin Stevens, vp-creative services; George Feld, vp adv services; Rita Greisman, vp-creative director.

Altschiller, Reitzfeld,Solin/NCK—Milk Plus 6, Classic Revlon eyeshadows, makeup—Jim Berns, acct super.

PROFESSIONAL PRODUCTS GROUP

New York

Irving J. Bottner, president

Robert Crane, senior vp-mktg

Murray Steinfink, senior vp-sales

Mitchell Levy, director-adv, sales promo and education

ADVERTISING AGENCY

Merchandising Workshop, New York—Joanie Curcio, senior vp.

USV LABORATORIES-DOMESTIC

Tarrytown, N.Y.

MARKETING PERSONNEL

John Szlasa, vp-mktg

ADVERTISING AGENCIES

Klemtner Advertising, New York—Hygroton, Regroton, MVI—Jay Conlan, acct exec.

Thomas M. Ferguson Associates, Parsippany, N.J.—Arlidin—Dwayne Hann, acct exec.

Vicom-Bik, New York—Mortin Meaney, acct exec.

NORCLIFF-THAYER
Tarrytown, N.Y.

MARKETING PERSONNEL

Charles A. Pergola, president
Larry White, vp-mktg
Matt Gordon, director-new prods
Van Lefferdink, mktg group director
Mindy S. Miller, mktg group director

ADVERTISING AGENCIES

Jordan, Case & McGrath, New York—Tums—Claudia Horty, vp.

Specht, Gilbert & Partners, New York—Oxy 5, Oxy 10, Oxy Scrub, Oxy Wash, Oxy Cover—Don Gilbert, president; Steve Bayer, partner.

Marschalk Co., New York—Esoterica, Nature's Remedy—Peter Detels, vp.

Cadwell Davis Savage, New York—Pretty Feet & Hands, NoSalt—Jeffrey Zeiler, vp.

Carrafiello, Diehl & Associates, Irvington, N.Y.—A-200 Pyrintate—John Muhlfield, vp.

TECHNICON DIAGNOSTIC SYSTEMS
Tarrytown, N.Y.

MARKETING PERSONNEL

Richard G. Nadeau, president
Fredrick Stubbins, director-mktg communications

ADVERTISING AGENCY

All advertising done inhouse.

ARMOUR PHARMACEUTICAL
Tarrytown, N.Y.

MARKETING PERSONNEL

William Weathersby, president
Stuart Samuels, vp-mktg and sales

ADVERTISING AGENCY

Stewart Williams, Stamford, Conn.—Nicobid, Calcimar, Dialume, Biozyme—Ed Linder, acct exec.

BARNES-HIND/-HYDROCURVE
Sunnyvale, Cal.

MARKETING PERSONNEL

Kevin Ryan, president
Robert Kellish, mktg director

ADVERTISING AGENICES

Grey Advertising, New York—extended wear contact lenses and contact lens solution prods—Mike Ouimette, Fred Milman, acct execs.

Dave Popofsky Inc., New York—pharmacy promotion—Dick Wienborg, acct exec.

Techman & Associates, Chicago—specialist prods—Bud Davis, acct exec.

NATIONAL HEALTH LABORATORIES
La Jolla, Cal.

MARKETING PERSONNEL

Robert E. Draper, president

ADVERTISING AGENCY

All advertising is done inhouse.

MELOY LABORATORIES
Springfield, Va.

MARKETING PERSONNEL

Don Lewis, president
Jack Wyatt, director, diagnostic sales and mktg

ADVERTISING AGENCY

Derby Group, Baltimore—all diagnostic prods—Richard Derby, acct exec.

R.J. Reynolds Industries

	1981	1980
Sales	$11,691,800,000	$10,354,100,000
Earnings	1,504,300,000	1,269,400,000
Advertising*	321,279,800	298,524,100

*AA estimate

R.J. Reynolds Industries, Winston-Salem, N.C., is the eighth largest national advertiser in the U.S., with ad expenditures of $321.3 million in 1981, a 7.6% increase over the $298.5 million recorded in 1980.

Worldwide sales of the tobacco, food, oil and shipping giant totaled $11.69 billion in 1981, an increase of 12.9% from $10.35 billion in 1980. Earnings from operations also shot up appreciably, jumping by 18.5%, from $1.27 billion in 1980 to $1.50 billion in 1981. Over the same period, net earnings rose by 14.5%, increasing to $767.8 million in 1981 from the $670.4 million in 1980.

For the first half of 1982, RJR's sales totaled $5.99 billion, a 4.3% increase from a year earlier. Consolidated earnings were $766 million, up 3% from the same period in 1981. Net income for the first half was $480 million, up 24% from 1980.

As high as these performance figures may be, they should be even larger in 1983 with RJR's recently proposed acquisition of Heublein Inc., the billion-dollar food and beverages giant. Their combined ad spending, for instance, should exceed $500 million, which would in all likelihood make RJR the third largest national advertiser, behind Procter & Gamble Co. and Sears, Roebuck & Co.

The $1.3 billion deal would give RJR foodservice, grocery products, wine and spirits operations to go along with its existing roster of units. It would also make the company an even more powerful influence in the consumer marketing world.

The company's influence, of course, is already considerable. Throughout 1981 and into 1982, RJR continued a concerted effort to strengthen the company's traditional power base—tobacco—and improve its capabilities in its other operations. Much of the strategy to achieve these goals has focused on heavy capital expenditures and reworked marketing efforts.

Tobacco, naturally, remains king at RJR, as it has since 1875, when Richard Joshua Reynolds left a partnership with his father in tobacco farming in Virginia and moved to Winston, N.C. There, he started a plug chewing tobacco company with $2,400 invested in a plot of ground, a factory and equipment.

Today, R.J. Reynolds Tobacco Co., which handles domestic tobacco production and marketing, is the industry's sales leader. In 1981, this subsidiary of RJR Industries recorded sales of $3.97 billion, an increase of 12.7% from $3.52 billion in 1980. Earnings from operations totaled $914.3 million, compared with $800.8 million in 1980, a rise of 14.2%.

In the international market, the R.J. Reynolds Tobacco International subsidiary recorded less sizable sales increases, while earnings from operations remained relatively stable. In 1981, the international operation had sales of $2.16 billion, an increase of 3.3% from $2.09 billion in 1980. Earnings from operations were $178.5 million, compared with $177.2 million, or less than a 1% increase.

Together, domestic and international tobacco operations accounted for 51% of total company sales in 1981, compared with 54% in 1980. As far as earnings from operations breakdowns are concerned, tobacco's share was 69% in 1981 and 73% in 1980. The declining shares point to the growing strength of RJR's other subsidiaries, although tobacco remains the key to the company's over-all health and vitality.

Among the subsidiaries attempting to gain a larger share of the corporate pie is RJR's food and beverage operation, a segment that is growing in prominence within the corporate family. Food and beverage sales—through Del Monte Corp., which RJR acquired in 1979—totaled $2.33 billion in 1981, an increase of 10.7% from $2.11 billion in 1980. In both years, sales from these operations accounted for about 20% of total corporate sales. Earnings from operations in 1981 totaled $100 million, an increase of 11% over the $90.1 million recorded in 1980.

Showing some improvement in 1981 was another of RJR's nontobacco businesses—transportation, through the Sea-Land Industries Investments subsidiary. Sales of the shipping company, which has gone through a good deal of reorganization and streamlining in recent years, totaled $1.62 billion, or 14.8% higher than $1.41 billion in 1980. Earnings from operations showed marked improvement, rising by 56.4%, from $65.8 million in 1980 to $102.9 million in 1981.

RJR's energy operations, through Aminoil USA, displayed even greater improvement. Sales of the international oil and gas exploration and drilling company totaled $1.37 billion in 1981 (about 12% of corporate sales), compared with $985 million in 1980, an increase of 39.1%. Earnings from operations also spurted upwards, reaching $246.8 million in 1981, compared with $182.9 million in 1980, an increase of 34.9%.

In 1981, RJR moved to seek out more business opportunities by forming R.J. Reynolds Industries Development Corp. This new unit brings together existing RJR operations—including RJR Archer, a packaging subsidiary, and Service Systems Corp., an institutional food service company—and adds the responsibility to seek "opportunities for growth by establishing a [RJR] presence in new or related consumer-oriented products and services."

Yet, despite the growth of these segments, tobacco remains the key to RJR's over-all vitality and health. As RJR chairman J. Paul Sticht told securities analysts at a meeting in November: "The tobacco business is alive and well, not only in the U.S., but around the world as well... R.J. Reynolds will continue to actively and aggressively participate both in the U.S. and the rest of the world."

What effort RJR has already put behind its tobacco operations seems to be paying off, at least for now. A few years back, industry observers were forecasting that Philip Morris USA would soon topple R.J. Reynolds Tobacco from the No. 1 spot. Indeed, from 1977 to 1979, Reynolds' market share—in a business in which a single share point is of tremendous significance—slipped by nearly half a percentage point while Philip Morris was charging fast.

But, although PM continues to make strides, Reynolds' over-all market share has shown some upward movement, ending at 33% in 1981, compared with PM's 32%. And the company has managed this uptick during a period characterized by many observers as the most competitive in recent memory.

Leading the way at Reynolds, as it has done year after year, was the Winston brand, which saw its market share move upward slightly to 13.3% from 13.2% in 1980. The nation's No. 2-selling brand—behind PM's Marlboro—was aided by the national rollout of another low-tar extension, Winston Ultra, which gained a 0.5% share during the year.

In advertising, executed under a "Men of America" theme, Winston was supported by $38.4 million in measured media spending, up slightly from $36.8 million in 1980. A total of $20.5 million went to magazines, $2.9 million to newspaper supplements and $15.4 million to outdoor. In 1980, the measured media breakdown was as follows: $23.7 million to magazines and $13.1 million to outdoor.

Salem, the nation's leading menthol (ahead of Brown & Williamson's Kool) and the No. 3 brand over-all, had a relatively stable year in 1981, with its market share remaining at the 8.7% level recorded in 1980.

Most of the styles under the Salem brand—regular, Salem Lights and Salem Ultra—continued to maintain about the same shares.

But the company is counting on the introduction in late 1981 of Salem Slim Lights to add to this year's over-all total. Salem Slim Lights are a thinner 100mm product positioned for

the female market, a demographic segment that continues to capture cigaret marketers' fancy.

In measured spending, Salem (advertised under a "High country" theme) was supported by a total of $29.7 million in support, down from $37 million in 1980. A total of $13.6 million went to magazines, $1.9 million to newspaper supplements and $11.4 million to outdoor (a small amount went to network and spot tv for a mail order promotion). This compared with a 1980 breakdown of $22.7 million to magazines, $4.6 million to newspaper supplements and $9.7 million to outdoor.

One area of excitement for Reynolds in 1981 was the growth of its long-standing Camel brand. In 1981, Camel captured a 2.5% share, up from 2% in 1980 and 1.1% as recently as 1977. Combined with Camel nonfilter's share of 2.3%, the brand had an over-all figure of 4.8%.

The spurt in sales made Camel the No. 5 brand in the nation, giving Reynolds three of the nation's top five brands.

Measured spending for Camel totaled $19.7 million in 1981, compared with $22.1 million in 1980. Of the total, $8.9 million went to magazines and $10.8 million to outdoor, compared with $14.0 million to magazines, $289,700 to newspaper supplements and $7.9 million to outdoor in 1980. About two-thirds of the spending support in 1981 went to fast-rising Camel Lights, which converted its pack design to one using the familiar Ol' Joe camel found on the traditional nonfilters.

Meanwhile, Reynolds' fourth leading brand, Vantage, saw its share slip to 3.7% in 1981 from 3.8% in 1980. This came after the brand experienced gains in the last several years.

To recover from this slippage, Reynolds this summer introduced Vantage Ultra Lights 85mm and 100mm, both 5mg tar smokes.

Measured spending for the brand, used to support a "Vantage pleasures" campaign, totaled $29.9 million in 1981, second highest among the company's brands. Of that total, $19.8 million went to magazines, $3.7 million to newspaper supplements and $6.4 million to outdoor. The spending levels were down from those of 1980, when Reynolds spent $32.5 million to support Vantage, with $23.0 million going to magazines, $7.1 million to newspaper supplements and $2.4 million to outdoor.

More heartening to Reynolds was the rise of the More brand, which saw its market share rise from 1.2% in 1980 to 1.5% in 1981, moving from No. 20 to No. 15 among brands in the process.

All of the gain for the 120mm brown-wrapped brand came with the introduction of More Lights, a 100mm beige-colored spinoff targeted to women. It is interesting to note that this line extension was in tune with what Gerald H. Long, president-chief operating officer of R.J. Reynolds Tobacco sees as the three trends cigaret marketers are following closely: Continued growth of low-tar cigarets, the success of 100mm styles and the growth of women as a percentage of the smoking population.

Measured media spending reflected the concerted effort Reynolds put on the brand, as $20.1 million went to support More in 1981, with $12.6 million going to magazines, $2.5 million to newspaper supplements and $5 million to outdoor. In 1980, the brand received $12.7 million in support, of which $8.3 million went to magazines, $2.7 million to newspaper supplements and $1.7 million to outdoor.

In contrast to More, Reynolds' ultralow tar brand, Now, saw its market share remain at the 0.7% level in 1981. The 1mg tar cigaret continued to jockey for position with its competitors, primarily American Tobacco's Carlton, in a category that has been the subject of close attention over the last few years.

To support Now, Reynolds spent $17 million in 1981, with $12.3 million going to magazines, $4.6 million to newspaper supplements and $55,000 to outdoor. This compares with 1980 spending of $26.1 million, of which $15.3 million went to magazines, $5 million to newspapers supplements and $1.7 million to outdoor.

Doral, the seventh brand in the Reynolds family, dropped significantly in market share, from 0.6% in 1980 to 0.3% in 1981. Reynolds dropped the regular Doral line in 1981, leaving intact only Doral II. There was no measured media support for the brand in 1981.

The fortunes of these various brands are, naturally, a function of the highly intense competition of the tobacco industry. But that competition has turned particularly perfervid in the battle over Brown & Williamson's successful and controversial Barclay cigarets, a battle in which Reynolds has played a trench-fighting role.

The dispute has centered on B&W's 1mg claim for the low-tar smoke, which was introduced in 1981 with record support. Reynolds filed a complaint last year with the Federal Trade Commission that the 1mg claim was not accurate.

The FTC ruled that conventional testing was not possible for Barclay's unique filter system. But, the FTC said, consultants had advised the commission that the cigaret's tar level is indeed higher—somewhere between 4mg and 7mg—than the advertised 1mg. B&W, in turn, continued to charge that Reynolds and other competitors used bait-and-switch tactics in advertising their ultralow tar brands—in Reynolds' case, Now. Observers note, however, that although such tactics may have been used earlier, Reynolds has for some time been promoting only its 2mg Now 100s and not the less than 1mg packs that were the supposed objects of the "switching."

In addition, B&W has won a temporary restraining order to halt FTC action against Barclay and is attempting to get the FTC to revise its method of reporting cigaret tar levels.

Beyond that battle, Reynolds continues to refine its over-all cigaret marketing strategy, and one area on which it has focused is its media mix. Measured media spending figures reflect the company's decision in 1981 to reallocate dollars from magazines, where it had been the top national advertiser, to outdoor. RJR Industries, which had been the top magazine spender in 1980, fell to second place, behind rival Philip Morris Inc. The company did, however, retain its No. 1 ranking as the top newspaper and outdoor spender.

In spite of all this activity in the cigaret end of its business, however, RJR management has devoted a considerable amount of its attention to its food and beverage operations and Del Monte Corp. The basic strategy here has been to transform production-oriented Del Monte, which has one of the strongest consumer brand identifications extant, into a consumer-oriented producer and marketer of high quality, value-added food products.

In the past, Del Monte products have had limited advertising, and most activity was concentrated in the trade. "But no more," Richard H. Ward, chairman-chief executive officer, told securities analysts in November. "As the first step in revitalizing our canned food business, we have set out to get to know the consumer as never before. Based on that knowledge, we are already well launched on a number of projects—adding new products and repositioning others."

To put its new efforts into motion, Del Monte has carved out RJR's food and beverage business into four operations—dry grocery and beverage products, international grocery products, fresh fruit and frozen foods.

The dry grocery group includes all of Del Monte's nonfrozen food products, as well as products marketed by the former RJR Foods unit before the merger with Del Monte—Hawaiian Punch, Chun King and some regional brands. In all, they contribute just under half towards Del Monte's sales.

Management reported that the group has rebounded from a "disastrous" 1980, when earnings plummeted from 1979 levels.

What may help in the years to come is the introduction of a Mexican line of prepared foods under the Del Monte brand, which was expected to be rolled out into the Los Angeles market in late August or early September.

The line, the company said, would be supported by the largest single-market advertising and promotional drive ever in the category. A successful roll-out of the 23-product line has already taken place in Denver, Phoenix, Oklahoma City, Dallas and the Pacific Northwest.

If indeed the heavy ad spending does come—one Del Monte official said the company is planning on $8 million to $10 million during a nine-month period—it would mark a significant increase in the Del Monte ad budget.

In 1981, for instance, Del Monte spent $5.1 million in measured media to support all Del Monte brand products, most of that going to Lite canned fruits. This compared with $7.2 million the company spent in 1980 to support the various lines.

On the other hand, such was not the case with products that came out of the RJR Foods stable. Spending for Hawaiian Punch more than doubled in 1981, going from $8.7 million in 1980 to $17.9 million. The bulk of the spending went toward the presweetened mix and the ready-to-serve drink.

For Chun King, Del Monte spent $7.0 million in 1981, compared with $2.9 million in 1980.

The second group in Del Monte's family, international grocery products, accounts for about a fifth of the subsidiary's total sales. Top executives said the unit has been affected by adverse worldwide economic conditions and foreign exchange losses.

The third group, fresh fruit, is one the company is banking on for future growth. Now accounting for just under a fifth of company sales, this segment is slated for expansion in the marketing of bananas and pineapples. "Our high hopes for future growth in this segment are based on the still largely untapped markets for fresh pineapple in the midwestern, southern and eastern U.S. and Europe," said Mr. Ward. The company is committing $35 million to develop a 6,000-acre pineapple plantation

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in Costa Rica to help achieve this expansion.

Del Monte's fourth group of food operations, frozen foods, provide what could be the most interesting developments in this end of RJR's family. With the purchase of Morton Frozen Foods in January, 1981, the company has a base from which to develop a major frozen foods business. Observers said RJR purchased Morton less for its product than for its production facilities and distribution network.

The company already has specialty lines, Patio Mexican and Chun King frozen meals, which could also add to this much-watched category. In addition, it is looking at using the expertise of its O'Brien, Spotorno, Mitchell (OSM) unit to develop frozen products, possibly in the high-end, single-dish category in which Stouffer's has risen to prominence. OSM is one of the leading suppliers—to airlines, among others—of institutional frozen entrees and side dishes.

While the company looks ahead to these developments, it has pulled back slightly from the move to bring retort pouches to the consumer market. Almost immediately after acquiring Continental Kitchens, purchased from ITT Continental, Del Monte stopped the test-marketing of single-serving entrees and deli specialties.

Company officials still profess hopes for bringing retort pouches to market, but production costs and some consumer resistance has tempered some of that optimism.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$142,344,700	$113,099,100
Magazines	89,264,400	118,530,200
Spot tv	30,361,400	8,183,800
Network tv	3,569,600	11,025,500
Spot radio	272,300	722,500
Outdoor	50,253,900	42,563,300
Total measured	315,066,300	294,124,100
Unmeasured	5,213,300	4,400,000
Estimated total	321,279,600	298,524,100

R.J. REYNOLDS TOBACCO CO.

MARKETING PERSONNEL

G.H. Long, president-chief operating officer
J.W. Johnston, exec vp
Richard Kampe, John Shostak, Jerry McKenna, group brand directors
Dan Pearson, director of media
M.L. Orlowsky, director of mktg services
Harry Lees, group director of special tobacco prods and new brands
Gregory Novak, director of mktg devel

ADVERTISING AGENCIES

William Esty Co., New York—Winston, Salem—Paul R. Dooling, president; Laurence M. Wassong, exec vp-acct group head; John E. Neal, senior vp-assoc group head; Philip Shaner, Andrew Wetmore, Randolph Mercein, vp-acct supers; Richard Flack, Len Signorile, Mindy Rosengarten, vp-creative directors; Emil Dispenza, senior vp-creative director.

BBDO, New York—Camel, Doral—Ken Angel, vp-mgmt super; Jay Beckerman, creative director.

Leber Katz Partners, New York—Vantage, More, Now—Stanley H. Katz, chairman; Jerome L. Davidow, exec vp-director, client services; Robert Hirsch, senior vp-mgmt super; Dennis McClain, exec vp-director, creative services; Jack Silverman, senior vp-creative director; Jeff Palmer, Richard Maddock, Janice Lee, vps-acct supers.

Tatham-Laird & Kudner—smoking and chewing tobacco, special projects—Jerry Birn, managing partner; Kirk Borland, mgmt super; Jim Hill, acct super; William Ross, exec creative director; William Klimas, creative director.

Long Haymes & Carr, Winston-Salem, N.C.—special events adv—Donald N. Adams, senior vp-mgmt super; William Britt, acct super; John W. Barclay, acct exec; Russell M. Gramer, vp-assoc creative director; William R. Morgan, vp-assoc creative director.

R.J. REYNOLDS TOBACCO INTERNATIONAL

MARKETING PERSONNEL

Lester W. Pullen, president-ceo
Dale F. Sisel, exec vp
N.W. Glover, vp-mktg
Griffith E. Harlow, mktg develop director
Sally A. MacKinnon, director of mktg (Europe, Africa, Middle East)
Thomas L. Ogburn Jr., director of mktg (Canada, Latin America, Caribbean)

ADVERTISING AGENCIES

BBDO, New York and international affiliates—Camel worldwide.

Other brands handled through a variety of agency assignments country by country.

DEL MONTE CORP.

MARKETING PERSONNEL

Dry Grocery and Beverage Products Group

Fernando Gumucio, president
Stephen Rothschild, vp-mktg

Frozen Foods Group

L.M. Beggs, president
Charles S. Weiss, vp-mktg

International Grocery Products Group

Robert D. Kroll, president
John F. Corbani, vp-mktg

Worldwide Fresh Fruit Group

Ben E. Klein, senior vp
G.F. Norwood, vp-fresh pineapple mktg

ADVERTISING AGENCIES

McCann-Erickson, San Francisco—all Del Monte brand canned and dried foods, except beverages; My*T*Fine; Vermont Maid; Brer Rabbit; College Inn; Davis baking powder—Jack A. Tormey, exec vp-genl mgr.

BBDO/West, San Francisco—Hawaiian Punch, Del Monte brand beverages—Joe Barrett, exec vp-genl mgr.

Young & Rubicam, Chicago—Chun King, Patio—John Hayter, senior vp-genl mgr.

Caravetta Allen Kimbrough/BBDO, Coral Gables, Fla.—Del Monte fresh fruit—Jim Kimbrough, president.

Richardson-Vicks

	1981	1980
Sales*	$1,088,100,000	$929,200,000
Earnings*	79,300,000	84,200,000
Advertising**	149,000,000	134,000,000

*Fiscal year ending June 30
**AA estimate

Richardson-Vicks, Wilton, Conn., the nation's 40th largest advertiser, increased its ad expenditures by an estimated 11% in 1981, to $149 million.

Worldwide sales climbed 17% to $1.09 billion, from $929.2 million in 1980. Net earnings decreased by 6% to $79.3 million from $84.2 million in 1980. The loss of income was attributed to the discontinued operations of then Richardson-Merrell, as the company divested itself of the Merrell Pharmaceuticals division in early 1981.

That downslide in earnings continued for the third quarter of fiscal 1982 (the company operates on fiscal years ending June 30.) Net income from continuing operations dropped 31% in the three months ended March 31, 1982, to $13.4 million from $19.3 million during the same period in 1981. Sales during the quarter also fell, from $267.3 million in third-quarter 1981 to this year's $241.5 million, a decrease of 10%. An unfavorable fourth quarter and lower earnings for the full fiscal year were expected by the company.

Several factors were blamed for the decrease in sales and earnings. Among them were the recession, the low incidence of colds and flu during the the winter months and unfavorable foreign exchange rates.

The company is setting its sights on three areas for future growth—continued market leadership in consumer care products, a strong push in the specialty nutritional products field and an entry into the do-it-yourself arena. These commitments were underscored in 1981 by the introduction of several new products in the consumer care divisions, the distribution of specialty nutritional items into unexplored channels and the creation of a home care products division.

Consumer product sales increased 16% in fiscal 1981 to a total of $954.4 million. That was led by the Vicks Health Care division, which posted a 30% sales gain. The division is led by NyQuil and Formula 44D, both of which were battling a mild cold and flu winter in 1981 and increased competition.

NyQuil's ad budget was increased by 20% in 1981, to $8.8 million from $7.3 million. The brand has a 14% to 16% market share and a 20% dollar share in the cough and cold remedy market, but most of the growth continues to be in the area of multi-symptom items.

To that end the company introduced Headway, designed as a remedy for colds, sinus ailments and allergies. The product's ad budget was $4.5 million in 1981, with the bulk spent on network tv. In addition, several cough medicines are being tested in various cities, including Cremacoat and Surround, billed as treatments for coughs and sore throats.

Both Formula 44D and Sinex nasal spray were moved to new agencies in 1981 and received increased spending. Young & Rubicam took over the Formula 44D account, and its $7 million budget increased to $8.8 million in 1981. Sinex was moved to Benton & Bowles, as its 1981 ad expenditures totaled $4.7 million, up from $3 mllion in 1980. Both products had been at BBDO.

Also in the healthcare division are the Plus line of nutritional products, which the company acquired in 1980. The company believes this area of its business represents a significant growth opportunity. Plus' established channel of distribution has consisted of health food stores, which account for 30% of all sales in the specialty nutritional product area. R-V thinks there is room for inroads in the health food store segment and in drugstores and supermarkets, which are developing in-store nutrition centers. The company's healthcare division is test marketing a new line of vitamins—called Lifestage—for these mass market outlets.

In the Vicks toiletry division, Oil of Olay products continued to be the leaders. As with the cold products, the brand has increased its ad budget as competitors try to nibble away at its 40% share of the skincare market. Oil of Olay lotion received the largest sum of the company's ad dollars, $37 million, a 38% increase over the $26.8 million spent in 1980. The newest entry in the field is Silkience, as its marketer, Gillette Co., tries to duplicate the success it has had with its Silkience shampoo and conditioner.

Clearasil's advertising expenditures decreased by 5%, from $3.3 million in 1980 to $3.2 million in 1981. Most of the brand's future growth is expected to come from foreign markets. The company did go to court over claims by Norcliff-Thayer's Oxy-10 and Oxy Wash. Comparative radio ads said the performance differences between Oxy and Clearasil were "amazing," "disconcerting" and "terrifying." The spots were pulled and the companies settled out of court.

Meanwhile, R-V began testing Biactrin facial cleanser, with ads by Y&R claiming it "treats while it cleanses for fewer pimples."

Elsewhere, Carrafiello-Diehl & Associates, New York, was named as the agency for the national rollout of Denquel sensitive teeth toothpaste. The company was able to iron out its difficulties with the Food & Drug Administration over one of Denquel's ingredients.

The home care products division, created in the first quarter of 1982, consists of Formby's wood care products, Cosa Mesa Lubricants and E.A. Thompson, which was acquired in July, 1981. Thompson markets waterproofing coatings. Sales in the newly created division exceeded $30 million by the first quarter of fiscal 1982, with Formby's registering a 54% sales increase over 1980. The brand was backed by $4.4 million in ad dollars in 1981, the majority of the

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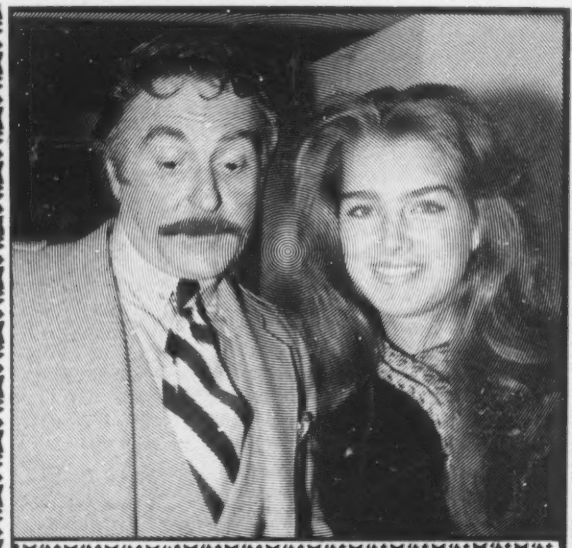

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KNOW THY COMPETITION

See page 125

LNA

money spent on network tv.

The J.T. Baker Chemical Co. subsidiary introduced Bag-A-Bug spray and trap for gypsy moths in 1981, following Bag-A-Bug trap for Japanese beetles, released in 1980.

Richardson-Vicks joined other companies in releasing these products at a time when consumers are concerned about tree and shrub devastation by the moths. The Bag-A-Bug spray and trap received $1.4 million in ad dollars, mostly on spot tv and magazines.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	—	$345,300
Magazines	$6,174,400	4,744,700
Spot tv	15,125,800	12,951,000
Network tv	67,824,700	49,885,200
Spot radio	—	3,357,800
Network radio	2,184,000	958,700
Total measured	91,108,900	72,242,500
Unmeasured	57,891,100	61,757,500
Estimated total	149,000,000	134,000,000

VICKS HEALTH CARE DIVISION

MARKETING PERSONNEL

R.A. Ahrens, president-genl mgr
S.W. Bryan, mktg director
W.J. O'Neill, mktg director
W.S. McGranahan, vp-mktg

ADVERTISING AGENCIES

Benton & Bowles, New York—NyQuil, Sinex, Vaporub, Vicks Blue cough drops, Victor's cough drops, Vicks cough drops—Richard Hopple, senior vp-acct director; Alan Goltz, senior vp-mgmt super; Vaporub, Vicks Blue, Victor's, Vicks: William Perkins, vp-acct super; Denise Plaza, acct exec., Nyquil, Sinex: Pat Doody, vp-acct super; Nancy Bowling, acct exec, Nyquil; Priscilla Dunn, acct exec, Sinex.

Young & Rubicam, New York-Formula 44D—Robert Gleckler, senior vp-mgmt super; William Mears, acct exec; Joel Goren, acct super.

Jordan, Case & McGrath, New York—DayCare capsules and liquid, Headway capsules and tablets—Jack Taylor, vp-mgmt super; Rob Moorman, acct super.

VICKS TOILETRY PRODUCTS DIVISION

MARKETING PERSONNEL

J.D. Auty, president-genl mgr
N. Matt, vp-mktg director
P.L. Wilson, vp-mktg director
W.S. McGranahan, vp-mktg services

ADVERTISING AGENCIES

Benton & Bowles, New York—Clearasil, Topex, Fasteeth, Fixodent—Richard Hopple, senior vp, acct director; John Boyd, senior vp-mgmt super; Connie Williams, acct super, Clearasil and Topex; Nancy Temkin, acct exec, Clearasil and Topex; Pat Doody, vp-acct super, Fasteeth and Fixodent; Denise Plaza, acct exec, Fasteeth and Fixodent.

Young & Rubicam, New York—Olay products—Robert Gleckler, senior vp-mgmt super; Robert Donahoe, acct super, Olay; Jeremy Birkbeck and Consuelo Gomez, acct execs, Olay; Arlene Eagle, acct exec, new prods; Bonnie Goren, acct super, new prods.

North Castle Partners, Greenwich, Conn.—Lavoris—Lynn Rotando, exec vp-mgmt super; Peter Williams, acct director; Diane Delano, acct exec.

Carrafiello-Diehl & Associates, Irvington-on-Hudson, N.Y.—Denquel, professional products—Kevin P. McIntosh, vp-acct super.

Jordan, Case & McGrath, New York—new products—Jack Taylor, vp-mgmt super; John Havrilla, acct super.

J.T. BAKER CHEMICAL CO.

MARKETING PERSONNEL

N.P. Klass, president-genl mgr
P.E. Brunswick, vp-mktg
B.M. Rein, vp-mktg, specialty chemicals
D. Hoffmeister, mktg director, horticulture prods
J.L. Zapf, director-mktg admin

ADVERTISING AGENCIES

Cunningham & Walsh, Chicago—Bag-A-Bug Japanese beetle trap, gypsy moth trap, spray, barrier tape—James Davison, vp-acct super; Andrea Barr, acct exec; Alan Kwertzman, creative dirctor.

Stiegler Agency, Allentown, Pa.—laboratory prods—Daniel Wells, president-mgmt super; Peggy Naab, acct super.

Rosston, Kremer & Slawter, New York—specialty chemicals—Abe Kremer, president.

BAKER INSTRUMENTS CORP.

MARKETING PERSONNEL

J.R. Kelsey, president-genl mgr
R.A. Sullivan, vp-intl operations
D.J. Holland, vp-sales
M.G. Hossom, vp-mgr, chemistry systems

ADVERTISING AGENCIES

Falcone & Associates, Chatham, N.J.—CentrifiChem Instruments & Reagents—Bill Falcone, president; Margaret A. Schenck, vp-copy director; Matthew S. Malkowicz, mktg services.

Barbetta Miller, Garfield, N.J.—hematology systems, immunology systems, chemistry systems—Joseph Barbetta, president; Rebel Robertson III, senior vp; Thomas Brogran, exec vp; Barbara Courtney, acct exec.

RVI HOME CARE PRODUCTS DIVISION

MARKETING PERSONNEL

J.B. Cappio, president-genl mgr
J.D. Mitchell, director-mktg and sales
W.P. Melvin, director-mktg and sales
E.J. McBride, mktg mgr
B. Sharpe, mktg mgr

ADVERTISING AGENCY

Slater Hanft Martin, N.Y.—Formby's furniture refinisher, paint remover, Tri-Flow, Thompson's Water Seal—Jerry Martin, president-mgmt super; Pamela Burns, acct super; Karen D'Arcy, acct exec.

PLUS PRODUCTS

MARKETING PERSONNEL

D.V. Sheehan, exec vp, genl mgr
R.E. Carter, mktg mgr
G. Pritchard, mktg mgr
G.J. Grabner, natl sales mgr

ADVERTISING AGENCY

Slater Hanft Martin, N.Y.—all prods—Jerry Martin, president-mgmt super; Pamela Burns, acct super; Karen D'Arcy, acct exec.

VICK INTERNATIONAL EUROPE/AFRICA DIVISION

MARKETING PERSONNEL

J.R. Markley, president-genl mgr
C.E. Blach, mktg director
J.W. Coyne, plans group director, cough drops
R. May, plans group director, teen age
D.O. Schultz, plans group director, toiletries
D. Lapouyade, plans group director, register cold prods

VICKS AMERICAS/-FAR EAST DIVISION

MARKETING PERSONNEL

L.P. Mattis, president-genl mgr
C. Nash, exec vp-mktg director
W.A. Crowther, mktg director-communications
P. Draper, director-mktg research

Schering-Plough Corp.

	1981	1980
Sales	$1,808,000,000	$1,738,800,000
Earnings	179,300,000	237,100,000
Advertising*	119,768,600	100,000,000

*AA estimate

Schering-Plough Corp., Kenilworth, N.J., the 48th largest advertiser, increased its national advertising to $119.8 million, up 19.7% over 1980.

Sales rose only 4% to $1.7 billion, far less than the 21% increase Schering-Plough saw last year. This percentage loss in sales stemmed primarily from the company's U.S. and international pharmaceuticals, whose profits slipped 30% from 1980.

For the first six months of 1982, sales continued to slip, reaching $969 million, down from $972.5 over the same pe-

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*Source 1981 Liquor Handbook
**Source S & MM Survey of Buying Power

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riod in 1981. Earnings fell by 7.9% over the same period, to $109.7 million.

Despite these figures, Schering-Plough's suncare, cosmetics and footwear divisions remained strong, with the company's consumer products divisions accounting for $588.2 million in volume in 1981, up 18% from 1980. U.S. home products was the only consumer division to see a decrease in sales, stemming primarily from the poor showing of the Arno adhesive tape business and the depressed building industry.

According to company sources, Schering-Plough sold the Arno business to Mystik Corp. in early 1982 because its marketing strategies were too diverse from the bulk of Schering-Plough's mass-advertised products.

Among cosmetic products in 1981, sales of the company's Maybelline lines increased by 14.5% to $163.8 million, outpacing the market growth rate of 8% from 1980 to 1981. Maybelline introduced two new products and has a third scheduled for late 1982.

In one successful introduction, the company brought Dial-A-Lash, a new concept in mascara, to the market in late 1981; with that product, Maybelline's mascara unit share reached 40.8%.

The company also introduced Colors That Cling eye writer pencils, whose ads were investigated by the National Advertising Division of the Council of Better Business Bureaus for use of the word "creaseproof" in copy describing the product. Maybelline won the case and continued with the campaign, which contributed to the subsidiary's 29.8% eye makeup unit share.

In its upcoming introduction, Maybelline plans to enter another cosmetics segment with Daydreams fragrance. A $3.5 million media campaign is scheduled to support the product beginning Oct. 15 with the theme "[the] fragrance for memories that linger." Marschalk Co., New York, is handling the account.

In all, Maybelline holds the No. 1 unit sales position of the cosmetics market. It has a 19% unit share for lip colors, 10.9% for foundations and 9.6% for nailcare.

But its move into the skincare market with Moisture Whip has not fared as well as the division as a whole. Despite a major advertising push in 1980 and 1981, the line has received only lukewarm response.

Moisture Whip totaled only $5 million to $6 million in manufacturer's volume, according to industry sources, and still is well behind market leader Richardson-Vicks' Oil of Olay. Company sources admit the line has not performed up to expectations but claim a healthy sales upswing for the product since the first of the year.

In the company's suncare division, Coppertone continues to hold its No. 1 position in the market, which grew by about 13% in 1981 to $225 million, industry sources say. The company claims a 50% share of the market. The suncare division spent $7.6 million on measured advertising in 1981, up 11% from last year.

Schering-Plough introduced three new suncare products in 1981, one in each one of its three primary lines. Coppertone added Coppertone Lite, a nongreasy formula that moisturizes as well as protects, and Tropical Blend introduced a pina colada fragrance. For Faces Only added a face and lip sun protection compact to its sunscreen segment, which holds a 16% share of the market. For Faces Only showed zero growth in 1981, according to ADVERTISING AGE sources, although a company official maintained that the line has shown good gains.

Schering-Plough's other big push, which came in its proprietary drug and toiletry division, was for new forms of two of its established products. Correctol laxative is being marketed in a liquid form, and Di-Gel tablets were reformulated to be sold in a more convenient, blister-pack form. Schering-Plough spent more on advertising for Correctol than any other single product in any of its consumer divisions, nearly doubling its 1980 spending of $2.7 million to $5.1 million in 1981.

The Scholl division increased its shoe line with the national distribution this summer of Sashay sandals. Also, the company showed share increases in its traditional Exercise Sandal.

In April, 1982, Scholl sold its leather shoe business to Miller Shoe Co., Cincinnati, which included 54 retail outlets. Schering-Plough said the sale was made because leather shoes did not fit into "long-term growth objectives."

The footcare division showed an 11% increase in sales to $128.4 million and spent $6.9 million on advertising for its footcare and footwear, up 48% from last year.

New over-the-counter products for Schering-Plough include Sensacort, a nationally distributed hydrocortisone cream supported by $785,600 in advertising, and Chlor-Trimeton D "Repetabs." In the ethical drug category, new entries include Proventil, an inhalant bronchodilator, and Dermolate, a treatment for scalp and anal itching supported by $1.2 million in advertising.

Wesley-Jessen, the vision care division acquired in September, 1980, by Schering-Plough, increased its sales threefold, to $9.3 million from $2.3 million in 1980. The company introduced four new types of contact lenses, including soft bifocal lenses, but the bifocal sales have been suspended because of a dispute with the Food & Drug Administration as to the effectiveness of the product.

Wesley-Jessen is awaiting a final determination on the matter by a federal court.

Elsewhere, Schering-Plough began construction on a pharmaceutical manufacturing facility at its headquarters in Kenilworth, N.J., completed a steroid and antibiotic plant in Manati, Puerto Rico, a research laboratory in Elkhorn, Neb., a coated-tablet facility in Memphis, Tenn., and a distribution center in North Little Rock, Ark., and completed the acquisition of Dnax Ltd., a biotechnology research company.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$546,000	$259,200
Magazines	15,964,800	11,201,400
Farm publications	673,900	270,800
Spot tv	6,763,100	5,552,100
Network tv	40,492,300	35,242,700
Spot radio	1,300,800	1,235,000
Network radio	2,745,900	3,958,000
Outdoor	1,816,800	1,388,300
Total measured	69,903,600	59,108,400
Unmeasured	49,806,000	40,891,600
Estimated total	119,766,600	96,331,600

LAKE-SPIRO-SHURMAN ADVERTISING AGENCY

H.K. McIntyre, president
Avron Spiro Jr., exec vp
Gene Camerik, vp-spot broadcast
Ted Kingsford, vp-mktg services
Lynn Sanders, vp-print media
Ken West, mgr, calendar
William W. Apperson, director-graphic services
Leita Thompson, mgr-broadcast operations
Mildred Ross, mgr-print prod

U.S. PROPRIETARY DRUGS & TOILETRIES

MARKETING PERSONNEL

Richard Briscoe, president
Russell Elliot, senior vp-adv & mkt rsch
William Manley, adv director
Pat McGhee, vp-mktg & planning
Jerry Simmons, vp-new ventures
Joe Edmondson, JoAnne Brown, mktg directors
Joan Tonning, Terry Husher, Bill Stratton, Alan Beychok, Ron Kroto, Melinda Vonarx, group product mgrs
Bob Lloyd, Ernie Hilliar, June Davidson, Ron Pierotti, Ken Fidale, Harley Erb, Debbi Nellson, product mgrs
Charles Bertling, director, media planning
Skip Bannas, Sandra Stone, media planning mgrs
Melissa Tuttle, media planner
Bennett Curry, asst prod mgr

SALES PERSONNEL

Charlie Naff, vp-sales
Jim McIntryre, senior vp-director of field sales
Jim Erwin, vp-sales admin
Bob Baldridge, vp-distribution analysis
Norm Kercher, vp-mktg services
Dave Wells Sr. vp-natl accts director
Ken Crites, vp-central area
Steve Kane, vp-north central area
Mike Swider, vp-northeastern area
John Gardner, vp-southeastern area
Dave Heath, vp-western area
Ken Benderman, vp-speciality sales

MAYBELLINE PRODUCTS

MARKETING PERSONNEL

David Brittain, president
Hank Pellegrin, senior vp-mktg & sales
Bob Schreiber, vp-adv
Chris Berry, vp-mktg, eye/nail/fragrance prods
John Conte, vp-mktg, face/lip/skincare prods
Roz Diabock, director, product devel
Cathy Wills, mktg mgr, shadows/cover-stick
Sheila Rose, mktg mgr, mascaras
Michael Williams, assoc mktg mgr, nail color/nailcare/accessories
Miller Slaughter, mktg mgr, Moisture Whip cosmetics
Ken Goff, mktg mgr, Kissing Gloss brands
Roger Lewis, group mktg mgr, Moisture Whip Cosmetics, Moisture Whip Skin Care & Flavored Gloss
Geraldine Oliver, mktg mgr, Lip Color/Blush brands
Susan Crow, mktg mgr, color penciled prods, kits & Christmas

SCHOLL PRODUCTS

MARKETING PERSONNEL

Footcare

Don Ramier, president
Frank McKeown, vp-mktg & planning
Ken Shaw, vp-adv
Bob Forbes, director-mkt rsch
Don Anderson, Andrew Mellman, Barry Best, mktg directors
Judy Levein, intl mktg mgr
Liana Johnson, media mgr
Al Ross, group product mgr
Mark Hagen, Allison Kel, Marsha Schniedwind, Chester Zukowski, Bob Lance, Frank Wirth, brand mgrs
Angela Pricolo, asst product mgr
Sherri Kingsland, Nancy Murray, asst brand mgr

Footwear

Herb Kotkin, vp-genl mgr

DAP INC.

MARKETING PERSONNEL

James Harwood, president
Jim Roudebush, vp-mktg
Richard Momsen, exec vp-operations
John Harper, vp-adv

ADVERTISING AGENCIES

Stern Walters/Earle Ludgin, Chicago—Scholl prods—Leo Portnoy, acct super.

Lake-Spiro-Shurman, Memphis, Tenn.—all Plough, Maybelline & Scholl media placement in the U.S.

Griswold-Eshleman. Cincinnati—DAP home prods division—Norman E. Van Zant, acct super.

Warwick Advertising, New York—St. Joseph prods, Feen-a-Mint, Duration, Sardo, Artra, Sulfer-8 line, Black & White line, Coppertone prods, QT prods, Correctol laxative, Mexsana medicated powder, Aspergum, Sudden Tan.

Ted Bates Advertising, New York—Maybelline eye cosmetics and nail enamel.

Marschalk Co., New York—Maybelline facial cosmetics—Gerald Karp, acct super.

Foote, Cone & Belding, New York—Solarcane, Aftate, Tropical Blend and others—Ann Lynn, acct super.

Bloom Agency, Dallas—Di-Gel—Sherri Babcock, acct super.

SCHERING LABORATORIES SCHERING DIVISION

MARKETING PERSONNEL

H. Steven Schneider, vp-genl mgr
H. Weintraub, vp-sales
Robert Rauf, director, adv/sales promo
L. DeVink, vp-mktg planning
Michael Walsh, director, otc products
Van Knox, director Rx products
Arnold Burstein, director, mktg services
Daniel Tousman, senior director, business devel

ADVERTISING AGENCIES

Medicus Communications, subsidiary of Benton & Bowles, New York—prescription prods & professional promo of otc prods—Lawrence J. Lesser, president; Bill Mecca, senior vp-client services; Gene Harwin, vp; Jennifer DeLellis, acct exec.

Ketchum, MacLeod & Grove, New York—trade and consumer promo, otc prods—Walter Kaprelian, president; Paul Abrams, senior vp-acct mgr; Tim Swies, acct super.

Rolf Werner Rosenthal Inc., New York—prescription products—Rolf W. Rosenthal, president/ceo; Ronald J. Souza, senior vp-director, client services; Phil Brady, vp-acct group super; Paul Schnieder, acct super.

ProClinica, New York—prescription prods—Mel Snyder, president; Robin L. Holton, genl mgr; Charles Beaver, client services; Janet Hodnett, M.S., M.T., (ASCP), program mgr; Stewart Gross, M.D., program mgr; Len Obsatz, vp-creative services; Maxine Gross, director, education art.

Jos. Schlitz Brewing Co.

	1981	1980
Sales	$881,674,000	$896,667,000
Earnings	(20,604,000)*	26,986,000
Advertising**	56,763,500	66,443,200

*(Loss)
**AA estimate

Jos. Schlitz Brewing Co., Milwaukee, the 85th largest national advertiser, cut ad spending by 15% to $56.8 million in the brewer's last full year as an independent company. Schlitz was acquired in June by privately held Stroh Brewery Co., which made it a wholly owned subsidiary.

Schlitz spent $56.8 million in 1981, compared with $66.4 million for the previous year, and saw a decline in sales, net earnings and barrelage. Sales for Schlitz in 1981 were $881.7 million, compared with the previous

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year's $896.7 million. The No. 3 brewer lost $20.6 million in net earnings, compared with a gain of $27 million the previous year. Part of the 1981 loss was attributed to a $45.1 million one-time loss resulting from the closure of the aged Milwaukee brewery.

And in barrelage, Schlitz sold 14.3 million bbls. in 1981, down from 14.9 million bbls. in 1980.

Management was quick to point out that last year's 4% barrelage decrease was a healthy sign that the brewer had dramatically slowed its steady decline. By contrast, the 4% dip was far below 1980's 11% drop from the previous year and 1979's 14.2% plunge, the company said.

The Stroh-Schlitz linkup creates a larger No. 3 brewer and a market share of 13%—with the smaller, Detroit-based Stroh providing a 5% share coupled with Schlitz' 8%.

But the Stroh-Schlitz acquisition move saw its share of bloodletting. Officials from both companies had privately discussed a series of merger options this year.

When amicable discussions broke off, Stroh stunned the Schlitz hierarchy by unleashing a surprise offer to shareholders of $16 per share.

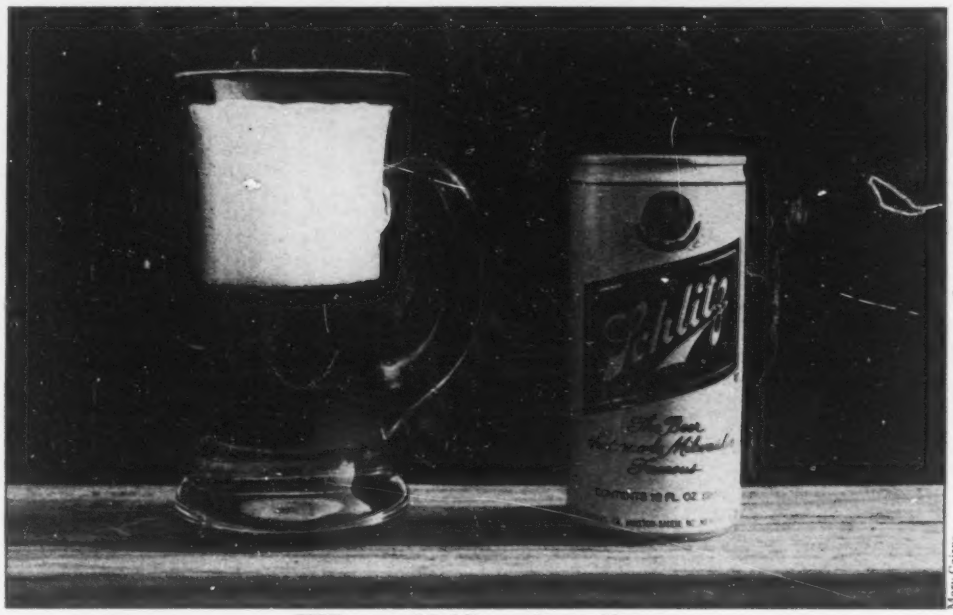
Schlitz management viewed the takeover as unfriendly and filed suit to stop it. But Stroh persevered and achieved the necessary 67% control needed to garner acquisition backing from a consortium of New York and California banks. As the bulk of stock seeped into Stroh's possession and the government ruled it would not fight the merger, the Schlitz brass dropped the suit and succumbed to the inevitable. In a peacekeeping move, the Stroh board sweetened its bid to $17 a share.

In approving the deal, the Justice Department ruled Stroh would have to sell either Schlitz' Memphis, Tenn., or Winston-Salem, N.C., breweries. That ruling is meant to decrease market share concentration in the southeastern areas where both companies' brands do well. But neither Anheuser-Busch or Miller Brewing Co., which together have more than 50% of the national market, can purchase the brewery.

Bearing the brunt of the Stroh-Schlitz merger is La Crosse, Wis.-based G. Heileman Brewing Co., which was thwarted last year from merging with Schlitz, when the Justice Department ruled it would oppose the action because of antitrust considerations. At that time, the government said a Heileman-Schlitz coupling, which had been sanctioned by both boards, would produce anticompetitive market shares in the northern Midwest.

Heileman, which greatly needs to expand its presence in the Sunbelt, was also stopped this year from acquiring Pabst Brewing Co. and is seeking other acquisition alternatives.

Stroh's takeover of Schlitz has wrought a series of high-level staff changes. Longtime chairman Daniel McKeithan has been replaced on the Schlitz board by Stroh chairman Peter Stroh. Roger Fridholm, newly-selected president of Stroh, was named to the same office at Schlitz. Mr. Fridholm is also the president of brewer F.& M. Schaefer, Stroh's East Coast subsidiary.



Mary Cairns

JWT—out of Schlitz and out of beer.

The most visible change is the departure of chief executive Frank Seilinger, the spokesman for the flagship Schlitz brand. Mr. Sellinger retired from the company July 31 but retains consultant status. Mr. Sellinger, who operated as Schlitz chief executive officer, vice-chairman and president, had his responsibilities pared down to only vice-chairman in June. Anthony Amendola, executive vp-marketing, also left the company after participating in a series of unfruitful talks with Stroh management. Neither side could agree on Mr. Amendola's range of responsibilities with the new Schlitz subsidiary, prompting the marketing veteran's departure.

Other key marketing department personnel—including the brand directors of Schlitz/Schlitz Light and Erlanger—have left the company. Also, an estimated 400 to 500 workers are to lose their jobs as Stroh moves headquarter operations to Detroit.

Even before the merger, Schlitz had undergone a senior-level management shakeup. In November, 1981, Mr. Amendola joined Schlitz as executive vp-marketing and Arthur Tonna was promoted to executive vp-corporate operations. Also in this shuffling, Jerome Vielehr resigned as president, and Mr. Sellinger took on the duties of that office. Earlier that month, Robert Rechholtz resigned as vp-marketing to take a similar post with the Adolph Coors Co.

Mr. Sellinger's departure marks an end to the three-year Schlitz ad campaign that featured the master brewer as the focal point of the theme, "Behind every Schlitz is a man who knows his beer." That push replaced the "Taste my Schlitz" campaign, which played up the company's attention-generating "Taste-tests."

JWT had planned a new Schlitz campaign to debut in August that would resurrect the highly successful "Gusto" theme of years past. The new push had the theme, "Gusto is here," but the Stroh brass spiked the effort. JWT and Schlitz parted company in August after that campaign was killed.

JWT executives stated they would not take part in an across-the-board agency review conducted by parent Stroh management. As a result JWT dropped the estimated $20 million Schlitz, Schlitz Light and Erlanger business.

Also taking part in the review are incumbent Schlitz agencies BBDO, Benton & Bowles and MCA Advertising. BBDO handles Old Milwaukee and Old Milwaukee Light, Benton & Bowles handles Schlitz Malt Liquor and MCA handles Schaefer beer. Also up for review is Marschalk, which handles Stroh's and Stroh Light. At presstime, no final decision has been made.

Stroh intends to market its Stroh premium brand as the national flagship beer. The combination of a growing Stroh and a steadier Schlitz gives the brewer a one-two premium beer punch.

Although the Schlitz brand had its strongest ad presence in years, its share of market still continued to erode. An estimated 6.4 million bbls. of Schlitz were sold in 1981, compared with 7.5 million bbls. the previous year.

In addition, Schlitz became more dependent on popular-price Old Milwaukee and its cousin, Old Milwaukee Light. In 1981 Old Milwaukee held firm with an estimated 5.1 million bbls. and remained the leader of the popular beer segment. Old Milwaukee Light, which was introduced nationally in 1980, tallied sales of 300,000 bbls. in 1981. Wholesalers in key areas were bolstered by the sales of

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both brews and claimed it served to cushion the decline in Schlitz brand sales.

Ad spending for Schlitz beer dropped by 12%, from $19.6 million in 1980 to $17.3 million in 1981. Spending for Old Milwaukee only dipped 3%, from $5.5 million in 1980 to 1981's $5.3 million. Old Milwaukee Light saw a jump of 81%, going from $1.4 million in 1980, when it was nationally introduced, to $2.6 million in 1981.

Advertising for both Old Milwaukee brands capitalizes on the long-running "It dosen't get any better than this." Old Milwaukee Light uses the theme; "Old Milwaukee got the taste of light right."The spots continue to target young, male drinkers—considered to be the prime market for popular-price beers. BBDO, New York, handles.

Schlitz Light remained dormant throughout 1981, with only minuscule amount of ad spending, as the company continued to shuttle ad dollars toward revitalizing the flagship Schlitz. Schlitz Light sold 200,000 bbls. in 1981, compared with 400,000 bbls. the year before.

But one of the last efforts of an independent Schlitz Brewing was to reformulate the premium light beer and bolster it with a new tv campaign having the theme, "Schlitz Light stays light all night long." The beer is being targeted to upscale drinkers.

Superpremium Erlanger also slumbered last year and, as a result, dropped from 1980's 300,000 bbls. to 200,000 bbls. Ad spending dropped from $12.1 million in 1980 to only $3.3 million last year. Wholesalers continue to be dismayed over Erlanger's death rattles because the beer started with considerable promise when introduced in 1979. Now adding to that fear is concern that Stroh will scrap Erlanger in favor of its own new superpremium, Signature.

Schlitz Malt Liquor continues to lead the malt liquor segment and has remained steady at 2 million bbls. for each of the past two years. Ad spending remained the same at $4.6 million.

A Schiltz subsidiary, Geyser Peak Winery, is the nation's fourth-largest producer of premium wines. But the winery does not fit into parent Stroh's plans and has been put up for sale with an asking price of $30 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$385,500	$443,900
Magazines	2,593,800	1,471,300
Spot tv	10,735,600	17,403,900
Network tv	18,312,700	24,802,200
Spot radio	8,343,300	5,894,000
Network radio	64,200	40,500
Outdoor	2,328,400	387,400
Total measured	42,763,500	50,443,200
Unmeasured	14,000,000	16,000,000
Estimated total	56,763,500	66,443,200

MARKETING PERSONNEL

John Bissell, group vp-marketing
Hunter Hastings, vp-product management
Thomas Schwalm, group mktg director
John Hellweg, director, mktg services
Ray Gross, director of mktg research and planning
Charles Powell, Old Milwaukee Light, product mgr
Michael Jaeger, Schlitz malt liquor product mgr
Marsha Atwater, Erlanger product mgr

ADVERTISING AGENCIES

BBDO, New York—John Dunning, senior vp-mgmt super, Old Milwaukee, Old Milwaukee Light; William Sawyer, acct super, Old Milwaukee, Old Milwaukee Light.

Benton & Bowles, New York—Joe Carlucci, senior vp-mgmt super, Schlitz Malt Liquor.

Mendoza, Dillon & Asociados, Newport Beach, Cal.—Hispanic advertising, Schlitz, and Hispanic marketing—Robert Dillon, president and Paul Casanova, vp-acct services.

Burrell Advertising, Chicago—Schlitz, Erlanger black marketing—Tom Burrell, president; Julius Jones, acct super.

Seagram Co. Ltd.

	1981	1980
Sales*	$2,772,733,000	$2,534,952,000
Earnings*	1,559,613,000	144,653,000
Advertising**	145,000,000	152,000,000

*Fiscal year ends July 31
**AA estimate

Joseph E. Seagram & Sons, New York, a subsidiary of the Seagram Co. Ltd., Montreal, and the 41st largest national advertiser, invested $145 million on advertising in 1981, a decrease of about 5% from 1980.

Worldwide sales for Seagram Co. Ltd. reached a record-breaking $2.77 billion in fiscal 1981, which ended July 31, 1981, climbing 9.4% over fiscal 1980. Net income before unusual credits and currency translation was $1.56 billion and includes the gain on the sale of the company's U.S. gas and oil holdings in 1981, the 1981 reversal of deferred income taxes related to United Kingdom stock appreciation relief and the 1980 gain on the sale of its office building in New York.

Operating income for Seagram Co. Ltd. rose 14.1% to $273.6 million. The company's 20% share of the newly merged Du Pont-Conoco corporation is valued at more than three times the earnings previously produced by Texas Pacific's U.S. oil properties, which Seagram sold in 1980 for $2.3 billion.

In 1981, the liquor industry's growth rate continued to fizzle, from 6% in recent years to almost zero in 1982. As a result, Seagram is turning to exports and shifting emphasis to wines and lighter drinks.

The company has become the country's second-largest wine advertiser, spending $20.9 million in 1980, despite a 10.1% cutback in advertising expenditures.

Even though whisky market sales have dipped, Seagram's 7 Crown has held its No. 3 position on *Business Week's* annual ranking of the nation's leading liquor brands, where it fell from No. 1 in 1979. Case sales for 7 Crown dropped to 5.7 million from 5.8 million in 1980, a 2.2% decrease. To increase sales, the company began a $1 refund offer on the 1.75 liter size bottle. Measured media ad spending in 1981 totaled $7.8 million.

Although Canadian whisky sales swelled by 2.5% in 1981, Seagram was not riding that wave. Case sales of Seagram V.O. dipped 3.6%, from 3.8 million in 1980 to 3.7 million in 1981. Despite measured spending of $13.2 million V.O. has stagnated at No. 4 on the *BW* survey.

The company attempted to raise that figure with an ad proclaiming, "There are over 3,000 imported whiskies in America. Only one can be a best seller. That's V.O. There's a reason why. Taste!" These advertisements, after a challenge before the National Advertising Division of the Council of Better Business Bureaus, were modified to read, "Taste! You be the judge. Discover why more V.O. is bought than any other imported distilled spirit in America. . ." The company is also inviting the consumer to taste V.O. with the enticement of a $1 mail-in coupon offer in 1982.

Kessler blended whisky has moved up two places on the BW list to No. 25, after it dropped from No. 22 the previous year. Nevertheless, case sales declined by 3.2%, from 1.5 million in 1980 to 1.45 million in 1981.

The trend toward lighter drinks and white liquor has helped Seagram gin, however. Sales over the past decade have grown 137%. With case sales of 2.7 million—a rise of 8% over 1980—Seagram gin rose one place on the *BW* ranking to No. 10, following a drop from No. 8 in 1979. Measured media spending for the brand totaled $3.3 million in 1981.

Wolfschmidt vodka shares the No. 31 spot with two other Seagram brands, Lord Calvert Canadian and Chivas Regal. Wolfschmidt's sales have shot up 6% to over the 1 million case mark—1.03 million—in 1981, while Lord Calvert declined 2.3% from sales of 1.05 million in 1980 to 1.03 million in 1981. Chivas Regal has risen one position on the rating from No. 32, despite a 2.3% drop in case sales.

One Seagram brand that did well over 1981 was Crown Royal, a premium Canadian whisky. Case sales of Crown Royal increased to 900,000 from 775,000 in 1980, a 15% increase and landing it at the 35th position in *BW's* list of top brands. It also received considerable measured media support in 1981—a total of $8.7 million.

Beyond its traditional brands, Seagram is introducing a new product in 1982 to buoy sagging spirit sales. Perhaps taking its lead from Gilbey's Baileys Irish Cream, which has enjoyed an amazing 150% rise in only one year of availability, Seagram is marketing Leroux Irish Cream, a 34-proof Irish import. Seagram's General Wine and Spirits Co. unit is advertising the liqueur as "so rich it's almost sinful."

Von Konig Silbervasser, a product backed by $1 million in ad support in 1980, was pulled from the market this year. The company's plans for this clear, light spirit to replace vodka and rum turned flat in three test markets. A Seagram representative noted that Von Konig Silbervasser's "profit potential was not high enough to warrant further interest on our part."

To counter the effect of plummeting grain alcohol sales, Seagram is looking toward international markets. Seagram's North American sales growth currently lags behind the international sales, which accounts for 34% of Seagram's revenues. The company, in fact, is said to be expecting that half its sales will derive from international operations by 1990.

The appointment of Edward F. McDonnell to president of Seagram International, a new post, reflects this emphasis on foreign markets. Formerly vp of the international group of Pillsbury Co., Mr. McDonnell will supervise market activities outside North America.

Seagram operates in 25 different markets outside North America. Its worldwide advertising and promotion budget escalated to $242 million in 1981. In one venture, the company's joint agreement in Japan with Kirin Brewery is paying off, as Robert Brown whisky approaches 1 million in case sales. Elsewhere, Seagram's Natu Nobilis whisky, marketed in Brazil, has shot up 40% over 1980.

These successes have led Seagram to expand in other foreign markets. The company purchased a 15% interest in the Bianchi Winery in Argentina and acquired Caves de Raposeira in Portugal, a producer of white and rose wines. It has entered into a joint venture in Korea with the Oriental Brewery Co. Ltd., and is beginning another joint venture in Thailand. The company also allied itself with Wilson Distillers in New Zealand in early 1982.

While it looks to expand the markets for its liquor brands, Seagram has been building up its wine resources to become the nation's sixth-largest winery, with a volume growth of 17.4% in 1981, to 17.5 million gals. The continuing surge in wine sales has led the company to consolidate its wine divisions. A new unit, Seagram Wine Cos., has been formed to unite the separate divisions of Browne Vinters, Gold Seal Vineyards and Paul Masson Vineyards. The unit is designed to direct all U.S. wine operations, excluding the Chateau and Estate and Fromm and Sichel companies.

The Seagram Wine Cos. report as a separate unit to William M. Wilbur, president of Joseph E. Seagram USA, the new business arm of Seagram that supersedes the House of Seagram as the company's North American marketing arm.

Stephen E. Herbits, formerly president of Browne Vintners, was appointed president of the Seagram Wine Cos., with overall responsibility for U.S. wine sales, marketing and production. However, Mr. Herbits resigned last month. His successor is Michael Cliff, former president of Gold Seal Vineyards, who had been executive vp-operations and development of the unit.

The popularity of wine has made Seagram's proprietary brands a profitable basket of cheer for the company. Partager, a French wine introduced as a competitor to American jug wine, was priced so low that the initial supply sold too quickly, and its availability was cut back.

Partager is the first French wine among the top 10 brands in the U.S., despite the fact that U.S. wine imports dipped 12.5% in 1980.

Testing has also begun for Nectarose, a French proprietary rose, which, along with Partager and Barton and Guestier, the company believes will put French wines back on the table.

The company is also counting on growth of Black Tower, a German import selling approximately 25,000 cases in 1981. To help reach a goal of 1 million case sales within five years, a coupon offer for a $1.50 refund

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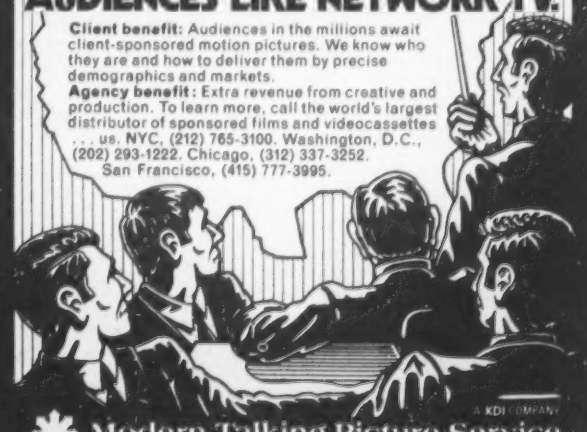

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on 750ml or one liter units is being offered this year.

As it tries to market these imports in the U.S., Seagram is introducing California wines overseas, recognizing that French and German wine sales are souring in Europe. It is also aiming for the United Kingdom market.

The company has marketed Paul Masson wines in the United Kingdom for three years with little promotional support. In 1981, however, Seagram is implementing a big advertising drive in the London area handled by Abbott Mead Vickers.

Domestically, Paul Masson's total volume grew 17.4% to reach 17.5 million gals., despite a 2.9% cutback in advertising to $12 million. The success of the Paul Masson line led the company to introduce a new product, Masson Light, in 1981. The brand has 33% fewer calories than regular wines, making it the lowest calorie wine on the market in 1981. Masson Light recieved the company's heftiest ad drive to date.

This year Seagram is introducing Catawba Dry and Light, with one-third fewer calories and only 9.5% alcohol, compared with 13% for traditional Catawba. The product is available in 750ml and 1.5 liter sizes.

The jump in wine sales has encouraged the company to invest in new products in the rum market, hoping sales figures for rum will parrot the growth in the wine market.

Two new products are being added to the Myers's rum line, which showed a 20% increase in 1981. Augmenting Myers's Original Dark will be Myers's Platinum White and Myers's Golden Rich, both white spirits. Seagram's Calvert Distillers is also testing a new product, Captain Morgan Spiced rum to boost sales.

Ronrico rum, which declined 4.2% in sales in 1981, was targeted for the young adult market in a promotional campaign. The company signed with Rockabill Inc., a music company, to have Ronrico sponsor the Marshall Tucker rock band in a series of summer concerts. The promotion included radio contests for tickets and magazine ads featuring the band.

In other Seagram ventures, Westmount Enterprises was formed early this year as a product development and venture capital division. The unit, headed by president David J. Blum, is focusing on the specialty food and nonalcoholic beverage categories.

Seagram's 1980 sale of its subsidiary, Texas Pacific Oil Co., to Sun Oil for $2.3 billion left the company ripe for acquisition. Wall Street speculation was bubbling over the target when, in December of that year Seagram signed a $3 billion revolving credit agreement with 31 U.S., Canadian and European banks.

In March Seagram made its move: A $2.03 billion tender offer for St. Joe Minerals, the leading producer of lead in the U.S. with holdings in coal and zinc. The takeover was scotched, however, when in April Fluor Corp., with a $2.6 billion offer, went away toasting a merger.

Two months later Seagram seized upon another target: Conoco, the country's ninth-largest oil company and second-largest coal producer. Seagram bid $3.7 billion for Conoco, precipitating a long bidding battle between Mobil, Du Pont and Seagram.

By August, Du Pont emerged the victor, winning Conoco for $7.8 billion—$3.8 billion in cash and the remainder in stock. The deal is the largest in corporate history, making Du Pont-Conoco the seventh-largest industrial corporation in the U.S.

Seagram was not iced out, however: The company traded in 27.9 million shares of Conoco it acquired through its tender offer for 47.6 million shares of Du Pont. Seagram now owns a 20% interest in the combined Du Pont-Conoco, making Seagram the single largest shareholder.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$12,758,300	18,042,600
Magazines	67,598,500	70,624,500
Spot tv	6,390,800	5,454,700
Network tv	13,958,800	11,207,300
Spot radio	228,300	358,800
Outdoor	13,445,700	11,852,000
Total measured	114,380,400	117,339,900
Unmeasured	30,619,600	34,660,100
Estimated total	145,000,000	152,000,000

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New York
MARKETING PERSONNEL
William M. Wilbur, president
Lionel W. Greer, exec vp-sales/mktg
Joel Boyarski, vp-financial planning
Gideon Rabin, vp-pr

SEAGRAM DISTILLERS CO.
New York
MARKETING PERSONNEL
Walter Haimann, president
C. Richard Coffey, exec vp-sales
Joel D. Weiner, exec vp-mktg
Victor Samaha, vp-director of admin
Bernard Derringer, vp-mktg services
Thomas K. McInerney, vp-director mktg
Arthur Gertz, Alfred C. Lubin, natl sales promo mgrs
Joe A. Buckhalter, mgr-military sales/7 Crown sports program
Daniel O'Sullivan, director-sales service
Beatrice Caporale, mgr-sales service
Albert F. Sprung, director-mktg analysis
Georgette E. Mann, mgr-mktg analysis
Don Keeton, director-sales training
Carl Horton, natl prod mgr, Seagram's gin
Andrew Harmon, natl prod mgr, Seagram's V.O.
Vincent Partridge, natl prod mgr, Seagram's 7 Crown
Richard McCarthy, natl prod mgr, Crown Royal
Bernadette Moran, natl prod mgr, Wolfschmidt vodka
John Reese, natl prod mgr, Glenlivet scotch
Mark Gothberg, natl prod mgr, Myers's rums
ADVERTISING AGENCIES
Warwick Advertising, New York—Seagram's 7 Crown, Crown Royal, Seagram's V.O., Seagram's Extra Dry gin, Glenlivet scotch, Seagram's instil adv—James Driscoll, group senior vp, Michael Graham, Kenneth Sammon, senior vp-mgmt super; William Surtees, Leigh Schmalz, Howard Hersh, San Sebree, Connie Scholz, acct supers.

William Esty Co., New York—Wolfschmidt vodka, Myers's rum—John Scott, mgt super; Stan Joyce, acct super; Richard Rack, Ed Rosenthal, acct execs.

CALVERT DISTILLERS CO.
New York
MARKETING PERSONNEL
Marty H. Bart, president
Sheldon Katz, exec vp-sales
Michael Moore, exec vp-mktg
Steven J. Kalagher, vp-mkt planning
Jules Erwin, mktg communications mgr
David Newman, Rodger De Sarno, vps-directors of mktg
James Spillane, vp-natl programing
David I. Grossman, director of mktg analysis
Harold P. Prigge, Marvin Steinhardt, natl sales promo mgrs
Fred Ronai, natl prod mgr, Lord Calvert Canadian, Henry McKenna
Sam Ellias, natl prod mgr, Tuaca Liqueur, Captain Morgan rum
Martin Atlas, natl prod mgr, Jameson Irish whisky, Crown Russe
Mechele Plotkin, natl prod mgr, Calvert Extra
Dennis Brophy, natl prod mgr, Passport scotch
Michael Mailloux, natl prod mgr, Kessler Blended whisky and new prods
Margaret Heffernan, natl prod mgr, Burnett's gin, Calvert gin
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Calvert Extra, Lord Calvert Canadian, Calvert gin, Crown Russe vodka, Passport scotch, Henry McKenna bourbon, Jameson Irish whisky—Martin Kreston, group senior vp; Stephen Donenfield, vp-mgt super; Stanley Burger, Charles Rollins, vp-acct supers.

William Esty Co., New York—White Horse scotch, Burnett's gin, Logan Deluxe scotch—Leonard Faupel, senior vp-mgmt super; Carlo Demetrio, vp-acct super; Patricia Oehler, acct exec.

Warwick Advertising, New York—Kessler whisky, Tuaca liqueur—John F. Welsh, vice-chairman; James Driscoll, senior vp-mgmt super; Joseph Friel Jr., vp-acct super, Howard Hersh, acct exec.

North Castle Partners, Greenwich, Conn.—new prod projects—Len Ferraguzzi, senior vp-acct director-mgmt super.

Mingo-Jones Advertising, New York—minority adv for Lord Calvert Canadian, Burnett's gin and Calvert Extra—Fredd Grant, acct exec.

GENERAL WINE AND SPIRITS CO.
New York
MARKETING PERSONNEL
Seymour L. Leikind, president
Gerald N. Friedman, exec vp-sales
Gil Schy, exec vp-mktg
Robert Vosswinkel, vp-admin
Mac Taub, Mark Taxel, vps-directors of mktg
Robert A. Watkins, vp, natl programing
Stephen LaScala, mktg budget mgr
Robert Dow, Arthur Kayser, natl sales promo mgrs
Daniel J. Noonan, natl accts mgr
Andy Panagis, natl operations mgr
Robert Regulinski, mgr-mktg analysis
Robert L. Hinton, natl prod mgr, Boodles gin, Harwood Canadian
Anthony Moore, natl prod mgr, Eagle Rare bourbon, Nikolai vodka
Richard Shaw, natl prod mgr, Chivas Regal scotch
Tony Bongiovanni, natl prod mgr, Leroux cordials
John Hartrey, natl prod mgr, Ronrico rum
Marcia Clay, natl prod mgr, Lochan Ora liqueur, Royal Salute scotch
Errol Holt, natl prod mgr, Vandermint, Sabra, Cheri-Suisse liqueurs
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Chivas Regal, Royal Salute, Ronrico rum, Lochan Ora liqueur—Martin Kreston, group senior vp; Mike Marshall, vp-mgmt super; Joe Trombino, Herb Jacobs, vp-acct supers, Ann Davies, acct exec.

William Esty Co., New York—Leroux cordials, Leroux brandy—Len Faupel, mgmt super; Carlo Demetrio, acct super; Robert Adams, acct exec.

Warwick Advertising, New York—Eagle Rare bourbon, Harwood Canadian, Vandermint, Sabra and Cheri-Suisse, Nikolai vodka and Boodles gin—John Driscoll, senior vp-mktg; Joseph Friel Jr., vp-acct super.

SEAGRAM WINE COS.
(including Browne Vinters Co., Gold Seal Vineyards and Paul Masson Vineyards)
Michael P.H. Cliff, president
Mary Cunningham, exec vp-planning
Samuel Bronfman, exec vp-sales
Jon A. Fredrikson, exec vp-finance and admin
Jay Morris, exec vp-mktg
Robert O'Dowd, senior vp-distributor relations
Ralph Anderson, vp-control states and military
Joseph C. Cook, vp-hotels, restaurants, transportation and special projects
Gerald Ramu, vp-enology
Neil R. Sweeney, vp-training and devel
Philippe de Beaumont, director-devel
Chet Hutchinson, director-Paul Masson human resources
Ralph Sackerman, director-profit planning, economic analysis and systems devel
Eileen Smith, exec assistant to the president

BROWNE VINTNERS
New York
MARKETING PERSONNEL
George Reichling, senior vp, Seagram Wine Cos., Browne Vintners sales
Frank McCarthy, senior vp, Seagram Wine Cos., Browne Vintners mktg
Ed Cohen, vp-profit planning and admin, Gold Seal, Browne Vintners
Jay Flynn, vp-prod group director, Black Tower, Partager, Nectarose, new prod
George Scheppler, vp-prod group director, Mumm, B&G, Kayser, Bersano, Brolio, Ricasoli
John Agate, prod mgr, B&G, Kayser, Bersano, Brolio, Ricasoli
Kevin MacDougall, prod mgr, Black Tower
Arthur Mehmel, prod mgr, Partager
Chris Carrington, prod mgr, Nectarose
Jason Drapkin, sales promo mgr
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—Mumm champagnes, B&G French wines, Nectarose, Partager—Martin Kreston, group senior vp; Charles Traynor, mgmt super; Bruce Buchanan, acct super.

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William Esty Co.,New York—Black Tower, Brolio, Bersano, Ricasoli, new prods—Len Faupel, mgmt super; Stan Joyce, acct super.

North Castle Partners, Greenwich, Conn.—Julius Kayser/wines, Mumm cognac, new prods—Charles Taney, acct director-mgmt super; Evie Coghlan, acct super.

GOLD SEAL VINEYARDS
New York

MARKETING PERSONNEL

Howard Kaufman, senior vp, Seagram Wine Cos., Gold Seal sales
Jay Gronlund, senior vp, Seagram Wine Cos., Gold Seal mktg
Max Braverman, vp-admin and special sales
Howard Garfinkel, vp-asst natl sales mgr

ADVERTISING AGENCY

William Esty Co., New York—Gold Seal, Henri Marchant champagnes and wines—Len Faupel, senior vp-mgmt super; Carlo Demetrio, vp-acct super; Robert Adams, acct exec.

PAUL MASSON VINEYARDS
Saratoga, Cal.

MARKETING PERSONNEL

Edward J. Caan, senior vp, Seagram Wine Cos., Paul Masson sales
Jeff Heimbuck, senior vp, Seagram Wine Cos., Paul Masson mktg
Morris Katz, exec vp-production
Jan Wells, vp-director of pr
Roger Felton, vp-creative design
Richard Moyer, Michael Piacentini, vps-group prod directors
Robert Roos, director-intl mktg
Paul Herting, natl sales promo mgr
Mike D'Hoostelaere, prod mgr, generics and sparkling wines
Rusty Ach, prod mgr, varietals and gift packs
Bruce Labadie, publicity mgr
Louis Keyes, prod manager, Masson Light and brandy

ADVERTISING AGENCY

Doyle Dane Bernbach, Los Angeles—Paul Masson wines—Rich Edler, exec vp-mgmt super; Roger Lavery, vp-acct super; Bruce Miller, vp-acct super; Candy Kaelin, John Buckingham, acct reps.

CHATEAU & ESTATE WINES CO.
New York

MARKETING PERSONNEL

Abdallah M. Simon, president
David S. Milligan, vp-sales
Charles K. Frankel, vp-admin
John W. Laird, vp-mktg

ADVERTISING AGENCY

William Esty Co., New York—Chateau Larose Trintaudon, Les Charmes white burgundy, Perrier-Jouet champagnes, Sandeman Armada Cream sherry—Leonard Faupel, mgmt super; Carlo Demetrio, acct super; Patricia Oehler, acct exec.

FROMM & SICHEL
San Francisco

MARKETING PERSONNEL

Mel Chernev, president
John Grady, vp-mktg services
Al Nirenstein, exec vp-mktg
Eric Kritz, prod mgr
Jim Farrell, sales promo mgr
Ed Scott, natl mktg mgr

ADVERTISING AGENCY

Ketchum Advertising, San Francisco—Christian Brothers wines and brandies—Eugene Grealish, Lynn Upshaw, mgmt supers.

SUMMIT SALES CO.
New York

MARKETING PERSONNEL

Robert A. Monroe, president
Thomas M. Collins, vp-admin and planning
Thomas P. Cekay, natl sales mgr
Michael Ford, natl sales mgr
Robert C. Zukowski, operations mgr

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Sears, Roebuck & Co.

	1981	1980
Sales	$27,357,000,000	$25,161,000,000
Earnings	650,000,000	610,000,000
Advertising*	544,104,500	467,713,600†

*AA estimate
†Restated

Sears, Roebuck & Co., Chicago, the nation's second largest advertiser, increased ad spending 16.3% in 1981 to $544.1 million, as the nation's No. 1 retailer directed attention toward strengthening its merchandising base and expanding into the financial services industry.

Operating revenue for the retail giant increased 8.6%, jumping to $27.36 billion from $25.16 billion the previous year. Net income was $650 million compared to 1980's $610 million, an increase of 6.6%.

Sears gained back some of the retailing momentum it had lost in recent years, as revenues from the merchandising operation increased by 8% in 1981 to a record $18.2 billion. Merchandising sales represent 64% of the company's revenue total. The group's sales had been flat for the past two years.

Ad spending for the merchandise group increased 17.2% to $633 million in 1981 from the previous year's $540 million. The company attributed the increase mainly to rising newspaper and broadcast rates. Catalog costs of approximately $30 million brought the merchandise group's total to $663 million.

Not included in the company's total ad spending is $343.4 million spent in newspaper advertising, up from the previous year's $330.1 million. These figures reflect local rather than national advertising.

Sears is pumping renewed life into the merchandise group in part by giving older stores a new, more vibrant look. Aged departments are being freshened with a new look, complete with contemporary fixtures, and revamped departments are carrying more brand names.

For the first time, Levi's shops are becoming part of the scenery, and other brand names are expected to follow. In addition, clothing apparel will be housed in smaller boutiques, and sporting goods will be showcased in separate "athletic" departments.

Continuing to roll is the Cheryl Tiegs line of women's sportswear, which has tallied an estimated $200 million in sales since its introduction 15 months ago. Sears is reportedly seeking a male sports counterpart to represent men's fashion but has been hard pressed to find a marketable personality.

Sears is also planning to cut back on unprofitable lines, but is still going strong with its Craftsman tools and auto-battery business, where it controls 70% and 40%, respectively, of those markets.

A major ad agency change took place within the apparel group. Sears opted to consolidate its three separate lines under one agency, thereby breaking up a triumvirate that included Chicago's Foote, Cone & Belding, women's apparel; Stern Walter/Earle Ludgin, children's clothing, and McCann-Erickson, men's apparel. The estimated $35 million account ultimately went to Needham, Harper & Steers. In addition, J. Walter Thompson USA was named to handle all the supplemental tv and radio buys.

Robert Wood II, vp-advertising and sales for the apparel division, said the agency consolidation was a response to an emerging consumer trend that has spawned a "blurring of the lines" between the three clothing units. More customers were buying goods from all three categories, and Sears thought it was best that one agency handle that type of marketing chore, he said.

Sears' most spectacular efforts centered on its effort to become a significant force in the financial services arena. In late 1981, Sears proposed friendly takeovers—ultimately successful—of Dean Witter Reynolds Organization, the nation's fifth-ranked brokerage house, and Coldwell Banker & Co., the country's largest real estate broker. Sears paid $607 million for Dean Witter and $179 million for Coldwell Banker & Co.

The company also forged ahead in the business machine segment by opening 45 free-standing business systems stores selling computers, copiers and other electronic products.

The addition of Coldwell Banker and Dean Witter sparked a corporate restructuring within Sears. The new entities are the Coldwell Banker Real Estate Group, previously known as the Seraco Group; Dean Witter Financial Services Group, previously known as the Financial Services Group, and the Allstate Insurance Group, previously known as the Allstate Group.

The Allstate Insurance Group continues to generate cash. Revenues jumped by 10% to $6.8 billion in 1981 from the 1980's $6.2 billion. But ad spending decreased 26%, dropping from $24.6 million in 1980 to last year's $18.1 million. During 1981, the Allstate Group generated $1 billion in new funds to the parent company, compared with $933 million in 1980.

Sears made some major executive changes. Archie R. Boe, former chairman and ceo of the Allstate Group, was elected president of the corporation. Edward Telling, chairman and ceo of Sears, also held the office of president before Mr. Boe was elected. Donald Craib succeeded Mr. Boe as Allstate's chief. Also, J. Pat Galloway was named executive vp-East of the merchandise group, succeeding William Bass, who was named senior exec vp-field.

ADVERTISING EXPENDITURES

	1981	1980*
Newspapers	$303,100	$113,600
Magazines	59,725,500	32,057,700
Spot tv	13,871,000	15,553,600
Network tv	88,002,000	86,951,500
Spot radio	6,181,900	2,543,400
Network radio	10,340,200	5,366,500
Outdoor	50,900	793,200
Total measured	178,474,600	143,379,500
Unmeasured	365,629,900	324,334,100
Estimated total	544,104,500	467,713,600

*Restated

SEARS, ROEBUCK & CO.

MARKETING PERSONNEL

Edward Brennan, chairman & ceo, merch group
Joseph Moran Jr., senior exec vp-merch
Robert Wood II, vp-ad and sales
Ed Cameron, natl retail genl merch mgr
Ernest J. Chapleau, natl catalog merch mgr
Ronald Ramseyer, natl mgr catalog adv
David G. Slothower Jr., natl retail adv mgr

ADVERTISING AGENCIES

Foote, Cone & Belding, Chicago—automotive, recreational, leisure—Paul Vernon, group mgmt super; Tom Marti, vp; John Murphy, acct super; Donna Fanning, acct exec-recreation; Jim Mitchel, acct exec-automotive.

Hispania, subsidiary of J. Walter Thompson USA, New York—Hispanic consumer market—Caroline Demy, genl mgr; Chris Loffler, mgr-Hispania, Chicago; Kathleen Nicolini, acct rep.

J. Walter Thompson USA, Chicago—home improvements, Kenmore dishwashers—Bob Westerfield, senior vp-group acct director; Charles Larson, vp-acct director; David Blanton, Dave Throop, Dan Roman, acct supers; Paul Krause, Richard Everett, N. Swamy, acct reps.

Ogilvy & Mather, Chicago—corporate adv, credit market, Kenmore appliances, color tv, home fashion, AOR-prime time tv—Hank Bernhard, vice-chairman, O&M U.S.; Bill Whitney, senior vp-mgmt director; Jeff Woll, group mgmt super; Allan Mager, mgmt super.

Needham, Harper & Steers, Chicago—apparel group—Lee J. Landon, vp-acct super, menswear; Valerie Wiley, acct exec, menswear; Walter Menzel, vp-acct super, women's wear; Val Gleason, acct exec, women's wear; Karen Wagenknacht, vp-acct super, children's apparel.

Nellson-Woodward, Chicago—Yellow Pages—Garry Woodward Jr., vp-genl mgr.

N W Ayer, Chicago—Sears business stores—Maggie Arquilla, acct super; Bob Mickels, mgmt super; Pam McCambridge, acct exec; David Kirk, asst acct exec; Patricia Morrison, direct response.

Stern Walters/Earle Ludgin, Chicago—contract and catalog sales—Maryanne Friend, vp-client mgr; Cathy Beazley, acct super-catalog; Earl Arnold, vp-acct super-contract.

Stone & Adler, Chicago—direct response—Mark Weinstein, exec vp.

Vince Cullers Advertising, Chicago—rsch and mktg assignments, AOR black media, adv in black market—Vince Cullers, president.

SmithKline Corp.

	1981	1980
Sales	$1,965,341,000	$1,771,938,000
Earnings	370,000,000	307,994,000
Advertising*	89,265,000	81,438,800

*AA estimate

SmithKline Corp., a Philadelphia-based healthcare company, is the 60th largest national advertiser in the U.S. Last year, the company spent an estimated $89.3 million on advertising, a 10% increase from 1980.

During 1981, SmithKline's sales reached $1.99 billion, up 12% from $1.77 billion in 1980. Of that amount, U.S. sales totaled $1.16 billion, a 21% increase over 1980.

International sales, which made up about 42% of total sales, reached $823 million, representing only a 1% increase over 1980. Net income was up 20%, from $308 million in 1980 to $370 million in 1981.

Among SmithKline's holdings, it is the ethical pharmaceutical group that has been on a fast track for the past five or so years. Last year, sales in this area went from $1.07 billion in 1980 to $1.22 billion, a 14% increase. The 1981 figure surpasses the total of all other operations combined, including consumer drug products, animal health products, eye and skin-care products and clinical laboratories. Combined sales for these other properties came to $764.6 million last year.

Highlights of 1981, according to president Henry Wendt (and, as of early this year, chief executive officer as well), included gaining approval to market the much heralded Tagamet in Japan, the successful completion of the clinical studies for the company's new antiarthritic compound Ridaura, intensified efforts in the anti-infectives category and the groundbreaking for a $20 million molecular biology center outside Philadelphia, scheduled to be completed in 1983.

Also, in March, SmithKline took some of those Tagamet profits and acquired Beckman Instruments to form the SmithKline Beckman Corp. Beckman Instruments, involved with bioengineering and *in vitro* diagnostic products, had current assets of $460 million as of December, 1981, and for the past five years has had an annual growth rate in total assets of 27%.

As for the lucrative area of ethical drugs, SmithKline's U.S. sales last year reached $648 million, up 26% from 1980 figures of $513 million. International

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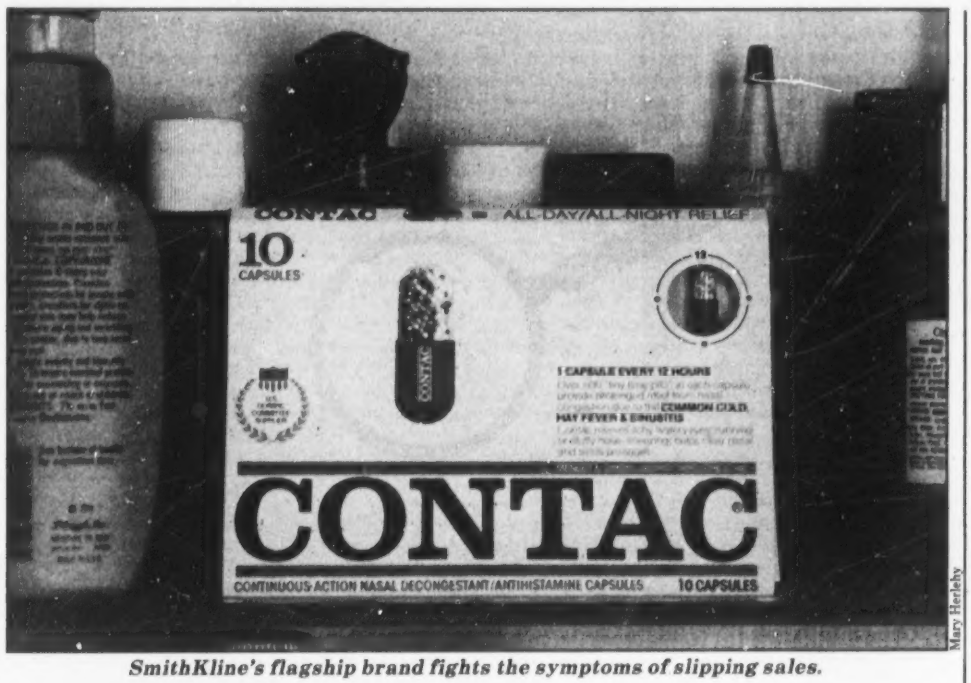

Mary Herlehy

SmithKline's flagship brand fights the symptoms of slipping sales.

sales, up 4%, to $573 million from $552 million in 1980, were hurt by the increasing strength of the dollar in foreign currency translations, the company said.

The leaders within the ethical pharmaceutical group are the gastrointestinal products. Sales grew 20% last year, reaching $776 million.

The product that is responsible for some 90% of this amount is the anti-ulcer drug Tagamet, the brand name for cimetidine. In lay terms, Tagamet soothes those who suffer from ulcers by blocking the stomach acids that help create them.

Research for the product, begun around the middle 1960s, centered on histamine, a body chemical tending to be a sidekick to tissue irritation. Dr. James W. Black, an English physician, realized that antihistimines then on the market could alleviate symptoms of allergies and hay fever, but they could not prevent histamine from producing stomach acid that helped create ulcers. His theory was that the body had two, not one, receptors through which histamine worked. His research concentrated on finding the second receptor, the H2 receptor, through which stomach acid is produced, and developing an antihistamine to block it. Tagamet proved to be that drug.

Introduced into the U.S. in 1977, Tagamet is now used in more than 125 countries by some 20 million ulcer sufferers. Sales grew 84% during that introductory year. In 1980, it became the No. 1-selling drug in dollars in the U.S., bypassing Hoffman-La Roche's Valium. Last year, it held that lead in dollar sales and worldwide sales, and had currencies been more stable, would have been up 31%. Nevertheless, it is considered the largest-selling prescription drug in the world.

In January, 1982, Tagamet was introduced into Japan through SmithKline & Fujisawa KK, a joint venture company created through SmithKline and Fujisawa Pharmaceutical Co. Its use to treat gastric ulcers, as well as duodenal ulcers, has been approved in the country.

According to John Groom, vp of SmithKline and president of international pharmaceutical products, there is a higher incidence of gastric ulcer in Japan than in the U.S. Another factor that indicates future healthy sales of the drug in Japan, according to Robert Benezra, vp in charge of pharmaceutical research at Alex Brown & Sons, Baltimore, is that Japanease doctors fill prescriptions as well as prescribe them and depend on this for their yearly income. The market, says Mr. Benezra, is second to the U.S. in terms of pharmaceuticals, even with one-half the population of the U.S. Sales in Japan in 1982 are expected to exceed $60 million. "We believe," Mr. Benezra said, that with "Japan playing its part, that Tagamet will bring some $890 million in sales this year."

There is, however, one small cloud on Tagamet's horizon—competition from a product called Zantac, produced by Glaxo pharmaceutical company, one of the largest in Great Britain. Like Tagamet, Zantac is an H2 receptor antagonist, and it is Tagamet's only competition overseas. (Glaxo is awaitingFDA approval in the U.S.)

Beyond Tagamet, another major ethical drug SmithKline markets is Dyazide, a cardiovascular product that is No. 1 in its category. Sales in this group were up 20% for SmithKline, from $162 million in 1980 to $194 million last year. U.S sales were up 23% and for the fifth year in a row, Dyazide itself—a potassium-sparing oral diuretic—has held its lead in the U.S.

The antibiotics area grew 8%, although it was Ancef, an injectable cephalosporin, that did particularly well, coming up with a 36% sales increase in the U.S. Ancef (cefazolin), was introduced by SK&F in 1973 and is now, according to the company, the most widely used injectable cephalosporin in U.S. hospitals because of its relatively low cost and its effectiveness.

Two new products in this area are being developed. One, Cefizox, is effective in countering many infections that are resistant to existing antibiotics. It is awaiting FDA approval. The second, Monocid, would be the "world's first once-a-day-injectable cephalosporin antibiotic." The single dosage would help curb the administrative costs associated with having to inject medication several times a day. This product is also awaiting FDA approval.

In the over-the-counter and consumer healthcare arena, SmithKline saw sales of its Menley & James Laboratories unit climb to $183 million in 1981, up 5% from 1980, compared with a 33% increase from 1979 to 1980. According to the company, one of the reasons for the low growth rate in the consumer products category is that last year was the mildest cold season in 20 years. Another is that retailers and wholesalers, wanting to keep costs down, are also keeping inventories low.

Although the company credits Contac, the group's flagship product, with an "excellent year," actual dollar market share dropped from 15.3% in 1980 to 13.9% in 1981 and unit share was down from 16.6% to 15.1% in 1981. Advertising support for Contac cold capsules was down 21%, from $13.6 million in 1980 to $11.1 million in 1981, according to Leading National Advertisers. Contac Severe Cold Formula was a major introduction in the fourth quarter of the year. This product, for colds with flu-like symptoms, is positioned in the growing multisymptom segment of the cold market. Contac's chief rival continues to be Richardson-Vicks' NyQuil, which was supported with an ad increase of 20% last year and leads the cough and cold remedy category with an 18% dollar market share and a 14% unit share.

Ecotrin, a medication for arthritis, was up 45% in unit and dollar sales last year, while within the consumer product sinus category, the performance of Menley & James' Sine-Off was mixed.

Sine-Off's dollar market share was up from 25% in 1980 to 26.4% in 1981, but its unit share was down from 26% in 1980 to 25.8% in 1981. Ad spending for Sine-Off tablets and spray leaped 172% from $1.2 million spent in 1980 to $3.3 million in 1981. Sine-Off Extra Strength No Drowsiness Formula capsules, a line extension, was introduced in 1981.

MenJ also competes in the allergy category with Teldrin, a product that has shown consistant growth since it was first marketed over-the-counter in 1978.

Sales of Dietac, timed-release diet capsules, were down last year, even with an 31% increase in ad spending, from $9.5 million to $12.4 million.

SmithKline's healthcare concerns are not limited to the human consumer. Those of the canine variety had a fortunate year last year, as the company's Norden Laboratories came out with a "canine-origin" vaccine under the Vanguard label that is effective against Parvovirus, a quickly debilitating intestinal disease that is particularly devastating to younger dogs.

Norden also makes vaccines for cattle and pigs. Sales for this division reached $142 million in 1981, up 5% from the year before. In addition to the Parvovirus vaccine, Filaribits, a tablet for protection against heartworm disease, also did well.

Eye and skincare products, marketed through SmithKline's Allergan Pharmaceuticals subsidiary, had an "outstanding" year, according to the company. Sales went up 26%, from $110 million to $139 million. At com-

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parable currency exchange rates, the company noted, the growth would have been 33%.

Allergan's No. 1 product continues to be Soflens Enzymatic Contact Lens Cleaner. For the second year in a row, more people cleaned protein deposits off their soft contact lenses with this product than any other. It is the world's leading contact lens product, according to the company. Clinical Laboratories, SmithKline's ring of regional laboratories in the U.S. and Canada, enjoyed a sales increase of 38%, from $70 million in 1980 to $96.7 million in 1981. During the latter part of the year, the subsidiary acquired two properties, Upjohn Co.'s King of Prussia, Pa.-based Clinical Laboratory Procedures and Pathologists Service Professional Associates, near Atlanta.

Sales in the industrial industries instruments area, which includes instruments for nondestructive testing, ultrasonics assembly and ultrasonic cleaning, dropped in 1981, from $141 million to $140 million. Reasons for the disappointing year are attributed to the sluggish economy and high interest rates. Even with the drop, SmithKline continued its leadership in the area of ultrasonic technology.

The medical diagnostics operations, mostly in the U.S., were revamped in 1981. The medical ultrasonics business was sold to Xonics Inc. Sales were down from $68 million in 1980 to $63 million in 1981.

The big question for SmithKline is whether lady luck will glance at SmithKline twice. There is some cause to believe that she indeed has. A lot of attention has been stirred recently by the new SmithKline product Ridaura, an oral gold compound medication for use in treating rheumatoid arthritis.

But the company does not expect this to be another Tagamet for several reasons. One, the drug is for a specific audience. There are approximately 6.5 million people in the U.S. and about 10 million overseas who suffer from the crippling disease. So the potential market base is smaller to begin with. Nevertheless, according to one industry consultant's estimate, eventual annual sales for the product will be around $400 million. An FDA advisory committee has recommended Ridaura for approval and it is targeted for release in the U.S. early next year.

According to advertising tracking sources, SmithKline pulled some ad support from newspapers, magazines, spot and network radio last year and increased ad spending in farm publications, spot and network tv. More exactly, spending in newspapers dropped 30%, from $33,000 to $23,000; magazines, 21%, from $7.3 million to $5.8 million; spot radio was eliminated, and network radio slid 39%, from $2.3 million to $1.4 million.

On the other hand, spending was up 15% in network tv, from $22.5 million to $25.9 million; 26% in spot tv, from $3.8 million to $4.8 million, and 89% in farm publications, which went from $513,400 to $969,500.

According to SmithKline chairman Robert F. Dee, the company's major focus will continue to be on ethical pharmaceuticals. Research and development is also vital. Three-fourths of the corporate research and development budget is earmarked for new drug search. The goal, he says, is "$4 billion" in sales by the middle of the 1980s, and "we plan to double that figure by 1990."

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$23,600	$33,600
Magazines	5,813,500	7,254,200
Farm publications	969,500	513,400
Spot tv	4,816,100	3,775,400
Network tv	25,856,000	22,529,100
Spot radio	—	51,400
Network radio	1,386,800	2,281,700
Total measured	38,865,500	36,438,800
Unmeasured	50,400,000	45,000,000
Estimated total	89,265,000	$1,438,800

SMITHKLINE & FRENCH LABORATORIES
Philadelphia
MARKETING PERSONNEL
Alan J. Dalby, exec vp-SmithKline Corp. and exec vp-pharmaceutical prods.
Thomas M. Collins, vp-SmithKline Corp. and president-SmithKline & French Laboratories, U.S.
John Groom, vp-SmithKline Corp. and president-SmithKline & French Laboratories-intl
Harry C. Groome III, vp-mktg-U.S.
William S. Pilling, vp-mktg admin, U.S.
Joseph Rutledge, vp-customer affairs-U.S.
Robert Cook, vp-sales mgmt, U.S.
Charles P. Lowman, vp-mktg communication, U.S.
Alan Klawans, director of design, U.S.
A.L. Wright, director-adv and sales promo, U.S.
Donald Boultbee, vp-intl mktg and business devel

BECKMAN INSTRUMENTS
Fullerton, Cal.
MARKETING PERSONNEL
Dr. William F. Balhaus, president
Louis T. Rosso, senior vp-operations
Joseph Ashley, vp-mgr, healthcare group
Roy F. Brown, vp-mgr, process instruments & controls group
George E. Walters, vp-mgr, electronic technologies group
Harold J. Peper, vp-mgr-analytical instruments, sales & service div
Robert R. Crittendon, mgr-mktg communications
ADVERTISING AGENCY
Cochrane Chase, Livingston & Co., Irvine, Cal.—Frank Addis, acct exec; Hugh Sutherland, mgmt super; Gary Cunningham, creative director.

MENLEY & JAMES LABORATORIES
Philadelphia
MARKETING PERSONNEL
Peter Godfrey, president-SmithKline consumer prods
Richard E. Bagley, vp-genl mgr-U.S. operations
Jorge Valls, vp-genl mgr, intl operations
Samuel Rulon-Miller, vp-worldwide strategic services
William P. Howe, vp-mktg, director-product business strategy
Victor Galef, vp-marketed prods strategy
Allan E. Sandy, vp-sales
ADVERTISING AGENCIES
Ogilvy & Mather, New York—Contac, Contac Jr., Sine-Off, A.R.M. allergy relief medicine and ecotrin—David Scott, creative director; Doug Bruce, mgmt super; Ben West, acct super.
Grey Advertising, New York—Teldrin—Fred Millmann, mgmt super.
N W Ayer, New York—Dietac—Ruth Salevouris, mgmt super; Janet Keeler, acct super; Robert Schultz, acct super.

SMITHKLINE ANIMAL HEALTH PRODUCTS
Philadelphia
Norman Blanchard, president-SmithKline animal health prods
Han van Veen, general mgr-pharmaceuticals and feed additives, U.S. and Canada
Gerald Myers, natl sales mgr-pharmaceuticals and feed additives, U.S. and Canada
Charles F. Mannen, mgr-mkt planning & services
ADVERTISING AGENCY
Fletcher/Mayo Associates, St. Louis, Mo.—Alice Phelan, acct super.

NORDEN LABORATORIES
Lincoln, Neb.
MARKETING PERSONNEL
John P. Wareham, president
Daniel P. Hinnah, vp-mktg
Lyle Ashleford, adv mgr
ADVERTISING AGENCY
Bozell & Jacobs, Omaha, Neb.—Omer Dye and Wes Newhaus, acct execs.

ALLERGAN PHARMACEUTICALS
Irvine, Cal.
MARKETING PERSONNEL
Gavin S. Herbert, president
William Shepherd, president-Allergan, U.S.
Richard Ulmer, senior vp-U.S. operations

HUMPHREY INSTRUMENTS
San Leandro, Cal.
MARKETING PERSONNEL
M.J. Hansen, president
Keith Ignotz, vp-mktg
Nick Lurowist, mktg mgr

GEOMETRIC DATA
Wayne, Pa.
MARKETING PERSONNEL
George Bird, president
Paul Rust, vp-sales and mktg
William Richardson, natl sales mgr

SMITHKLINE CLINICAL LABORATORIES
Philadelphia, Pa.
MARKETING PERSONNEL
George W. Ebright, president-Clinical Laboratories businesses
Charles Taverna, director-mktg

BRANSON CLEANING EQUIPMENT CO.
Shelton, Conn.
MARKETING PERSONNEL
Robert J. Hunter, president
James Mengason, director-mktg
Thomas Thill, mktg communications mgr
ADVERTISING AGENCY
Adams Rickard & Mason, Glastonbury, Conn.—Al Mason, acct super

BRANSON INTERNATIONAL PLASMA CORP.
Hayward, Cal.
MARKETING PERSONNEL
Richard Taylor, genl mgr
Kenneth Arsenault, mktg mgr
Jan Colometti, adv mgr

BRANSON SONIC POWER CO.
Danbury, Conn.
MARKETING PERSONNEL
Donald Kolb, vp-mktg, North America
Ed Samuels, natl sales director
Mark Miller, adv and sales promo mgr

KRAUTKRAMER-BRANSON INTERNATIONAL
Stratford, Conn.
MARKETING PERSONNEL
Robert Rerrott, president
Daniel E. McNulty, vp-worldwide mktg
James Ebers, vp-operations
Richard Hull, genl mgr, North America operations

KB-AEROTECH
Lewistown, Pa.
MARKETING PERSONNEL
Glenn Martin, genl mgr
James Sabol, industrial mktg mgr
Lee Fenicle, medical/mktg mgr

Sterling Drug

	1981	1980
Sales	$1,792,925,000	$1,701,433,000
Earnings	130,303,000	123,337,000
Advertising*	89,700,000	89,600,000

*AA estimate

Sterling Drug, New York, the nation's 59th largest advertiser, spent an estimated $89.7 million on U.S. advertising in 1981, up modestly from $89.6 million in 1980.

The company reported worldwide advertising expenditures of $241.7 million in 1981, an increase of 3.7% from last year's figure.

Worldwide sales in 1981 totaled nearly $1.79 billion, up 5% from $1.70 billion in 1980. Net income for the year rose to $130.3 million, an increase of 6% over 1980. U.S. sales stood at $1.03 billion, up 8% from $956.4 million in 1980. Sterling, which markets products in the U.S. and 125 other countries, derives about 44% of profits from abroad.

Worldwide sales for the first six months of 1982 fell 3% to $856 million from the same period a year earlier. Earnings dropped 5% in the first half to $56.9 million. Chairman-chief executive officer W. Clarke Wescoe said the declines occurred primarily in foreign sales—accounting for close to half of the company's total sales—because of currency translation against the strong U.S. dollar. However, all four of Sterling's groups operating abroad reported sales increases in local currencies.

Domestically, Sterling operates within five business segments: Pharmaceutical specialties, proprietary products, household products, chemicals and other products and environmental control. Foreign operations are conducted through four business groups.

Sales for pharmaceutical specialties, which also include results of Sterling Organics (U.S.), were $207.3 million, up 13.6% from $182.5 (restated) million in 1980. Operating profits increased 12.7% from $24.2 million to $27.3 million in 1981. Principal products of this group include Demerol and Talwin potent analgesics; Danocrine, for treatment of endometriosis and fibrocystic disease of the breast in women; Amipaque, Hypaque, Telepaque and Bilopaque radiopagues; NegGram antibacterial; pHisoHex antiseptic skin cleanser; Isuprel and Bronkosol bronchodilators, and Marcaine and Carbocaine anesthetics.

In October, 1981, the Food & Drug Administration tentatively approved Sterling's claim that its Winstrol brand stanazolol was effective in treating osteoporosis. And early this year, the company's Conagraf brand of Durapatite, a product that aids in bone restoration following tooth extraction, received FDA approval; it will be marketed by Cook-Waite Laboratories, Sterling's dental division.

Proprietary products posted sales of $222.7 million in 1981, up 4.4% from $213.4 million in 1980. Operating profits increased by 2.3%, from $40.5 million last year to $41.4 million. Products in this group are marketed chiefly by Glenbrook Laboratories, a unit of the pharmaceuticals group. Also included in the proprietary segment are results of the consumer products division of Winthrop Laboratories and two self-medications made and marketed by the Lehn & Fink products group.

Sales of Glenbrook Laboratories' leading product, Bayer aspirin, saw no improvement last year because of increased competition in the field, the company reported. Market share estimates among analgesics last year put Bayer at about 8.5%; Bufferin at 7.3%; Excedrin between 7% and 8%; Anacin at 12.3%, and Tylenol on top with nearly 31%.

Sterling's response to the competition is clear in both advertising strategy and new product development. The company continues its campaign against nonaspirin pain relievers in comparative ads, one of which lists unpleasant side effects of acetaminophen products.

Meanwhile, Federal Trade Commission recommendations issued early last year would demand closer scrutiny of such ad claims and tactics. The controversy was revived in November, 1981, when Johnson & Johnson's McNeil Consumer Products Co., marketer of Tylenol, sued Sterling for claiming in advertising that regular Bayer aspirin is just as effective in relieving headache pain. Sterling then retaliated with a countersuit.

In other competitive moves, Sterling's Glenbrook Labs in January introduced a new Bayer aspirin tablet touted for its thin, smooth coating. Ad copy described it as "easy-to-swallow aspirin."

Ad expenditures for Bayer aspirin and Bayer for children were down from $23.4 million in 1980 to $22.4 million in measured media totals. Network tv, magazines and network radio received the major portions of the budget.

In the competitive $1 billion cough and cold remedy market, Sterling has tried to make inroads with its Remedex line of liquid medicine and capsules. Marketed by Glenbrook, the brands received $724,500 in measured media spending last year, primarily in spot tv. The market, which grows at 1% to 2% annually at best, should continue to favor multisymptom items such as the highly successful Comtrex remedy from Bristol-Myers or Contac severe cold formula from SmithKline.

In other product categories from Glenbrook Labs, Midol received $4.5 million in measured media spending, up slightly from $4.4 million in 1980. Phillips Milk of Magnesia liquid and tablets, combined, were supported by $3.3 million in spending, mostly on network tv, while Diaparene baby powder received $1.6 million.

Sterling's Lehn & Fink products group accounts for nearly all of the company's domestic business in household products, cosmetics and toiletries. Sales increased 8.1%, from $362.4 million in 1980 to $391.7 million in 1981.

Operating profits increased from $56.5 million to $66.3 million, a 17.4% gain that the company attributed to a groupwide containment program.

Measured media allocations for Lysol products were reduced from $19.2 million to $17.6 million last year, following cuts of almost equal size the previous year.

Lysol spray disinfectant received roughly half of the overall budget, with spending of $8.7 million allocated to mostly network tv. Lysol liquid deodorizing cleaner was next with $4.2 million in ad support, an increase over both 1979 and 1980 levels. Lysol basin/tub/tile cleaner was backed with $2.1 million in network tv, spot tv and magazine ads.

In the moist towelette business, Lehn & Fink's Diaparene disposable baby wash received $168,400 in magazine ad support, while Wet Ones towelettes

for baby garnered $768,300, primarily in network tv. A $2.5 million multimedia drive for the new Diaparene line of Cushies extra-thick towelettes broke in March of this year.

The adult market for wet tissues has proved to be a tough sell; American Can abandoned its Fresh'n when test marketing turned up little interest in the product. Lehn & Fink's Wet Ones for adults, packaged in pop-up containers, were supported by $148,700 in measured media in 1981, the year in which Cederroth A.B. of Sweden announced the U.S. introduction of its brand of wet anal tissue.

Lehn & Fink's Bowl Power in tank toilet bowl cleaner received $1.9 million in network and spot tv ad support last year. The product was introduced in 1980 amid fierce disputes over calcium hypochlorite, a chemical ingredient reputed to corrode plumbing fixtures. Lehn & Fink subsequently ran ads denouncing the publicity, and was joined by a number of competitors in public denial of the claims made against the chemical agent.

The Love My Carpet rug and room deodorizer line, in its original fragrance and two additional scents, was backed with $2.6 million in measured media totals last year, down substantially from the nearly $5 million total registered in 1980. Perk liquid floor finish received a hefty $5 million, primarily in network tv. Mop & Glo floor shine cleaner saw ad spending cut from $2 million to $1 million, while Minwax wood finish products gained national distribution and received a $1.3 million budget.

The d-Con line of rodenticides and insecticides were top performers among household products, led by such brands as Flea Stop, introduced at the beginning of 1981, and Four/Gone aerosol insecticide, still dominant in its category. Advertising for Four/Gone, however, was slashed from $2 million in 1980 to $1.7 million in 1981. D-Con roach traps again had measured media slashed, from just under $500,000 in 1980 to $177,500.

Lehn & Fink's cosmetics division put the greatest share of advertising behind Ogilvie home hair products, which accounted for $1.7 million in measured media spending. Ogilvie's Whisper Wave nonammonia permanent, which debuted last year, received $149,200 in magazine support. Earlier this year, Ogilvie introduced its Heavenly Body protein shampoos and conditioners, slated for a print advertising campaign. Dorothy Gray skin treatment products were backed with $638,800 in magazine advertising, a substantial increase over 1980 levels of $250,000. A five-product Hydro Light skincare line, launched last summer, received $421,000 of the total.

The Stri-Dex product group, facing increasing competition from acne remedies such as Clearsil, Norcliff-Thayer's Oxy line and Noxell Corp.'s Noxzema 12-hour acne treatment, operated on $1.4 million in ad spending last year, up slightly from $1.3 million in 1980. Stri-Dex pads received $971,600 in spot tv, up from $699,000 in 1980. The product holds the No. 1 position in its category, but will have to contend with Commerce Drug's new Propa PH pad with 10% benzoil peroxide, introduced last year.

Winthrop Labs' consumer division invested $4.3 million in ad support for Neo-Synephrine nasal sprays and capsules; $2.8 million for Campho-Phenique antiseptics, and $1.3 million for pHisoDerm skin cleaner, which is targeted mainly at teen age audiences via network radio.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$882,800	$452,800
Magazines	12,361,700	11,619,700
Farm publications	—	172,200
Spot tv	9,027,800	5,[illegible]9,600
Network tv	55,410,700	57,406,830
Spot radio	754,200	1,623,600
Network radio	4,321,500	6,699,700
Outdoor	28,300	99,800
Total measured	83,787,400	83,517,400
Unmeasured	6,912,600	8,082,600
Estimated total	90,700,000	91,600,000

GLENBROOK LABORATORIES DIVISION

MARKETING PERSONNEL

James Alberts, vp-adv director
F.M. Fox, vp-mktg director
G.P. Mattimore, group mktg director
J.C. Marshall, mkt research director
Product mgrs: P.H. Kalikstein, Bayer adult aspirin; R.A. Perlman, Bayer children's line, Stridex; M.R. Guarini, Phillip's line; K.J. Sims, Bayer children's aspirin; K.E. Messer, Midol, Cope, Vanquish; S. Johnson, Diaparene line; G.R. Whitcomb, new prods; H.J. Muessen, new prods; A.M. Kidder, new prods

ADVERTISING AGENCIES

SSC&B, New York—Bayer line—Spencer Plavoukos, acct super.
Thompson-Koch Co., New York—Midol—Richard Hartman, acct super.
Cunningham & Walsh, New York—Phillips' line—Jim Polizzi, mgmt super; Hank Malfa, exec vp.
Creamer Inc., New York—Diaparene line—Gib Dannehower, mgmt super.
Warwick Advertising, New York—Stridex—Wilder D. Baker, pres-mgmt super; Bradford Moses, vp-acct super; Alan Goldberg, acct exec
Dugan/Farley Communications Associates, Montvale, N.J.—medical communications—John P. Dugan, president

LEHN & FINK PRODUCTS GROUP

MARKETING PERSONNEL

Earle K. Borman, senior vp

Cosmetics Division

Herb Waller, president
Peter Stearns, vp-mktg
Dean Reeves, natl sales mgr

Parfums Givenchy Division

David Chinn Jr., exec vp and genl mgr
James E. Smith, mktg director

Consumer Products Division

Frank E. Rumpeltin Jr., president
Leonard Suskin, vp-mktg
Albert Cramer, vp-sales

Industrial Products Division

S. Ray Mitchell, president
Thomas A. Cottone, vp-mktg director
William A. Milliron, vp-sales

Miniwax Co.

Donald H. Henderson, president
Ridgely W. Harrison III, vp-sales, Minwax
Paul R. Righter, vp-construction prods div

d-Con Co.

Earle K. Borman, president
John J. McFadden, vp-sales director
Neil Nix, vp-director, business development
Marvin Matises, director-mktg and household prods
John Caputo, prod line mgr, rodenticides
Semo Sennas, senior prod mgr, insecticides
Michael Ivancich, prod mgr, new prods

ADVERTISING AGENCIES

SSC&B, New York—Lysol prods, Love My Carpet, Beacon Wax, Mop & Glo, Wet Ones—Alan Grazio, exec vp; Michael Meyer, senior vp-mgmt super; Jeff Tazakajian, acct super; Hal Henenson, acct super.
Warren, Muller, Dolobowsky, New York—Dorothy Gray, Tussy, Ogilvie—John Andes, vp-mgmt super; Pat Kidd,

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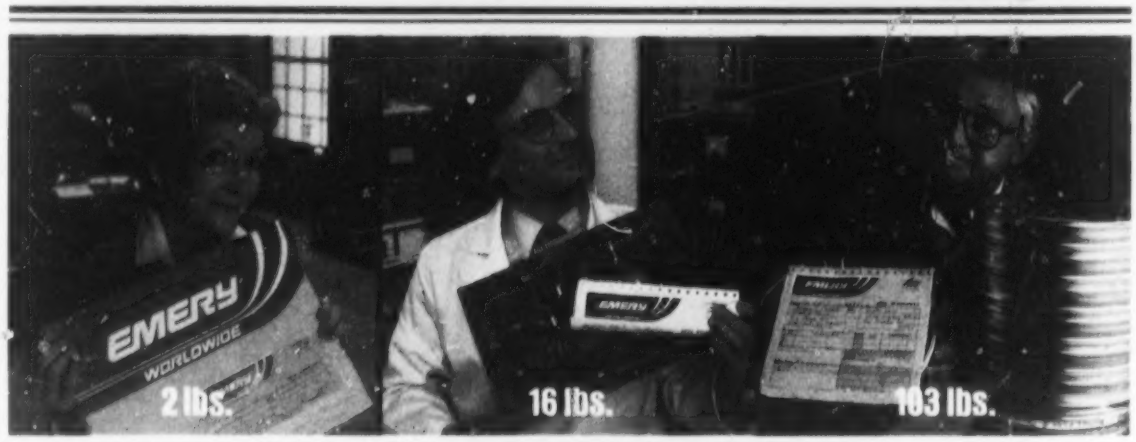

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acct exec.

Levine, Huntley, Schmidt, Plapler & Beaver, New York—Parfums Givenchy—Leslie Marshall, acct super.

Gilbert, Whitney & Johns, Morristown, N.J.—Minwax consumer and industrial prods—John Mimnaugh, exec vp.

Thompson-Koch Co., New York—d-Con line, Rid-X septic tank conditioner, Energine line, House & Garden bug killer, Stay-Away outdoor fogger, Warpath powder spray, Ant/Roach killer, Ant-Prufe, Four/Gone (indoor fogger), wasp and hornet killer, Double Power, Roach Traps—E.J. Eberie, acct super; John Klapmuts, Joshua Martin, acct execs.

BREON LABORATORIES

MARKETING PERSONNEL

William H. Marsden, vp-mktg director
Herbert E. Smith, genl sales mgr
Joyce Hecht, prod mgr
Michael P. Trepicchio, group prod mgr
Maryann McKenzie, prod mgr

ADVERTISING AGENCY

Frank J. Corbett Inc., division of BBDO, Chicago—all ethical products—F.J. Corbett, mgmt super; John M. Alderman, acct super.

WINTHROP LABORATORIES

New York

MARKETING PERSONNEL

Joseph Scarlata, vp-sales
Karl A. Brautigam Jr., vp-mktg/sales consumer div
Martin M. Coyne, group prod mgr, ethical
Neil Sheridan, group prod mgr, consumer prods

ADVERTISING AGENCIES

Lavey/Wolff/Swift, New York—Neg-Gram, Danocrine, Demerol, pHisoHex, Hypaque, Telepaque, Bilopaque, Amipaque—Charles Rockefeller, senior vp.

Frank J. Corbett Inc., division of BBDO, Chicago—Talwin, Talwin Compound—James Miller, acct super; Jack Fisher, mgmt super.

Cunningham & Walsh, New York—Neo-Synephrine, NTZ, Neo-Synephrine 12-hour, Haley's MO, Bronkaid tablets and mist, Caroid laxative, pHisoDerm prods—Bob Bridge, acct super; M. Anastas, group super; Robert Moore, acct exec.

Thompson-Koch Co., New York—Campho-Phenique—Richard Hartman, vp-acct super; Tino Alimo, acct exec.

WINTHROP VETERINARY

MARKETING PERSONNEL

Harold H. Torkelson, director-sales mktg
H. Dwight Koger, prod mgr

ADVERTISING AGENCY

Sawyer Advertising, Gainesville, Ga.—veterinary pharmaceuticals and disinfectants—Louis Sawyer, acct exec; Richard Riley, acct super.

STERWIN LABORATORIES

MARKETING PERSONNEL

Jack Salyers, vp-mktg

ADVERTISING AGENCY

Sawyer Advertising, Gainesville, Ga.—Poultry biologics, other animal health prods—Louis Sawyer, acct exec; Richard Riley, acct super.

COOK-WAITE LABORATORIES

MARKETING PERSONNEL

Wayne J. Byers, president
Richard H. Williams, field sales mgr
W. McKinney Dean Jr., D.D.S., vp-dental director
Robert C. Kibele, vp-genl mgr, Greene Dental prods, San Fernando, Cal. (C-W subsidiary).

ADVERTISING AGENCY

Rolf Werner Rosenthal Inc., New York—Carbocaine, Carbocaine with Neo-Cobefin, other local anesthetic solutions, Carpule aspirator syringe, Greene Trans-View and Dare-View X-ray film mounts, Greene filmholders, record cards—Robert P. Smith, vp-acct group super; Fran Scheinberg, acct exec.

Time Inc.

	1981	1980
Sales.....	$3,296,382,000	$2,800,013
Earnings.....	148,821,000	141,203,000
Advertising*.	141,133,000	139,430,000**

*AA estimate
**Restated

Time Inc., New York, the 43rd largest national advertiser, increased its advertising expenditures in 1981 by 1% over 1980 to $141.1 million, excluding the publishing of direct mail promotion or pro rata costs of advertising within its own magazines. The 1980 figure of $139.4 million was restated to reflect discontinued operations, namely Time-Life Films and the *Washington Star*.

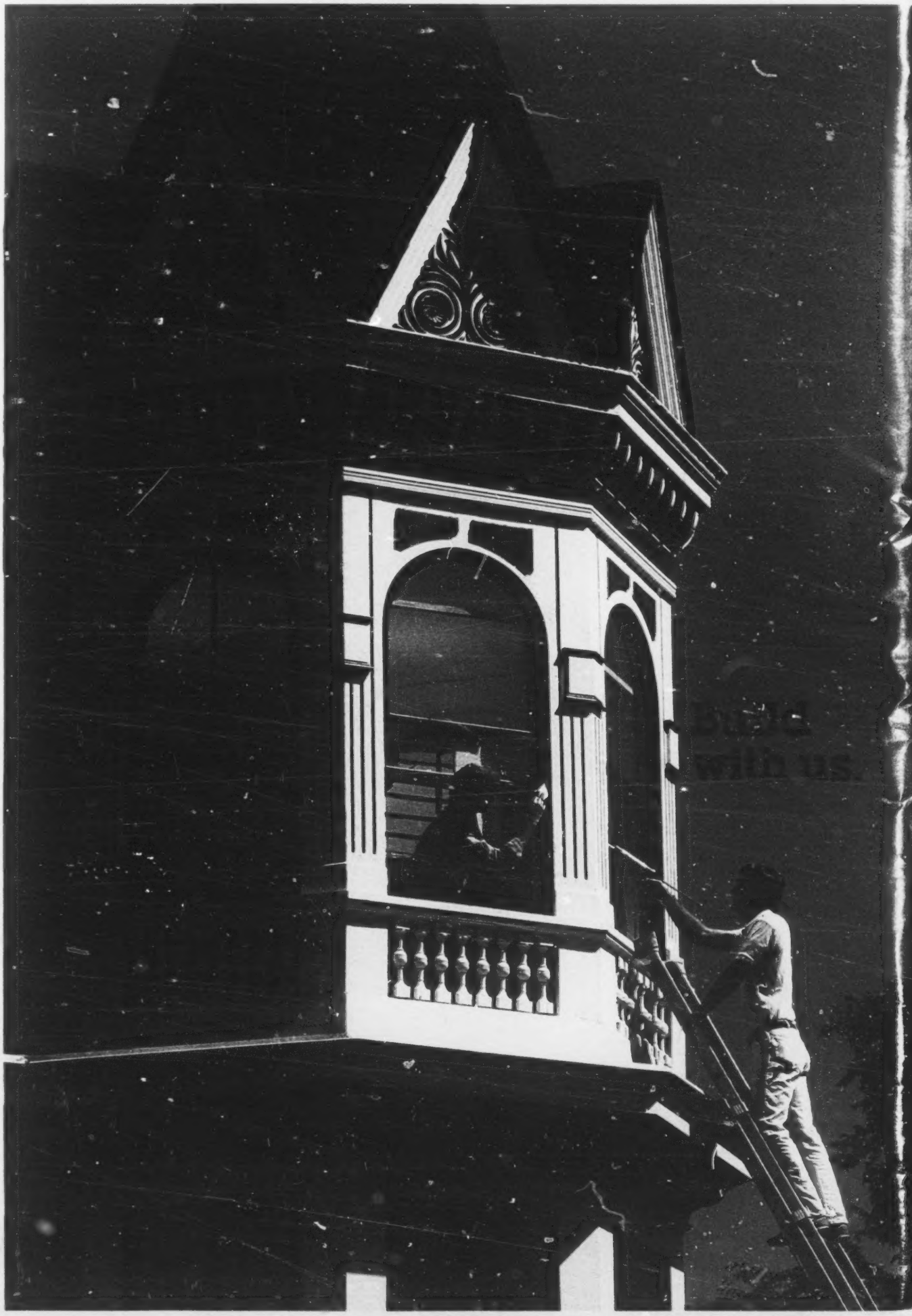
In 1981, Time Inc. had revenues of $3.30 billion, an increase of 18%, while net earnings totaled $148.9 million, up 5.4% over 1980.

In the first half of 1982, Time reported income from continuing operations of $74.7 million, compared with $92.6 million reported in the first six months of 1981.

Revenues were $1.7 billion for the first half of 1982, against $1.6 billion a year ago.

Magazines, paper operations and the increasingly important video group continue to contribute the lion's share of the company's earnings. Last year, for the first time, video passed publishing as a source of company profits and is expected to further increase that lead at the end of 1982.

One of the few disappointments last year was the performance of Time-Life Books, as it continued to show depressed earnings. There has been industry speculation that the Time-



Life Books might be discontinued—following a pattern that Time Inc. started with its folding of the money-losing Time-Life Films and the *Washington Star* last year—but company executives deny that such a move is contemplated.

Time has been both aggressive and successful in the cable tv industry. Its American Television & Communications Corp. (ATC) subsidiary is one of the country's largest cable operators, with nearly 2 million basic subscribers in 127 cable systems in 33 states. Its Home Box Office business continues to grow as well, with the number of HBO subscribers expected to reach 10 million by the 1982 third quarter. Cinemax, HBO's sister service, is reaching 1.5 million subscribers in its first year and a half.

The company's magazines—*Time, Life, Fortune, Sports Illustrated, Money, People* and *Discover*—had revenues of $870 million in 1981, with $524 million in net ad revenues, 18% ahead of 1980. Operating profits jumped 81% to a record $102 million from $56.5 million. The increase was attributed to the 18% gain in ad revenue—which came from both price and volume increases—and a 14% rise in circulation revenues.

The Books Group, which includes Little, Brown & Co; Time-Life Books and Book-of-the-Month Club, reported revenues of $518.6 million in 1981, a 4% increase over 1980. But earnings fell by 47.6% to $21.1 million.

The forest products business brought in $1.16 billion last year and a profit of $106.8 million. The forest group's major division was Inland Container Corp., whose revenues increased by 13% to a record $657 million, while its profits were up 4.7% to a record $56 million. The Temple-Eastex building products division, however, continued to be depressed in 1981. Temple-Eastex' pulp and paperboard division, on the other hand, achieved revenues of $295 million, up 12%, and profits of $48 million, up 26%. Temple, in marketing wood building materials, showed a profit of $3 million on revenues of $210 million, an improvement from its loss of $4 million in 1980.

Time's Selling-Areas Marketing Inc. (SAMI), a marketing data subsidiary, reported a 16% revenue gain last year, a record. SAMI provides grocery product marketers with data on the movement of their products from warehouses to retail outlets. SAMI added three new markets to its basic reporting system in 1981, bringing the total number to 42. These markets represent nearly 80% of all U.S. foodstore sales. SAMI also provides its clients with information on product availability within each market through a companion service: SAMI Retail Distribution Index.

While most of Time Inc.'s performance figures were up, its measured media spending—exclusive of newspapers—was down, as the company spent $77.3 million in 1981, down 11% from the $86.8 million invested in 1980, according to Leading National Advertisers. The cuts came in spot tv, network tv, spot radio and network radio. The largest chunk—$36.5 million—of the spending was put into magazines, continuing a pattern the company set in 1980, when magazines replaced spot tv as the recipient of the greater share of Time Inc.'s advertising dollars. Spot tv wasn't far behind, however, as it accounted for $30 million of spending.

Network tv's piece of the advertising pie decreased in 1980 to $6.9 million from $8.8 million the year before. Network radio picked up $181,000 from Time Inc.—a decrease from 1980's $704,400—and outdoor advertising buying accounted for $143,000 of the company's total, a large jump from the $34,200 spent in 1980.

In 1981, Time's magazines accounted for 26% of the company's revenues, the same share they contributed the year before, and approximately 34% of operating profit.

Time, which was for the 12th straight year the leading magazine in worldwide revenues, also took over the No. 1 spot in advertising revenues for U.S. magazines in 1981, displacing *TV*

BEST AVAILABLE COPY

Guide. Last year, the company's flagship weekly pulled in a record $340.8 million in ad revenues, including $253.4 million in U.S. revenues. It carried 2,908 U.S. ad pages last year.

Time lifted its domestic rate base to 4.4 million from 4.25 million last year and the international edition was raised to 1.29 million from 1.27 million. The subscription price for the domestic edition was also raised —to $40 from $35 a year. Its advertising budget of $8 million went to spot tv ($5.7 million), magazines ($955,000), newspaper supplements ($947,000) and network tv ($379,000).

Sports Illustrated continued to set advertising and circulation records, and its ad revenues of $154 million were good enough to rank it fourth among all domestic magazines last year. Ad pages increased to 2,885 from 2,647. *SI* invested almost all—$7.6 million—of its total $8.5 million ad spending in spot tv last year. The rest was doled out as follows: $792,000 for magazines, $51,000 for newspaper supplements and $9,000 for network tv. As for *SI* offshoots: *SI* Books spent $400,000, *SI* calendars spent $190,000, *SI* games spent $380,000 and *SI* mail order promotion spent $637,000—all on magazines.

People joined *Time* and *Sports Illustrated* in the top five magazine rankings last year, bringing in $136 million in ad revenues. Ad pages increased to 3,604 from 3,431. The predominantly newsstand and checkout seller raised its rate base twice in the last year and is now at $2.4 million. The cover price was raised to $1 from 95 cents this past March. The weekly magazine solidified its position as the No. 1 ad spender among the company's magazines, as it shelled out $10.1 million last year. Most of that went to spot tv—$6.9 million. The rest of the spending was as follows: $3 million for network tv, $116,000 for network radio, $35,000 for newspaper supplements and $15,000 for magazines.

Fortune had its best year ever in 1981, the company said. Now in its fourth year as a fortnightly, the business magazine maintained its 670,000 rate base. *Fortune* took in $70.4 million in ad revenues from 2,738 ad pages last year. The magazine raised its subscription rate to $33 from $30 last July. Time allotted $1.5 million for *Fortune* advertising last year, broken down in this way: $1.4 million for spot tv and $142,000 for magazines. *Fortune* spinoffs—a book club, games and a mail order promotion—received $293,000, $7,500 and $10,600, respectively, to buy magazine space.

Money continued to set impressive records. Ad revenues jumped by 48% last year to $23 million, while ad pages increased to 1,180 from 968. *Money* increased its subscription rate to $21.95 from $19.95 in July of last year. The rate base is now 950,000, a gain of 125,000 since February, 1981, with Time Inc. executives predicting the magazine will soon shoot over the 1 million mark. Newsstand sales for the $2 cover-price magazine jumped by 32% last year, making it the fastest growing title in the Time Inc. stable. *Money* spent $789,000 on advertising last year, all of it in spot tv.

Life had ad revenues of $23.2 million in 1981, up 20%, and 713 ad pages, an increase from 1980's 661 pages. Last year, the subscription rate went to $19.95 from $18, while the cover price remained at $2. *Life* spent $1.1 million on measured advertising last year: $386,000 for spot tv, $316,000 for newspaper supplements and $378,000 for network tv.

The latest edition to the lineup of Time's magazines, *Discover*, debuted in October, 1980, and has since become the largest magazine in the fast-growing science field. Its rate base has grown to 835,000 from its original 400,000. Last year, the monthly brought in $5.3 million in ad revenues on 377 pages. Its subscription price was increased to $20 from $18, while its cover price stayed at $2. Of the $1.2 million spent on advertising, $1.1 million went to spot tv and $43,000 was spent on magazines.

Some of the biggest interest in the magazine division last year was created not by what the existing publications did, but what a proposed new magazine may or may not do. Time Inc. is closely studying the prospects for a weekly cable tv magazine that would be *Time*-size and system-specific in its listings. If it is pulled off—and industry executives agree that the process would be a tough one—the project could be one of the largest magazine launchings in history.

Time's video group, the fastest-growing division at the company, had revenues of $618 million last year, more than a four-fold increase over the 1980 total of $128 million. Operating profits were up 68% to $123 million. The group includes Home Box Office, American Television & Communications Corp. and one-third interest in USA Network, an ad-supported programer. HBO had 8.5 million subscribers at the close of 1981 and is expected to have well over 10 million by the end of 1982's third quarter. HBO is now offered in more than 3,600 cable systems, and Time Inc. executives say that it is experiencing its lowest level of disconnects since the network went national, a situation they attribute in part to the HBO's decision last January to move to 24-hour programming.

Meanwhile Cinemax, launched two years ago, has 1.5 million subscribers, and ATC is expected to soon pass the 2 million mark in basic subscribers.

HBO spent $6.2 million advertising its pay channel last year as follows: $2.4 million in spot tv, $2.4 million in magazines, $1.2 million in network tv and $139,000 on outdoor. Combined advertising for the HBO and Cinemax cable networks totaled $320,000 last year, almost all of it in magazines. ATC ad spending totaled $17,000, all of it in magazines.

At the company's other divisions, the Book-of-the-Month Club, a wholly owned subsidiary, had its best year in 1981, racking up record revenues and net income. BOMC spent $3.9 million on advertising last year in this way: $3.1 million in magazines, $494,000 in network tv, $256,000 in newspaper supplements and $16,500 in spot tv.

Time-Life Books, which had a disappointing performance in 1981, spent $21.7 million on advertising, of which $15.7 million went to magazines, $3.2 million to spot tv, $2 million to newspaper supplements and $895,000 to network tv.

The wholly owned trade publishing house, Little, Brown & Co. posted record earnings and revenues in 1981 and spent $2.5 million on advertising during that period, all of it in magazines.

Time's suburban newspaper interest, Pioneer Press, had another record revenue year in 1981. The division publishes 30 community newspapers and a quarterly magazine, *2Q*.

Among the high level personnel changes at Time Inc. last year were: Christopher Meigher to director of circulation; Larry Crutcher to vp-magazines; Carlyle Daniel to president of SAMI; Richard Stolley to managing editor of *Life*; Pat Ryan to managing editor of *People*, the first woman managing editor at Time in many years; Dave Roberts to circulation promotion director; William Kelly to publisher of *Money*; Richard Thomas to worldwide ad sales director of *Time*; Dan Zucchi to publishing director of the cable magazine project and Trygve Myhren as chairman of ATC and Joe Collins as president.

Meet Hazzard's two new Dukes
A man's guide to what women want
Led Zep's Robert Plant
People weekly
Hollywood Kids What's In; what's Out; and what can go wrong
One successful family: Three's Company's John Ritter, with wife Nancy Morgan, Jason, 2, and Carly, 5 months

People *ranks among the top five magazines in ad revenues.*

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$17,825,300	$10,901,200
Magazines	36,455,200	35,611,800
Spot tv	30,025,200	30,380,700
Network tv	6,850,600	8,791,600
Spot radio	55,800	349,600
Network radio	181,000	704,400
Outdoor	143,000	34,200
Total measured	91,536,100	86,773,500
Unmeasured	49,596,900	52,566,500
Estimated total	141,133,000	139,340,000

TIME INC.
MARKETING PERSONNEL

Corporate Circulation
Christopher Meigher III, director
David Roberts, promo director

Time
John A. Meyers, vp-publisher
Richard B. Thomas, assoc publisher and worldwide adv sales director
Robert D. Sweeney, promotion/public affairs director
Richard W. Angle Jr., circulation director
Eric G. Thorkilsen, *Time International* circulation director

People
Richard J. Durrell, vp-publisher
Robert B. Kyle Jr., promo director
Michael J. Owen, circulation director

Fortune
Edward Patrick Lenahan, vp-publisher
James B. Hoefer, assoc publisher-adv sales director
Elizabeth P. Valk, circulation director
Walter J. Joyce, promo director

Discover
Reginald K. Brack, publisher
R. Timothy Leedy, adv sales director
George P. Berger, promo director
Michael J. Klingensmith, circulation director

Money
William M. Kelly Jr., publisher
James B. Hayes, adv sales director
Gil Kisch, promo director
Ann S. Moore, circulation director

Life
Charles Whittingham, publisher
Charles Rubens II, adv sales director
Gilbert Lesser, promo director
H. McLean Smith, circulation director

Sports Illustrated
Philip G. Howlett, publisher
Harry C. Rubicam, promo director
Robert D. McCoach, circulation director

Time-Life Books
J. Steven Maxwell, exec vp-North American sales
Peter Barnes, North American sales director

Time-Life Video
Dorothy Dunbar, adv and promo director

Temple-Eastex
Joe K. Sample, vp-mktg (building prods)
Russ Chase, vp-sales (pulp and paperboard)
Alan Miller, director, public affairs

Book-of-the-Month Club
Edward E. Fitzgerald, chairman, ceo
Al Silverman, president, coo
Lewis M. Smith Jr., senior vp-mktg director

Selling-Areas Marketing Inc.
Carlyle C. Daniel, president
David M. Gager, vp-sales
Alan B. Miller, vp-sales service

Home Box Office
Winston H. Cox, exec vp-operations
J. Robert Bedell, vp-mktg & pr
Matthew Blank, vp-mktg, Cinemax and mkt devel

Little, Brown & Co.
Jess M. Brallier, mktg mgr, trade div
William A. Guthrie, adv-publicity director, trade div
Timothy C. Robinson, genl mgr, law div
Joel Baron, mktg mgr, medical div
Janet Carlson, mktg mgr, college div

American Television & Communications Corp.
Gary Bryson, vp-mktg
Richard B. Holcomb, vp-public affairs

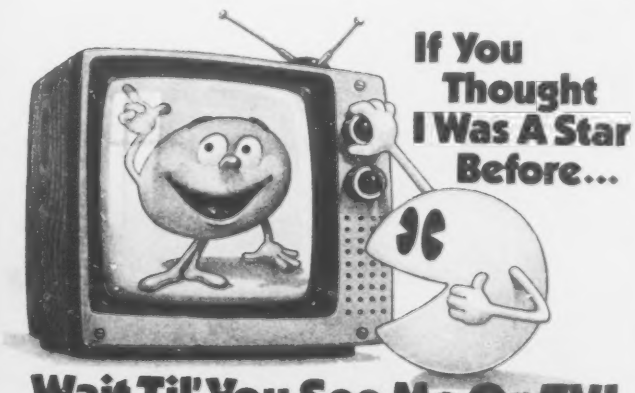
Preview STV
Nathan W. Garner, president

ADVERTISING AGENCIES

Young & Rubicam, New York—*Discover* (ad promotion)—James Tyrell, acct super; Duncan Pollock, acct exec; *Discover* (circulation promotion)—James Tyrell, mgmt super; Tom Spangenberg, acct super; Terry Pranses, acct exec; *Fortune* (ad promotion)—Bob Fane, acct super; Robert Boucher, acct exec; *Time* (circulation promotion)—Tom Spangenberg, mgmt super; Terry Pranses, acct exec; *Time* (ad promotion)—James Tyrell, acct super; Duncan Pollock, acct super.

Wunderman, Ricotta & Kline—*Discover* (circulation promotion)—Steve Dapper, mgmt super; Adrienne Wax, acct super; Alan Schulman, acct exec; *Fortune* (circulation promotion)—Debra Brown, acct super; Michael Darling, acct exec; *Money* (circulation promotion)—Steve Dapper, mgmt super; Adrienne Wax, acct super; Lisa Levine, acct exec; *Sports Illustrated* (circulation promotion)—Adrienne Wax, acct super; Alan Schulman, acct exec; *Time* (circulation promotion)—John Stevenson, mgmt super; Debra Brown, acct exec; Book-of-the-Month Club—Harriet Ballard, acct super; Virginia Laura, acct exec; Time-Life Books—Worth Linen, mgmt super; Michele Jehle, acct super; Ralph Siegler, mgmt super.

Ally & Gargano, New York—*Time* (cir-



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America will follow the lovable antics of PAC-MAN,™ MS. PAC-MAN™ and PAC-BABY™ week-by-week in a wonderful new world called (what else?) PAC-LAND.™

Hanna-Barbera productions will introduce these huggable, monster-chomping characters in their own adventure series and during the holiday season this year PAC-MAN™ will also be the star of his own prime-time holiday special.

Who speaks for PAC-MAN™? None other than Marty Ingels, of course. So keep your hand on the dial ready to catch the whole PAC-MAN™ family, starting this fall.

Bally MIDWAY MFG. CO.

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culation promotion)—Thomas Feeney, mgmt super; James Cashion, acct exec.

N W Ayer/Ayer Direct, New York—Time-Life Books—Michael Seymour, mgmt super.

Ted Bates Advertising, New York—Home Box Office—Brian Gail, senior vp-mgmt rep; Ellen Feldberg, vp-acct super.

Caldwell Van Riper, Indianapolis—Inland Container Corp.— Frank J. Wemhoff, president.

Creamer Inc., New York—SAMI—Harvey Dreyer, acct super.

A. Eicoff & Co., Chicago—Time-Life Books—Ron Bliwas, president-mgmt super.

Eicoff & Lennard, New York—Time-Life Books—Marty Grossman, vp-acct super.

John Emmerling Inc., New York—*Money* (ad promotion)—Jim Guthrie, acct super.

Geer DuBois, New York—*Life* (ad promotion)—Doria Steedman, acct super; Rita Gaves, acct exec; *Life* (circulation promotion)—John Allen, acct super; Time-Life Video—John Allen, acct super.

Holland & Callaway—*People* (circulation promotion)—Ron Holland, vp-acct super; Jim Callaway, pres-acct exec.

Ingalls Associates, Boston—Preview—Jim Casey, acct super; Carol Wright, acct super; Meredith Levy, acct exec.

Kopycinski & Associates, Lufkin, Tex.—Temple-Eastex Inc.—Vic Kopycinski, acct exec.

Lord, Geller, Federico, Einstein, New York—Book-of-the-Month Club—Albert J. Berger, mgmt super; Judith Ehrlich, acct super.

Ogilvy & Mather Partners, New York—*Sports Illustrated* (ad promotion)—Joe Davis, acct super; Peter Walsh, acct exec.

Richards Group, Dallas—*Sports Illustrated* (circulation promotion)—Bill Bergman, acct super; Danny Green, acct exec; *Time* circulation promotion—Bill Bergman, mgmt super; Terry Kafka, acct exec.

Ritchie, Hopson & Associates, Houston—Temple-Eastex Inc.—Bill Hopson, acct exec.

Franklin Spier Inc., New York (trade division)—Little, Brown—Kenneth Atkatz, acct exec.

Tracy-Locke, Denver—American Television & Communications Corp.—Terry Coke-Kerr, acct exec.

Toyota Motor Sales

	1981	1980
Sales*	$17,014,984,000	$15,840,384,000
Earnings*	146,428,000	162,631,000
Advertising**	106,186,700	87,628,000

*Worldwide; 1980 figures restated; fiscal year ending June 30
**AA estimate

Toyota Motor Sales, Torrance, Cal., the 51st leading national advertiser, is estimated to have increased advertising 21.2% in 1981 to $106.2 million from $87.6 million in 1980.

The sole stockholder in the company is Toyota Motor Corp., a new corporate entity formed on July 1, 1982, with the merger of Toyota Motor Co. and Toyota Motor Sales Ltd. of Japan.

Toyota Motor Sales Ltd. reported worldwide sales of $17.01 billion in 1981, an increase of more than $1.17 billion, or 7.4% over 1980; however, Toyota attributed a 10% decline in net income to the vagaries of the yen and a less favorable foreign exchange position than in 1980, as well as depressed domestic sales.

In the U.S., which accounts for 30% of the company's exports, Toyota maintained its position in 1981 as the best-selling import car and truck.

The Japanese auto maker continued the sales pace set six years ago when it overtook Nissan's Datsun import for the No. 1 spot. Toyota sold 714,020 units in 1981—576,491 cars and 137,529 trucks—to put its share of the import car market at 24.4%.

The company ranks second in worldwide production of motor vehicles, behind General Motors and followed by Nissan and Ford. Toyota's share of the total U.S. market is 6.7%.

The Corolla again was Toyota's sales leader in 1981, accounting for more than 40% of the company's U.S. sales volume. First introduced in 1966, the Corolla has gained wide acceptance among drivers both in Japan and overseas. In 1979, it became the first Japanese automobile to exceed the 7-million-unit mark in aggregate model production, and for four years in a row, starting from 1974, it held the record as the world's top production model, a position it regained in 1980 and maintained in 1981.

In 1981, the Corolla received $17.3 million in measured media support, including $2.9 million in magazines, $7.4 million in network tv and $3.9 million in spot tv. As with Toyota's other lines, the Corolla was advertised under the theme line, "Oh! What a feeling."

Promotion of Toyota's small, fuel-efficient pickup trucks received heavy emphasis last fall, with the company spending close to 10% of its total media budget on the truck lines, a 10% boost over 1981 spending. Among measured media, the company put more than $20.8 million behind the trucks, most of it going to spot tv. That amount was the most the company used to support any of its various lines in 1981.

Meanwhile, as competition in the import truck market began to build, Toyota quietly introduced its own sub-$6,000 truck to meet similar entries by Nissan and Mazda, but by mid-1982 sales were 5% behind last year.

Another line receiving heavy support was Celica, which includes, among others, the 2.8-liter, six cylinder Celica Supra, with models priced between $13,598 and $14,598. The Supra is the top of the Toyota line, followed by the luxury Cressida at $12,699 and the Corona models in the $7,549 to $9,199 price range.

The Supra and the high-performance Celica models, priced from $7,159 to $8,829, were featured in major enthusiast magazines at introduction time with a six-page gatefold devoted to the Supra, starting on the inside front cover, and a two-page Celica spread on the inside back cover.

All of the various Celica models received more than $12.1 million in measured media support in 1981, including $3.1 million to magazines, $5.9 million to network tv and $2.9 million to spot tv.

The remainder of the Toyota line for model year 1982—the front-wheel-drive Corolla Tercel ($4,998 to $6,428), Starlet ($5,578) and Corolla models ($5,448 to $7,128)—were featured in ads that stressed traditional product benefits with a blend of humorous situations and scenes that showed the vehicles in action.

To help introduce the 1982 model line Toyota picked up sponsorship of international professional women's tennis circuit events into the current year, replacing Colgate-Palmolive Co., which had supported the circuit since 1977. Toyota's agreement with the International Tennis Federation and the Women's Tennis Assn. includes an option for 1983.

Covered are 40 events in 13 countries, including Wimbledon, U.S. Open and Clay Court championships. The company put up $900,000 in prize money for these events, as well as $250,000 for sponsorship of the "Toyota Series Championship" in December.

Elsewhere, in a display of commercial dominance for "Super Week on ABC," Toyota was featured in every ABC network prime time position over a four-night period last year. The effort dominated coverage of Toyota's target audience (young adults) and provided high degrees of frequency and impact at a time when no similarly targeted tv specials were available.

A highlight of Toyota's 1982 model season was increased use of pro football broadcasts. The company ran ads during all National Football League games telecast on CBS-TV, including the championship playoffs and the Super Bowl.

The past year also saw Toyota and Ford Motor Co. table plans for the joint production of a car they could produce in the U.S. But in the first half of 1982, General Motors and Toyota began discussing similar possibilities for building a small car at one of GM's idle U.S. assembly plants, perhaps a front-wheel version of the subcompact Corolla.

Toyota's new $50-million headquarters facility in Torrance, begun in 1980, is expected to be ready for occupancy in October. A new regional headquarters and parts depot opened in Cincinnati during the past year, and a similar complex is scheduled to open soon in the San Francisco area. These recent projects represent a capital improvements program totaling more than $80 million.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$11,339,100	$7,023,300
Magazines	10,100,500	6,994,300
Spot tv	38,616,400	33,035,600
Network tv	25,550,100	23,945,300
Spot radio	3,785,100	3,587,000
Network radio	150,400	—
Outdoor	1,775,100	1,542,500
Total measured	91,186,700	75,128,000
Unmeasured	15,000,000	12,500,000
Estimated total	106,186,700	87,628,000

MARKETING PERSONNEL

N.D. Lean, senior vp-chief operating officer
H.A. Bracken, vp-natl sales and distribution
W.E. Christell, vp-mktg
E.B. Brogan, corporate public affairs mgr
J. Press, natl adv mgr

ADVERTSING AGENCY

Dancer Fitzgerald Sample, Torrance, Cal.—Stuart Upson, chairman-chief exec; Norm Lauchner, managing director; Jim Lindsey, mgmt super.

KNOW THY COMPETITION

See page 125

LNA

Money Market

If you want to market something to people with money, put Florida Trend to work. One of every six readers is a millionaire. Average annual household income — over $70,000. Real estate holdings average more than $333,000. And now Florida's only statewide business magazine has regional advertising editions. Call or write for more information — because in Florida, the Trend is up.

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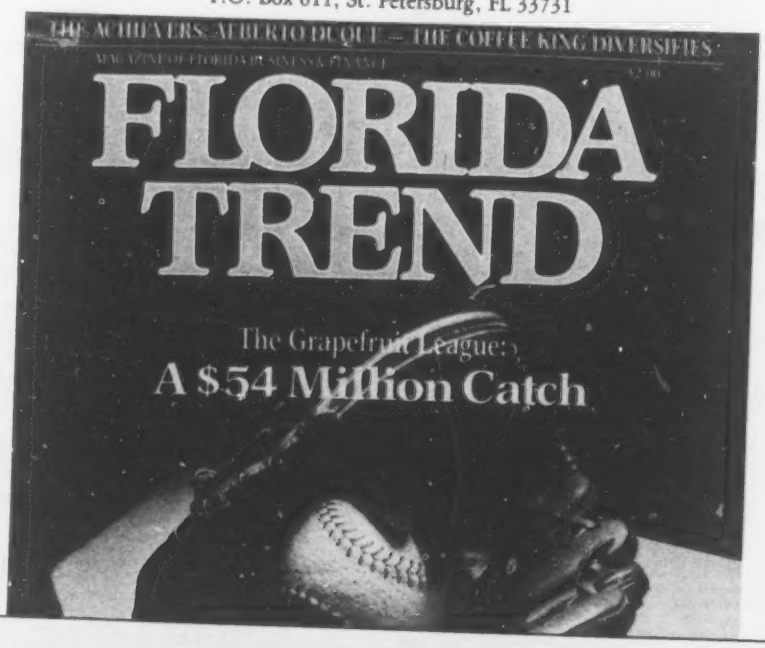

Trans World Corp.

	1981	1980
Sales	$5,265,500,000	$4,992,200,000
Earnings	71,200,000	44,916,000
Advertising*	95,235,900	88,975,000

*AA estimate

Trans World Corp., New York, the 57th largest national advertiser, spent $95.2 million on advertising in 1981, a 7% increase from 1980.

The company showed a 5.5% increase in sales over the same period, reaching $5.27 billion. Pretax income in 1981 totaled $71.2 million, up 58.6% over the $44.9 million recorded in 1980. (In 1980 and 1979, Trans World's pretax income had fallen considerably from $92.5 million in 1978.)

Four of the company's subsidiaries, Canteen Corp., Century 21 Real Estate, Spartan Food Systems and Hilton International Co., all enjoyed increased revenues from 1980.

Hilton had its best year ever, with 1981 pretax income of $73.4 up 11.5% from 1980.

One of the company's subsidiaries, Trans World Airlines (TWA), lost money, reflecting the economic slump air carriers have suffered over the last two years. TWA's advertising spending, however, increased by 8.2% over 1980. The airline spent $55 million on advertising, with $10 million in spending measured by Leading National Advertisers and $40 million in newspapers. It also spent $208,100 in measured spending on its air freight division.

TWA ranked fifth among airlines in its revenues from passenger miles with $25.8 billion, up 8.6% from 1980. Yet the company continued to operate at a loss, with a pretax deficit of $28.2 million, or $1.2 million worse than last year. Its system capacity declined 9.4% because of reduced operations stemming partly from Federal Aviation Administration flight restrictions and the stagnant airline market.

To increase ridership, TWA used flight incentives in most of its ad campaigns. It jumped into the airlines' price wars with its "Anywhere on TWA for $149," which later increased to $179 when TWA introduced its Supersaver fare for $149. It also followed American Airlines by offering a frequent-flier bonus. Any passenger who traveled 60,000 miles became eligible for two free round-trip economy tickets to any TWA international destination.

The rest of TWA's ad dollars were spent on the Ambassador Class to Europe campaign, which boasted that TWA had "wider seats and more legroom than any other airline" in its revamped transcontinental Boeing 747 carriers.

The airline also reportedly renegotiated its commission contract with Ogilvy & Mather, New York, where a large jump in estimated billings would mean the increased profit would be split between the agency and client. Such a move, according to reports, would be beneficial to TWA.

Mary Hershey

Trans World Corp.'s Century 21 saw some expansion, despite a depressed market.

Hilton International Co., the corporation's biggest money earner, acquired eight more hotels in 1981 to make a total of 85 Hilton owned or operated facilities in 43 countries. However, occupancy rates for the hotels were down by 2% to 71% for the year.

A total of $1.7 million was spent on measured advertising, with $530,700 used to continue Hilton's push to acquire domestic hotels under the Vista International banner. A Philadelphia Vista is scheduled to open in late 1982. The hotel's major campaign in 1981 was aimed at business travelers under the theme, "Where the world is a home." McCann-Erickson, New York, created the campaign.

Only one of Trans World's two foodservice wings, Spartan Food Systems, showed great improvement over last year. Revenues of Spartan, owner of Quincy's Family Steak Houses and a Hardee's restaurant chain franchisee, reached record highs, reaching $9.2 million in 1981, a 43.7% increase over 1980. The company added 12 Hardee's units and closed one to bring the total number of its holdings in this fast-food restaurant to 242 units. Quincy's has charted rapid growth with a year-to-date restaurant total of 115, up 68 units from 1980.

Trans World's other foodservice company, Canteen Corp., had only a slight profit increase, 4.5% over last year. Because of the depressed manufacturing industry, fewer people ate at Canteen's industrial outlets, causing a loss in revenue. To hit on this crunch, Canteen expanded its "By-the-Ounce" program, which allows employes to buy only the amount of food they want. The company also expanded its cooperative vending program and introduced a chain of deli restaurants, Gulliver's delis. There are currently five outlets, with five to 10 more restaurants expected to open in 1982, and 10 to 12 additional units planned for 1983.

Canteen has three subsidiaries, Milnot Co., processor and distributor of a canned milk-based product and other foodstuffs; Dunhill Personnel System, an employment placement agency, and Rowe, a cigaret vending service. Advertising is done in-house.

Century 21 Real Estate, which maintained its position as North America's No. 1 franchise real estate organization, managed a slight profit despite the depressed real estate market. The corporation's pretax profits were up 6.4% from last year for a 1981 total of $9.2 million.

In an effort to buy back individual franchises, Century 21 acquired the formerly independent New England region in 1981, and in early 1982 it merged two independently owned Ohio regions into one company-owned region. It now owns 14 of the 29 franchises.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$17,354,100	$17,546,100
Magazines	6,262,300	3,036,900
Spot tv	11,929,700	11,532,100
Network tv	15,156,700	14,235,100
Spot radio	4,757,200	6,256,400
Network radio	647,900	—
Outdoor	376,400	61,200
Total measured	56,484,300	52,760,400
Unmeasured	38,749,600	36,214,600
Estimated total	95,235,900	88,975,000

TRANS WORLD AIRLINES
MARKETING PERSONNEL
N.M. Effman, senior vp-airline planning
B.J. Kennedy, vp-adv & sales
L.S. Toulouse, staff vp-passenger mktg
ADVERTISING AGENCY
Ogilvy & Mather, New York—domestic/intl passenger services—Graham Phillips, mgmt rep; Max Bisset, mgmt super.

HILTON INTERNATIONAL CO.
MARKETING PERSONNEL
Fred W. Ruoff, vp-mktg
R.H. Braun, adv & sales promotion
R.H. Treseder, adv mgr (Europe, Africa, West Asia)
JoAnn Zaccarelli, adv mgr
ADVERTISING AGENCY
Lord, Geller, Federico, Einstein, New York—Al DeJonge, acct exec.

CANTEEN CORP.
MARKETING PERSONNEL
Daniel R. Krpan, vp-mktg
H. Kenneth Hatter, director-mktg and prod planning
ADVERTISING AGENCY
Inhouse.

CENTURY 21 REAL ESTATE CORP.
William B. Mosely, senior vp-mktg & adv
ADVERTISING AGENCY
WRG/West, Los Angeles—Stephen O'Leary, mgmt super; Peter Hale, acct super.

SPARTAN FOOD SYSTEMS
MARKETING PERSONNEL
Loren M. Seager, vp-mktg
ADVERTISING AGENCIES
Benton & Bowles, New York—Quincy's, Hardee's franchises—John O'Neil, acct exec, Quincy's; Steve Jarmon, acct exec, Hardee's.
Jackson Smith Advertising, Atlanta—Ed Redmond, acct exec.
Souther Agency, Spartanburg, S.C.—Larry Souther, acct exec.

UAL Inc.

	1981	1980
Sales	$5,141,174,000	5,041,535,000
Earnings	(70,530,000)*	21,008,000
Advertising	70,585,100	90,164,100

*(Loss)

UAL Inc., Elk Grove Township, Ill., the 75th largest national advertiser in 1981, spent an estimated $70.6 million in advertising, a 17% increase over $60.2 million in 1980.

UAL is a holding company comprising four main units—United Airlines; Westin Hotels, a Seattle-based hotelier; Mauna Kea Properties, including the Mauna Kea Beach resort hotel in Hawaii and real estate interests, and GAB Business Services, New York, an insurance services and claims adjusting company.

UAL's operating revenues totaled $5.14 billion in 1981, a 2% increase from the 1980 figure of

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Marcia Fleschner, C.P.C. · Arnold Milgaten, C.P.C.

$5.04 billion. But after a brief earnings recovery in 1980, UAL plunged into the red in 1981, losing $70.5 million in 1981, compared with a gain of $21.0 million in 1980. The loss stemmed from persistent earnings problems at United Airlines; its net loss for the year was $104.4 million. Like other carriers, United was faced with a myriad of operating difficulties during the year, including air fare wars and the air traffic controllers' strike.

At the same time, hotel operations, including Westin and Mauna Kea Properties, set records in 1981 with net earnings up 12% to $35.4 million versus $31.5 million in 1980. GAB Business Services experienced a $1.6 million loss for the year, compared with 1980's net earnings of $4.6 million.

In the first quarter of 1982, the slump continued, and it began to affect Westin Hotels. The company reported a net loss of $129.3 million, attributing the record losses to discounts and schedule limitations resulting from the air traffic controllers' strike. Net earnings were down for hotels, compared with 1981's first quarter because of the recession.

The company looked to all parts of its operations to reduce expenses, but advertising and promotion budgets were not reduced, largely because of the competitive nature of the airline industry. In fact, the total estimated increase of 17% is the largest UAL advertising increase in the last two years, according to Advertising Age estimates. Advertising became even more important to all the airlines during 1981, as each tried to attract customers, tell travelers about new routes and discount prices and, with the air controllers' strike, inform potential fliers that the airlines were still operating.

The industry's turbulence led to a raft of agency changes, including shifts at American, Eastern, Republic, Northwest and others. United's top management stressed its satisfaction with Leo Burnett USA, its agency since 1965, and the relationship appeared solid despite the profit problems. At the company's annual meeting, Richard Ferris, UAL president and chief executive officer, said he "couldn't be happier" with the agency's work.

The airline did make several important cost-cutting measures in 1981 and early 1982. In August, 1981, United pilots agreed to a new contract that reduced crew sizes on certain airplanes and increased productivity. The airline's machinists signed a new contract in March, 1982, providing advantageous terms to the carrier. Thousands of United employes were furloughed, however, as the airline made personnel cuts when traffic dropped.

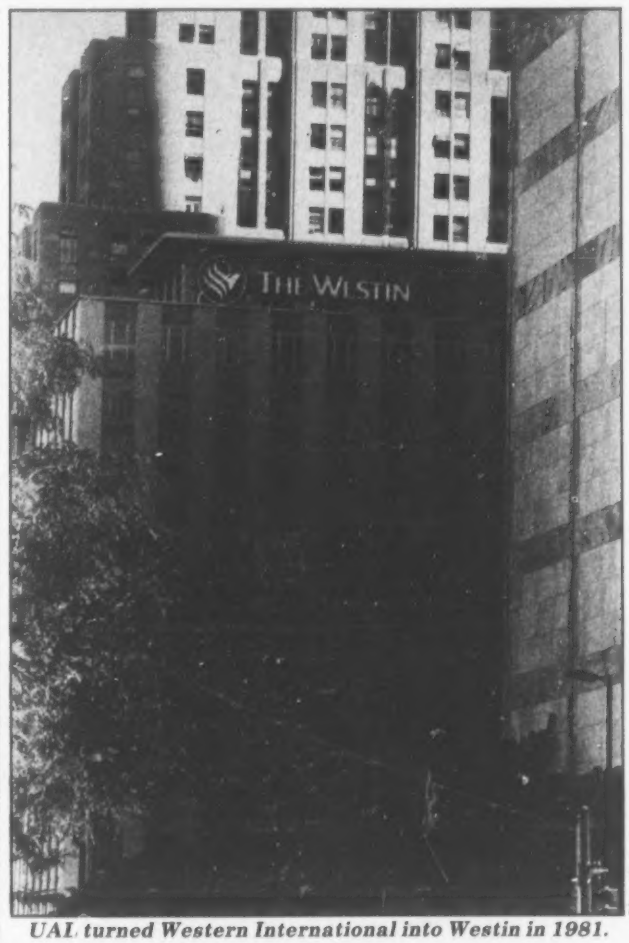
The carrier added four DC-10s and grounded a number of less fuel-efficient aircraft in its attempt to improve operating costs. In the fall of 1982, the airline planned to start flying the new Boeing 767, a plane nearly 35% more fuel-efficient than the ones they are replacing. In June of 1982, however, United and Boeing entered negotiations to cancel or substantially delay deliveries because of threats to safe harbor leasing provisions of the 1981 tax act and poor profits.

Because of the air traffic controllers' strike, there were 19% fewer scheduled aircraft departures. Increased use of larger aircraft kept the year-to-year decline in available seat miles to 11.7%. Scheduled revenue passenger miles were 9.4% below 1980, the company reported. The company maintained its status as the nation's largest airline in terms of operating revenues and revenue passenger miles flown. United's actual load factor was 59.6% in 1981, compared with 58.4% in 1980, while its break-even load factor was 63% in 1981 versus 59.7% in 1980, according to a Salomon Bros. report.

United's advertising, for the most part, involved both offensive and defensive measures relating to new routes, fares and services. The airline carried over into 1981 a campaign started in 1980 adapting its long-running "Fly the friendly skies" theme, and using the line, "That's what friendly skies are all about." For most of the year, though, the airline advertised prices and destinations.

Then, in January, 1982, the company launched a new campaign directed at business travelers. A continuing series of spots featuring prominent businessmen and women posed and answered the question, "Why do 100,000-mile fliers choose United Airlines?" Among the first presenters were Frank Capra Jr., president, Avco Embassy Pictures; Jean Nidetch, founder, Weight Watchers International; Hugh G. Glenn, president, Omega Watch USA, and Charlie O. Finley, former Oakland A's owner.

The airline continued to support its primary leisure travel destinations, Hawaii and Florida, with various advertising and promotion programs. Spots showing in-flight Royal Hawaiian Service and island destinations were aired during the year.



Mary Herlehy

UAL turned Western International into Westin in 1981.

In January, 1981, United introduced Al E. Gator, an animated spokesman, to promote its "Sunbird" service to Florida from several Northern cities. The character, a dapper-dressing alligator with a southern drawl, appeared in both television and print advertising in 1982, too.

Much of the year's advertising revolved around new routes. Taking advantage of the deregulated skies, United moved to strengthen its Chicago and Denver hubs by offering new service to Tulsa, Oklahoma City and Wichita, Kan., in June, 1981. Service from Chicago to Cincinnati was added in July. The carrier announced plans to start service to Albuquerque, N.M., San Antonio, Louisville, Ky., and Syracuse, N.Y., but in the fall of 1981 was forced to retrench because of capacity restrictions brought about by the air controllers' strike. In June, 1982, United received government authority to fly between the Pacific Northwest and Japan, and said it would start the service in April, 1983.

United did reenter the southwestern market in early summer, 1982, after Braniff Airlines entered bankruptcy, leaving the prime Dallas market open to competitors. United started service to that city from Chicago and Denver, and also carried through its earlier intention to fly to San Antonio.

Throughout 1981, United, hit hard by new, low-cost carriers in many of its primary markets, struck back by matching fares on competitive routes. In Chicago, for instance, the airline slashed prices on selected flights to cities where it competed with Midway Airlines. Its most ambitious response, Friendship Express service, surfaced in late spring in the Cleveland market, where New York Air had initially carved out a healthy market share by offering low fares.

In the fall, United expanded the Friendship Express concept to routes in the West—principally from hubs at Los Angeles and San Francisco. Using peak and off-peak pricing, United began the service on Oct. 1 from Los Angeles to San Francisco.

Advertising in western markets concentrated heavily on the introduction of the new low-fare concept. In April, 1982, the carrier launched a business class service—first class-type seating, advance seat reservations and complimentary meal and cocktail services—on all Friendship Express flights between Los Angeles, San Diego, San Francisco and Portland and Seattle, and between Phoenix and San Francisco. The airline said it made the move back to additional services because of a desire by some business people for the amenities.

Principally, though, the airline paid more attention in its advertising to the endless array of discount fares generated by its competitors, and, in some cases, itself. The heavily traveled transcontinental routes were a hub of price promotion activity throughout the year, as United contended with traditional rivals, TWA and American, and a relative newcomer, Eastern.

United followed the lead of competitors in May, 1981, when it announced a program to reward frequent fliers. The airline called its program, "Mileage Plus." The promotion gave travelers a chance to gain discounts on round-trip tickets if they flew United and logged their mileage.

The company turned its at-

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tention and ad dollars to one major new business during the year—overnight package delivery. Touting its growth potential, United announced that it would enter the $2 billion-plus market in September, 1981, under the United AirExpress name. United used its own planes and contracted ground service operations to independent freight forwarders. The airline said it would launch a multi-million-dollar ad campaign in September, 1981, to back the service in major markets. The air traffic controllers' strike forced United to cut back on the number of evening and early-morning flights in major markets that make up the bulk of the overnight package delivery business. Eventually, some of the flights were restored.

By the spring of 1982, the United AirExpress campaign was in full swing. Television and print ads showcased humorous talking packages eager to "fly the friendly skies." The airline said it would spend $13 million in 1982 to advertise and promote the AirExpress service.

The air traffic controllers' strike left an indelible mark on United's business in the second half of 1981, and, the airline contended, into 1982. Government-mandated cutbacks hit United particularly hard at hubs in Chicago and Denver, where it had a 24% and 16% reduction in departures, respectively. United moved ads to cope, trying to inform put-off passengers that the airline was still flying a reduced, but normal, schedule. Yet, as Mr. Ferris told shareholders at the company's annual meeting: "Some passengers simply decided not to fly. Others changed their routings .... The geographical imbalance left United at a competitive disadvantage."

Making good on its promise, the company's Western International Hotels division implemented a corporate name change to Westin Hotels in 1981. The Westin name was placed on 23 operating hotels and included on five hotels under development. Throughout the year, Westin advertised the new name and redesigned corporate logo. The chain then extended the introductory campaign to feature the "Westin Man" and "Westin Woman" in its 1982 advertising. The campaign from Cole & Weber, Seattle, carried the subtheme, "First-class, worldwide."

The company said that the recession would not affect its plan to add 22 new hotels by 1985. The chain's average occupancy rate was 77%, three points lower than 1980, but still considered above the industry's average rate.

In 1981, Westin opened three new properties: The Westin Hotel, Cincinnati; the Shangri-La, Hong Kong, and the Camino Real, Ixtapa, Mexico. It also completed a major addition to the Williams Plaza, Tulsa. In 1982, Westin slated new additions at the Arizona Biltmore, Phoenix; the Carlton, Johannesburg and the Westin Hotel, Seattle. A new hotel was scheduled to open at Vail, Colo., later in the year.

To complete its expansion plans, Westin announced several new projects. In 1983, openings were forecasted for the Westin Hotel, Galleria, Dallas; the Westin Hotel, Copley Place, Boston; the Westin Hotel, Ottawa, and the Camino Real, Tijuana, Mexico.

Other planned projects included Westin properties in Birmingham, Ala., and near O'Hare Airport, Chicago.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$19,034,400	$16,245,200
Magazines	4,662,800	3,670,800
Spot tv	16,738,400	12,431,700
Network tv	8,297,400	8,491,000
Spot radio	8,421,300	8,148,900
Outdoor	406,200	298,600
Total measured	57,580,500	49,286,200
Unmeasured	13,024,600	10,877,900
Estimated total	70,588,100	60,164,100

UAL INC.

MARKETING PERSONNEL

United Airlines

J.R. Zeeman, senior vp-mktg
J.E. Ruhaak, vp-mktg resources
J.C. Blackman, vp-genl sales mgr
P.G. Golbitz, vp-AirExpress
D.C. Moonjian, vp-mktg management

Westin Hotels

W.P. Newman, senior vp-mktg
D.R. Evans, vp
U. Schwartz, vp
R.D. Olstad, vp

GAB Business Services

A. Peters, vp-mktg

ADVERTISING PERSONNEL

United Airlines

W.F. Alenson, director-adv & promo
A.E. Sortwell, mgr-adv
W.D. Groundwater, mgr-adv
L.A. Small, mgr-adv
J.P. Grember, special projects mgr
S.A. Grosvald, mgr-merch & promo
L.E. Brenne, mkt development mgr

Westin Hotels

R.D. LaRue, director-adv & pr
Barbara Sand, adv mgr

GAB Business Services

Michael Gron, mgr-mktg support

ADVERTISING AGENCIES

Leo Burnett USA, Chicago—United Airlines—Dave Smith, mgmt director; Jim Thompson, vp-acct super; Ashton Lee, acct super; Jim Dotter, John Goad, acct directors; Cynthia Caples, Jeff Kaiser, Don Campbell, Dick Treat, Dave Palmer, acct execs.

Cole & Weber, Seattle—Westin Hotels—Lee Bartlett, vice-chairman; Sharon Lee, acct exec.

Doremus & Co., New York—GAB Business Services—John Fisher, vp.

Unilever U.S.

	1981	1980
Sales*	$2,838,888,000	$2,811,228,000
Earnings*	145,584,000	133,770,000
Advertising*	188,878,800	158,329,100

*North American figures for Unilever NV
**AA estimate

Unilever U.S., New York, which includes Lever Bros., Thomas J. Lipton Inc. and National Starch & Chemical Corp., is the nation's 27th largest advertiser, spending an estimated $188.9 million in advertising in 1981, up 19% from 1980.

Combined sales of the three companies, and including Canadian operations, totaled $2.84 billion in 1981, an increase of about 1% over 1980. Operating income in 1981 rose about 8.8% over 1980 to $145.6 million.

As suggested by the performance figures, economic activity for Unilever U.S. remained sluggish, as it was in Europe for parent Unilever NV, based in Rotterdam, the Netherlands, and London.

But in one bright note, National Starch & Chemical had a good year in 1981, with sales of $668.3 million, up 21.1%, and earnings increased 28.3% to $41.4 million.

Thomas J. Lipton Inc. both maintained its market position and improved its profits. And Lever Bros. management continued its efforts to restore this division to financial health.

Lever Bros., which six years ago set out to save money on media planning and buying by creating an in-house shop, abandoned its plan in early 1982, and returned all but network tv buying to its regular agencies of record. A Lever executive said changing factors in the media area persuaded the company to make the transfer. Originally, Lever hoped to add $3 million to profits by moving in-house and, in fact, in 1981 the company saved about that amount through this operation.

Michael R. Angus, named Lever Bros. chairman-chief executive officer in early 1980, continued his policies of shoring up profitability and long-term investments.

On the production side, the company opened a $43 million soap plant in Hammond, Ind., in October, 1980, that reduced by 10% the cost of making Lever bar soaps. In February, 1981, the company completed the shutdown of margarine production at the Hammond plant and parceled out production to independent contractors.

On the marketing front, Lever faced stiff competition on all sides. The margarine category, which sustained heavy losses in its food division in 1980, held steady in 1981. Lever's No. 1 brand, Imperial, had a healthy resurgence in sales.

Promise brand margarine, introduced in 1972 as a premium-price polyunsaturated brand, held onto its 1% market share. Measured media advertising support totaled $3.6 million, according to Leading National Advertisers estimates, all put into spot tv. McCann-Erickson handles the account and handles Unilever margarine in Europe as well.

Over-all, Lever's other margarines got about $1.8 million in measured media support. Most of these dollars were channeled to spot tv. Autumn 100% Natural margarine received $678,000, down 21% and Promise received $1.2 million, up 10% over 1980 spending.

Lever's other principal food product, Mrs. Butterworth's syrup, continued to grow.

Faced with economic conditions similar to those in 1980, Unilever officials reportedly have their eye on the American foods market, particularly the high end, and are looking to acquire a branded food producer with healthy profit margins.

Unilever's last purchase in the U.S. was Lawry's Foods in 1979, which is now merged with Lipton.

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Lipton products once again soaked up much of the domestic advertising budget, receiving about $34.2 million in measured media in 1981, up 12.1%. The bulk of the sum was spent for network and spot tv and magazines.

The most heavily supported Lipton products included Lipton tea bags ($9.2 million), Lipton soup mixes ($7.6 million), Cup-a-soup instant soup mix ($4.7 million), iced tea mix ($1.9 million) and flavored teas ($3.9 million).

Lawry's products got about $2.7 million in measured media, virtually all of it in magazines and spot tv. Lawry's seasonings got the lion's share of advertising at $2.2 million.

Lever's household products division, which accounts for about two-thirds of the company's volume, registered some gain in sales and profits in 1981. Unit figures increased only nominally, however, and all of the division's five marketing categories showed improved growth last year. These major marketing areas are detergents, soap bars, light-duty liquids, fabric softeners and automatic dishwashing liquids.

The division's four major brands—Wisk, All, Dove and Caress—continued to make up the bulk of the division's volume. Wisk liquid detergent got more than $11.5 million in measured media; All, about $10 million; Dove products about $9.5 million, and Caress soap bar, slightly more than $6 million. Advertising was concentrated in magazines, network and spot tv.

Lever Bros.' new Sunlight, a light-duty dishwashing liquid, continued its national rollout in 1981, which is expected to be completed in 1982.

Lever officials believe Sunlight can become one of the top five brands once it reaches full national distribution in the premium-price dishwashing liquid market.

Lever's biggest national entries in the category now are Dove and Lux, each holding about 3.5% of the market. Sunlight is the first major introduction of a dishwashing liquid since the mid-1970s. Sunlight received more than $1.4 in measured ad support, spread between magazines and spot tv.

Lever changed the 25-year-old Dove soap wrapper from blue to white, noting new package in tags to regular tv spots since mid-December of last year. The theme continues: "If you use Dove for seven days, your skin will look and feel softer."

The performance of Shield, launched nationally in early 1981, pointed the way to further inroads on the deodorant soap segment. Although Shield is not positioned as a "refresher" soap, but rather as a strong odor-fighter, it has achieved a 4% share in just more than a year on the market. Some of Shield's sales appear to be coming from other brands in the segment, including Procter & Gamble's Zest (8%), Coast (6.7%) and Safeguard (6%).

The deodorant soap was supported by more than $10 million in magazines, newspaper supplements, network and spot tv.

The competition for market share was fierce in Lever's personal products division. P&G's formal announcement of advanced-formula Crest sparked verbal response from both Lever and rivals Colgate-Palmolive and Beecham.

Initial competitive response from Lever included the addition of new copy on packaging for Aim, claiming that it is "unsurpassed in cavity protection." Lever wrote to all American Dental Assn. members, stating, "While the new Crest should be better than the old Crest, there is no reason to expect that it is better than Aim."

Lever also tested Close-up with fluoride in Burlington, Vt., and a mint flavor Aim. Close-up with fluoride has since been expanded nationally. Measured ad support for Aim was just over $19 million; Close-up was backed by more than $12 million, and Pepsodent received $2 million, all spread between magazines, network and spot tv. Market share figures are Aim, 10%; Close-up, 7.3%, and Pepsodent, 2.7%.

Early in 1982, Lever began testing new copy for Signal mouthwash in Portland, Ore. BBDO spots say, "Goodbye to bad breath; hello to fresh breath; do the Signal switch." Nationally, the "Kiss me, I got the Signal" theme continues with over $4 million in advertising for magazines and network and spot tv.

In the deodorant/antiperspirant market, the personal products division went national with Impulse deodorant/fragrance body spray in May, 1982, with a $13 million campaign. Impulse was tested in Rochester, N.Y., where it gained a 9.9% share of the deodorant/antiperspirant market.

Elsewhere in 1981, Interpublic Group of Cos., after three years of negotiating, purchased Unilever's holdings in the advertising agency SSC&B: Lintas International.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$3,542,000	$1,644,800
Magazines	17,104,800	14,434,700
Spot tv	42,949,900	58,502,500
Network tv	95,182,000	74,111,800
Spot radio	53,700	349,900
Outdoor	56,400	295,400
Total measured	158,878,800	139,339,100
Unmeasured	30,000,000	29,000,000
Estimated total	188,878,800	168,339,100

LEVER BROS. CO.

MARKETING PERSONNEL

Richard C. Butler, director, Lever Media Group

HOUSEHOLD PRODUCTS DIVISION

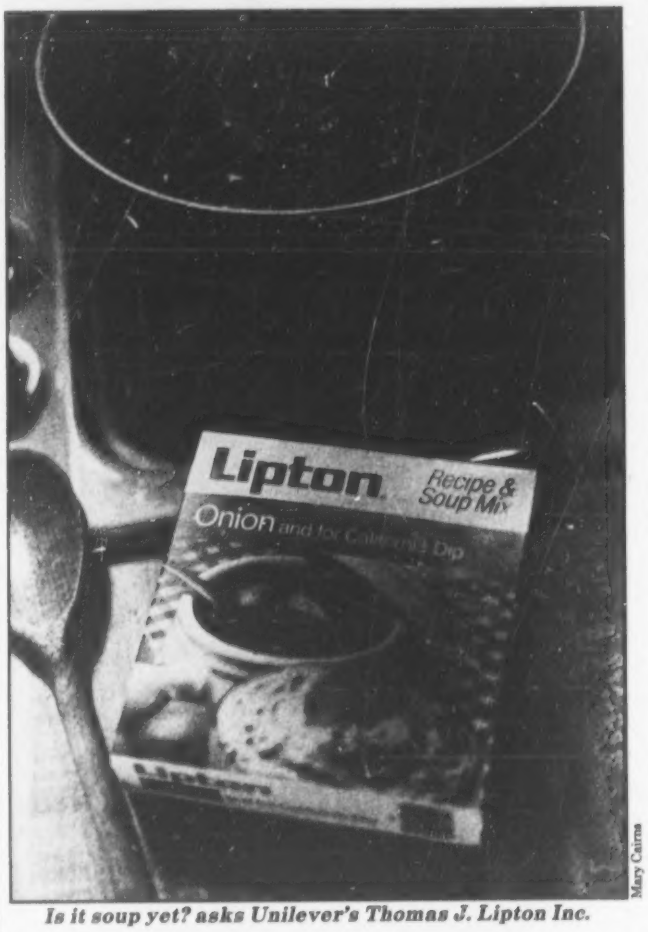
MARKETING PERSONNEL

John R. Cookson, president
Andrew Seth, mktg vp
Richard P. Donnelly, mktg mgr
George T. Mayer, mktg mgr
John R. Speirs, mktg mgr
I. Robert Wanke, mktg mgr
George J. Franzen Jr., vp-sales
Edward L. Kiefhaber, general sales mgr
Gloria B. Deragon, mktg rsch director
Bonnie J. Carlson, group promo devel mgr

ADVERTISING AGENCIES

Ogilvy & Mather, New York—Final Touch, Dove—Jack Reed, senior vp-mgmt super; Sylvia White-head, acct super, Final Touch; Gerry Lantz, acct super, Dove; Jeanne Follansbee Quinn, acct exec, Final Touch; Mary Gael Senko, acct exec, Dove.

J. Walter Thompson USA, New York—Shield, Rinso, Dove liquid, Lux soap—John Maher, group acct director; Charles Stockhouse, mgmt super; John Tracosas, acct super.



Mary Cairns

Is it soup yet? asks Unilever's Thomas J. Lipton Inc.

SSC&B: Lintas Worldwide, New York—Concentrated All, Liquid All, Dishwasher All, Lifebuoy—Spencer Plavoukos, exec vp-senior mgmt officer; John W. van der Kieft, vp-mgmt super; N. Bruce Kravetz, acct super; Steven Barcan, acct exec.

BBDO, New York—Wisk, Sunlight, Caress, Lux Liquid, Phase III, Breeze, new prods—Ken Rogers, senior vp-mgmt super; James Keller, acct super, Wisk, Caress and new products; Ken Runkel, Sunlight and new prods.

PERSONAL PRODUCTS DIVISION

MARKETING PERSONNEL

Arthur C. Unger, president
Fritz C. Hoefer, mktg mgr
Donald E. Karlson, mktg mgr
David O. Williams, mktg mgr
Paul E. Regan, vp-sales
James D. Clokey, mktg rsch director
Seymour (Zish) Molbegott, promo devel director

ADVERTISING AGENCIES

Ogilvy & Mather, New York—Aim—Jack Reed, senior vp-mgmt super; Kathy Foley, acct super; Jeanne Follansbee Quinn, acct exec.

J. Walter Thompson USA, New York—Close-up, Impulse body spray, Denim fragrance—John Maher, group acct director; Ken Ash, mgmt super; Dorian Adams, acct super, Close-up; Gary Steele, acct super, Impulse.

SSC&B, New York—Pepsodent dentifrices, Pepsodent toothbrushes, Life Line toothbrushes, DX toothbrushes—Alan Grazio, senior mgmt officer; Richard V. Ellington, mgmt super; Hugh L. Craigen, acct super; Carel E. Lindenmeyr, acct exec.

BBDO, New York—Signal, new prods—Ken Rogers, senior vp-mgmt super; Margaret Evans, acct super.

FOODS DIVISION

MARKETING PERSONNEL

William G. Pietersen, president
Richard F. Gaccione, vp-mktg
Rolf J. Bohuis, mktg mgr
Robert J. Kenney, vp-sales devel
Geraldine Russo, mktg rsch director

ADVERTISING AGENCIES

Ogilvy & Mather, New York—Imperial margarine—Jack Reed, senior vp-mgmt super; Gerry Lantz, acct super; Chuck Hodgkinson, acct exec.

SSC&B, New York—Autumn margarine—Alan Grazio, senior mgmt officer; Richard V. Ellington, mgmt super; Hugh L. Craigen, acct super; Carel E. Lindenmeyr, acct exec.

McCann-Erickson, New York—Promise margarine—Robert Wadsworth, senior vp-mgmt rep.

BBDO, New York—Mrs. Butterworth's—John Dunning, senior vp-mgmt super; Rosemary Slott, acct super.

SPECIAL MARKETS DIVISION

MARKETING PERSONNEL

Gerald V. Batti, genl mgr
Richard H. Schaefer, mktg director
William J. Kirkpatrick, sales director
James J. Barone Jr., genl sales mgr-armed forces domestic

ADVERTISING AGENCIES

Caldwell/Reingold Group, New York—military market, Hawaii, Alaska, Guam—Harry Reingold, exec vp-mgmt super; Amy Marks, acct exec.

Lavey/Wolff/Swift, New York—professional programs—Doug Conetta, acct exec.

Sudler & Hennessey, New York—professional programs—Bob Brancaccio, senior vp-mgmt super; Peter Christopher, acct super.

SSC&B, New York—selected brands in Puerto Rico and the Virgin Islands—Spencer Plavoukos, exec vp.

INDUSTRIAL DIVISION

MARKETING PERSONNEL

Conrad W. Petersen, genl mgr
James J. Reilly, sales mgr-detergents and toiletries
Joseph P. Kysel, sales mgr-chemical and edible products
Anthony F. Del Balso, sales mgr-government accts

ADVERTISING AGENCY

Richard-Lewis Corp., Scarsdale, N.Y.—industrial and institutional products—Richard Byer, president.

THOMAS J. LIPTON INC.

MARKETING PERSONNEL

D.W. von Arx, senior vp-mktg
G.B. Boycks, vp-beverage div
J.W. Benson, vp-foods div
E. Ladendorff, vp-mktg, support & devel
Allen Carlson, director-dry mix beverages and new bev. prods
Franklin Claire, director-ready-to-drink beverages
Arthur Gonis, director-regular and herbal tea prods
David Bell, director-soups/meals
Angelo LaMantia, director-new food projects
Anthony Montuori, director-condiments/desserts
Daniel Morrison, director-pasta prods
Walton Alder, director-sales promo
Joseph Bradley, director-mkt rsch
Arthur Harckham, director-package design
Bruce Hoenig, director-TJL Media Inc.
Theodore Labiner, director-creative service
Blaine Hess, general mgr-frozen foods
Anthony Franke, director-foodservice
Richard Kundrat, director-mktg & sales

Sahadi div

ADVERTISING AGENCIES

SSC&B, New York—tea beverages, Cup-a-soup, Spatini, Good Humor—Don Linton, Howard Becker, mgmt supers; Karen Strickland, Elizabeth Green, Helen Runsdorf, Robert Nadelman, acct supers; Linda McCreght, acct super.

Young & Rubicam, New York—regular soup mix—John Hatheway, mgmt super; Ed Concannon, acct super; Anne Kirkwood, acct exec.

Lee King & Partners, Chicago—Wish-Bone dressing, Pennsylvania Dutch egg noodles, Knox gelatin—Jerome Reshkin, R. Immen, J. Lapecewich, mgmt supers; Hank Barker, Britt Dudgeon, Todd Ford, acct supers.

Foote, Cone & Belding, New York—Sunkist food and beverage prods—Charles Evans, mgmt super; Tony Talalay, Nancy Beck, acct supers.

Ross Roy NY/Compton—A. Sahadi & Co., Grocer's Choice fruit snack—Herb Warden, mgmt super.

Albert Jay Rosenthal, Chicago—food-service—Marvin Hass, acct super.

LAWRY'S FOODS

MARKETING PERSONNEL

R. Lance Hewitt, vp-mktg

ADVERTISING AGENCY

Dailey & Associates, Los Angeles—Steve Chabre, mgmt super; Frank Farrell, acct serv; John Bergquist, acct exec.

NATIONAL STARCH & CHEMICAL CORP.

Bridgewater, N.J.

MARKETING PERSONNEL

W.K. Brubman, president

H.M. Barry, director, mktg communications and pr

N.G. Marotta, F.L. Murphy, A.G. Battaglia, group vps

W.H. Stone, vp-genl mgr, indl starch div

R.A. DeWolfe, vp-genl mgr, adhesives div

C.D. Szymanski, div vp,advanced chemical technologies

ADVERTISING AGENCY

Marsteller Inc., New York—National Starch & Chemical Corp.'s foods, starches, adhesives and flavorings—Dan Bennett, mgmt super; Bernie Berch, acct super; Mike Vana, acct exec.

Union Carbide

	1981	1980
Sales*	$10,168,000,000	$9,994,100,000
Earnings*	649,000,000	672,600,000
Advertising**	90,000,000	74,311,166

*AA estimate

Union Carbide Corp., Danbury, Conn., the 58th largest national advertiser, increased domestic advertising spending by 21.1% to $90 million in 1981. This came in a year when sales gains in the company's consumer group, including Eveready batteries, Glad plastic bags and wrap and Prestone automotive products, helped to offset heavy international losses resulting from deep recession and currency devaluations in overseas markets.

Sales worldwide rose slightly to $10.2 billion, a scant 1.7% over 1980, with U.S. sales making up 69% of that figure. Earnings were $649 million, a decline of 3.5% from 1980, while operating profits rose 7.6%. However, sales of consumer products rose 6.2% to $1.9 billion.

Union Carbide manufactures chemicals and plastics, which contributed 37% to 1981 sales and 23% to income; gases and related products, 17% of sales and 26% of income, and metals and carbons, 17% of sales and 24% of income. Batteries and home and automotive products added 19% to sales and 17% to income, while specialty products contributed 10% and 10%, respectively.

International operations, which accounted for 31% of Union Carbide's 1981 sales and 28% of operating profit, suffered a 23% drop in earnings from 1980.

In 1981, Union Carbide spent 81.5% of its measured media dollars in tv, compared with 75% last year. It increased radio spending to 10.5% from 8% in 1980. Ad expenditures in print were cut to 7%, compared with the previous year's 16%, and outdoor advertising was maintained at 1% of total measured budget.

Last year, the Eveready and Energizer battery brands, holding a 50% market share, and Eveready flashlights and lamps continued to get the lion's share of Union Carbide's ad budget, measuring $28.6 million, up from $23.4 million in 1980. Of that expenditure, 84% went to tv, up from 77% in 1980.

A large portion of this hefty tv expenditure went to support Union Carbide's Energizer brand of alkaline batteries, introduced in 1980 and already a brand leader. During the peak battery-buying holiday season, tv ads regularly reminded consumers that "of all leading brands, nothing outlasts the Energizer."

One tv spot featured the Sony Walkman II as one of the many devices whose use and enjoyment are enhanced by the Energizer's long life.

Advertising on tv and in Sunday supplements encouraged consumers to "Save with the cat," the brand's symbol for more than 40 years. One print offer featured a free black cat bank or a 50-cent refund with proof of purchase. Last year, Union Carbide expanded Hispanic advertising for batteries from radio only to a combination of radio, tv and out-of-home.

The battery products division also supported reintroduction of Eveready's general purpose carbon-zinc line of batteries. Glad plastic bags and wrap received $15.8 million in measured media support, all in tv, in 1981, up 30.6% over 1980's spending level.

Glad is the market leader in the $1 billion plastic bag market, followed by Mobil Corp.'s Hefty line. In addition, Glad products are the third largest dry grocery product, behind Pampers and Tide, sold through U.S. retailers.

Tom Bosley, star of tv's "Happy Days," continued as the Glad spokesman and was featured in spots for two new products-Glad Handle-Tie kitchen garbage bags and Glad 3-ply trash bags. Glad Snap Lock storage bags underwent further market testing.

Measured spending for Prestone automotive products was up 18% to $5.2 million in 1981 and all but $122,200 went to tv, in spite of a slight decline in antifreeze sales volume.

As usual, the annual Prestone II antifreeze campaign coincided with the start of fall sports programing, including the World Series, "Monday Night Football," and various promotions related to National Football League's Superbowl.

Union Carbide's reformulated Gas Miser additive disappeared from view, despite promises of multi-million-dollar ad budgets made when the product was relaunched in 1979.

The Simoniz line of car waxes and polishes was supported by measured media spending of $691,600 in 1981, way down from the $2.2 million spent in 1980. Of that expenditure, $559,300 went to back new Simoniz SuperPoly car wax line.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,113,900	$3,496,300
Magazines	406,700	1,548,700
Farm publications	1,477,100	2,575,000
Spot tv	3,396,000	4,197,800
Network tv	42,389,700	31,752,600
Spot radio	5,796,900	3,845,900
Network radio	122,200	—
Outdoor	491,100	414,700
Total measured	56,193,600	47,831,100
Unmeasured	33,806,400	26,480,068
Estimated total	90,000,000	74,311,168

MARKETING PERSONNEL

Corporate

M.C. Lewis, director-corporate communications

Divisions

W.J. McDermott, director-adv/sales promo, home & automotive prods

C.D. Klein, mktg mgr-adv, battery products division

J.A. Bruorton, mgr-adv & mktg admin, electronic division components dept

R.A. Killeffer, mgr-communications, silicones & urethane intermediates division

A.R. Lehman, mgr-communications & training, carbon prods division

J.D. Secor Jr., mgr-communications, Linde division

J.A. Ring, mgr-communications, specialty chemical & plastics division (specialty chemicals & polymers)

P.J. Lavelle, mgr-communications, specialty chemicals & plastics division (engineering plastics)

W.E. Mainella, mgr-communications, coatings materials division

G.G. Weingardt, mgr-communications, ethylene oxide derivatives division

J.A. Moore, mgr-communications, ethylene oxide/glycol division

L.A. Agnello, director-communications, polyolefins division

R.A. Mariani, mgr-communications, solvents & intermediates division

James F. Haskins, mgr-communications, agricultural prods

John Crane, mgr-communications, metals division

H. Garcia, prod/adv mgr, molecular sieves, engineering prods division

C. Knopf, prod/adv mgr, engineering prods & processes, engineering prods division

W. Pair, prod/adv mgr, cryogenics equipment, engineering prods division

C.R. McKinsey, prod/adv mgr, coatings services, engineering prods division

ADVERTISING AGENCIES

Young & Rubicam, New York—corporate, Linde division telephone directory advertising—H.B. Hall, acct super.

Jim Johnston Advertising, New York—corporate issues.

Bozell & Jacobs, New York—carbon prods division.

Grey Medical Advertising, New York—medical prods division—Paul Chusid, president.

Fletcher/Mayo Associates, Atlanta—agricultural prods division.

Needham, Harper & Steers, New York—chemicals & plastics—H.F. Bertaku, acct super.

Poppe Tyson division of D'Arcy-MacManus & Masius, New York—chemicals, plastics, engineering prods & Linde division—F. Messner, Howard Gauvain, Diane Frattine, acct execs.

J.P. Hogan Inc., Knoxville, Tenn.—chemicals and plastics—R.J. Luedeke, acct super.

Leo Burnett USA, Chicago—home & automotive prods, film-packaging division—Bill Haljun, mgmt director; Neil Lichtman, Sadru Patel, acct execs, Glad prods; Charles Curley, acct super, Michael Peters, acct exec, Prestone auto prods; Simoniz car waxes-John Phifer, acct exec.

Garrison Jasper, Rose & Co., Indianapolis—coatings service, cryogenic prods, Linde engineering prods division—Tom Jaspar, Jim Gray, acct execs.

Anderson, Dunston & Helene, Linden, N.J.—Linde engineering prods division—Mat Pfeifer, acct super.

Manning & Associates, San Diego—materials group, electronics division—D. Manning, acct mgr.

Downs Group, Charlotte, N.C.—electronics division—Tyler Glenn, acct exec.

U.S. Government

	1981	1980
Sales	—	—
Earnings	—	—
Advertising*	$189,026,000	$174,964,514**

*AA estimate
**Revised

Growth in the 1981 federal advertising budget, the first Ronald Reagan has influenced, slowed to 8.3% from the 18.5% rate of 1980, and the estimated governmentwide total reached $189 million. While government sponsored ads are still less pervasive in the U.S. than in some other western nations, the federal total was enough to make the U.S. Government the nation's 26th largest advertiser.

Reaganites were able to make only mid-course corrections in a 1981 spending plan worked out by Democrat Jimmy Carter and the Congress the year before. But David Stockman's team at the Office of Management & Budget immediately attacked government "flickery and flackery" with a public relations show of its own: A much ballyhooed "freeze" on government audiovisual and printed promotional products.

Millions in savings were later claimed, and dollars for some government ad assignments—almost entirely public service campaigns—were apparently squeezed from agency and department spending plans.

But military recruitment ad spending, the engine that propelled Uncle Sam into Advertising Age's top 100 advertisers' list, continues to grow.

The other major advertisers on the government list are two "quasi-public" government enterprises, the U.S. Postal Service and Amtrak, whose budgets are not under direct White House supervision. Both reported ad spending increases last year.

Military recruitment ad budgets, including Defense Department market research funds, rose last year by $20 million, or 15.8%, to $147 million, meaning that three of every four government ad budget dollars went to support armed services recruiting. This includes media buys, production costs, agency fees and other expenses associated with major ad efforts.

The budget brakes are taking hold in 1982, however, and military ad spending this year is expected to increase at a more modest 6.5% to $156.8 million. The biggest ad budget increases among the services this year were for the Army (account handled by N W Ayer, New York) and for the Defense Department's umbrella ad campaign that jointly promotes all the major armed services (Grey Advertising, New York). The Navy (Ted Bates & Co., New York) and the Marines (J. Walter Thompson USA, Washington), by contrast, took congressionally ordered ad budget cuts this year.

Military ad planners have hopes of expanding their ad budgets next year. The 1983 armed service budget requests, pending before congressional appropriations panels, propose a $20 million increase (12.6%) to $176.2 million.

The big gainers would be the Navy and Marines, who would recover from their 1982 budget losses.

The bulk of 1981's $20 million increase in recruitment spending, $13.6 million, reflected a congressional decision to stop funding the umbrella, joint service advertising campaign with cash taken from the individual armed service ad budgets.

Instead, the lawmakers approved $13.6 million specifically for joint service ads while making no reductions in individual armed service ad budgets.

The military ad budget line-up (1981/1982) looks like this: Army, Army Reserve, Army ROTC, $72.6 million/$82.1 million; Navy, $19.8 million/$17.1 million; Marine Corps and Marine Corps Reserve, $15.3 million/$14.1 million; joint service campaign, $13.6 million/$18.4 million; Air Force (D'Arcy-MacManus & Masius, New York), $15.1 million/$14.5 million; Army & Air National Guards (Needham, Harper & Steers, Washington), $7.6 million/$7.9 million; Coast Guard (Uniworld, Washington), $800,000/$300,000.

The 1983 budget requests by the military are: Army, Army Reserve, Army ROTC, $85.3 million; Navy, $23.3 million; Marine Corps and Marine Corps Reserve, $19.1 million; joint service ads, $21 million; Air Force, $15.3 million, and Army & Air National Guards, $8.7 million. The amount for the Coast Guard is uncertain.

Since the Pentagon has been easily meeting its recruitment quotas in the recession-plagued economy, its requests for more ad dollars for next year are likely to face a skeptical Congress looking for ways to cut defense spending.

U.S. Postal Service (Young & Rubicam, New York) ad spending rose from $13 million in 1980 to $15.2 million last year, as USPS tried to hold position in the intensely competitive overnight delivery service.

More than half the total is believed to have been in support of USPS' Express Mail service, though postal officials offered no specific spending figure.

Even at that rate, however, USPS is in deep water trying to keep pace with competitors like Federal Express, which is estimated to have spent $4.4 million on tv advertising in 1982's first quarter alone.

Emery Worldwide spent even more, an estimated $4.9 million in the first quarter of the year, and United Parcel Service is waiting in the wings with a new Gold Label Express service that might be backed with $20 million in ads.

Postal Service executives said their ad spending plans are up for 1982, and will likely exceed $18.5 million for the year. USPS also uses its ad budget to support its offerings to stamp collectors, its Priority Mail service, and it uses public service ads to encourage Zip code use and early mailing during the holidays.

Amtrak saw passenger volume in 1981 decline to 20.6 million boardings, down from its 21.4 million peak in oil embargo year 1979. But ad spending (Needham, Harper & Steers, New York) rolled upwards to $17.2

million from $13.8 million in 1980.

Despite the volume slip, higher fares pushed revenues to $496.5 million last year from $428.7 million in 1980. But the passenger railroad still survives only because of large scale government subsidies, which climbed to $712 million in 1981 and are scheduled to reach $735 million in 1982.

Additional amounts of federal aid are permitting Amtrak to complete the modernization of its fleet of single-decker cars in the East: 75 of the $1 million-per-copy cars were delivered last year and another 75 are to be received in 1982. Last year saw the last of 284 new double-decker cars, worth $312 million, delivered for service west of Chicago. Ads appearing in western markets this summer urged travelers to try "the Superliner experience" on the new double-decker cars.

There was a change at the top for Amtrak this year, with president Alan S. Boyd, its chief for the past four years, departing to head a new venture exploring the prospects for privately owned, very high-speed short haul passenger rail service. Replacing Mr. Boyd is W. Graham Claytor Jr., the former chief of the Southern Railway. He has been in private law practice since holding a series of Cabinet posts in the Carter administration.

Federal government dollars also help promote the Public Broadcasting Service's national tv offerings. But federal aid to public broadcasters, funneled through the Corp. for Public Broadcasting, is under tremendous budget cutting pressure from the White House.

CPB last year made $3.5 million available for tune-in advertising, $1.3 million for a direct buy in *TV Guide*, and the remainder for a co-op ad program with participating local tv stations. CPB tune-in ad support for 1982 is not expected to top $2.5 million.

Government purchases of measured media last year grew to $86.3 million from 1980's $84.2 million, with $36 million of the governmentwide buy going to spot and network television and $23 million to network and spot radio. The Army, with the biggest media budgets, was the biggest broadcast advertiser among the government units for the year, with $14.1 million spent in network tv and $7.7 million in network radio. Amtrak and the Postal Service were active in broadcast advertising last year as well.

Cable tv is beginning to make its appearance on the government buy list, with the Marines budgeting $470,000 for the new medium this year. Cable experiments last year involved the Navy ($180,000), Coast Guard ($80,000) and Postal Service ($34,000).

Magazines had led the government's media buy list in the 1970s, when tv and radio buys were not allowed by Congress. But in 1981 they slipped to third place, with governmentwide puchases put at $19.3 million from $26 million the year before. But magazine spending by the Army, off in 1981, is rebounding this year, and the joint military recruitment ad program is sharply expanding its magazine schedule to about $4 million this year from 1.2 million a year ago.

Newspapers picked up $2.2 million in purchases from the Army and $1.6 million from the joint military ad campaign last year, but newspapers are not on the national budget plan for those accounts in 1982. Amtrak, with its need for destination advertising, remains a regular newspaper advertiser with spending at $2.6 million last year.

Actual media spending is higher than reported here since the military distributed $18.2 million in funds to regional and local recruiting commands. Much of that was used for media purchases not reported as part of the national media schedule.

The federal budget crunch fell most heavily on the remainder of the government's advertising program: The small public service campaigns conducted by scattered agencies throughout the government. Some were snuffed out in the "freeze" of 1981; still more are likely to fall by the wayside before this year is out. Once active Energy department conservation ad campaigns are gone. The Consumer Product Safety Commission, which had spent up to $500,000 a year through various ad agencies on safety campaigns, is winding up its programs this year. The Consumer Information Center, which promotes the availability of free and low-cost government booklets, canceled plans to produce a new flight of public service ad materials.

When the 1983 tax season rolls around next spring, the Internal Revenue Service will be recycling old ads urging Americans to file early. There's no money in the budget to produce new ones.

But there is talk of a few scattered new starts: A White House supported campaign on the importance of productivity; a Transportation Department drive to increase seat belt use (rather than require automatic air bags). Many of these small accounts have been a source of business for agencies both in and out of Washington.

Some of the government's longest running public service campaigns are managed by the Advertising Council, and are awarded to the council by the government without competitive bids. The council, which first took on government assignments as an ad industry public service during World War II, supplies the government with volunteer agencies that provide creative services at no cost. The government pays for production and distribution costs.

The Ad Council reported it received $1.3 million in 1981 for its government campaigns.

Agency changes among the major government accounts are rare. In competitive bidding this year, Uniworld, Washington, unseated Henry J. Kaufman & Associates, Washington, on the Coast Guard account. The Navy consolidated a minority recruiting assignment at Bates, dropping Burrell Advertising, Chicago, from its agency roster last year.

The Marine Corps, conducting a competition this year, is expected to retain JWT, the long-time incumbent, on its account. Regularly scheduled competitions are likely next year on the National Guard (Needham) and military recruitment joint advertising (Grey) accounts.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$8,799,600	$7,307,200
Magazines	17,048,000	16,715,700
Farm publications	2,252,900	781,000
Spot tv	6,998,500	5,587,500
Network tv	26,572,500	18,695,300
Spot radio	9,066,500	12,706,200
Network radio	7,285,900	5,349,700
Outdoor	920,400	877,600
Total measured	79,951,100	67,963,100
Unmeasured	110,074,900	106,103,414
Estimated total	189,026,000	173,964,514

ADVERTISING EXPENDITURES*

	1981	1980
Newspapers	8,799,600	7,307,200
Magazine	19,314,600	28,604,158
Television†	—	33,486,631
Spot tv	5,119,500	—
Network tv	28,658,000	—
Cable	283,500	—
Radio†	—	15,997,900
Spot radio	9,478,901	—
Network radio	13,760,951	—
Outdoor	821,238	877,600
Total measured	86,384,808	84,313,476
Unmeasured	103,741,0921	90,551,036
Estimated total	190,026,000	174,864,541

*AA estimate. Includes at least $18.2 million in ad funds spent by regional and local military recruiting commands, much of it in media; $6.6 million for direct mail; $15 million for production of ads for paid and public service use, and other amounts for agency fees, preparation and printing of posters, brochures, displays, transit and outdoor materials, unmeasured local (including military installations) publications, plus college, school, and other institutional publications.

†Network/spot split for 1980 not available.

DEFENSE DEPARTMENT

ADVERTISING PERSONNEL

Lawrence J. Korb, asst secretary for manpower, reserve affairs and logistics

G. Thomas Sicilia, director of accession (recruiting) policy

U.S. Army/Army Reserve

Harry D. Walters, asst secretary for manpower and reserve affairs

Maj. Gen. M. R. Thurman, deputy chief of staff for personnel

Maj. Gen. Howard G. Crowell Jr., commanding general, U.S. Army recruiting command

Col. William S. Graf, director-advertising & sales promo, U.S. Army recruiting command.

U.S. Army ROTC

Maj. Gen. Robert A. Sullivan, deputy chief of staff of ROTC, U.S. Army Training and Doctrine Command

Col. Michael C. Schmidtman, chief-adv and media div

U.S. Navy

Capt. Charles D. Hawkins Jr., director of recruiting adv

Lt. Cmdr. Dugald L. Gillies, director of adv operations div

U.S. Marine Corps

Brig. Gen. C. E. Mundy Jr., director of personnel procurement div

Col. J. R. Ruffini, chief, mktg branch

U.S. Air Force

Brig. Gen. Winfield S. Harpe, commander, U. S. Air Force Recruiting Service

Col. Hubert C. Moore, director of adv and publicity

U.S. Coast Guard (under jurisdiction of Transportation Department)

Capt. Stevens Smith, chief, recruiting div

Lcdr. Charles Winfrey, chief, recruiting adv branch

Joint Recruiting Advertising Program

Capt. C. D. Hawkins Jr., USN, exec director

Lynn Lucchetti, director

Maj. Yolan J. Laporte, USAF, chief

Maj. George B. Morton Jr., USA, financial mgmt officer

Capt. Clifton E. Little, USMC, program adv mgr

Army/Air National

Maj. Peter Wyro, chief, adv support center

ADVERTISING AGENCIES

N W Ayer Inc., New York—Army, Army Reserve, Army ROTC.

Lockhart & Pettus, New York—Army minority recruiting—Keith Lockhardt, mgmt rep.

Sosa & Associates, San Antonio—Army minority recruiting—Lionel Sosa, president.

J.P. Martin Associates, New York—Army ROTC minority recruiting—Joel P. Martin, president.

Ted Bates & Co., New York—Navy—Lou Martinaitis, mgmt rep; Jack Costello, acct director.

J. Walter Thompson USA, Washington—Marines—John R. Wood, mgmt super.

D'Arcy-MacManus & Masius, New York—Air Force—Douglas Laughlin, acct super.

Uniworld Group, Washington—Coast Guard—Jack Guerin, president.

Grey Advertising, New York—Joint Advertising Recruiting Program—John G. Marder, mgmt rep; Harvey Robinson, mgmt super; Gary Niebauer, mgmt super; Sherman Landwehr, senior acct exec/mgr admin budget; Len Susman, mgmt acct super.

Needham, Harper & Steers, Washington—Army/Air Guard—James R. Williams, mgmt rep.

U.S POSTAL SERVICE

ADVERTISING PERSONNEL

Gordon Morison, asst postmaster general/customer services

John Wargo, director of commercial mktg

Gary Stevens, mgr-adv services branch

Larry McCarthy, adv admin manager

ADVERTISING AGENCY

Young & Rubicam, New York—Fred Baxter, mgmt super.

AMTRAK

ADVERTISING PERSONNEL

William S. Norman, vp-mktg & corp planning

Robert E. Gall, vp-transportation mktg

William Castleberry, director of adv

ADVERTISING AGENCY

Needham, Harper & Steers, New York—John Gellatly, mgmt rep.

PUBLIC BROADCASTING SERVICE

ADVERTISING PERSONNEL

Neil B. Mahrer, senior vp-mktg and information services

Dan Agan, director of mktg and information services

ADVERTISING AGENCY

Goldberg/Marchesano & Associates, Washington—Blair Bartlett, acct exec.

Volkswagen of America

	1981	1980
Sales*	$16,118,505,500	$18,390,000,000
Earnings*	57,968,700	177,300,000
Advertising**	$1,000,000	70,000,000

*Volkswagen Group, worldwide

**AA estimate

Volkswagen of America, Warren, Mich., a subsidiary of Volkswagenwerk AG, Wolfsburg, West Germany, increased its advertising spending in 1981 by 16% to $81 million, making it the 67th largest national advertiser.

The parent company's sales for 1981 were $16.1 billion, compared with $18.4 billion in 1980. Earnings plummeted 67% to $58 million from $177.3 million as a result of a number of factors. These included varying trends in individual markets; strengthening of international competition; the depressed state of auto sales in South America, and losses in the Triumph Adler office equipment subsidiary. Substantial investment costs for new product lines and costs associated with modernization of plants also accounted for declines in the company's 1981 results.

Volkswagen of America last year saw sales decrease to 272,412 units from 293,595 in 1980. The line last year included domestically produced Rabbits and pickup trucks, Rabbit convertibles, Jettas, Dashers, Sciroccos and Vanagons. Its 1982 line features a restyled Scirocco and a new flagship model, the Quantum, which replaces the Dasher.

Volkswagen also introduced limited edition Rabbits and pickups and Vanagon GLs and announced a price rollback of up to $625 on Rabbit, pickup and Jetta models.

In order to stem its declining fortunes in the U.S., VW has turned away from a policy that for some years saw the company striving to project itself as a domestic car company. The company this year undertook a reorganization in the U.S. that, among other things, is designed to reestablish its image as a German car maker.

Concurrent with the strategy shift was the formation of a new Volkswagen division, headed by James R. Fuller, formerly vp in charge of the Porsche-Audi division.

In a recent interview, Mr. Fuller reinforced the company's redirection when he observed, "We're a German company that happens to build cars in the U.S."

The company's current advertising emphasis focuses on its imported cars—the Jetta, Quantum and Scirocco. It is designed to capitalize on a segment that in the U.S. market is stronger than the economy car segment.

Although the division plans to continue promoting the Rabbit along with the price reduction that has been in force for four months, the goal of its new campaign is to stress that the U.S.-produced Rabbit has the same personality as cars built in Germany.

In addition, a divisional position is gradually emerging that will be more brand-oriented than model-oriented. Also a major goal of the effort is to present VW autos as providing all-around performance, not simply fuel economy.

For the first five months of 1982, sales of domestically produced Rabbits dropped to 38,311, compared with 72,775 for the same period last year. As a group, imported Volkswagens had unit sales of 26,709 for the first five months of 1982, a decrease from 37,785 units for the same period in 1981.

Porsche-Audi division sales for the first five months of 1982 showed Audi at 18,492, compared with 20,221 for the 1981 period, and Porsche with 5,569 units sold, compared with 4,919 in the same period a year earlier. In 1981, Porsche sales increased to 11,241 from 10,490 in 1980. Audi sales also increased to 50,817 from 42,483 in 1980.

When the 1983 model launch occurs this fall, VW plans to place additional emphasis on the Rabbit.

The Rabbit line will be bolstered with a new model, which is expected to be the GTi, a performance model now available in Europe.

Volkswagen's 1982 models were introduced in late October of last year. Support included network and spot tv, in addition to magazine spreads. Tv commercials pointed out VW's high technology features by using the umbrella theme, "Nothing else is a Volkswagen." And because research indicated that VW meant technology, the company keyed on that in ads.

While the campaign registered outstanding research scores, by early spring of this year it became apparent that too many car advertisers were relying on technology as their ad focus. To break away from the pack, VW returned to advertising that once again restored the personality of VW cars.

To encourage increased local spending on the part of its dealers, the company established a new advertising matching fund with contributions from the national budget going to local market areas.

In the last quarter of 1981 and the first quarter of 1982, the Porsche-Audi division celebrated 50 years of front-wheel drive for Audi vehicles. The anniversary was promoted through tv and magazine ads, along with major market newspaper ads.

Two major advertising introductions for the Audi line in 1982 were for the 1983 Audi 5000 turbo diesel and the 1983 Audi Quanttro. German engineering, luxury and innovative styling are embodied in both models. The campaigns involved network tv, radio, newspapers and national magazines.

Porsche national advertising continued with the technical paper series for the 924, 911 and 928 models. The introduction of the newest Porsche, the 944, broke last spring via network tv, magazines, cable tv, radio and newspapers. The ads invited potential buyers to test drive the new model.

According to Leading National Advertisers, VW invested slightly more than $20 million to advertise its Rabbit line in 1981. The figure was more than $4 million above the 1980 ad spending level. LNA totals for other models in 1981: Audi, $11.6 million; Jetta $7.9 million, Scirocco, $1.5 million; VW trucks, $4.5 million; Porsche, $6 million, and Vanagon, just over $1 million. In addition, $2.5 million went for general promotion, plus $4.2 million for VW passenger cars.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$8,982,800	$4,919,400
Magazines	24,473,500	21,708,600
Spot tv	13,148,400	12,953,600
Network tv	21,225,100	19,434,700
Spot radio	605,900	94,800
Outdoor	543,000	578,200
Total measured	68,978,700	59,720,300
Unmeasured	12,021,300	10,279,700
Estimated total	81,000,000	70,000,000

MARKETING PERSONNEL

James Fuller, vp-VW div
Charles Hughes, mgr-VW mktg
John Slaven, director-VW adv
Peter Fisher, vp-P/A div
Richard Weidman, mgr-P/A mktg
George Pizzo, VW adv super
Marvin Gruber, mgr-Porsche & Audi adv
James Lawler, adv mgr-Porsche & Audi

ADVERTISING AGENCY

Doyle Dane Bernbach, New York—Robert Rees, exec vp; Robert Dunn, senior vp-group mgmt super; Al Steiner, vp-acct super, VW; Robert Burden, senior vp-mgmt super, Porsche & Audi; Sal Triano, vp-acct super, P&A; Ron Balquiere, vp-mgmt super, VW and P/A.

Hiram Walker Resources Ltd.

	1981	1980
Sales*	$2,945,300,000	$2,563,400,000
Earnings*	250,100,000	238,500,000
Advertising**	42,285,000	31,863,800

*Fiscal year ends Sept. 30
**AA estimate

Hiram Walker Resources Ltd., Toronto, Ont., the 95th largest national advertiser, raised advertising expenditures to $42.3 million in 1981, a 32.7% increase over 1980.

In a year of high interest rates, inflation, declining sales volume for distilled spirits, reduced mining income and the acquisition costs of oil and gas properties, Hiram Walker's sales increased by 14.8% and earnings advanced 4.4% over 1980 levels.

Hiram Walker Resources Ltd. is a holding company, formed in 1980, that owns Hiram Walker-Gooderham & Worts Ltd., Home Oil Co. Ltd. and Consumers' Gas Co. Ltd.

The natural resource segment, Home Oil, was expanded in 1981, leading to substantial acquisitions of gas and oil properties from the Davis Oil Co. (the $737 million worth of properties are primarily in Wyoming, Oklahoma, Louisiana and Texas), resulting in Hiram Walker's owning 1.8 million net acres, making it the largest Canadian holder of U.S. exploration and production acreage. The company's natural resource assets are about evenly divided between the U.S. and Canada.

In 1981, Hiram Walker's total assets were broken down this way: Forty-three per cent in natural resources, 31% in distilled spirits and 26% in gas utility. This compares with 1980 figures of 30%, 40% and 30%, respectively.

Earnings for 1981 are not completely comparable with those of 1980, as the Home Oil Co. results were only consolidated for nine months in 1980.

However, while sales from natural resources increased 32.6%, from $112.5 million in 1980 to $149.2 million in 1981, earnings dropped 10%, from $92.1 million in 1980 to $82.9 million.

Earnings from distilled spirits advanced 4.8% in 1981, up from $250.9 million in 1980 to $263.1 million, on sales of $211.5 million, up 6.8% from $198 million in 1980.

The greatest increase in Hiram Walker earnings came from a gas utility, Consumers' Gas, with an 18.4% jump from $90.7 million to $107.4 million in 1981.

Hiram Walker announced net income of $96.4 million for the six months period ended March 31, 1982, a 35% decline from $148.7 million for the same period in 1981. Funds from operations for the first six months show an 11% increase to $271.3 million from $244.2 million for the same period in 1981.

In the six months period ending March 31, Consumers' Gas earnings increased due to the cold winter and more customers, distilled spirits earnings declined because of lower sales volume and depressed economic conditions, and Home Oil earnings were down due to higher taxes and reduced demand for oil.

As one of the world's largest distillers, Hiram Walker manufactures products in Canada, the U.S., Scotland, France, Mexico and Argentina.

Hiram Walker markets more than 100 of its own liquor brands worldwide and acts as an agent for marketing additional international brands. The U.S. accounts for 58% of sales, Europe 26% and Canada 16%.

Principal brand names sold in the U.S. are Canadian Club, Gooderham's Rich & Rare, Hiram Walker cordials and fruit flavored brandies, imported liqueurs (Praline, Drambuie, Tia Maria, Kahlua and Venetian Cream), Two Fingers tequila (White and Gold), Two Fingers Limitado, Ten High bourbon, Lauder's scotch, Ballantine's scotch, Old Smuggler scotch, Imperial Blended whisky, Walker's Deluxe bourbon, Walker's Northern Light Canadian, Royal Canadian, Hiram Walker's Crystal Palace gin and vodka, Booth's High and Dry gin, Courvoisier and Salignac cognacs, Hiram Walker's brandy and imported wines represented by Frederick Wildman & Sons Ltd.

In the U.S., W.A. Taylor & Co., Miami, a wholly owned subsidiary of Hiram Walker Resources, has responsibility for the importing and marketing of premium distilled spirits.

The Taylor Co. product line includes Courvoisier, brand leader in the cognac category; Drambuie, Tia Maria, Venetian Cream and Peter Heering, all imported liqueurs, with the first three among the top 10 best-selling brands in the category; Old Smuggler scotch, the sixth best-selling scotch in the U.S.; Booth's gin, the fifth highest-selling domestic gin; Laird's Applejack, the oldest distilled spirit in the U.S. and the leading brand of applejack/apple brandy, and Maker's Mark whisky, a premium bourbon.

Advertising expenditures for W.A. Taylor increased 11%, from $9 million to $10 million in fiscal 1981, which ended Aug. 31 of that year.

In the past decade, whisky's share of the distilled spirits market has declined from 65% to 49%, while nonwhiskies—vodka, rum and liqueurs—increased from 35% to 51%.

In the period from 1980 to 1981, in response to the growing market preference for white goods and liqueurs and the decrease in brown goods consumption, Hiram Walker made a substantial capital investment to restructure plant and distribution facilities.

In late 1981, construction was nearly completed on a $70 million plant at Fort Smith, Ark., to blend and bottle the popular liqueurs. The Fort Smith plant is to replace the liqueur bottling and blending operation that was closed—a fully integrated facility the company had in Peoria, Ill. The 1980 sale of the Peoria plant's distillery portion marked the end of Hiram Walker as a U.S. distiller.

Taking advantage of the shift in liquor preferences, Hiram Walker boosted 1981 advertising expenditures for cordials by 43.7% to $2.3 million from $1.6 million—all in magazines, except $3,000 outdoor. Maintaining leadership of America's cordial line with 35 brands, Hiram Walker recently added several new products to the growing Schnapps category: Cinnamon Schnapps, Spearmint Schnapps and a 90 proof Peppermint Schnapps.

Though the liquor industry remained flat, Hiram Walker continued to have a share of the top-selling brands—those selling 1 million or more cases. As a result of a 12% investment interest in the Bacardi group of companies,

Hiram Walker participated in the 10% growth of the rum market. In 1980 and 1981 Bacardi was the No. 1-selling liquor, with a 3% increase from 6.3 million cases sold in 1980 to 6.5 million cases sold in 1981.

Hiram Walker brandy sold 1.4 million cases in 1981, up 4% from the 1.3 million cases sold in 1980.

Walker's U.S. Kahlua sales position jumped from 25th to 18th (Kahlua is the largest-selling liqueur in Canada) with a 4% increase from 1.5 million cases sold in 1980 to 1.7 million in 1981. Advertising expenditures for Kahlua climbed 75% from $2 million in 1980 to $3.5 million in 1981— $2.8 million in magazines and $760,000 in outdoor.

Measured media expenditures for Praline liqueur increased 37% from $1 million in 1980 to $1.4 million in 1981, all in magazines.

In March, 1981, magazine ads for Praline were pitched around the broadcast restrictions placed on the liquor industry. A toll-free number gave callers a musical response for party themes and recipes using Praline liqueur. The ads were placed in women's and life-style magazines via McCaffrey & McCall, New York.

Original Venetian Cream, introduced in 1980 by W.A. Taylor Co., was the beneficiary of a $1 million ad campaign via J. Walter Thompson USA, New York, in November and December.

This compares with the budgets of other entries in this hot liqueur category—$2 million Christmas budget for category leader Baileys Irish Cream and $1.7 million spent in the last quarter of 1980 by Renfield Importers for its Carolans.

While the time-consuming process of combining alcohol and cream in a single bottle has held sales volume down in the past, *Impact*, a liquor industry newsletter, reported 1980 case sales at 353,000, up from 17,000 cases sold in 1979.

Impact estimates 1981 case sales of well over 1 million, and estimated sales of 1.6 million cases in 1982. Baileys is expected to continue as the far and away front-runner, with 58% of the market, while Venetian Cream holds an estimated 6% market share in 1981 and 1982. Carolans had an 11% share in 1980 and 6% in 1981.

Measured media expenditures in 1981 for Venetian Cream totaled $956,000, with $796,000 in magazines, $48,000 in newspaper supplements and $111,000 outdoor.

Tia Maria media expenditures escalated 36% to $2.6 million from $1.9 million in 1980, with $2.3 million in magazines and $289,000 outdoor.

Drambuie media outlay was $1.9 million in magazines, $99,000 in newspaper supplements and $140,000 in outdoor, for a total of $2.1 million, up 17% from $1.8 million in 1980.

Peter Heering liqueur media expenditures dropped from $197,000 in 1980 to $144,000 in 1981.

In 1982, a new campaign was introduced for Canadian Club, one of Hiram Walker's best known brands and the subject of the much publicized "find the case" promotions held in different locations throughout the country. The new campaign describes CC as right for the 1980s, upscale and prestigious. The ads focus on those special moments when "Only the best will do." The campaign uses research findings that show consumers see CC as a premium whisky. All ads bear the signature "Canadian Club. The best in the house."

While Canadian Club decreased 3% in case sales, from 3.8 million in 1980 to 3.7 million in 1981, it remained the fourth-largest selling liquor brand in the U.S. (Canadian Club is the largest-selling brand in Canada.)

Media expenditures for Canadian Club increased by 30% in 1981 from $8.7 million in 1980 to $11.3 million—$7.5 million in magazines and $3.8 million in outdoor.

Two Fingers tequila media expenditures dropped in 1981 from $565,000 in 1980 to $423,000. Magazine accounted for $307,000 and outdoor $115,000. A pinup-type poster offer generated thousands of requests from the 18-to-24 target audience.

Royal Canadian, the No. 1-selling brand of Canadian whisky in Michigan, is being expanded to Ohio, Pennsylvania, Oregon and Washington. Media expenditures went from $341,000 in 1980 to $476,000 in 1981—$356,000 in outdoor and $120,000 in magazines.

Lauder's scotch is one of the fastest growing bottled-in-U.S. scotches. Along with Old Smuggler scotch, which jumped 45% in cases sold in 1981 over 1980, Lauder's is one of the few scotch whiskies to show growth in the category.

Media expenditures for Lauder's went from $570,000 in 1980 to $644,000 in 1981, up 13%—magazine received $382,000 and outdoor got $262,000.

Walker's Imperial blended whisky and Ten High straight bourbon whisky were 30th and 21st, respectively in 1981 sales of top liquor brands. Ten High dropped from 1.6 million cases sold in 1980 to 1.5 million in 1981. Imperial decreased from 1.1 million cases in 1980 to 1 million in 1981.

In 1981, Hiram Walker purchased Callaway Vineyard & Winery, Rancho California, Cal. Significant national expansion is planned in about two years for the brand, which is currently limited to West Coast distribution.

In major personnel moves, H. Clifford Hatch Sr. assumed the responsibilities of president and chief executive officer of Hiram Walker Resources Ltd. earlier this year. Mr. Hatch remains

chairman, while W.P. Wilder moves into the newly created position of deputy chairman and continues as a member of the board as well as chairman of the Consumers' Gas Co.

Meanwhile, in early 1982, Hiram Walker Distributing Co. of Des Plaines, Ill., paid a $20,000 fine in order to settle a charge made by the Federal Bureau of Alcohol, Tobacco & Firearms for illegal payments to underwrite newspaper advertising for Foremost Sales Promotions, Chicago.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$2,084,300	$2,626,800
Magazines	23,230,400	17,572,400
Spot tv	82,000	—
Outdoor	7,128,700	5,109,700
Total measured	32,525,400	25,308,900
Unmeasured	9,757,600	6,554,700
Estimated total	42,283,000	31,863,600

ADVERTISING, MARKETING AND SALES PERSONNEL

Orval R. Crabbe, president
Stephen Nadelberg, vp-mktg director
Gerard C. Gianni, vp-natl sales mgr
William R. Buesching, vp-natl cordial mgr
A.R. Krueger, vp and sales director-natl accts
Bob Thomas, mkt devel mgr
Alan Abrams, brand mgr, CC and all other noncordial brands
Sandra Weisenauer, brand mgr, cordials
Gerald Simpson, director of mktg services
Douglas H. Wright, mktg services mgr
Harvey E. Schwartz, vp-eastern region mgr
Ronald W. Kern, metro N.Y. mgr
Gerald J. Varno, vp-southeastern div mgr
James D. Bailey, vp-southwestern div mgr
H.F. Jacques, asst southwestern div mgr
John M. Schaeffer, senior vp-midwestern region mgr
Edward J. Grossman, metro Chicago div mgr
Armistead Ellis, vp-western div mgr
Jules J. Sullivan Jr., vp-control states sales mgr
Robert L. Norbeck, eastern control states sales mgr
Frank E. Blanchard, western div control states sales mgr

ADVERTISING AGENCIES

Lockhart & Pettus, New York—Canadian Club, Amaretto, cognac—Keith E. Lockhart, president; Theodore D. Pettus, exec vp-creative director; Ronald D. Harris, vp-director of client services; Sharman Davis, media director.

McCaffrey & McCall, New York—Canadian Club, Hiram Walker cordials and fruit flavored brandies, Praline liqueur, Hiram Walker brandy—Norman S. Freedman, mgmt super; William A. Metzger, acct super; Lisa J. Donati, acct exec.

Simons Michelson Zieve, Troy, Mich.—Two Fingers tequila, Ten High bourbon, Lauder's scotch, Imperial blended whisky, Walker's DeLuxe bourbon, Walker's Northern Light Canadian, Royal Canadian, Hiram Walker's Crystal Palace gin, Hiram Walker's Crystal Palace vodka—James A. Michelson, president; Donald C. Hart, acct exec.

Sosa & Associates, San Antonio, Tex., —Canadian Club— Lionel Sosa, president; Bernadette A. Brusco, vp.

W.A. TAYLOR & CO.
MARKETING AND SALES PERSONNEL

James Murphy, president
Jim Eng, vp-admin
Ron Robillard, mktg mgr
Raul Marmol, adv coordinator
Paul Bermudez, sales promo mgr
Denise Conway, pr coordinator
Tom Howell, vp-eastern region mgr
John Harcarufka, vp-southern region mgr
Lou Di Venuta, central region mgr
Frank Dell'Omo, senior vp-western region mgr
Nick Stone, control states region mgr

ADVERTISING AGENCIES

Doe-Anderson, Louisville, Ky.—Maker's Mark—Jim Lindsey, Susan Duffy, Susan Wagner.

J. Walter Thompson USA, New York—Courvoisier, Drambuie, Tia Maria, Peter Heering, Venetian Cream, Old Smuggler, Booth's gin, Laird's scotch—Peter Schweitzer, group acct dir; Tom Burke, mgmt super; Gert Schuler, senior acct dir.

Warner Communications

	1981	1980
Sales	$3,237,153,000	$2,059,414,000
Earnings	228,493,000	137,091,000
Advertising*	159,000,000	82,326,000

*AA estimate

Warner Communications, New York, the 37th largest national advertiser increased its advertising by a whopping 93.1% over 1980 to an estimated $159 million in 1981.

The major share of increases in advertising spending came from Warner's consumer electronics division, which includes Atari Inc. However, a substantial amount was also devoted to the release of major films, including "Arthur," "Outland," "Sharkey's Machine," "Superman II" and "Rollover."

The company reported that worldwide advertising spending more than doubled to $364.4 million in 1981, from $179.7 million in 1980.

Revenues for the year increased by 57.3% to $3.24 billion from $2.06 billion in 1980. Operating income jumped by 65.2% to $226.5 million from $137.1 million in 1980.

The pace continued into 1982, as net income during the first six months of 1982 jumped by 58.6% to $146.1 million from $92.1 million a year earlier. Revenue showed a 43.7% gain to $1.84 billion in the first six months from $1.28 billion over the same period in 1980. The record results were largely the result of the consumer electronics division, led by Atari, which nearly tripled its operating profit to $111.8 million from its 1981 level.

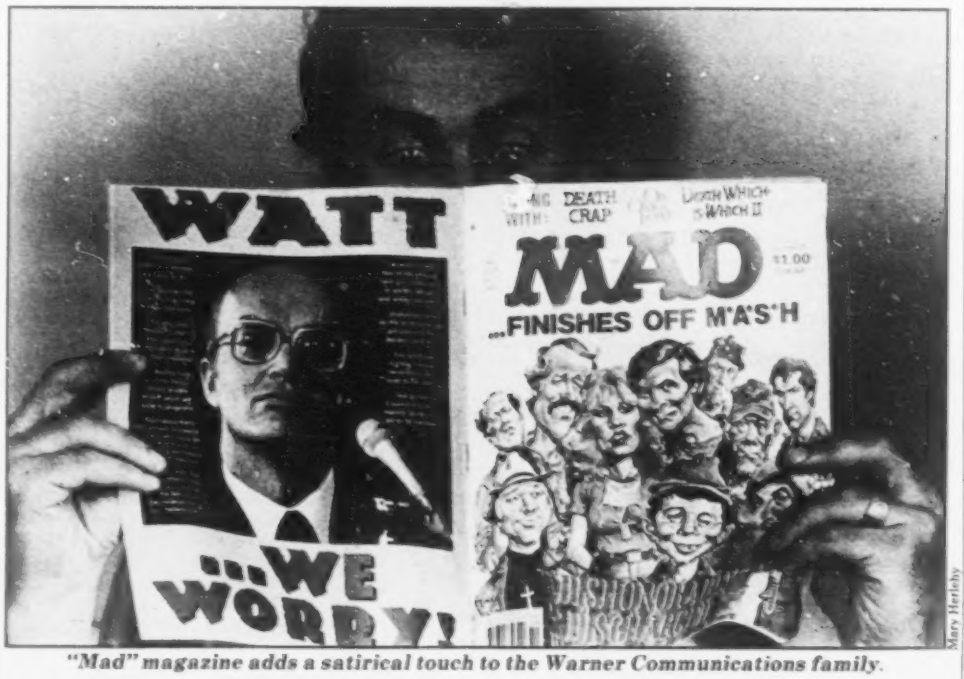
The dramatic revenues in 1981 also came from the consumer games divisions, but the newly acquired Franklin Mint contributed substantially as well. By contrast, the traditionally strong recorded music and music publishing division showed only modest increases. Also the filmed entertainment division bounced back from a dismal 1980 performance to record all-time high revenues of $755.2 million.

For the second year, the revenues of the consumer electronics division, led by the runaway success of Atari, doubled to reach $1.23 billion. Net income more than quadrupled to $286.6 million. Atari's consumer and coin-operated videogames were the major reasons these gains were recorded. Not surprisingly, the advertising support given to Atari rose spectacularly. Measured media spending for the entire division amounted to $27.9 million. Of this amount, $20.3 million went to network tv, while $3.9 million went to spot tv. The company expects this expenditure to more than double in 1982.

Warner said Atari's Video Computer System (VCS) game hardware units and home computers were completely sold out at retail in 1981. However, the company's ability to produce cartridges was strained throughout the year as software sales to both new hardware buyers and old owners rose more rapidly than expected.

In response to the problem, the company expects to increase software capacity at both its El Paso, Tex., and Fajardo, P.R., plants. Some of the software demand problem might also be met by other companies that have begun to manufacture compatible cartridges. In fact, the company sees this development as a further stimulant to hardware sales.

Atari expects to introduce 12 new cartridges during 1982—one a month. Included in this are the home version of "Pac-Man," a game that has already won phenomenal acceptance in the coin-operated area, "Defender," "Berzerk" and "Super Breakout."



"Mad" magazine adds a satirical touch to the Warner Communications family.

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Raleigh Durham

•Rankings
77 METRO
59 NEWSPAPER MARKET
Source: S&MM Survey of Buying Power, Part II 1981
38 ADI
Source: Circulation '81/'82

•Unemployment
4.4% RALEIGH/DURHAM
9.2% NORTH CAROLINA
9.8% UNITED STATES
June '82 Employment Security Commission

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The company says the introduction of all these games is being supported by heavy national tv advertising. By the end of 1981, Atari's two best-selling cartridges had shipped amounts in excess of 70% of all the vcs units ever sold. By the end of 1981, Atari had shipped more than 1 million units of 13 different cartridges.

Atari's coin-operated videogames division also had a record year with best-sellers being "Centipede," "Tempest" and "Deluxe Asteroids." However, none could match the spectacular success of "Asteroids" in 1980. The division's growth has been built entirely on internally developed products until now, but in 1982, it is beginning to selectively license games from outside developers.

The year 1981 also saw the emergence of Atari's home computers, which were backed by extensive advertising. The measured media spending of the division amounted to $4.7 million and was equally distributed among magazines, national and spot tv.

In May, the Atari 400 was packaged for the mass market, and its price was lowered. The result, Atari noted, was a product that sold itself at retail with little or no instore demonstration. Late in 1981, the Atari 800 was also packaged for the mass market, with similar cost savings allowing its price to be lowered.

To aid in the computer sales, Atari also established the Atari Program Exchange (APX) in Sunnyvale, Cal., and Cambridge, Mass. The company expects to add a few more in 1982. These exchanges make Atari computers available and provide training to programers in order to allow them to develop more effective home computer programs.

Beyond electronics, Warner in March, 1981, acquired Franklin Mint for nearly $220 million in securities and cash. One of the largest direct response marketing companies in the world, Franklin Mint generated $359.4 million in revenues for Warner and net earnings of $30.9 million in 1981. During the year, Franklin Mint offered more than 230 items, which were supported by more than $110 million in advertising and promotion. The measured media spending for the division, including Franklin Library, was $19.2 million.

Of the various product lines marketed by Franklin Mint, porcelain collectibles were the largest. Popular porcelain offerings included collections of miniature vases, hand-painted sculptures, series of theme-oriented thimbles and plate collections depicting woodland animals and flowers.

In the movie front, 1981 was a mixed year. The revenues of the filmed entertainment division bounced back after a dismal 1980, but operating income continued to decline. The division's income of $24.8 million was only 40% of the 1980 earnings of $60.8 million.

Warner Bros., the principal operating subsidiary of Warner Communications in the field of motion pictures and television, released 18 feature films in 1981. Of these "Superman II" generated worldwide rentals in excess of $96 million; "Any Which Way You Can" earned rentals of approximately $34 million, and "Excalibur" earned more than $23 million. "Private Benjamin," "The Shining," "Altered States" and "Outland" also fared well.

However, there were some releases that did not fare so well. These included "Wolfen," "Under The Rainbow," "Looker," "So Fine," "Rollover," "Sphinx" and "The Hand."

The motion pictures did not lack for advertising support. The measured media spending amounted to $30.0 million, most of which was concentrated on network and local television.

Warner expects two 1981 releases to have a positive impact on 1982 results: "Chariots of Fire," which won seven Academy Awards, including best picture, and "Sharkey's Machine."

It also has a strong lineup of new releases for 1982. They include "Firefox," starring Clint Eastwood; Woody Allen's "A Midsummer Night's Sex Comedy"; "The World According to Garp," and Norman Jewison's "Best Friends," starring Goldie Hawn and Burt Reynolds.

Despite the mixed results in the U.S., international revenues reached a record high for Warner in 1981. The total of $139.9 million was helped by the worldwide success of "Superman II," "Private Benjamin," "Excalibur," and the foreign-only release of "Supersnooper," a coproduction with Columbia Pictures Industries.

With the rapid expansion of cable tv and the pay television field and an increased demand for product by conventional tv, Warner Bros' library of feature films has taken on additional value. As of Dec. 31, 1981, Warner Bros. had approximately $371 million of signed contracts for lease of feature films, cartoon programs, syndicated series and "made-for-tv" movies to pay television and tv. This will be recorded as revenue in 1982 and beyond.

Last year was also a good year for Warner's television programming. It produced two of the top 10 series on tv—"The Dukes of Hazzard" and "Alice"—both on CBS. Other shows that made their debut in 1981 included "Bret Maverick," "Private Benjamin," and "Love, Sidney." Warner Bros. Television has 31 films and miniseries in advanced stages of development, including nine hours of "The Thorn Birds."

Warner's traditional area of strength—its recorded music and music publishing division—had alltime high revenues of $811.3 million in 1981, slightly ahead of the $805.7 million in 1980. Operating income increased only slightly, from $82.9 million in 1980 to $85.0 million in 1981.

Warner said its WCI label, traditionally the industry leader in rock music, has also become a strong force in black music, country music and jazz, as illustrated by *Billboard's* year's end album charts. WCI releases led the industry with 29% of the top-selling records in 1981. Among the most popular records were albums by AC/DC, Foreigner, the Rolling Stones and Stevie Nicks. Other artists, including Eddie Rabbitt, Grover Washington Jr., Steve Winwood, Phil Collins, Genesis and Al Jarreau, also had extremely successful years.

In spite of its relatively successful year, Warner remains concerned about the proliferation of home taping and its impact on revenues. WCI research indicates that American consumers bought 250 million blank tapes to record copyrighted music material. The value of this copyright material was estimated to be in excess of $2.8 billion at retail. The record division's measured media spending came to $379,900, most of which was placed in magazines.

Meanwhile, even though total revenue figures do not reflect major gains for Warner's cable communications division—it had revenues of $177.2 million and no operating income—the year was a significant one for its joint venture with American Express. Indeed, both Warner Amex Cable Communications (Warner Amex), the operator of cable systems, and Warner Amex Satellite Entertainment Co. (WASEC), a producer and supplier of satellite-distributed programing for cable, had good years.

The number of Warner Amex cable system subscribers increased by nearly 128,000 to 860,000, and total pay subscriptions doubled to 545,000. With the addition of 26 franchises, the number of homes under franchise grew by 675,000 to 3.4 million—a 91% increase in two years. There has also been a rapid expansion of Qube, Warner's two-way interactive cable system. First launched in Columbus, O., Qube has now been installed in Warner Amex cable systems in Cincinnati, Pittsburgh, Dallas and Houston. Qube has been an advantage to Warner Amex' franchise struggles and has given it a strong edge in close franchise contests.

The Qube system opens up a multitude of uses for cable. A Qube subscriber can respond to multiple choice queries, indicate specific preferences or even ask for additional data when needed. Every few seconds a master computer scans the user homes and tallies the responses.

Warner-Amex has used Qube for exotic as well as mundane purposes. It has been used for choreographing dances, videogames, scoring boxing bouts, calling football plays. It has also been used for electronic funds transfers, fire and security alarms, shopping at home and video newspaper delivery.

For WASEC, 1981 was a year of consolidating old product lines and offering new ones. Both "Nickelodeon" and "The Movie Channel" registered strong subscriber increases. "Nickelodeon," a channel designed specifically for children and young adults, increased its audience by 136% to 6.3 million subscribers in 1981. "The Movie Channel," the first pay channel offering filmed entertainment on a 24-hour basis, had 1.7 million subscribers, nearly nine times its subscriber total of 1980.

In August, WASEC launched a contemporary video/music network called MTV: MusicTelevision after a year of planning. MTV was launched with about 30% of its national ad availabilities sold.

Among those buying spots were Majestic school binders, Dolby Labs, Atari, Warner-Lambert, Gap Stores, Jovan, Warner Bros., 20th Century-Fox, Universal Pictures, Avco Embassy and United Artists. At the end of 1981, MTV was being provided to nearly 2.5 million subscribers.

The publishing division's revenues of $84.2 million were its best ever, up 17% for 1980, while operating income of $14.9 million was second only to 1979's record results.

In its second year as a hardcover publisher, Warner placed three titles on the national best-seller list: Richard Simmons' "Never Say Diet"; Andrew Greeley's "The Cardinal Sins," and Jackie Collins' "Chances." "Never Say Diet" sold more than 500,000 copies and was on the nonfiction best-seller list for over a year.

It was also a year of revenue increases for DC Comics, buoyed by the licensing fees from "Superman II." For Warner Books, the total measured media spending for the year amounted to $553,400.

Warner Cosmetics had substantial sales growth in 1981 as a new three-part cosmetics line was successfully introduced. However, the heavy expenses associated with the development and introduction of new product lines precluded any profit for 1981.

Each of Warner's fragrance lines had increased 1981 sales. Polo ranked among the top five women's fragrances. Chaps was rated No. 4 among popularly priced men's fragrances. The company spent $3.5 million in measured advertising for Chaps, mostly on network tv; $332,300

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KNOW THY COMPETITION

See page 125

LNA

for Lauren, and $424,500 for Polo.

In 1982, the company entered the popularly price women's fragrance market with Vanderbilt, developed in conjunction with Gloria Vanderbilt and the Murjani Co. To promote and advertise Vanderbilt, Warner is expected to spend $9 million in 1982.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$13,324,000	$1,725,300
Magazines	21,001,700	3,859,500
Spot tv	16,193,500	9,352,500
Network tv	47,510,300	31,431,600
Spot radio	956,600	2,405,800
Network radio	163,500	20,800
Outdoor	78,900	208,000
Total measured	99,230,500	49,104,500
Unmeasured	59,769,500	33,321,500
Estimated total	159,000,000	82,326,000

WARNER BROS.
MARKETING PERSONNEL
Sandy Reisenbach, exec vp-worldwide adv & publicity
Rick Kallet, director-co-op adv
Joe Hyams, vp-publicity
Mardi Marans, vp & director of media
ADVERTISING AGENCY
Grey Advertising, New York—Don Foley, mgmt super; Len Fogge, acct super; Frank Pelligrino, acct exec.

WARNER BROS. TELEVISION
MARKETING PERSONNEL
Marsha Greenberg, mgr-adv & publicity
David Horowitz, vp-adv, publicity & promo, Los Angeles
Gordon Hellman, vp-adv, publicity & promo, tv distribution
ADVERTISING AGENCY
Jameson Advertising, New York—Lloyd Miller, exec vp-creative director.

WARNER BROS. RECORDS
MARKETING PERSONNEL
Lou Dennis, vp-sales
Russ Thyret, senior vp-mktg
Tom Draper, vp-black music
Andrew Wickham, vp-director of country music
Sophie Beauvy, adv director
Adams Somers, vp-creative services & operations
Pete Johnson, vp-creative director of adv
Howard Rosen, vp-promo
ADVERTISING AGENCY
Burbank Agency, inhouse—Sophie Beauvy, director of adv; Suzette Mahr, natl adv mgr.

ELEKTRA/ASYLUM RECORDS
MARKETING PERSONNEL
Vic Faraci, exec vp-director of mktg
Lou Maglia, vp-sales
Randy Edwards, natl adv director
Dave Cline, natl sales mgr
ADVERTISING AGENCIES
William S.Advertising (inhouse)—Randy Edwards, natl adv director, Pam Moss, natl adv coordinator.
Ed Libov & Associates—media buying—Nancy K. Swanson, vp-director of client services.

ATLANTIC RECORDS
MARKETING PERSONNEL
David Glew, exec vp-genl mgr
Mark Schulman, vp-adv
George Salovich, vp-director merch
ADVERTISING AGENCY
East/West Advertising (inhouse)—Marsha Green, media director.

ATARI INC.
MARKETING PERSONNEL
Perry Odak, president-consumer operations
Michael Moone, president-consumer electronics division
Ted Voss, senior vp-mktg and adv
Don Osborne, vp-sales & mktg
Mariann Layne, mgr-mktg services
Ron Stingari, vp-marketing
Jan Soderstrom, vp-corp adv
Tom McDonough, senior vp-mktg & sales
Keith Schaefer, vp-sales
Andy Leonard, mgr adv, home computers
Helen Gray, vp-corporate communications
ADVERTISING AGENCIES
Doyle Dane Bernbach, New York—David Sklaver, vp-mgmt super; Martin Hummel, acct super; Jeff Andrews, Deborah Goldman, Scott Marshall, Jill Thurber, acct execs; Alexa Cullman, Diane Stewart, asst acct execs.
Young & Rubicam, New York—Garth Anderson, Jim Hood, acct supers; Don Jackson, Cathy McCarthy, acct execs.

WARNER AMEX CABLE
MARKETING PERSONNEL
Rupert Walters, exec vp-mktg
Edward Carter, senior vp-sales & mktg
ADVERTISING AGENCY
Ogilvy & Mather, Houston—Michelle Tremblay, acct exec.
Ogilvy & Mather, New York—Adam Carter, acct exec.
Wunderman, Ricotta & Klein, New York—direct mail—Bob Desena, acct super.

WARNER AMEX SATELLITE ENTERTAINMENT
John Lack, exec vp
Robert McGroarty, senior vp-mktg & sales
Richard Guilmenot, vp-mktg
Gary Koester, vp-adv sales
Andrew Orgel, vp-regional operations
Sonya Suarez, vp-affiliate relations
Jordan Rust, vp-sales
ADVERTISING AGENCIES
LPG Pon, a subsidiary of Lois Pitts Gershon, New York—Dale Pon, president; Jean Satti, asst to president.
Scali, McCabe, Sloves, New York—Movie Channel, Nickleodeon, corporate adv—Patrick Hillman, vp-mgmt super, John Marchese, acct super, Ann Allerhand, acct exec, Susan Gordon, asst acct exec.

WARNER BOOKS
MARKETING PERSONNEL
Howard Kaminsky, president
Dorothy Crouch, vp-genl mgr
Bill Shinker, vp-mktg
ADVERTISING AGENCY
Publishers Advertising Associates (inhouse)—Mark Greenberg, president.

KNICKERBOCKER TOY
MARKETING PERSONNEL
Andy Gatto, senior vp, mktg & sales
ADVERTISING AGENCY
Berenter, Elgort & Greenhouse, New York—Bill Berenter, chairman-senior art director; Marty Greenhouse, copy writer; Allan Cohen, acct super; Carol Franklin, Phylllis Pacifico, art directors.
Ed Libov & Associates, New York—media buying—Anne Kennedy, vp-media planner.

MALIBU GRAND PRIX
MARKETING PERSONNEL
Robert Rockefeller, president-chief operating officer
Dave Bursteen, institutional sales director
Shari Goldman, promo coordinator
Craig Buckel, adv mgr
Helen McCarthy, art director
ADVERTISING AGENCY
American Promotions Group, New York—radio and tv—Larry O'Daly, president; Jane Lande, acct exec-radio.

WEA CORP.
MARKETING PERSONNEL
Robert Moering, director-mktg services
George Rosi, exec vp-sales
Skid Weiss, director-publicity
Barbara Burns, natl adv director
Alan Perper, director-prod mktg
Rosemary Pierce, natl adv coordinator
Hank Caldwell, vp-black music
ADVERTISING AGENCY
WEA Advertising (inhouse)—Barbara Burns, natl director of adv.

WEA INTERNATIONAL
MARKETING PERSONNEL
Manfred Bormann, vp-product admin
Jennifer Cohen, director of product devel

WARNER SPECIAL PRODUCTS
MARKETING PERSONNEL
Mickey Kapp, president
Tony Pipitone, vp-treasurer

WARNER BROS. MUSIC
MARKETING PERSONNEL
Chuck Kaye, chairman
Les Bider, chief financial officer

LICENSING CORP. OF AMERICA
MARKETING PERSONNEL
Robert Bell, exec vp
Murray Altchuler, vp mktg
Arnold Lewis, senior vp-sales
ADVERTISING AGENCY
Ferber, Janklow, Chimbel & Bender, New York—Nancy Gould, acct exec.

LADD CO.
MARKETING PERSONNEL
Ashley Boone, vp-distribution & mktg
Robert Dingilian, vp-adv, promo & publicity

PANAVISION
MARKETING PERSONNEL
Jac Holzman, chairman
Frank Vogelsang, vp

WARNER HOME VIDEO
MARKETING PERSONNEL
Mort Fink, president
Rand Bleimeister, natl sales mgr

FRANKLIN MINT
MARKETING PERSONNEL
Martin Breisblatt, vp-mktg, U.S.
ADVERTISING AGENCY
Franklin Advertising, Franklin City, Pa.—in-house agency.

DC COMICS
MARKETING PERSONNEL
Jenette Kahn, president & publisher
Paul Levitz, vp-operations
Mary Moebus, licensing mgr
ADVERTISING AGENCY
Sanford Schwarz & Co., New York—Bernie Slotnik, sdv rep.

MAD MAGAZINE
MARKETING PERSONNEL
William Gaines, president

WARNER PUBLISHER SERVICES
MARKETING PERSONNEL
Sol Himmelman, president
Pat Flaherty, vp-mktg

WARNER COSMETICS
MARKETING PERSONNEL
George Friedman, president
Robert J. Ruttenberg, exec vp
Paul Masturzo, senior vp-genl mgr
Roy Benjamin, senior vp-genl mgr
Andy Furlan, senior vp-genl mgr

NEW YORK COSMOS SOCCER
MARKETING PERSONNEL
Robert Rolontz, vp-communications
Tom Werblin, adv mgr
Marty Rotberg, vp-operations
ADVERTISING AGENCY
Keyes Martin Advertising Co., Springfield, N.J.—Jerry Nussbaum, senior vp; David Fogelson, acct exec.

WARNER THEATRE PRODUCTIONS
MARKETING PERSONNEL
Claire Nichtern, president

WCI CORPORATE
Peter D. Graves, director of corporate communication
Robert Rolontz, director of info
Jonas Halperin, director of intl communications

Warner-Lambert Co.

	1981	1980
Sales	$3,379,092,000	$3,479,207,000
Earnings	9,222,000	192,716,000
Advertising*	270,400,000	235,202,000

*AA estimate

Warner-Lambert Co., Morris Plains, N.J., the 12th largest national advertiser, increased its domestic advertising nearly 15% to an estimated $270.4 million in 1981.

Worldwide sales fell 3% to $3.38 billion, while earnings plummeted from $192.7 million to $9.2 million because of what the company said was "a negative impact from currency adjustments" and nonrecurring charges resulting from the implementation of the company's "strategic plan."

Sales in the first six months of 1982 totaled $1.65 billion, down 4.1% from $1.72 billion in the first half of 1981. First-half earnings rose to $90.8 million in 1982, a dramatic increase over the $57.7 million loss the company suffered in the first six months of 1981. Warner-Lambert reported a loss in the first quarter of 1981 after writing off $194.8 million before taxes. The writeoffs resulted from the company's restructuring, the sale of some product lines and the phaseout of a consumer products plant in Long Island City, N.Y.

In fact, as part of a strategic review of its operations, the company discontinued or disposed of several operations and reorganized and consolidated others.

Ward S. Hagan, chairman and chief executive officer, told securities analysts in mid-July that Warner-Lambert would experience double-digit growth for the year. Consumer products, he said, had shown "encouraging gains" during the second quarter after a slow start; prescription product sales were up 14% for the first six months, as were international sales, despite the foreign currency translation.

Mr. Hagan said he expects IMED Corp., acquired in June, to be one of the fastest-growing operations in the company. IMED, purchased for a reported $465 million, is in the $1.7 billion pharmaceutical market. Sales at IMED are expected to exceed $100 million in 1982, achieving net after-tax earnings of $20 million, Mr. Hagan told the analysts. He also predicted sales would increase 46% a year through 1985 at IMED because of new instruments and entry into the general care areas of hospitals.

In 1981, the Warner-Lambert's "strategic plan" included the divestiture of American Opticai's vision care, soft contact lens and industrial product lines; they were sold in the second quarter of 1982. It also included the sale of Warner-Lambert's hospital disposable and surgical dressing product lines, the phaseout of operations at the Long Island City consumer products manufacturing plant and the phaseout of certain low-volume consumer products.

The healthcare business, which accounted for 61% of worldwide sales last year, is composed of two segments: Ethical products and nonprescription products. Ethical products sales increased moderately, benefiting from the introduction and wider acceptance of new pharmaceutical products in domestic markets. These products include Meclomen, an anti-arthritic; Centrax, a minor tranquilizer; Procan SR, an antirhythmic, and ERYC, an antibiotic. Higher revenues from the diagnostic, empty capsule and hospital product lines also contributed to over-all sales growth.

Last December, Warner-Lambert won approval from the Food & Drug Administration to market its Lopid, a prescription medicine for lowering the level of triglycerides in blood. At the time W-L received approval, a company official was quoted as saying, that the drug was a "groundbreaker" and the company's "most significant new product entry." The FDA, in approving Lopid, said it was similar to another cholesterol-lowering drug, which has been the object of some controversy.

In yet another move, Warner-Lambert acquired the worldwide rights to develop and market two experimental anticancer compounds developed by Viratek Inc., a unit of ICN Pharmaceuticals.

Sales of W-L's nonprescription healthcare products totaled $803 million in 1981, up 5% over 1980. The principal products in this segment are mouthwashes, cough/cold medications, denture products, vitamins, antacids and a pregnancy test for self-diagnosis.

In keeping with the growing trend toward self-medication as a means to control health costs, W-L said it will be emphasizing nonprescription products and is exploring new opportunities in other parts of the world.

The company maintained its leadership position in the $300 million-plus U.S. mouthwash market. Its Listerine and Listermint continue to hold the No. 1 and No. 3 spots, respectively in the category. Procter & Gamble's Scope is the No. 2-selling brand.

Listerine ended the year with slightly higher market share, and plans call for Listermint to be marketed in the U.S. later this year in a new lightweight, shatterproof container for added safety and consumer acceptance.

Listermint has been well accepted in new international markets. A fluoride-containing Listermint, originally marketed in Canada, has performed well in new international markets. In

Homesick New Yorkers! Warner-Lambert's Entenmann's is now in 33% of the U.S.

1981, it was introduced in six additional countries in Asia and Latin America.

Among other nonprescription products, W-L claimed to be the market leader in five major domestic personal healthcare product categories.

These were Sinutab, sinus relief preparations; Efferdent, denture cleanser cleaner tablets; Rolaids, convenience antacid; Halls cough drops, and e.p.t., early pregnancy test for home diagnosis.

Measured media spending in 1981 for the products in these six categories—including Listerine and Listermint—totaled nearly $51 million: Sinutab, $5.78 million; Efferdent, $6.3 million; Rolaids, $11.4 million; Listerine, $11.2 million; Listermint, $7.5 million; Halls, $5.2 million, and e.p.t., $3.2 million.

Sales of Halls cough drops were exceptionally strong in many countries. In the U.S. sales increased by more than 25%. The company attributed the increase in part to the addition of a new ice-blue flavor.

Efferdent accounted for more than 50% of total sales in the category last year. Although the market seemed to stabilize, W-L reported that its e.p.t. in-home early pregnancy test, dramatically increased its leading share of market.

The sale of W-L cough/cold preparations also improved in 1981, aided by the reintroduction of Benylin cough syrup in the large U.S. over-the-counter (otc) market.

The decision by the FDA to permit nonprescription sale of Benylin followed a seven-year battle by the company to substantiate the effectiveness of the product.

W-L scientists developed a novel test protocol to prove that Benylin acts on the cough center of the brain.

In 1979, the agency said it planned to withdraw the drug's new drug application, saying it wasn't effective. That move would have taken it from the market altogether. At the same time the FDA offered to review any new data about the product. Parke-Davis, W-L's pharmaceutical division, conducted the additional tests, which resulted in FDA approval.

Benylin was reintroduced with a $4.8 million ad campaign last October, in time for the 1981-1982 cough/cold season. Initial sales, the company said, exceeded anticipated levels.

Myadec, W-L's leading product in the $330 million vitamin market, reported a steadily increasing market share since the start of tv advertising in 1980.

In the sugarless gum arena, W-L claimed to have regained the No. 1 position with its Trident gum. But those figures apparently are based on warehouse withdrawal figures for the four-week period ended Feb. 6.

Those figures show that Trident held a 10.7% share of the total gum market and Life Savers' Care*Free had 8.8%. But for the 52-week period ending the same date, Trident still trailed Care*Free. The same source shows Care*Free with an 11.7% share and Trident with 10.3%.

Regardless of actual positioning, it is clear that Trident has improved its market share. Sales growth was aided by increased tv advertising. Last year, W-L spent approximately $10.2 million in measured spending to support Trident, more than 50% of which was spent on network tv.

W-L has begun an active campaign to expand Trident marketing in Latin America and Asia, where interest in dental care is rising and gum sales are brisk.

Another W-L gum product, Chewels sugarless liquid-center gum, was reformulated with an improved taste.

This step, the company said, "increased sales dramatically in the U.S."

In the soft bubble gum market, Bubblicious registered strong worldwide growth. Unit sales in the U.S. increased 10%. A fifth bubble gum flavor, watermelon, was added to the Bubblicious line.

Last year, W-L introduced a liquid-center bubble gum in Brazil. Another liquid-center bubble gum, Punch 'N Juicy, entered the U.S. market in the first quarter of 1982.

Measured spending for W-L's six gum products totaled more than $37.9 million. Individual product spending was as follows: Chewels, $7 million; Dentyne, $6.9 million; Bubblicious, $5.7 million; Freshen-Up, $4.7 million; Clorets gum and mints, $3.5 million, and Trident gum, $10.2 million.

In the breath mint category, W-L is placing new emphasis on sugarless mints this year. Two major sugarless products that have been extensively tested for consumer appeal are expected to reach full U.S. distribution during the year.

The first, a new square Trident mint with "unique formulation," is being launched in the U.S. and selected European markets this year following a successful introduction in Canada.

"The product outperformed the competition in consumer tests," the company said.

The second, a sugarless version of Certs, is performing "extremely well" in U.S. test markets, the company said.

In another move, the company plans to expand its limited international business in nutrition-oriented snack foods. The venture, which began several years ago with the acquisition of distribution rights in Canada for Blue Diamond almonds, is now being further developed within Canada through the introduction of a new natural snack product.

That line of bagged snacks—raisins, etc—was introduced into the Midwestern U.S., under the Bountiful brand.

In the baked goods business, Entenmann's, which W-L acquired in late 1978, had sales of $333 million in 1981, a 19% increase from 1980. W-L credited the higher sales to growth throughout its established territories and from expansion into additional areas of the Midwest, Southeast and Northeast in 1981.

A distribution arrangement with another bakery made it possible to introduce Entenmann's products in parts of Maine, allowing the distribution network to reach approximately 33% of the U.S. population.

Entenmann's has also expanded its Snack & Treat merchandising program to the southern parts of the U.S. Snack & Treat displays offer such products as creme-filled cupcakes, Popem's donut snacks and other regional products.

Entenmann's first bread-related product, an English muffin, is being tested in parts of the Northeast.

While Entenmann's is aggressively seeking new markets and products in an effort to build the company's product lines and position, the company has been faced with the chore of denying rumors linking it to the Rev. Sun Myung Moon.

Last year, rumors, which apparently began in Boston, began linking Entenmann's to the "Moonies."

Although the company does not know why it has been linked to the cult, Boston-area delivery men and salespeople have been harassed, and a Rhode Island church proposed a boycott of the products.

In order to stop the rumor from spreading, W-L undertook a public relations campaign and held a press conference at Boston's Ritz-Carlton Hotel. It also sent a mailing to New England retailers and some 1,600 churches detailing the ownership history of Entenmann's.

The company's other products segment, which includes shaving and pet care products, reported sales of $250 million in 1981, down from $252 million in 1980.

Worldwide sales of Schick shaving products increased last year.

In the U.S., the company focused its efforts on its Schick Super II and Personal Touch twin-blade systems. Personal Touch, the leading product in the women's shaving sector, increased its market share and was launched into several new Latin American markets.

In international markets, Schick maintained its leadership position in Japan and increased its market share in Southeast Asia, Peru and Chile. Measured spending for Personal Touch totaled nearly $2 million. Schick Super II received $5.8 million in support.

Growth of the worldwide pet care business was led by U.S. operations, which achieved about a 25% sales increase. The Tetra line of fish foods and aquarium supplies maintained its dominant market share worldwide and strengthened its position in key markets.

In the U.S., Tetra sales benefited from market expansion and the introduction of several new tropical fish foods, including a variety of extruded products for larger fish.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$625,100	$2,828,900
Magazines	9,096,600	5,685,700
Spot tv	29,822,000	21,311,300
Network tv	76,834,200	63,167,100
Spot radio	740,300	156,200
Network radio	6,061,400	4,878,300
Outdoor	70,500	174,500
Total measured	123,250,100	98,202,000
Unmeasured	147,149,900	137,000,000
Estimated total	270,400,000	235,202,000

CORPORATE PERSONNEL

Ward S. Hagan, chairman-ceo
Joseph D. Williams, president-coo
George Hromadko, vice-chairman-chief financial officer

CONSUMER PRODUCTS GROUP

MARKETING PERSONNEL

Melvin R. Goodes, president
Thomas S. Muller, vp-mktg, personal prods
T. G. Schable, vp-sales, personal prods
J.C. Carroll, vp-mktg, American Chicle
Bert Page, vp- sales, American Chicle
William P. Broas, vp, specialty sales

ADVERTISING AGENCIES

Ted Bates & Co., New York—Bubblicious, Halls cough tablets, Halls cough formula, Rolaids, Trident gum, Trident mints, Efferdent, Effergrip— Larry Eptig, exec vp; Mike Townsend, senior vp, mgmtrep; Vic Bloede, vp-acct super; Gail Cerminaro, vp-acct super; Shelley Diamond, acct super.

William Esty Co., New York—Chiclets, Clorets, Freshen-Up gum, Schick shaving systems, Personal Touch ladies shaving system, Listermint—Robert Ballerini, senior vp-mgmt super; Don Byer, vp-acct super; David Matthews, vp-acct super; Gerald Dyson, acct super.

J. Walter Thompson USA, New York—Chewels, Listerine antiseptic, Listerine lozenges, e.p.t., Sinutab, Lubriderm—Jack Morrissey, senior vp, group acct director; Jerry Gotlieb, senior vp, mgmt super; Tom Hanft, vp-mgmt super; Bea Lothrop, vp-acct super; Adele Finaly, vp-acct super; Eileen Layman, vp-acct super.

ENTENMANN'S DIVISION

MARKETING PERSONNEL

Robert Entenmann, chairman
David W. Johnson, president-ceo
F. Seton Stanley, director-mktg and sales

ADVERTISING AGENCY

J. Walter Thompson USA, New York—Jack Morrissey, senior vp, group acct director; Adele Finaly, vp, acct super.

PARKE-DAVIS GROUP

MARKETING PERSONNEL

J.E. Wavle Jr., president
C.J. Cowles, vp-mktg
L.B. Brown, vp-sales
W.L. Dickerson, group prod director
H.F. Oberkfel', group prod director

ADVERTISING AGENCIES

Sudler & Hennessey (medical group), New York—Donald Masterson, senior vp-mgmt super; John Rinaldi, senior vp-acct super; William Butler, vp-acct super; B. Morano, media director.

Sudler & Hennessey (consumer group), New York—Arthur Rosen, exec vp-group director; Hano Fuchs, senior vp-group creative director; Walter Bernd, super; K. Kopas, media director.

J. Walter Thompson USA, New York—Jack Morrissey, senior vp-group acct director; Jerry Gottlieb, senior vp-mgmt super; A. Carter and D. Farrell, acct supers; M. Yervanian, assoc media director.

HEALTH TECHNOLOGIES GROUP

MARKETING PERSONNEL

D.E. O'Neill, president
Kirk Merritt, vp-business plan & devel

DIAGNOSTIC GROUP

MARKETING PERSONNEL

George W. Masters, president
Richard Walsh, vp-mktg intl
Charles R. Crampton, director-sales
C.A. Holzmacher, director-mktg services
Eric Holdtgrefe, director-mktg intl
Robert D. Grissm, vp-genl mgr, Nuclear Med Labs, and vp-North America
William Finelli, adv mgr

ADVERTISING AGENCY

Medical Education Dynamics, Woodbridge, N.J.—Robert Curtis, acct exec.

HOSPITAL PRODUCTS GROUP

MARKETING PERSONNEL

Paul Creager, president
John C. Sifers, vp-mktg, Deseret I.V. and O.R. div

ADVERTISING AGENCY

Tom Ferguson Associates, Parsippany, N.J.—Tom Ferguson, president.

SCIENTIFIC INSTRUMENTS GROUP

MARKETING PERSONNEL

Richard E. Schmidt, president
Patrick E. Dundas, director, mktg & sales scientific instruments
R.S. Stevens III, director-mktg & sales, opthalmic instruments
D.R. Prozeller, director, business plan & devel
Andrew J. Liberty, mgr-adv
John Schempp, mgr-mktg, fiber-optics

ADVERTISING AGENCIES

Faller, Klenk & Quinlan, Getzville, N.Y.—scientific instruments and fiber-optics—Lawlor Quinlan, vp.

Legasse Associates, Walpole, N.H.—ophthalmic inst—David Legasse, president; Jim Young, vp.

Studio Graphics, Worcester, Mass.—ophthalmic inst—Jim Ludy, pres.

INTERNATIONAL OPERATIONS

MARKETING PERSONNEL

C.Y.C. Tse, president
R.P. LeFebvre, president, Europe/Middle East/Africa
S.A. Wilgar, president, Canada/Latin America
G. J. Figueiredo, president, Asia/Australia
S.J. Maugeri, vp-prof prods, mktg devel
D.G. Johnson, vp-consumer prods mrkt devel
J.H. DeMain, vp-pharmaceutical mktg, Europe/Middle East/Africa
J.E. Rutledge, vp-consumer prods. mktg, Europe/Middle East/Africa
E.J. D'Ambrosio, vp-professional prods mktg, Canada/Latin America
Bruce Pope, vp-consumer prods mktg, Canada/Latin America
W.M. McElheny, vp-pharmaceutical prods mktg, Asia/Australia
Alan Shaw, vp-consumer prods mktg, Asia/Australia

WARNER-LAMBERT CANADA

MARKETING PERSONNEL

R. Serenberz, president
A.Z. Pengelly, director corp mktg & communication services

ADAMS BRAND LTD.

MARKETING PERSONNEL

R.W. MacDonald, genl mgr
B.M. Wynn, S. Elmer, A.L. Ferguson, M.J. Bell, group prod mgrs
F.E. Finlayson, vp-sales

ADVERTISING AGENCIES

Ted Bates & Co., Toronto—Certs, Dentyne, Rolaids, Trident gum and mints, Adam's fruit gum, Beeman's Hall's Mentho-Lyptus, Blue Diamond Almonds, Duets—J. McCaul, acct director.

J. Walter Thompson Co., Toronto—Chiclets, Clorets, Freshen-Up—Norman Rigg, acct director.

PRODUCTS DIVISION

MARKETING PERSONNEL

A.R. Soler, mktg mgr
L.J. O'Keefe, director sales
R.W. Eyres, C.G. Clark, group prod mgrs

ADVERTISING AGENCIES

J. Walter Thompson Co., Toronto—Listerine prods, Listermint—Norman Rigg, acct director.

Ted Bates & Co., Toronto—Schick Wet Shave line, Efferdent—W.J. Whitehead, acct director.

PARKE-DAVIS CANADA

MARKETING PERSONNEL

D.M. Seath, genl mgr, personal prods
M.K. Skripitsky, director-mktg
D.G. Pietrobon, group prod mgr
G.G. Gibson, director-sales

ADVERTISING AGENCIES

J. Walter Thompson Co., Toronto—otc prods—Norman Rigg, acct director.

Crombie Advertising Ltd., Toronto—prescription prods—D. Headley, acct director.

KNOW THY COMPETITION

LNA

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Wm. Wrigley Jr. Co.

	1981	1980
Sales	$607,834,000	$557,632,000
Earnings	28,431,000	30,689,000
Advertising*	63,526,300	51,843,340

*AA estimate

Wm. Wrigley Jr. Co., the nation's 81st largest advertiser, and the nation's largest gum maker, spent an estimated $63.5 million on advertising in 1981, up 23% from 1980. Sales in 1981 were up 9% from 1980, from $557.6 million to $607.8 million in 1981. Sales increases are a direct result of domestic price increases on certain brands and packages during late 1980, as well as increased unit volume and sales of its subsidiary, Amurol Products Co.

Net earnings, on the other hand, were down for the second year from the all-time high of $36.4 million in 1979. Earnings were $28 million in 1981, compared with $30.7 million in 1980, a 7% drop. Earnings in the first three months of this year have dropped again. This drop, according to the company, is a result of high first quarter sales last year following price increases and lower earnings reported by Amurol—which had a record 1980.

Earnings declines of the past two years are a result, according to William Piet, assistant vp-corporate, of the strength of the dollar in relation to foreign currencies in 1981 and the effect of worldwide inflation on the cost of wrapping materials and ingredients, among other things.

Even with the declining earnings, however, investment analyst Richard G. Elam of Bacon, Whipple & Co., Chicago, reports the outlook for the company is "outstanding"—for a variety of reasons. One, the company is managing its assets more intensively, he said. Two, the company has adopted a method of accounting so that foreign currency gains and losses will no longer be such a big factor on the bottom line earnings figure. Three, the company has started several "productivity programs," including streamlining management and consolidating the somewhat mind-boggling array of gum varieties overseas.

William Wrigley Jr., with $32 in his pocket, moved his original soap business to Chicago from Philadelphia in 1891. In the following year, the business went from soap to baking powder to gum, which was originally used as an incentive item. By 1910, Wrigley's Spearmint gum was the nation's No. 1 brand.

Back in the early 1970s, Wrigley—with its Big Three: Spearmint, Doublemint and Juicy Fruit—had an estimated 60% of the total gum market. Competition, however, mostly from Warner-Lambert Co. (maker of Dentyne, Trident and Freshenup) and Life Savers (Bubble Yum and Care*Free) helped force that share down to under 35% by the mid-1970s. The drop in market share was also due, according to one industry analyst, to "fossilized management," which kept the price of gum down and allowed no new product introduction until 1974. Now, however, that head-in-the-sand philosophy has been shed.

From 1974 to the present, Wrigley has introduced several new brands, including Freedent, Big Red, Orbit sugar-free gum and Hubba Bubba bubble gum. Freedent, introduced in the U.S. in 1975, was the first new product for the company in 25 years. Formulated especially for denture wearers, the gum, according to an independent survey, has an approximate 8% of the market. Last year, the company discontinued its cinnamon flavor in favor of putting the gum out in the 17-stick Plen T Pak format. Now this brand joins Big Red and the Big Three (Spearmint, Juicy Fruit and Doublemint) in the increasingly popular 15 to 17-stick package, a category that accounts for over 40% of chewing gum checkout sales.

Last year, ad spending for Freedent was up 54%, from 1980's $4.5 million, to $6.9 million, with most of it going to network tv. Big Red, with a current 6% of the total chewing gum market, was introduced in 1976 to compete with W-L's Dentyne. It had disappointing sales until the company repositioned it as a breath freshener. Since the strategy change, the gum has enjoyed an annual sales increase of some 20%. It is now, according to Ronald Cox, vp-marketing, the fastest growing brand of chewing gum on the market today.

Mary Cairns

Analysts stick to the belief that Wrigley has bright prospects.

Ad spending last year reflected confidence in the product, up 40% from 1980's $6.7 million, to $9.4 million.

Not all the brands have been such stars, however. Orbit, Wrigley's effort in the sugar-free gum category, introduced in 1977, never got past third place in its category. After an increase of 137% in ad spending in 1980, up to $4.2 million, last year's measured media spending was only $730,200, an 83% drop.

According to Mr. Cox, the challenge in the future will be in the sugar-free area. Orbit presently sits in the No. 4 position after W-L's Chewels.

Not at all disappointing was last year's performance by Hubba Bubba, a nonstick bubble gum introduced in 1979 as an adversary to the No. 1 bubble gum, Bubble Yum. In 1980, Hubba Bubba struggled with W-L's Bubblicious for second place, but by 1981, with some 25% growth in sales, it had settled into the No. 2 position. But with only a 2% market share between the top three bubble gums, the positions are tenuous.

Of an estimated $1.5 billion in retail dollars in the total gum market, bubble gum makes up some one-third.

Wrigley's initial foray into the liquid-center gum market was not a big hit. Originally, the company entered the category with a liquid-center regular gum called Over Time. That product never got out of the test market stage. However, last year Wrigley's Amurol subsidiary brought out Tidal Wave, "a flash flood of flavor from the very first bite." This one is for kids and its a bubble gum. Ad support for the new product in 1981 was $95,800, mostly in spot tv.

As for Wrigley's Big Three, which account for the majority of the sales growth in 1981, they account for between 50% to 55% of the sugar-based gum market currently, having withstood a direct challenge from Life Savers' Replay. After a year of national distribution, that line has less than 2% of the market, while Wrigley's share has expanded to between 44% and 47%. Replay's attempt to break Wrigley's hold probably cost Orbit some ad support. As one company executive put it, "We had to circle the wagons around the big guys."

Ad spending for the Big Three was up 38% in 1981, from $26.2 million in 1980 to $36.3 million in 1981. Of the three, only Wrigley's Spearmint gained a new ad campaign last year. It's new line is: "Wrigley's Spearmint keeps you humming," introduced this June. The account was moved from NH&S/USA to BBDO for the new effort.

Ad spending for the whole company, combining the Leading National Advertiser six-media figures, was up some 23% from 1980, from $49.7 million to $61 million in 1981.

Amurol Products, Wrigley's subsidiary in bubble gums, sugar-free gums, novelty confections, sugar-free candies and dietetic products, had an excellent 1981, almost doubling its sales. According to the company, this success is largely due to Big League Chew, a shredded bubble gum that added two more flavors, strawberry and grape, to its lineup, and Popeye, a fluorescent, green (spinach) and, like its predecessor, shredded entry.

Big League Chew received ad support for the first time last year, some $809,000 of it spread among network radio, network and spot tv, with spot tv getting the lion's share.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	—	$530,500
Magazines	4,400	611,300
Spot tv	13,662,000	13,516,600
Network tv	42,190,000	34,127,600
Spot radio	1,739,800	879,200
Network radio	5,166,700	1,478,300
Outdoor	14,600	—
Total measured	62,777,500	51,143,500
Unmeasured	748,800	699,840
Total	63,526,300	51,843,340

MARKETING PERSONNEL

Sales

William Wrigley, president, ceo
Ronald O. Cox, vp-mktg
R. Darrell Ewers, group vp-intl
G. Bebee, mktg dir
N. Hoegh-Guldberg, mktg dir
A. Cipollina, genl sales mgr
R.P. Thurlow, genl sales mgr
J.C Barger, southern district
H.W. Colson, east central district
H.J. Conklin, eastern district
H.F. Constant, midwestern district
J.E. Decker, western north district
H.W. Gray, southwestern district
E.L. Kimzey, mid-Atlantic district
L.R. Klein, west central district
J.M. Kroyer, north central district

ADVERTISING PERSONNEL

R.O. Cox, vp-mktg
H.J. Berchert, asst. vp, adv graphics & design

ADVERTISING AGENCIES

BBDO, Chicago—Doublemint, Spearmint, Big Red, Juicy Fruit, Freedent, Orbit—Eric Harkna, president; Andrew Donchak, vp-mgmt super; Walt Waschick, Rick Grant, acct supers.

Needham, Harper & Steers, Chicago—Hubba Bubba, Amurol products, Big League Chew, Tidal Wave—Jim Fasules, mgmt rep; Karen Wagenknecht, acct super; Tom Horne, Elizabeth Brennen, acct supers.

Xerox Corp.

	1981	1980
Sales	$8,691,000,000	$8,196,500,000
Earnings	598,200,000	564,900,000
Advertising*	84,150,000	67,650,000

*AA estimate

Xerox Corp., Stamford, Conn., the country's 64th largest national advertiser, spent $84.2 million on advertising in 1981, or 24% more on worldwide advertising than in 1980. Close to $32 million was registered in measured domestic spending, an increase of nearly $10 million over the year before.

Sales reached $8.69 billion in 1981, a 6% increase over 1980. Earnings in 1981 totaled $598.2 million, or 5.9% higher than in 1980. Xerox's worldwide information processing capabilities and growing competition from the marketplace, particularly in the area of office automation, prompted the corporation to launch a worldwide print and television campaign in 1982. Needham, Harper & Steers, which directed the campaign, used a six-page, two-fold color introductory ad with the theme "How to tell the real Xerox from a Xerox copy." The print ad marked the first time since 1974 that Xerox ads have run in color. The campaign, divided into two parts, gives Xerox "an opportunity to express specific strengths, which we hope will build the basis for a preference," said Joseph M. Cooper, manager of corporate advertising and promotion. One part of the new campaign underscores Xerox's capability in areas such as technology, breadth of line, service and compatibility of systems. The second part focuses on specific products, or features of those products. Certain of those products, including new additions to the Xerox family, were supported by both print and tv.

Xerox also continued to run its "Brother Dominic" series of commercials in which a monk introduces 20th Century Xerox technology to the medieval setting of a monastery.

From 1981 to 1982, Xerox introduced a steady stream of new products to fill a wide array of needs. Among the debuts was the November, 1981, presentation of Xerox's first automatic electronic office typewriters. The four Xerox Memorywriters, as they're called, are positioned to fulfill the conventional office typewriter role. They also can be added to a number of electronic work stations. The basic model costs $1,430.

This new family of electronic typewriters was joined by a Xerox information processor, the 820, and its June, 1982, second-generation counterpart, the 820-II. Both products are desktop word processors/personal computers and marked Xerox's entry into this burgeoning field. NHS ads stressed the multiuse and multiuser features of the computer. Both can be connected to Ethernet—Xerox's standardized communications network.

To accommodate the instantaneous worldwide communications needs of its prospective clients, Xerox last year introduced two new international facsimile units. The Xerox Telecopier 495 is a high-speed unit that sends and receives a one-page letter in 30 seconds from any point on the globe. The 455, a desktop model, sends its messages at a rate of one minute per page, employing a technique Xerox calls "white line skipping."

One product Xerox introduced in 1981 the "first information processing system for office use by professionals." The Xerox 8010 Personal Information System combines a myriad of activities that include computing, text editing, graphics creation, communications and records-keeping, in addition to being compatible with the Ethernet network. The unit is designed to be used by anyone from engineers and librarians.

Among other Xerox products, two new printers have joined the high speed 9700 commercial use printer, which has been marketed since 1978.

One, the Xerox 8700, a medium-speed printer, enables data processing centers and in-house printing, publishing departments and others to use the new graphics printing system technology. The other was the Xerox 2700, described as a multifont laser printer that serves the needs of small businesses and minicomputers.

Finally, January, 1982,

marked the arrival of a new desktop copier, the Xerox 2830, which can make multiple oversize copies from single originals.

Xerox has become almost synonymous with photocopy to many people. Ironically, it is an area in which the company has been losing ground in terms of market share.

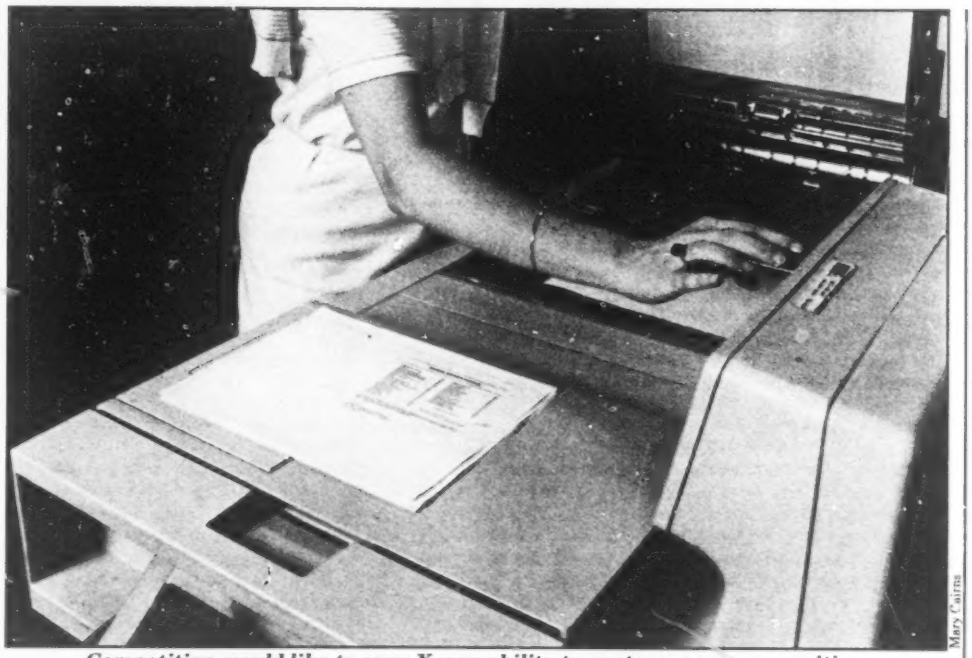
There are still more than 200 billion copies made annually on Xerox equipment, the company said, but growing competition has caused Xerox to reduce copier prices and designate increased market share in this segment as a top corporate priority.

David T. Kearns, recently named chief executive officer, said in the spring that he intends to reverse his corporation's market share erosion in reprographics and increase market share in office systems.

Because Xerox has been running into competition from the Japanese in the smaller duplicator market, two primary areas of emphasis are likely to be Xerox's mid- and upper-range copiers.

To that end, the company is working on technological advances in the mid-volume copier/duplicator market, according to Mr. Kearns.

The 51-year-old Kearns became ceo in May, after having served as president and chief operating officer since 1977. He replaces C. Peter McColough, 60, who will continue as chairman, but who relinquished ceo status in accordance with a company policy that requires senior management to reduce day-to-day involvement.



Mary Cairns

Competition would like to copy Xerox ability to capture name recognition.

One relatively new area of development for Xerox is its retail store operations. The first store opened its doors in the spring of 1980, and the corporation expects to have close to 50 by the end of 1982. The retail operation also extends to Europe, where Rank Xerox Ltd. has opened stores in England and France.

The Xerox store markets a variety of office products. Unlike one of its competitors, International Business Machines Corp., which sells only its own equipment, Xerox carries a wide array of business products from companies such as Apple Computers, Hewlett-Packard, Panasonic and Phone-Mate.

Xerox stores cater to the small business and professional buyer with their assortment of small and midsize copiers, word processors and personal computers.

Xerox's entry into the retail market could be more significant in the future, considering that the business machine market is expected to grow by 15% a year through the end of the decade. This would place sales on an industrywide basis at $5.5 billion, according some estimates.

Other competitors in retail store arena include Tandy Corp.'s Radio Shack; Computerland, an independent chain, and Sears, Roebuck and Co. In order to compete in this congested retail store environment, Xerox tapped Young & Rubicam Special Markets for its U.S. retail store account.

The retail store ad strategy allows local units to focus on their own offerings of office and business products, and the media strategy places heavy emphasis on on newspaper, backed by radio.

ADVERTISING EXPENDITURES

	1981	1980
Newspapers	$5,045,200	$3,192,700
Magazines	10,973,400	6,332,300
Spot tv	1,173,000	860,400
Network tv	11,546,200	11,464,700
Spot radio	1,861,500	158,900
Network radio	1,190,800	—
Outdoor	94,600	—
Total measured	31,884,700	21,912,900
Unmeasured	52,265,300	45,731,000
Estimated total	84,150,000	67,650,000

MARKETING PERSONNEL

William Glavin, group vp-reprographics
John Titsworth, group vp-info prods
Michael Kirby, director-corp adv & promo
Joseph M. Cooper, mgr-corp adv & promo

ADVERTISING AGENCIES

Needham, Harper & Steers, New York —copiers/duplicators, electronic printers, professional work stations, information processors, personal computers, facsimile transceivers, local area networking (Ethernet), computer services, Diablo printers —J. Davies Maddox, senior vp-group mgmt super, Sam Hershfield, senior vp-mgmt super, all products; Laurence Reynolds, acct super; Erica Mann, acct super; Steve Farricker, acct super; Susan Spohn, acct exec; Dick Belding, acct exec; Michael Glavin, acct exec; Tom Hook, acct exec.

Young & Rubicam Special Markets, New York—retail store operations—Robert Graham, senior vp-director of mktg/client services; Walter T. Darragh, vp-client services, acct super.

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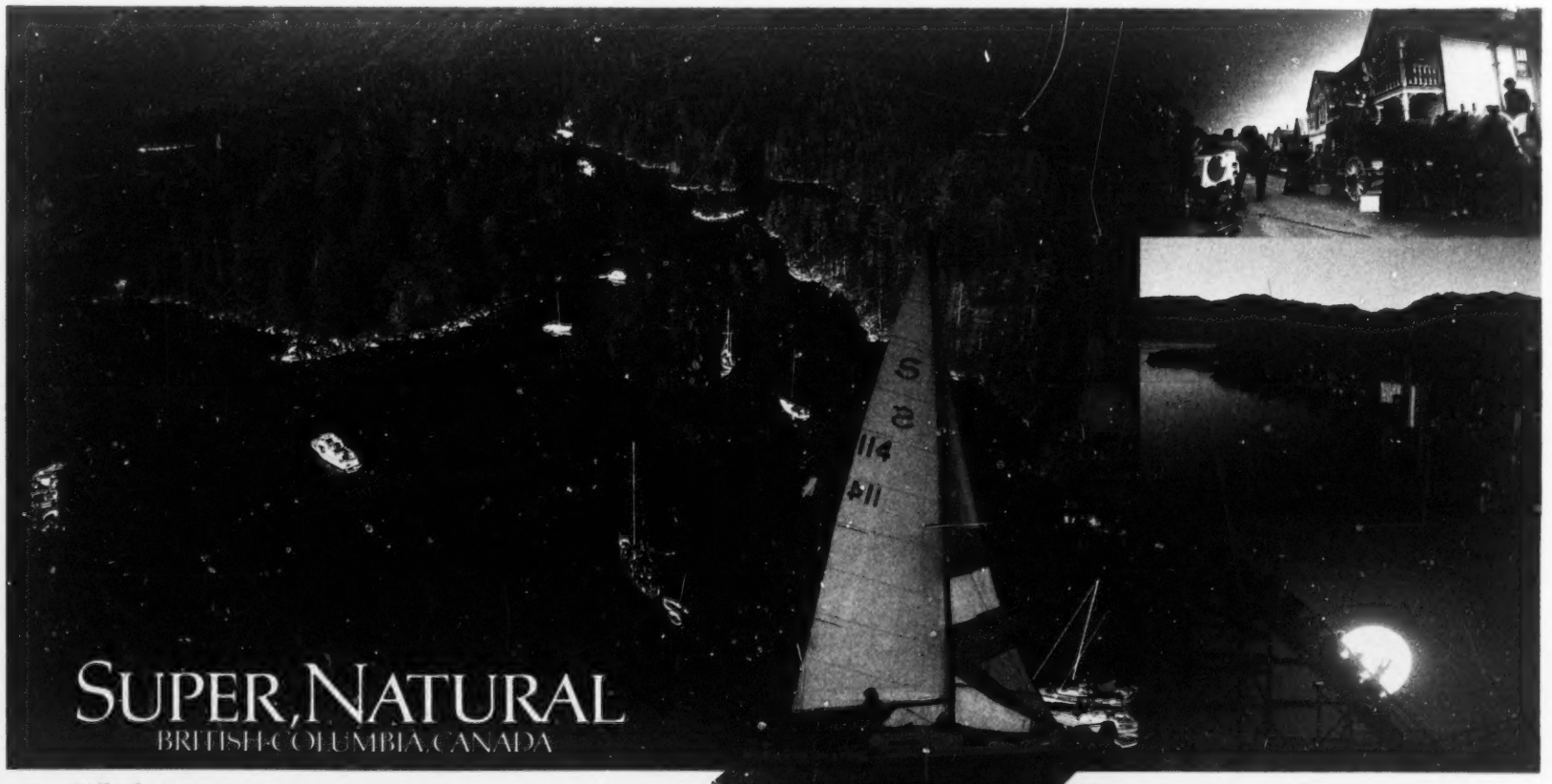

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100 Leaders

(Continued from Page 1)

well mean that troubled brewer will drop off the 100 list, though Stroh itself could make an entry onto the list.

Meanwhile, as cable television becomes a stronger and more deeply entrenched advertising vehicle, more of the 100 Leaders are likely to turn a significant share of their advertising dollars to that medium.

Several of the 100 Leaders have already done so, including Bristol-Myers Co., Campbell Soup Co., Eastman Kodak, Procter & Gamble and Anheuser-Busch. They have made commitments to cable ranging from experimenting with simple spot commercials to program sponsorship to program production.

Several of these companies have expressed interest in expanding their involvement in cable, and more are sure to join in coming years.

Unfortunately, there is not yet a reliable system for measuring cable tv advertising spending, and cable tv hasn't yet become a "measured medium" in our report. It is our hope, however, that by next year's issue we will be able to add cable to our measured media list to bring the total to nine media we regularly track.

A few observations about this year's list: There are no discernible trends as to the types of companies that increased or reduced their ad budgets for 1981. A total of 23 of the 100 Leading National Advertisers increased spending by more than 20% this year; 13 companies cut their spending.

Both Eastern Airlines and International Telephone & Telegraph maintained 1980 ad spending rates. Of the top 25 advertisers, only Ralston Purina Co. trimmed its ad budget, down to $193 million from $207 million in 1980.

Twelve other companies cut back their ad spending: Seagram Co. Ltd., Quaker Oats Co., American Brands, Miles Laboratories, American Motors, Mars Inc., MCA Inc., Jos. Schlitz Brewing Co., Morton-Norwich Products, Borden Inc., Noxell Corp. and American Broadcasting Cos.

One product category that received considerable advertising attention in 1981 is videogames.

The interest in videogames has grown in 1982 and will surely see further expansion in 1983. It is estimated that ad spending for the games could exceed $100 million in the fourth quarter this year.

Columbia Pictures Industries, Mattel Inc., North American Philips Corp. and Warner Communications, among others, have active videogame units.

These companies undoubtedly will pour more ad dollars behind promotion of the flashing lights and blips and bops in the future.

The top 10 largest advertisers welcome two new companies in this year's report, Nabisco Brands and Mobil Corp. Nabisco, whose advertising rose sharply as a result of its merger with Standard Brands in 1980, is ranked No. 7; last year Nabisco Inc. was No. 51 and Standard Brands was No. 98. Mobil moved from No. 18 to No. 10 after raising its ad spending by 7.2% to $293 million.

General Motors and K mart traded places—GM is No. 5 and K mart is No. 6. R.J. Reynolds dropped from No. 7 to No. 8, and AT&T held on to the No. 9 position.

At P&G, the company many watch for suggestions of consumer ad trends, tv spending increased by 6%, but all of that increase went to network, up 9%; spot was cut by 6%. Also cut were spending in magazines and radio. Some of this money is being funneled into cable. P&G is Cable News Network's largest sponsor, and it is also sponsoring a program on Continental Broadcasting Network.

Among P&G's most heavily promoted products in 1981 were laundry products, for which the company spent $115 million; others included seven soap products, which received $45 million, and the top-selling toothpaste in the U.S., Crest, which received $45.5 million in 1981, a 59% increase over 1980 support for the brand.

Other heavily supported products included Barclay cigarets, which parent company B.A.T. Industries introduced in January, 1981 with a budget of $150 million. General Foods, which traditionally puts its heaviest support behind individual coffee brands, spent measured support to the tune of $21 million on Maxwell House coffees. More than $18 million went to new Master Blend, and Sanka received $17.3 million.

There are six new companies in this year's Leaders issue: Canon U.S.A., Exxon Corp., International Business Machines , North American Philips Corp., Hiram Walker Resources Ltd. and Xerox Corp.

Because of the merger of Nabisco and Standard Brands, only five companies actually dropped from the list: Carnation Co., Mazda Motors of America, A.H. Robins Co., Squibb Corp. and Levi Strauss & Co.

The more you learn, the more you should reexamine your own convictions.
Frank Reynolds "There usually is more to a story than is immediately visible on the surface. And it's very important to try to understand the full dimensions of it. Not to question people's motivations, but to understand their motivations."
ABC News helps you understand. That's why The San Francisco Chronicle described Frank Reynolds and the people at ABC News as "... the brightest news-gathering outfit on the air."
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ABC NEWS
ABC: Driving to challenge CBS, the over-all leader in national news viewership.

Summary of Leaders' spending by category

1981

Category	Leaders in $	%	Total
Newspapers	$932.4 million	36.5	$2.56 billion
Magazines	$1.61 billion	50.0	$3.22 billion
Network tv	$4.29 billion	76.7	$5.60 billion
Spot tv	$1.81 billion	43.0	$4.22 billion
Farm publications	$26.4 million	14.4	$183.0 million
Network radio	$137.7 million	61.3	$224.7 million
Spot radio	$405.6 million	45.3	$896.0 million
Outdoor	$235.1 million	66.0	$355.9 million
All categories (8)	$9.45 billion	54.8	$17.25 billion

1980

Category	Leaders in $	%	Total
Newspapers	$758.8 million	34.7	$2.18 million
Magazines	$1.36 billion	47.8	$2.85 billion
Network tv	$3.90 billion	75.7	$5.15 billion
Spot tv	$1.73 billion	44.1	$3.91 billion
Farm publications	$24.1 million	14.9	$161.5 million
Network radio	$109.7 million	57.4	$190.9 million
Spot radio	$361.7 million	47.2	$764.9 million
Outdoor	$201.7 million	65.2	$309.5 million
All categories (8)	$8.44 billion	54.4	$15.52 billion

Sources: LNA, PIB, BAR, Radio Expenditure Reports, IOA, RAB, AGRICOM, Medis Records

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Advertising Age

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$1.25 a copy; $50 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | September 13, 1982

Christmas sales outlook—'tis the season to be wary

With this report, Advertising Age begins its coverage of the coming Christmas selling season, a key period for marketers and one filled with uncertainty because of the state of the nation's economy. Senior reporter Pat Sloan wrote this retailer forecast, with reports from all AA domestic bureaus.

Although the financial community expects consumer spending to pick up in October, most major retailers are not so optimistic, owing to their inability to discern anything—anywhere in the nation—that would indicate an imminent rebound in consumer confidence.

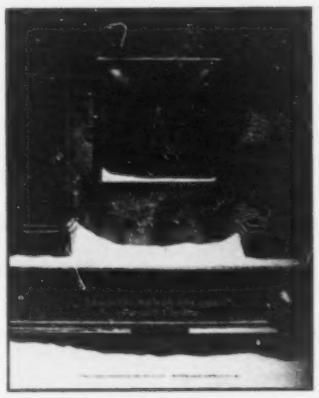
While Wall Street is betting on the July tax cut, coupled with a continued decline in interest rates and an active stock market, to shake the consumer out of his malaise, retailers may still be hard put to benefit from any potential windfall.

Fearful of being stuck with excess inventories, stores are being chary with their open-to-buy, ordering later and less than they did last year at this time. Both stock and projections have been cut by as much as 25% to 30% at many stores. And if stores are reluctant to write orders, neither are manufacturers eager to over-produce now in hopes that a month down the road increased consumer spending will send retailers scurrying back to the market with pencils and order forms in hand.

Says one New York retailing executive who, because of his extreme pessimism, asked not to be identified: "It's going to be tough. No one has made plans. We're all barely making last year's figures. And when you add in inflation, it's worse."

This sentiment, with slight variations, is being echoed in all areas of the country where particular economic problems are having a significant impact.

In Texas, for example, where retailers are feeling the effect of Mexico's currency devaluation, "August is when we fell out of bed," says Robert Sakowitz, chairman of the Houston-based specialty stores bearing his name. "Our sales were up double-digit from last year until Aug. 1. Then sales went soft because of the peso."



Johnnie Walker scotch may throw economic caution to the wind in its Christmas advertising, but can retailers afford to?

Mr. Sakowitz, however, says he is confident Christmas sales will be up. Sakowitz plans to put added dollars into advertising with a series of "strong, point-of-view" ads as well as fashion promotions.

Marshall Field & Co.'s Houston operation also has suffered from the peso decline. "We are down 5% against plan here," says Sandy Sacks, exec vp-southern region. "There's enough of a negative trend among retailers to indicate a tough Christmas, but you've got

(Continued on Page 74)

Comparative bid vs. Big Mac

Burger King's 'challenge' set for heavy drive

By RICHARD KREISMAN and CHRISTY MARSHALL

Desperate to resuscitate its growth momentum, Burger King Corp. is hitching its company fortunes to a massive comparative marketing campaign, replete with "Pepsi challenge"-style taste-test research, that takes on both industry-leader McDonald's and Wendy's International. Both advertising and in-store promotion will trumpet the findings of the tests.

The Miami-based chain is launching the drive the week of Sept. 27, at the start of the new tv season, with commercials claiming that in coast-to-coast taste tests, "Whopper beats Big Mac."

In Burger King stores, crews will be donning caps with the same message, and asking customers such questions as, "Did you know more people preferred charcoal-broiled hamburgers to fried?" and, "Did you know the Whopper beat Big Mac in coast-to-coast taste tests?"

The drive is closely patterned after the successful Pepsi campaign, and Burger King reportedly consulted with the indepedent research teams that worked on that trend-setting effort. Like soft-drink companies, fast-food marketers are dealing with a slow-growth industry, where market share gains are the driving force behind any expansion.

Burger King, which catapulted into the No. 2 position in the mid-'70s, has stumbled in the past two years in new unit expansion and new products. Earlier in the year, rumors (denied) circulated that parent Pillsbury Co. was looking to sell the chain.

According to a company memo,

Bic Pen drops its comparative campaign. . .Page 2.

Burger King is hoping the campaign will reinforce what it believes to be McDonald's quality-image problems and capitalize on its own status as a preferred choice for quality and taste. The tv push will be directed at adults and singles, the market segment where No. 3 Wendy's has made of late.

The chain reportedly is concerned about possible legal actions stemming from the campaign, and has "gone to great lengths" to avoid them, one large franchisee said. One competitor, aware of the campaign, but not the copy specifics, said he had heard the chain was "having clearance problems with

(Continued on Page 74)

Gorog seen as new MPA chief

By STUART J. ELLIOTT

New York—An investment banker and economic policymaker in the administration of former President Gerald Ford is expected to be named president of the Magazine Publishers Assn.

Advertising Age has learned that William F. Gorog of McLean, Va., is the unanimous choice of the five-member search committee that since February has been seeking a successor to Kent Rhodes.

When contacted last week, Mr. Gorog declined comment on his selection. "I feel that it just is a little premature," he said.

In a letter to the 36 persons on the MPA's board of directors, George Green, the association's chairman and a member of the committee, said: "I support his candidacy without reservation." The board is scheduled to vote on Mr. Gorog's nomination at a special meeting Sept. 14.

"It's a *fait accompli*," said one board member of the likelihood the

(Continued on Page 73)

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INSIDE:

- James Agnew returns to advertising, as new head of JWT/West. . .*Page 2.*
- Behind the scenes at the "redefining" going on at 'Newsweek'. . .*Page 3.*
- Chrysler changes its strategy for its 1983-model car introductions. . .*Page 4.*
- The Valley girls: Can the "gum-chewing airheads" image be refined? . . .*Page 16.*

last minute news

Diet Coke market expands; 9 stars in new spot

Atlanta—Coca-Cola USA is expanding Diet Coke into Rochester, Denver, Seattle, San Diego and Jacksonville, Fla. A new spot using nine celebrities—Bob Hope, Joe Namath, Telly Savalas, Carol Channing, Ben Vereen, Glenn Ford, Susan Anton, Sally Kellerman and Robert Vaughn—has been added to the pool of spots. The commercial by SSC&B features Diet Coke's premiere that was held at New York's Radio City Music Hall in July. Coke and SSC&B execs also denied a published report that Tom Selleck had signed a $2 million contract to be Diet Coke's spokesman.

Ford, Chevrolet spots urge buyers to take a look

Detroit—Both Ford and Chevrolet will imply in their new fall advertising campaigns that they've been overlooked by new car buyers. Chevy's theme is: "USA-1 is taking charge." Copy says consumers will find technology and quality "in places you may not have checked lately." The Ford division theme is: "Have you driven a Ford. . lately?" JWT, Dearborn, Mich., is Ford's agency. C-E, Warren, Mich., handles Chevy.

'USA Today' announces 18 charter advertisers

Washington—With daily publishing to start Sept. 15, Gannett's *USA Today* increased its list of named charter advertisers last week from nine to 18. Execs at the paper predicted the 40-page debut issue will have 12½ pages of advertising when it appears in Washington, Baltimore and nearby markets, but still were uncertain late Friday which advertisers would be in the inaugural edition. Fourteen ad pages per 40-page issue is the maximum allowed under the paper's low-clutter format. The named advertisers are: Brown & Williamson, Philip Morris, Glenmore Distil-

(Continued on Page 8)

Agency plans full-service Dallas office

Ex-McCann chief Agnew back as JWT/West head

By JENNIFER PENDLETON

Los Angeles—James K. Agnew, former president of McCann-Erickson, New York, and a long-time J. Walter Thompson Co. veteran, will rejoin JWT on Oct. 1 as exec vp and head of JWT/West, based here.

Mr. Agnew's appointment is seen as a first step in the agency's long-range plans to build its admittedly underdeveloped western operations, a goal that will include the conversion of JWT's Dallas service office to full-fledged agency status, operating as an arm of JWT/West. JWT/West currently has billings of about $100 million.

■ JWT executives declined to be specific about when the Dallas office will convert to a full-service agency, but said it would be likely to take place this fall.

Mr. Agnew, 43, who also will be a member of the board of directors of JWT/USA, rejoins the agency after two years as a partner in charge of marketing and strategic planning at Maguire Partners, a Los Angeles-based commercial real estate developer.

Before that, Mr. Agnew spent eight years with McCann, finally as president-chief executive officer in New York from 1979 until his departure in July, 1981. Before that, Mr. Agnew was exec vp and general manager of McCann's Los Angeles office. He had been with JWT from 1962 to 1973, with assignments in New York and Paris.

Mr. Agnew succeeds Frank Maniero, who is leaving Sept. 17 to join Activision, Mountain View, Cal., as vp-marketing.

Mr. Agnew, JWT chairman-ceo Burt Manning and president-chief operating officer Walter J. O'Brien outlined agency goals for the western division in an interview here.

Describing JWT/West as offering perhaps the greatest chance for growth of any other unit in JWT's system, Mr. Manning said the agency intends to build the operations significantly, placing special emphasis on Los Angeles, which currently has one-fourth the business of JWT's San Francisco office. JWT's Los Angeles office currently has billings of $25 million.

■ Mr. Manning and Mr. Agnew said there are no plans for dramatic personnel changes at either the San Francisco or Los Angeles offices, but the agency will be evaluating staff and likely will add personnel to fill talent gaps.

Next spring, JWT will name a new general manager of the San Francisco office to replace Ram Ruy, current deputy manager, who will return to manage JWT's Calcutta office at that time. Dick Macedo, who has been general manager of the Los Angeles office, will continue in that post.#

John McEnroe will charge for the Bic disposable shaver this fall.

Bic changes courts, turns to McEnroe

By PAT SLOAN

Apparently bested by Gillette Co. in a dispute over a comparative tv commercial for its disposable shaver, Bic Corp. is serving up a new campaign that avoids comparisons and relies instead on tennis ace John McEnroe.

Both ABC and NBC were reported to have pulled a Bic commercial that pitted the Bic disposable shaver against Gillette's Trac II, following the initiation of a challenge procedure by Gillette (AA, May 24). The spots in question, created by Bic agency Wells, Rich, Greene, magnified beard hairs 110 times eight hours after shaving and prompted the Bic claim that there was no difference in the shave of a twin-blade Gillette Trac II and a single-blade Bic, but a big difference in price.

Gillette charged the commercials were "false and deceptive," and, in the meantime, continued running its own comparative spots that touted the twin blade as "a closer, smoother and safer shave than Bic."

Whether Gillette's move was offensive or defensive is disputed within the $700 million market, but in any event it appears to have forced Bic's hand. The new McEnroe spots are the first major campaign for Bic since the comparative effort and, sources say, are indeed its replacement. Bic executives would not confirm this, nor would they comment on the legal fate of the previous spots.

■ Bic is not a novice when it comes to using sports celebrities as endorsers. Two years ago, the company hired football and soccer stars for a "10 tough guys" commercial in which the same Bic shaver tackled their beards with success. With Mr. McEnroe, Bic will also take advantage of a tough guy image. The 30-second commercial shows the tennis star arguing with an umpire who says, "Mr. McEnroe, that's a very close shave." Mr. McEnroe verbally volleys back, "You must be joking! That ball was in," before the ump replies that he was referring to his face, not his serve. "Of course," Mr. McEnroe says, "I shave with Bic."

The commercials do retain a focus on the economy of shaving with Bic, with an oblique reference to the competition. "Why pay more for fancy handles and tricky tops when I get lots of close shaves with Bic," Mr. McEnroe asks.

In addition to tv, the campaign later will include print ads and p.o.p materials featuring Mr. McEnroe.#

Paley gives up CBS baton

New York—William Paley, who broke into broadcasting first as a radio sponsor (via his father's La Palina cigars) and later as a broadcaster, has been a tough man to work for and a tough act to follow—especially since he has not been ready to be followed until now.

But it's official, the Paley era at CBS Inc.—its only era—draws to an end next April. Thomas Wyman then formally adds the CBS chairmanship to his current titles of president and chief executive officer.

The big guessing game in media, advertising and financial circles—one that has been played in earnest since it was disclosed that Mr. Paley was planning to move on (AA, Aug. 30)—centers on how major the changes in CBS' directions will be under the new captain.

Most industry sources expect some changes by Mr. Wyman, if for no other reason than that every chief executive wants to make his mark. But for now, at least, CBS said there are no other title or position changes in the works.

Mr. Paley, nearly 81, last week told the CBS board meeting that he has "complete confidence" in his handpicked successor as he turns over the reins to the company he founded and in 54 years turned into a $4.1 billion giant. The ex-Pillsbury and Polaroid executive apparently won over Mr. Paley since joining CBS in 1980 with his strong yet people-sen-

(Continued on Page 78)

highlights

Monday September 13, 1982

Sparked by strong consumer response, Pabst is aiming for national expansion of Jacob Best Premium Light, while Miller is rehoning the test program of its superpremium Special Reserve. *See Page 10.*

FDA has asked Pfizer Inc. to defend comparative claims in ads for its new heart drug, Procardia. *See Page 12.*

American Tourister and Samsonite are squaring off in the battle for soft-sided luggage sales. *See Page 22.*

The only way for U.S. truck marketers to enter Western Europe and the Far East may be through merger, acquisition or joint venture, an executive declares. *See Page 32.*

With radio's prime audience of teen agers and young adults shrinking and the number of competing new technologies increasing, the oldest electronic medium is in need of some new tricks. *See Page 33.*

Borrowing tactics from tv, comics book publishers have stepped up their adaptation of such tv concepts as miniseries, spinoffs and cross-promotional stunts. *See Page 34.*

In ad agency relationships, Hollywood proves to be the exception to many advertising industry conventions. *See Page 36.*

John Malmo Advertising has been cited for its adaptive use of a 140-year-old building it restored and occupies in downtown Memphis. *See Page 41.*

Bert Berdis of Dick & Bert fame is going back to being more of a writer than a voice man now that he has split from his former partner and joined Barzman & Co. *See Page 48.*

CORPORATE CLOSEUP

Once freed from its agreement with Chrysler barring it from direct selling, Mitsubishi Motors had to develop marketing and distribution plans without knowing how large its sales would be. *See Page 4.*

INTERNATIONAL

Harrod's, the famous British retailer, aims to broaden its base by introducing its mail-order catalog in New York this fall, and plans to open a store-within-a-store with a U.S. retailer next year. *See Page 38.*

Kentucky Fried Chicken is bringing U.S.-style drive-in restaurants to the U.K. and will be putting a large part of its expansion into new sites at the edge of town. *See Page 39.*

VIDEOTECH

After months of speculation, the British government has taken the wraps off its plans for cable tv, although it has not decided yet whether to allow advertising on the new medium. *See Page 50.*

In the black after a year in business, Reeves Cable Productions is eyeing pay tv as its next marketplace. *See Page 51.*

The old "Lone Ranger" tv series is riding high in tv syndication, and the ratings show its largest audience is adults. *See Page 52.*

Marquest Cable Ratings is testing its ratings system in Buffalo and will roll out its first survey in the fall. *See Page 52.*

MAGAZINE

Ms. magazine made history 10 years ago, and trained a cadre of women who have gone on to management roles in a male-dominated industry. *Page M-2.*

Network tv's romance with the advertising industry needs new life and a plan for the future, says Alec Gerster in Media Commentary. *Page M-19.*

SPECIAL REPORT

Radio sells itself big to the ad community with an eye on regaining some of its popularity with advertisers from the primary medium, tv. *Page M-5.*

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NEWSPAPER ADVERTISING EXPENDITURES—JUNE, 1982 48

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Sports top newspaper ad spending

NEW YORK—Newspaper advertising spending for sporting and leisure time equipment showed the largest gain in June, increasing 160% to $1.9 million, according to figures compiled by Media Records Inc. for ADVERTISING AGE.

Other categories showing significant increases during the month of June were cosmetics, up 105% to $241,000; soft drink beverages, up 75% to $439,000; new passenger cars, up 74% to $8.7 million, and alcoholic beverages, up 37% to $2.8 million.

Over-all, 12 of the 16 categories tracked by Media Records recorded spending gains in June, with the only significant decrease shown by cigarets, down 36% to $5.8 million. Airline spending decreased 1% to $10.2 million for the month, while cold and headache remedies both remained out of newspapers during June.

This Flash Report of newspaper advertiser investment is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

FLASH REPORT: Newspaper advertising investment for June

JUNE 1982		IN 100 THOUSANDS / IN MILLIONS	DOLLARS		CHANGE	
CATEGORIES	YEAR		1982	1981	ACTUAL $ GAIN OR LOSS	% GAIN OR LOSS
Department stores	1981		$50,676,194	$44,004,252	+6,671,942	+ 15.2
	1980					
Food stores	1981		18,922,533	17,007,406	+1,915,127	+ 11.3
	1980					
Radio, tv, phonographs, records	1981		8,219,853	6,395,486	+1,824,367	+ 28.5
	1980					
Alcoholic beverages	1981		2,850,567	2,087,153	+ 763,414	+ 36.6
	1980					
Cameras, photo supplies & services	1981		281,279	278,390	+ 2,889	+ 1.0
	1980					
Beverages: coffee and tea	1981		383,218	290,141	+ 93,077	+ 32.1
	1980					
Beverages: soft drinks, diet/non diet	1981		438,552	250,529	+ 188,023	+ 75.1
	1980					
Soaps, cleansers & polishes	1981		171,118	142,328	+ 28,790	+ 20.2
	1980					
Cold, cough & sinus remedies	1981		0	0	0	0
	1980					
Headache remedies & sedatives	1981		0	0	0	0
	1980					
Publishing & media	1981		6,442,840	6,175,317	+ 267,523	+ 4.3
	1980					
Sporting & Leisure time equipment	1981		1,534,024	718,590	+1,145,434	+159.4
	1980					
Cigarettes	1981		5,824,208	9,171,123	−3,346,915	− 36.5
	1980					
Cosmetics, makeup & manicure products	1981		241,140	117,414	+ 123,726	+105.4
	1980					
Airlines	1981		10,175,367	10,262,953	− 87,586	− 0.9
	1980					
Passenger cars-new	1981		8,864,963	4,976,813	+3,688,170	+ 74.1
	1980					

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The *Washington Star* ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

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Berdis takes pen in hand

By MORRIE GELMAN

HOLLYWOOD—Bert Berdis of Dick & Bert fame, after 10 years, is going back to being more of a writing man than a voice man. Now that he's split with his partner Dick Orkin and joined Barzman & Co. here (AA, July 19), the pen is going to be mightier than the vocal cords.

The surprising split of one of radio's most celebrated and honored commercials production teams apparently had a lot to do with a desire to do new tricks, from the Bert side of the equation at least.

Mr. Berdis is not abandoning the voice that helped launch dozens of zany and memorable radio campaigns, but the opportunity to write for a great many different voices, in part, led him to a competing radio commercial production shop as a partner and creative associate with Alan Barzman and Jim Kirby.

This was a great part of the lure, Mr. Berdis confirmed in an interview, that took him to Barzman & Co., which might change its name to reflect the addition of a prominent partner. Already, letterheads at the company that read Barzman & Co. are stamped with the notation, "Now With Bert."

Mr. Orkin, who continues with Dick Orkin Creative Services, earlier indicated he intends to remain in the commercials production business.

"After 10 years of writing spots for Dick & Bert, which was basically two-man stuff," Mr. Berdis explained, "I had certainly written about all the permutations and combinations I could write. It seemed to me we were just duplicating our efforts."

He pointed out, too, that Mr. Barzman knows "everybody" in Hollywood and has a "penchant" for getting talent not normally associated with voice work to do voices. Mr. Berdis cited the opportunity to write for the voices of Alice Ghostley, Tom Bosley and Artie Johnson, among other performers, as an important advantage in his new situation.

While Mr. Berdis affirmed he likes voice work, he thinks of himself as a writer and "agency guy, first," referring to his previous career as a creative director and copywriter at such ad agencies as Grey; McCann-Erickson; Ketchum, and NH&S. "It was just tiresome to do the Dick & Bert stuff" after a time, he acknowledged, but quickly added that "Dick is one of the all-time great radio voices that ever happened," but after 10 years "you just find yourself wearing out." Mr. Berdis likes the idea of writing for a variety of voices and also doing other things such as writing for tv, doing vignettes or writing for groups of people or for female voices, and using music more. He conceded he could have pursued all of these possibilities while at Dick & Bert, but, he claimed, the opportunities were "very, very limited."

Now that he is on board at Barzman, Mr. Berdis is out to give the company a higher profile nationally. Barzman & Co., he said, while established on the West Coast, is less widely recognized in the Midwest and certainly not in New York. One of the new partner's priorities was to take his act on the road to Chicago, Detroit and New York City "and tell my friends in the ad agencies, 'Look, this is what I'm doing now.'"

Mr. Berdis says his split with Mr. Orkin amounted mostly to a way of "rejuvenating each other's juices."#

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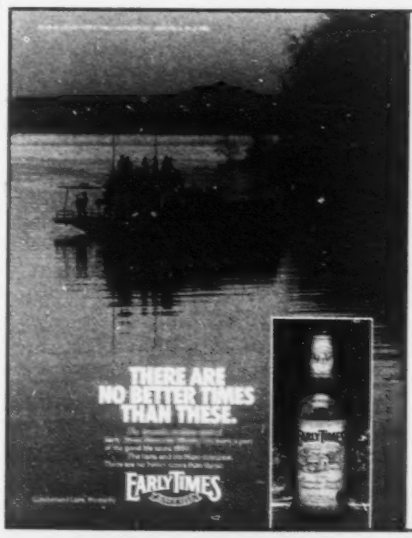

It's Early Times time

New parchment-styled label for Brown-Forman's Early Times is featured in new color page ads from McCann-Erickson, Louisville, running in September issues of 15 magazines. Theme: "There are no better times than these."

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C2710-1 9/21/82

Selecting tv's greatest — Page 3

Warner Amex finds Texas tough — Page 66

Marketer's dream product — Page M2

Advertising Age

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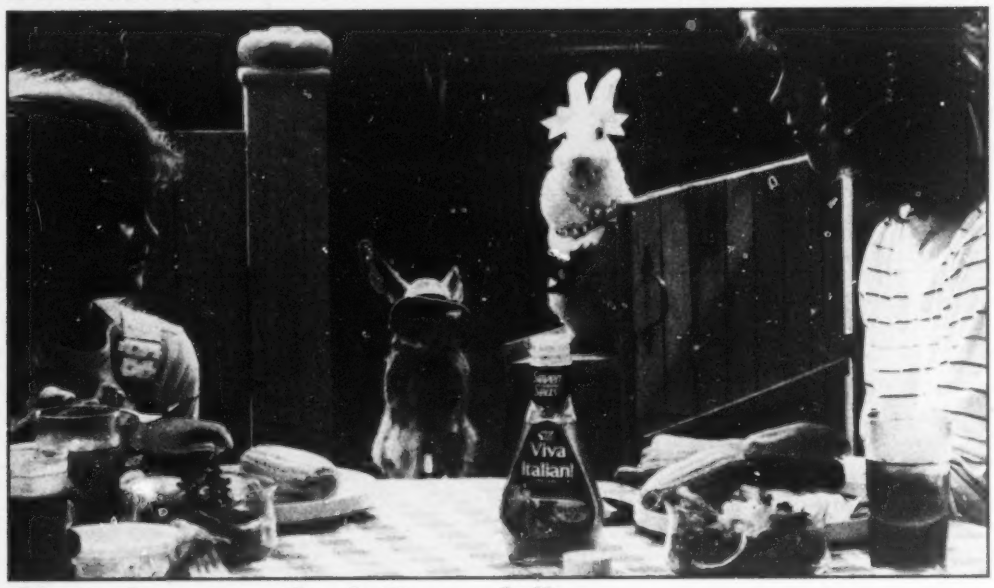

Slow down on the lettuce, folks

Anderson Clayton Foods broke a new campaign on the Emmy Awards telecast, with a Bloom Agency spot that has rabbits investigating a lettuce shortage caused by the popularity of Seven Seas dressings.

Sponsors in a quandary

Court battles, strike threats upset tv sports

NEW YORK—For tv advertisers, sports aren't fun anymore.

Cable and the networks are in court battles over who can broadcast sports events, tv's lucrative professional football schedule is endangered by a players' strike and now it appears that the procedure for selling college football games for broadcast has been irrevocably changed.

A federal district judge in Oklahoma City last week ruled that only individual schools, not the National Collegiate Athletic Assn., have the authority to sell rights to their games.

How fast those changes take place can only be determined by the courts. Network sources said last week that if the NCAA could not obtain an injunction to stay the ruling by Judge Juan Burciaga, there could be an interruption in this week's slate of games.

Each week, ABC and CBS select the games they wish to broadcast and then pay the teams selected. If the NCAA is unable to get an injunction to stay the ruling pending an appeal, the colleges presumably would be able to cut their own deals with the networks.

"That's where it gets crazy," said one network executive. "The whole thing could turn into a wide open market." The bidding for the crucial contests could up the ante for broadcasters wanting to telecast a particular game.

The open market could also intensify player recruiting efforts by universities. Since the networks have traditionally opted to televise games between winning teams, the pressure to produce a winner would also be greater on the schools. A source observed, "the next step

(Continued on Page 92)

Chevy, Ford narrow fight

By RALPH GRAY

DETROIT—Nobody's expecting a whole lot from the new car season this fall. Not Roger Smith, chairman of General Motors. Not Lee Iacocca, chairman of Chrysler Corp. And certainly not the industry observer who was asked, "Where's Pent-Up Demand?" and replied, "about 10 miles from Hopeless Despair."

But that won't dampen the intensity of the matchup between No. 1 Chevrolet and No. 2 Ford. Both will concentrate on those (few) prospects who are undecided about which car to buy. By implication, there's less emphasis on pulling the pent-up demand types away from their aging autos.

While Mr. Smith says the industry is "poised for an upturn—in fact it has already begun," Mr. Iacocca has said, "If there are positive signs out there, come and tell us quick. Nobody's buying [latest sales were off 29%]. Let's hope positive signs start to blossom and things start to get better, but I don't see it."

Actually, Mr. Smith doesn't see it that soon, either. He expects the annual sales rate to hit 14 million vehicles by the end of the 1983 model year. The annual rate now is 9 million or so. Mr. Smith isn't predicting 14 million in sales, just that

(Continued on Page 94)

Economy dried up ad funds, CBS Cable says

Cable tv shakeout begins

By SUSAN SPILLMAN

NEW YORK—For the cable tv industry, the past year has been like the first week of network tv's fall season: New programs are unveiled with a flurry of promotion, ambitious plans are presented confidently, but everyone is really waiting to see which of the more than 40 available cable services will be the first to fail.

CBS Cable answered that question last week. It informed its 535 affiliates representing 5 million subscribers that it will pull the plug on the critically acclaimed ad-supported cultural service in 90 days.

Calling its demise a "major disappointment," CBS Broadcast Group president Gene Jankowski nonetheless tried to downplay its significance with the comment, "The venture's $30 million loss is less than what it sometimes cost to cancel a couple of prime time series. Let's keep this thing in perspective."

The folding of CBS Cable, however, more likely won't be kept in that perspective. As the first major failure in an industry that until recently has been hyped as an instant cash machine, it is generating heavy scrutiny and raising a number of serious questions: Can a narrowcast service survive with advertising support alone? How many channels can the marketplace support? Will the demise of CBS Cable have a domino effect or was it simply the result of one network's bad business plan?

CBS obviously miscalculated by producing network-quality programing for a non-network-size audience that it expected adver-

(Continued on Page 94)

NEWSPAPER

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last minute news

Reagan nominating Douglas for 5th seat on FTC

WASHINGTON—President Reagan is moving to bring FTC up to its full five-member strength by nominating economist George W. Douglas for a seven-year term. He has co-authored articles with FTC's economist chairman, James C. Miller III. If approved by the Senate, he will succeed Paul Rand Dixon, who retired last September.

FCB picks up two airline accounts in Germany

FRANKFURT—Foote, Cone & Belding here has been awarded the German business of Iberia Airlines. Also, FCB's Berlin unit, Uniconsult, gained the $400,000 account of U.S.-based Capitol Air, which just obtained German landing rights. Previous agency for Iberia is Durana Ketchum; billings undetermined. The moves follow the agency's loss of the British Airways account (*see earlier story on Page 3*).

Anesh, Viseltear, Gumbinner shuts down

NEW YORK—Anesh, Viseltear, Gumbinner, an agency founded in 1977 billing nearly $7 million in 1981, has closed its doors. Paul S. Gumbinner, president, will be joining Altschiller Reitzfeld Solin/NCK in an unspecified capacity, bringing with him two former clients, Dandy Confectionery Co. (Stimorol gum) and Nassau Beach Hotel. Combined billings: $2 million. AVG's roster also had included Jordache Intimates, Lancome (projects), Oscar de la Renta for Men and WPIX-FM.

(Continued on Page 8)

Aims to double sales in five years

Canada Dry pins hopes on ginger ale, water lines

By JENNIFER PENDLETON

San Diego—Ginger ale will take its place as the preferred "adult alternative" to sugary colas and other carbonated soft drinks if Canada Dry has its way.

That ambition, plus others designed to turn the New York-based company into a significant soft drink force, were outlined at the two-day meeting here attended by more than 200 Canada Dry domestic and international bottlers.

During the meeting, the first since Canada Dry was acquired by Dr Pepper Co. in February, executives unveiled the company's 1983 marketing program, which includes increased total ad spending to $15 million, an approximately 20% rise over 1981 levels. Bottlers got their first look at Canada Dry advertising from Young & Rubicam, which succeeded Grey Advertising as the company's agency early in the year. Y&R is the Dr Pepper agency.

In addition to a long-term plan to develop Canada Dry ginger ale and its diet counterpart as a major soft drink, the company outlined plans to:

- Reposition Canada Dry club soda as "the perfect diet soft drink."
- Expand its salt-free seltzer nationally.
- Further develop the market for its mixer line with ad spending increases to $4.3 million.
- Expand Barrelhead root beer into the Midwest and West with a new ad campaign targeted at the 12-to-24 age bracket.

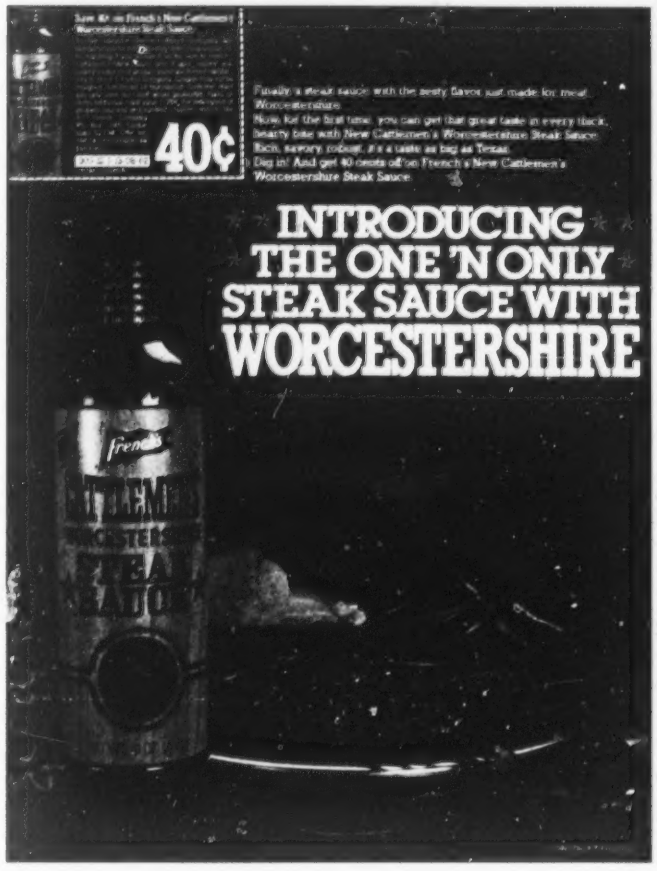
Canada Dry executives are convinced the most likely opportunity for growth will come from the adult market, as the population continues to age and consumer tastes shift to less sweet and more health-oriented products. With that in mind, all Canada Dry advertising, aimed primarily at 18-to-49-year-olds, will use the signature, "Aren't you ready for Canada Dry?"

It is Canada Dry ginger ale that will receive the primary emphasis in 1983, as the company aims to double its sales volume in five years and catapult ginger ale to a place in the top 10 of soft drinks. Canada Dry is also making a concerted effort to build distribution of its ginger ale in food stores and vending machines.

Canada Dry ginger ale today has a 35% share of the total ginger ale market, which has a 3.3% share of the aggregate $9.8 billion soft drink business; Canada Dry ginger ale makes up a 1.1% share of the total soft drink market.

Canada Dry ginger ale will be presented as a mainstream adult soft drink with appeal to consumers who are "making a move" to the best in life. "I'm making my

(Continued on Page 92)



Territory tests

R.T. French Co., Rochester, N.Y., is testing Cattlemen's steak sauce in some tough territory—across the Southwest and the Southeast (AA, Aug. 23). But, as ad copy notes: "It's a taste as big as Texas." Tv is being used. J. Walter Thompson USA handles.

Competitors to fight Burger King drive

By CHRISTY MARSHALL and RICHARD KREISMAN

Miami—Burger King's new "challenge" commercials will tell customers four things: Its burgers are broiled, not fried; they come "anyway you want;" they are 20% bigger than McDonald's, and the Whopper "tastes better."

As Advertising Age was being shown the comparative effort late last week, unveiled to BK franchisees earlier (AA, Sept. 13), both McDonald's and Wendy's were trying to obtain the specific BK copy claims.

William Youngclaus, McDonald's vp-marketing, said, "There will be some reaction next week [week of Sept. 19]...We are working on a battle plan." Wendy's last week alerted franchisees to concentrate on the "basics of operations and advertising," said William Welter, senior vp-marketing. "We're telling our people not to overreact...We're not changing our advertising plans."

According to both chains' executives, they can first protest to the networks and then seek court action.

Burger King breaks the effort on Sept. 27, backed by the greatest media weight in its history. For the quarter, spending will be up 25%, said Kyle Craig, senior vp-marketing director. The comparative campaign is slated to run eight to 12 weeks. Mr. Craig added that the claims are fully substantiated and have complete network clearance.

One spot opens with a Burger King employe offering condolences to the two competitors. "Y'see," she says, "the Whopper beat the Big Mac for best taste over-all among consumers of both burgers. In a similar test we beat Wendy's single. Now that may have surprised McDonald's and Wendy's, so we just wanted to say, it's okay guys. Winning isn't everything. But it sure is fun."

The tv campaign is supported by print ads headlined, "Guess who won?" and "Sorry, McDonald's. Sorry, Wendy's." J. Walter Thompson USA, New York, handles.#

highlights

Monday, September 20, 1982

Procter & Gamble is beginning market tests of new Monchel soap, a beauty bar positioned primarily against Lever Bros.' Dove. *See Page 6.*

Pillsbury turned the attention of its stockholders to more successful consumer food products and restaurants at its annual meeting last week. *See Page 12.*

Hoping to stay third-place in auto sales, Oldsmobile is planning its largest-ever announcement ad spending. *See Page 14.*

FCC chairman Mark S. Fowler wants to repeal what he calls the "regulatory underbrush"—commission restrictions on broadcast policies that he feels the federal government has no business meddling in. *See Page 14.*

The state-owned French communication and agency group Havas finds itself under attack by the French Assn. of Advertising Agencies. *See Page 20.*

NAD has taken to task two airlines for use of hyperbole in advertising concerning fares and services. *See Page 24.*

Though Cadillac is trying to attract European-import "intenders," its main advertising thrust still will be toward the American luxury market. *See Page 34.*

India is hoping the Asian Advertising Congress that it is hosting later this month will boost its image as leader of the Asian world. *See Page 38.*

Jeep plans to begin putting on ad weight this winter as it prepares to unveil the new XJ model a year from now. *See Page 42.*

In its effort to make wine a general beverage more like beer and soft drinks, Geyser Peak continues the rollout of its wine in cans. *See Page 42.*

Games by Apollo will fuel its initial nine-month sales thrust with a $7.5 million tv campaign. *See Page 46.*

American Assn. of Advertising Agencies is releasing a code book listing the do's and don'ts of political advertising. *See Page 50.*

Chilton Co., a division of ABC Publishing, gets a new president as William Barbour is moved up to chairman, a new post. *See Page 92.*

CORPORATE CLOSEUP

Beecham continues its worldwide expansion with the acquisition of Nabisco's J.B. Williams subsidiary and its well-known brands. *See Page 4.*

VIDEOTECH

Despite more than 3,000 studies on tv's impact on children, few changes have occurred, according to a Stanford Medical School professor. *See Page 60.*

Spotlight, the partnership of five major cable operators, is joining The Movie Channel as an around-the-clock exclusive movie service. *See Page 60.*

Residents of Greendale, Wis., a suburb of Milwaukee, are offered more tv programing each day than anyone else in the country. *See Page 63.*

Winning the Dallas franchise may have been a coup for Warner Amex, but building the franchise has turned out to be a bigger job than was expected. *See Page 66.*

MAGAZINE

Arm & Hammer has unaided recognition among 97% of U.S. female heads of households and the goodwill it enjoys is awesome. Insiders talk about the successful marketing of "mother baking soda." *See Page M-2.*

Send Alice to the U.S.S.R. to avert worldwide disaster, proposes Gene Gramm in a fairytale solution to nuclear war. *See Page M-23.*

SPECIAL REPORT

Goodbye to the stereotypical suburban model, but not to suburban papers, which are flourishing in spite of demographic change occuring on the outskirts of our cities. *See Page M-5.*

REGULAR FEATURES

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FIGURES TO FILE

ADVERTISING PAGES IN SEPTEMBER
CONSUMER PUBLICATIONS 79

Vol. 53, No. 40—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the fourth week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611.

Buffalo talks stall

Buffalo, N.Y.—Unable to convince union employes during four days of tense and hectic negotiations that it was better to settle for some jobs than be stuck with none, Rupert Murdoch's News America Publishing group faltered late last week in its attempt to purchase the *Buffalo Courier-Express*.

Mr. Murdoch's efforts to buy the morning daily depended on reaching agreements with those unions by a midnight, Sept. 16 deadline. Those agreements would have included a staff cut of about 40%, a condition Mr. Murdoch said was necessary before he could take over the money-losing newspaper.

■ That deadline passed without an agreement and Cowles Media Co., owner of the *Courier-Express*, announced it would go ahead with its earlier announced intention to close the paper Sept. 19. But Sept. 17, representatives from the Murdoch organization and the paper's unions decided to meet again, and Cowles said there was a slight chance that an accord still could be reached.

Cowles earlier had warned *Courier-Express* staff members that Mr. Murdoch was the only potential buyer and that his plan to run the paper with a reduced staff was the only one that would keep it alive.#

BEST AVAILABLE COPY

Advertising pages in September consumer publications

Current and September '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	Sept. 1982	Sept. 1981	Jan.-Sept. 1982	Jan.-Sept. 1981
Art & antiques				
American Artist	59.2	61.8	498.3	470.7
Antiques	176.0	208.8	1,288.6	1,358.2
Art & Antiques—(6X)	63.5	67.7	313.8	288.0
Art in America—(11X)	105.5	128.5	865.3	786.0
Artnews—(10X)	97.0	138.5	726.6	868.5
Portfolio—(6X)	67.7	53.7	297.5	226.1
Southwest Art	96.0	132.0	966.0	1,032.6
Total Group	664.9	791.0	4,956.1	5,032.1
% change	−15.9%		−1.5%	
Auto/cycle/rec. vehicles				
Car & Driver	77.2	74.3	711.6	739.3
Car Collector & Car Classics	25.5	28.5	199.0	213.7
Car Craft	70.7	55.4	686.6	571.8
Cycle	47.2	58.5	724.2	772.2
Cycle Guide	29.8	44.6	503.1	532.4
Cycle World	29.5	37.6	575.0	640.1
Dune Buggies & Hot VWs	62.0	45.2	493.4	377.5
Family Motor Coaching	92.1	62.0	870.2	532.4
4 Wheel & Offroad	50.1	40.0	452.0	342.1
Four Wheeler	23.3	22.4	245.4	189.1
Hot Rod	46.3	39.3	527.6	483.3
Motorcyclist	26.2	34.5	497.9	481.1
Motor Trend	43.9	36.6	494.7	463.1
Motorhome—(9X)	63.2	54.2	568.6	387.4
Pickup, Van & 4 WD	27.6	—	244.4	—
Road & Track	88.2	76.6	813.3	820.8
3 Wheeling—(11X)	25.3	29.2	197.1	141.2
Trailer Life	95.3	85.4	925.1	775.2
Total Group	923.4	824.3	9,729.2	8,462.7
% change	+12.0%		+14.9%	
Boating & yachting				
Boating	110.9	113.4	978.1	1,007.8
Chesapeake Bay	25.3	29.0	230.4	233.5
Cruising World	119.3	136.1	1,117.2	1,069.9
Lakeland Boating	41.6	50.0	433.6	438.9
Motor Boating & Sailing	102.8	116.0	1,157.2	1,182.2
Rudder	19.1	28.5	199.0	222.1
Sail	125.3	144.5	1,274.2	1,290.9
Sea & Pacific Skipper	72.2	81.1	665.6	729.7
Trailer Boats	17.4	16.4	213.9	226.5
Yachting	152.3	189.6	1,517.0	1,684.8
Total Group	786.2	904.6	7,786.2	8,086.3
% change	−13.0%		−3.7%	
Canadian				
L'Actualite	44.7	67.2	439.0	453.0
Chatelaine:				
English Edition—A.	109.3	122.0	767.1	758.9
French Edition	93.4	109.7	615.1	646.9
Financial Post Magazine—A.	42.4	51.0	328.5	330.3
Flare—A.	58.5	67.1	388.8	438.2
Homemaker's Magazine:				
English Edition—(10X)	76.9	86.2	573.2	569.1
French Edition	50.0	70.2	439.0	461.0
Maclean's—A.	130.3	104.9	890.1	802.7
Madam Au Foyer	50.0	70.2	439.0	461.0
Perspectives D.	30.6	44.1	284.9	335.8
Quest Magazine—(8X)A.	33.5	51.3	279.4	279.3
Reader's Digest				
Canada-English—A.	82.9	95.8	686.8	749.8
Canada-French—A.	78.0	94.5	662.6	679.6
Toronto Life	133.0	126.0	954.0	826.0
Total Group	963.3	1,090.0	7,308.5	7,330.6
% change	−11.6%		−0.3%	
Civic/fraternal				
American Legion	33.3	32.3	264.9	226.8
Elks Magazine—(10X)	29.9	23.5	188.3	187.9
Kiwanis Magazine	13.5	17.8	113.2	120.9
Lion	8.7	6.3	56.2	44.6
Moose Magazine	26.0	20.0	190.0	182.0
Rotarian	12.7	16.9	116.2	124.5
V.F.W.—(10X)	31.3	23.0	220.7	216.5
Total Group	157.4	139.8	1,149.5	1,103.2
% change	+12.5%		+4.1%	
Comics				
Archie Comic Group—(6X)	—	—	40.0	40.0
DC Comics	8.0	—	64.0	—
Harvey Comic Group	8.0	8.0	72.0	72.0
Marvel Comic Group	10.0	12.0	89.5	90.5
Total Group	26.0	20.0	265.5	202.5
% change	+30.0%		+31.1%	
General				
Air Progress	14.7	15.5	159.5	155.5
American Forests	16.4	19.6	91.5	115.7
American West—(6X)	36.0	18.2	138.3	117.6
The Atlantic—A.	27.6	21.8	244.9	226.1
Audubon Magazine—(6X)	—	—	—	—
Bon Appetit—A.	107.3	107.8	690.3	733.7
Changing Times	34.4	36.8	318.0	253.1
Cuisine Magazine	24.2	35.3	309.5	362.9
Ebony	73.3	62.3	717.3	683.9
Fifty Plus	27.2	23.3	239.1	273.4
Games	43.5	28.2	140.8	104.7
Geo	15.3	21.0	139.0	164.0
Gourmet	61.8	73.0	526.6	537.8
Harper's Magazine—A.	20.4	20.8	149.6	207.0
Let's Live	61.3	85.1	647.9	759.7
Life	35.6	43.5	407.2	466.1
Moneysworth—(4X)	—	17.2	108.2	139.9
Mother Earth News—(6X)	58.7	64.4	256.9	265.8
Museum—(6X)	32.3	59.2	195.7	183.3
National Geographic	13.2	29.0	181.9	266.2
Natural History	45.5	39.5	278.1	308.4
Prevention	70.4	93.8	616.0	759.0
Psychology Today	28.1	35.7	300.4	382.7
Reader's Digest—A.	65.1	75.6	675.5	760.6
Saturday Evening Post—(9X)	46.3	43.6	290.4	267.8
Signature	48.5	59.0	457.8	432.7
Smithsonian	68.6	90.5	641.1	687.1
Success	29.5	28.5	248.3	263.7
Town & Country	194.1	200.3	1,103.2	1,058.2
Travel/Holiday	38.7	39.2	408.6	409.8
Travel & Leisure	92.5	119.8	754.4	792.6
Video	69.2	45.3	489.6	436.1
Video Review	61.7	54.8	533.7	443.1
Writers Digest	26.7	20.5	196.3	190.0
Yankee	104.4	113.3	675.7	710.5
Total Group	1,647.0	1,801.9	13,053.2	13,610.3
% change	−8.5%		−4.0%	
Home				
Americans—(6X)	42.5	49.5	166.3	164.8
Architectural Digest—A.	173.1	152.8	1,092.9	1,046.5
Better Homes & Gardens	117.5	124.8	967.3	1,010.5
Colonial Homes—(6X)	86.0	105.5	321.8	316.2
Country Journal	62.3	59.3	387.9	380.4
Country Living—(12X)	70.3	39.7	305.0	125.1
Dallas-Fort Worth Home/Garden	57.3	54.1	489.0	368.5
Early American Life—(6X)	46.4	47.3	174.1	190.6
Family Food Garden—(6X)	41.7	36.0	158.2	169.0
Family Handyman—(10X)A.	77.2	81.0	497.6	421.2
Flower & Garden—(6X)	—	—	193.3	182.8
Handmade	38.9	19.0	77.6	45.0
Home	38.9	54.0	239.6	290.0
Homeowner's How-To—(6X)	28.9	35.5	135.0	156.3
Horticulture	27.8	23.7	259.4	215.4
House Beautiful	104.0	111.9	672.1	769.8
House & Garden	80.7	113.1	750.8	885.3
Houston Home & Garden	115.4	109.8	976.6	854.5
Metropolitan Home	74.0	60.9	546.9	503.3
New Shelter—(9X)	58.2	53.5	292.9	292.5
1001 Home—**	31.4	34.2	224.8	208.9
Organic Gardening	73.8	82.0	616.5	653.8
Phoenix Home/Garden	40.3	36.9	422.0	309.5
San Diego Home/Garden	58.5	45.8	487.6	363.3
Southern Accents—(4X)	—	—	238.1	241.3
Southern Living	118.6	125.9	1,083.4	1,046.6
Sunset Magazine—A.	130.6	121.1	1,166.7	1,185.9
Texas Homes	95.4	104.7	702.1	626.8
Workbench—(6X)	75.4	73.6	310.9	306.4
Total Group	2,027.6	1,999.6	14,123.0	13,450.0
% change	+1.5%		+5.0%	
In-flight & other passenger				
Aboard Group (7) —(4X)	—	—	889.0	714.0
Air Cal—(12X)	55.6	56.3	482.8	532.0
Alaskafest	43.8	42.5	359.2	357.5
American Way	94.9	71.4	643.5	536.5
East/West Network:				
Amtrak Express	37.3	32.7	332.0	301.0
Continental Extra	56.0	48.8	475.9	446.8
Eastern Review	85.0	66.5	691.1	664.6
Ozark	41.3	42.7	367.1	394.0
PSA Magazine	92.8	90.3	736.8	763.8
Pan Am Clipper	39.7	58.6	348.4	516.4
Republic Scene	52.2	—	137.5	—
Texas International/-The Texas Flyer	68.7	55.0	559.3	504.3
United	88.0	69.5	652.1	866.4
USAir	68.2	68.1	400.7	421.4
Western's World	50.1	—	123.1	—
Halsey Publications:				
Delta Sky	52.3	55.0	432.0	400.0
Skylite—(6X)	18.0	13.2	69.5	52.0
Hawaii	18.5	22.4	184.1	247.6
Pace—(6X)	47.5	38.4	168.2	199.6
Spirit of Aloha	19.8	24.3	186.1	246.9
Southwest Airlines	107.1	88.0	845.1	683.2
Webb Publications:				
Frontier	42.8	41.8	349.5	315.0
Passages	38.0	49.2	256.9	269.3
TWA Ambassador	62.7	61.3	425.7	431.7
Total Group	1,280.3	1,096.0	10,115.6	9,864.0
% change	+16.8%		+2.5%	
Men's				
Complete Men's Group	21.0	24.0	203.8	197.8
Esquire—A.	108.7	37.5	533.3	297.5
Firehouse Magazine	84.9	80.8	462.3	438.7
Gentlemen's Quarterly—A.	219.8	181.9	911.8	879.1
Penthouse—A.	45.9	52.5	509.7	541.6
Playboy—A.	81.8	97.5	907.1	985.3
Total Group	562.1	474.2	3,528.0	3,340.0
% change	+18.5%		+5.6%	
Metropolitan				
Aloha—(6X)	23.0	37.5	140.8	129.8
Atlanta	87.1	113.5	587.2	726.7
Baltimore	64.3	94.9	513.6	583.5
Boston	161.0	140.2	1,105.3	1,078.8
California	86.9	73.6	605.8	523.7
Carolina Lifestyle	29.9	—	216.7	—
Charlotte	24.0	19.0	144.0	78.0
Chicago	176.2	164.6	1,204.9	1,149.5
Chicago's North Shore	70.6	69.0	577.9	528.0
Cincinnati	61.5	63.5	478.9	467.4
Cleveland	111.7	84.5	575.3	647.4
Coast	329.0	341.0	2,510.3	2,531.8
Columbus Monthly	76.1	119.4	657.9	807.7
Commonwealth	56.9	17.8	568.7	124.0
Connecticut	70.0	78.7	663.1	587.4
County Life	60.0	—	148.0	—
Country Magazine	28.7	25.0	214.4	146.9
D/Magazine, Dallas/Fort Worth	117.6	142.1	1,000.9	1,029.1
Denver	38.2	34.3	348.1	400.6
Monthly Detroit	64.5	51.6	468.2	379.0
Exclusively Yours Wisconsin	115.4	135.3	652.8	758.3
Grand Rapids	46.5	102.6	380.0	405.6
Gulfshore Life—(9X)	—	—	466.5	433.0
Honolulu	60.7	79.2	592.9	648.0
Houston City	71.3	85.8	605.3	584.2
Indianapolis	40.6	38.4	466.1	413.2
Kansas City	30.1	31.4	219.4	243.9
Long Island Life	60.0	—	151.0	—
Los Angeles	191.0	210.0	1,728.0	1,720.0
Louisiana Life—(6X)	82.4	47.2	305.7	183.2
Madison	54.0	45.0	417.0	417.0
Miami	70.3	70.2	770.1	712.9
Milwaukee	35.5	—	232.3	—
Mpls./St. Paul	92.7	103.1	632.9	685.1
Nashville	37.8	—	1,229.8	—
New Jersey Monthly	58.4	66.5	488.9	559.0
New Mexico	33.3	27.0	304.0	222.5
Ohio	79.5	51.7	356.8	289.3
Omaha	20.3	25.3	171.4	161.7
Oregon	16.7	20.8	178.6	221.5
Orlando	73.3	71.5	528.8	598.7
Pacific Northwest—(10X)	23.5	26.3	223.6	104.6
Palm Beach Life	42.5	58.4	644.1	660.7
Palm Springs Life	235.0	286.0	1,113.2	1,170.7
Philadelphia	136.8	150.1	1,064.1	1,189.9
Phoenix	64.6	81.5	700.4	780.9
Pittsburgh	57.9	56.3	417.8	355.9
St. Louis	68.7	90.3	575.2	630.3
San Diego	142.0	195.2	1,152.9	1,299.8
San Francisco	54.1	71.3	441.1	542.1
San Francisco Focus	38.6	40.8	319.9	315.0
Shenandoah/Virginia Town & Country—(6X)	62.3	32.0	190.1	101.0
Tampa	27.6	24.9	283.1	220.3
Tampa Bay	17.3	41.6	258.5	380.5
Texas Monthly	149.0	175.3	1,110.6	1,200.8
Twin Cities	56.8	64.8	409.0	433.7
Washington Dossier	49.0	35.7	349.4	363.5
The Washingtonian	186.5	145.5	1,194.0	1,136.9
Westchester Illustrated	21.5	41.5	265.2	318.3
Total Group	4,440.7	4,498.7	33,340.5	32,381.3
% change	−1.2%		+2.9%	
Movie-romance-radio-tv				
Macfadden's Women's Group:				
Modern Romances	33.6	29.3	255.8	251.9
Secrets	33.6	29.3	255.8	251.9
True Confessions	35.1	32.0	268.3	266.3
True Experience	33.6	29.3	255.8	251.9
True Love	33.6	29.3	255.8	251.9
True Romance	33.6	29.3	255.8	251.9
Sterling Women's Group:				
Daytime TV	30.3	32.3	274.1	285.5
Modern Screen	32.3	32.0	198.1	196.7
Movie Mirror—(6X)	32.3	—	164.8	161.8
Photo Screen	32.3	—	130.1	125.6
Soap Opera Stars	24.3	12.0	200.1	256.4
Spotlight	32.3	32.0	163.4	163.5
TV Movie Screen	—	32.0	100.9	161.6
Teen Bag—(6X)	5.5	8.2	30.1	42.2
Total Group	392.4	327.0	2,808.9	2,919.1
% change	+20.0%		−3.7%	
Music/entertainment				
American Film—(10X)	30.8	30.8	173.5	168.0
Circus Magazine	35.2	33.5	269.2	174.8
Dance Magazine	59.3	56.7	542.7	537.5
High Fidelity	22.8	46.9	283.1	359.3
Musician	59.1	78.8	486.4	500.5
Playbill	53.2	55.0	458.1	448.8
Stereo Review	48.8	67.0	444.8	498.7
Total Group	309.2	368.7	2,657.8	2,687.6
% change	−16.1%		−1.1%	
Newspaper Sunday magazines/national				
Family Weekly—A.	81.4	87.4	661.0	755.8
Parade	65.8	77.1	581.1	637.5
Total Group	147.2	164.5	1,242.1	1,393.3
% change	−10.5%		−10.8%	
Outdoor & sport				
Alaska	47.5	48.8	413.1	351.1
The American Handgunner—(6X)	31.4	46.2	183.5	202.3
American Hunter	41.4	27.9	147.1	114.5
American Rifleman	49.5	52.5	270.6	268.0
Backpacker—(6X)	—	—	188.4	166.6
Bass Master—(8X)A.	38.2	30.8	401.0	287.7
Bicycling—(9X)	74.8	70.5	681.4	579.7
Field & Stream	81.5	78.0	691.3	696.9
Fins and Feathers—A.	34.2	23.5	339.2	272.7
Fishing World—(6X)	18.2	18.7	177.3	162.2
Florida Sportsman	43.9	43.9	598.8	585.9
Flying	42.7	55.8	413.9	428.7
Fur-Fish-Game	35.9	31.2	218.7	213.5
Golf Digest	96.9	89.5	681.8	664.4
Golf Magazine	41.1	38.8	650.9	645.7
Guns	31.8	45.3	275.1	312.7
Guns & Ammo	62.3	64.4	436.3	434.5
Outdoor Life	71.3	69.3	607.3	608.5
Petersen's Hunting	63.5	55.2	329.0	275.2
The Runner	37.2	29.8	308.9	222.3
Runner's World—(13X)	—	—	—	—
Salt Water Sportsman	39.1	47.7	529.8	542.8
Shooting Times	45.3	39.0	291.9	326.8
Ski—(7X)A.	91.4	79.5	301.6	276.1
Skiing—(7X)	114.2	110.4	313.3	270.3
Skin Diver	58.8	70.7	592.6	560.8
Southern Outdoors—(9X)	44.5	42.9	290.7	277.7
Sport	41.7	35.2	338.2	311.1
Sports Afield	86.5	95.4	781.5	744.5
Spray—(10X)	36.3	36.8	365.7	326.8
Tennis	115.3	101.3	621.1	615.2
Western Outdoors—(10X)	32.0	29.1	276.1	271.0

(X) represents number of times published each year.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Preprinted inserts included. *All affiliated with Sunday Mag/Net, except Los Angeles Times Home Magazine and New York Times Magazine. **Aug./Sept. combined in 1981.

(Continued on Page 80)

BEST AVAILABLE COPY

Advertising pages in September consumer publications

(Continued from Page 79)

	Pages			
	Sept. 1982	Sept. 1981	Jan.-Sept. 1982	Jan.-Sept. 1981
World Tennis	90.7	80.5	428.9	439.5
Total Group	1,742.1	1,691.6	13,407.5	12,712.3
% change	+2.9%		+5.4%	
Photography				
American Photographer	57.2	43.5	421.5	358.7
Modern Photography	121.2	126.9	1,065.9	1,079.7
Petersen's Photographic	48.1	44.9	381.1	389.4
Popular Photography	136.5	149.0	1,154.1	1,239.5
Total Group	363.0	364.3	3,022.6	3,067.3
% change	−0.1%		−1.4%	
Religious				
A.D. Magazine—(10X)	14.6	13.5	103.3	114.7
BBI Jewish Monthly—(10X)	33.7	34.0	180.9	167.9
Christian Herald	48.2	51.2	257.5	279.3
Christian Life	36.4	29.3	243.9	231.0
Christianity Today	80.3	86.1	539.1	569.8
Inside—(4X)	87.8	89.1	208.8	203.8
Moody Monthly	57.8	56.0	398.4	431.1
Total Group	358.8	359.2	1,931.9	1,997.6
% change	−0.1%		−3.2%	

August

	Pages			
	Aug. 1982	Aug. 1981	Jan.-Aug. 1982	Jan.-Aug. 1981
Business				
Atlanta Bus. Chronicle—(52X)	18.9	25.2	187.3	230.7
Barron's—(52X)	143.4	168.8	1,319.5	1,438.5
Black Enterprise	29.7	28.0	410.2	378.2
Business Week—(52X)	251.2	310.7	2,803.4	3,009.5
California Business	56.4	60.2	556.1	488.4
Capital District Business Review	33.0	24.0	236.0	203.0
CitiBusiness	107.8	44.0	734.8	303.6
Corporate Report/Kan. City	45.8	51.6	420.3	379.6
Corporate Report/Minnesota	67.2	79.9	604.7	639.8
Crain's Chicago Bus.—(52X)	109.0	89.6	803.7	674.7
Dallas/Ft. Worth Bus.—(52X)	37.9	52.5	315.3	337.1
Dun's Business Month	47.1	55.2	527.6	546.4
Financial World—(24X)	65.0	78.8	619.0	608.0
Florida Trend	45.8	51.2	497.2	517.3
Forbes—(26X)	192.4	185.6	1,755.1	1,657.0
Fortune—(26X)A.	182.3	231.3	1,615.7	1,587.4
Hawaii Business	40.2	48.5	334.4	424.0
Houston Bus. Journal—(52X)	179.7	173.0	1,448.6	1,168.3
Inc. Magazine—A.	68.5	51.3	628.5	612.8
Income Opportunities—(10X)	46.9	51.7	291.4	299.0
Industry Week—(26X)	79.0	102.6	905.0	1,054.2
Indpls. Bus. Journal—(52X)	95.8	42.0	534.0	404.8
Money	84.0	74.7	795.4	715.9
Nation's Business—A.	18.9	25.0	241.1	274.7
New England Bus.—(20X)B.	33.8	17.5	460.6	358.0
N.Y. Daily News	51.9	77.2	410.9	722.3
Pacific Business News—(52X)	100.8	95.1	706.1	696.0
Pittsburgh Bus. Times—(52X)	101.5	82.7	765.0	583.3
St. Louis Bus. Journal—(52X)	101.5	82.7	765.0	583.3
Texas Business	50.5	38.6	420.2	352.5
Venture	36.8	26.7	302.5	273.6
Total Group	2,475.8	2,474.2	22,123.2	21,222.9
% change	+0.1%		+4.0%	
Newspaper Sunday magazines/local*				
Arizona Republic	81.3	90.2	750.3	892.8
Boston Globe	215.9	204.2	1,275.2	1,288.1
Chicago Tribune	91.9	107.1	691.3	830.0
Cincinnati Enquirer	80.3	98.1	603.8	748.1
Cleveland Plain Dealer	100.6	105.6	598.8	769.9
Columbus Dispatch	55.9	83.7	437.9	663.7
Dallas Times Herald	83.6	89.9	598.4	665.6
Denver Post	99.5	192.5	958.5	1,428.8
Detroit News	77.0	101.2	703.2	958.5
L.A. Times Home Magazine	116.8	91.3	766.4	836.7
Louisville Courier-Journal	94.4	93.0	706.2	770.2
Miami Herald	60.6	65.6	488.7	651.4
New York Times Magazine	406.0	459.4	2,481.5	2,636.1
Philadelphia Inquirer	73.6	75.8	527.1	571.4
Toledo Blade Magazine	45.7	50.4	361.5	470.1
Washington Post	125.3	128.9	877.5	994.5
Total Group	1,808.4	2,036.9	11,626.3	13,975.9
% change	−11.2%		−16.8%	
Weeklies, bi-weeklies, semi-monthlies				
The Advocate	83.7	65.9	643.0	526.8
Army Times Military Group:				
Air Force Times—(52X)	159.3	144.2	1,145.0	1,143.3
Army Times—(52X)	153.7	138.7	1,121.9	1,128.2
Navy Times—(52X)	186.9	177.9	1,340.2	1,323.4
The Times Magazine—(52X)	6.9	11.1	111.1	137.2
AutoWeek—(52X)	161.0	160.0	1,009.0	900.0
The Blood-Horse—(52X)	371.3	459.9	3,596.7	3,381.1
Capper's Weekly—(52X)	30.1	15.0	195.6	175.3
Commonweal—(22X)	3.0	2.2	62.6	55.8
Golf World—(43X)	68.0	65.7	593.2	598.7
Grit—(52X)A.	31.1	20.2	207.5	181.7
National Review	30.5	26.0	203.9	206.2
New Republic—(52X)	28.7	15.4	228.2	162.7
New York Magazine—(50X)	183.6	146.8	1,470.3	1,336.4
New Yorker—(52X)	187.2	224.0	2,276.6	2,290.8
Newsweek—(52X)A.	150.7	206.7	1,626.6	1,909.1
People—(52X)	236.0	268.3	2,145.2	2,176.4
Rolling Stone—(25X)	62.6	55.8	651.8	613.1
Sporting News—(52X)	49.9	38.7	430.9	381.1
Sports Illustrated—(52X)A.	164.4	207.3	1,634.6	1,770.3
Time—(52X)A.	175.9	185.5	1,593.5	1,722.4
Travelhost—(52X)C.	3,625.8	2,511.0	20,161.3	14,816.6
TV Guide—(52X)A.	180.3	213.3	2,213.6	2,223.9
Us Magazine—(26X)	62.2	52.0	395.0	277.8
U.S. News & World Report—(52X)A.	107.8	106.6	1,048.3	1,086.4
Total Group	6,500.6	5,518.2	48,106.7	40,524.1
% change	+17.8%		+13.7%	
Science/technology mechanics/electronics				
Creative Computing	122.0	151.4	1,068.8	894.6
High Technology	55.3	—	214.4	—
Mechanix Illustrated	69.4	78.3	581.7	616.4
Omni	55.9	57.9	480.0	450.3
Personal Computing	179.2	74.6	1,273.8	376.8
Popular Electronics	59.2	67.5	508.9	524.4
Popular Mechanics	112.2	112.5	892.4	925.4
Popular Science	82.9	75.0	709.5	658.0
Science Digest	—	—	—	—
Science 82	36.9	38.1	241.0	267.2
Scientific American	102.3	120.9	674.7	775.7
Technology Illustrated	43.3	—	214.8	—
Discover	33.1	29.8	293.9	258.6
Total Group	951.7	806.0	7,153.9	5,752.4
% change	+18.0%		+24.3%	
Women's/fashion/service				
Bride's Magazine—(6X)A.	199.5	209.5	1,452.6	1,381.1
Co-ed—(10X)	56.0	53.0	241.6	254.2
Cosmopolitan—A.	200.9	218.2	1,667.7	1,713.2
Essence	83.1	87.5	699.6	701.9
Family Circle—A.	192.6	200.7	1,221.1	1,185.3
Glamour	229.5	232.7	1,420.6	1,556.7
Good Housekeeping	168.7	159.7	1,402.0	1,430.2
Harper's Bazaar—(10X)	248.9	231.6	995.9	911.2
Health	29.0	34.3	245.5	232.1
Ladies' Home Journal	79.2	98.1	649.3	740.8
Lady's Circle	9.7	9.9	86.1	88.7
Mademoiselle	197.4	170.4	1,130.3	1,112.7
McCall's	88.2	95.7	721.5	824.4
Modern Bride—(6X)	129.8	138.8	1,293.5	1,158.2
Ms.	52.8	46.5	431.7	348.3
New Woman	47.0	—	345.3	182.3
Parents Magazine—A.	75.6	75.2	626.6	569.5
Playgirl	33.2	44.9	360.9	393.0
Redbook	103.2	105.8	774.5	843.5
Self	83.9	81.5	618.7	589.6
Seventeen	105.8	96.9	1,026.1	1,029.1
Soap Opera Digest	29.3	16.8	220.3	71.5
'Teen Magazine	56.5	59.7	428.8	416.0
True Story—A.	71.2	63.0	515.2	486.8
Vogue	410.5	438.5	1,899.1	1,786.1
W Magazine	127.2	87.5	797.8	596.7
Weight Watchers	31.1	26.4	254.4	210.4
Woman's Day—A.	—	—	—	—
The Workbasket—(10X)	47.6	40.8	292.5	279.9
Working Mother	96.0	—	591.0	381.0
Working Woman	115.0	69.5	692.5	525.5
Total Group	3,398.4	3,193.1	23,102.7	21,999.9
% change	+6.4%		+5.0%	
Youth				
Boys' Life	31.5	19.9	176.2	192.8
Campus Life	45.9	48.4	298.8	283.7
Total Group	77.4	68.3	475.0	476.5
% change	+13.3%		−0.3%	
Foreign				
Buenhogar:				
Central America	3.0	5.5	27.7	56.2
Chile	1.0	1.0	13.2	18.0
Colombia	57.7	47.2	403.5	374.7
Dominican Republic	10.3	9.0	110.7	92.5
Ecuador	13.0	5.5	88.5	70.5
Mexico	48.0	77.5	449.3	536.7
Peru	20.3	28.5	246.5	276.0
Puerto Rico	14.8	15.7	143.7	166.7
U.S.	10.5	4.0	56.0	61.8
Venezuela	22.8	29.0	283.0	318.3
Coqueta:				
Central America	—	—	5.0	1.0
Colombia	2.0	1.0	34.0	18.5
Mexico	2.5	11.5	54.8	68.0
Peru	—	—	5.0	—
Puerto Rico	2.0	2.0	15.0	14.5
Venezuela	6.5	14.5	42.5	64.5
Fascinacion:				
Central America	—	—	—	1.0
Colombia	13.3	12.8	58.3	68.7
Mexico	6.3	8.0	54.7	58.3
Puerto Rico	1.5	2.0	14.0	11.0
Venezuela	9.5	7.0	93.7	69.7
Geomundo:				
Central America	6.0	4.0	45.0	37.3
Chile	8.0	5.0	50.0	45.8
Colombia	18.0	14.0	100.8	93.5
Ecuador	4.0	3.0	34.0	30.5
Mexico	15.7	10.0	100.7	117.5
Peru	8.0	10.0	68.0	77.5
Puerto Rico	9.0	3.0	54.0	37.3
Venezuela	15.5	7.0	125.8	94.8
Hombre De Mundo:				
Central America	3.0	4.0	39.8	53.5
Chile	2.0	4.0	38.0	46.5
Colombia	10.2	13.7	102.3	104.3
Ecuador	2.0	2.0	33.8	43.0
Mexico	14.0	25.5	153.8	184.7
Peru	4.0	9.0	47.8	77.0
Puerto Rico	8.0	6.0	65.8	90.7
Venezuela	19.5	10.5	226.0	125.5
Ideas Para Su Hogar:				
Central America	—	—	6.0	6.0
Chile	1.0	1.0	6.0	8.5
Colombia	41.8	32.3	227.2	194.0
Dominican Republic	—	—	3.0	14.5
Ecuador	8.3	4.5	59.3	13.5
Mexico	16.8	24.2	172.0	157.2
Peru	9.8	15.5	102.8	100.5
Puerto Rico	2.8	2.2	16.2	24.0
Venezuela	12.2	13.5	190.7	132.0
Intimidades:				
Central America	2.0	2.0	12.0	14.0
Chile	1.0	—	3.0	2.0
Colombia	2.0	1.0	12.0	14.5
Mexico	3.0	6.5	38.0	44.0
Puerto Rico	3.0	3.0	21.0	25.5
Venezuela	4.0	10.0	44.0	85.0
Mecanica Popular:				
Argentina	9.0	16.2	69.2	94.7
Central America	19.3	23.5	136.2	160.2
Chile	7.3	8.5	49.2	44.3
Colombia	23.7	30.0	170.7	203.2
Mexico	25.3	31.5	180.8	222.8
Peru	29.3	31.0	188.3	218.5
Puerto Rico	16.7	21.0	124.5	158.8
Venezuela	26.8	31.0	200.2	215.5
The Ring en Espanol:				
Mexico	1.0	2.0	13.0	14.0
Puerto Rico	4.0	3.0	28.5	14.0
U.S.	5.0	3.0	36.5	18.0
Venezuela	4.0	5.0	25.0	22.0
Vanidades Continental:				
Central America	9.7	13.2	119.3	174.3
Chile	8.2	15.5	105.5	118.0
Colombia	90.8	79.8	619.8	582.8
Dominican Republic	20.0	20.5	229.3	183.7
Ecuador	24.8	17.3	162.7	170.3
Mexico	97.0	134.5	873.5	955.8
Peru	40.2	46.2	319.2	320.2
Puerto Rico	37.3	50.7	342.3	396.3
U.S.	48.5	38.5	410.7	291.5
Venezuela	55.8	57.0	587.8	526.0
Cosmopolitan Foreign Editions:				
Australia	64.4	59.4	440.4	406.9
Brazil	47.0	29.0	353.6	260.5
France	43.3	46.0	768.9	688.0
Germany	17.0	7.0	172.0	86.0
Great Britain	92.0	92.0	826.0	849.0
Greece	26.0	26.0	417.0	335.0
Holland	12.0	—	141.0	—
Italy	47.7	40.7	502.3	483.3
Japan	35.0	46.0	286.6	219.0
Cosmopolitan en Espanol:				
Central America	1.8	3.3	28.7	41.2
Colombia	19.5	16.3	150.0	147.2
Ecuador	0.8	1.0	25.2	17.3
Mexico	57.3	77.3	504.3	510.7
Peru	7.0	13.3	112.2	112.5
Puerto Rico	21.3	28.3	206.3	271.7
U.S. (Spanish language)	21.2	14.7	147.3	115.3
Venezuela	18.5	26.8	230.5	191.5
International Communications:				
African Business	23.1	36.1	243.4	244.6
Al-Iktissai Al-Arabi	13.9	7.5	31.8	78.2
New African	23.3	34.1	182.7	192.0
The Middle East	13.9	21.8	148.0	175.0
International Herald Tribune	59.8	51.2	700.6	679.5
International Management:				
Africa	7.7	10.0	102.5	97.7
Europe	10.3	14.7	282.8	274.3
Latin America	10.8	9.3	99.7	103.8
Middle East	27.5	43.5	168.2	146.5
Pacific	4.7	10.0	125.2	116.7
Johnston International:				
Alam Attijarat	50.5	64.5	506.0	521.5
Modern Africa	30.2	39.8	132.8	140.5
Modern Asia	40.0	58.3	278.9	353.3
Ejecutivo	23.0	—	102.3	—
Newsweek International—A.:				
Atlantic	53.5	66.4	622.2	614.6
Latin America	25.2	34.7	193.1	233.3
Pacific	53.1	65.1	512.4	573.2
Progreso—(9X)	14.8	26.2	86.2	101.2
Reader's Digest:				
Arabic	—	30.0	88.5	155.0
Asian	189.0	247.0	1,519.0	1,396.4
Australian	76.0	75.0	585.7	663.1
Belgian-Flemish	19.0	18.5	561.0	619.0
Belgian-French	18.5	15.5	454.5	484.5
British	32.2	33.4	422.8	438.6
Chinese—B.	81.0	114.0	688.5	787.8
Danish	27.8	14.8	251.7	251.2
Dutch	21.5	12.8	293.6	312.3
Finnish	28.5	24.5	399.3	416.8
French	24.8	25.0	502.1	518.3
German	48.3	35.5	543.6	529.6
Greek	6.0	—	79.0	—
Iberian	11.5	14.0	195.5	243.0
Indian-English	85.0	97.5	655.5	729.5
Indian-Hindi	4.0	24.5	121.0	205.5
Italian	15.5	24.0	416.0	453.0
Japanese	45.9	37.1	390.6	373.3
Korean	20.8	15.5	159.6	134.0
Latin American:				
Argentina	17.0	32.5	123.0	210.5
Brazil	9.0	9.0	98.8	79.1
Central American	22.5	17.0	107.0	134.5
Chile	20.5	31.0	154.0	236.0
Colombia	54.0	61.5	299.5	357.0
Ecuador	15.0	16.5	90.0	103.5
Mexico	51.8	55.4	473.4	426.7
Peru	17.0	19.5	92.0	102.5
Puerto Rico	19.5	8.5	91.5	69.0
U.P.B.	19.5	33.0	115.0	195.5
U.S. Spanish	18.5	16.5	129.5	140.0
Venezuela	21.0	23.5	158.5	167.0
Portugal	45.5	31.3	325.6	310.1
New Zealand	79.5	70.5	515.0	416.2
Norwegian	28.8	11.5	325.6	373.9
South African	110.0	81.5	818.5	684.5
Swedish	16.0	17.5	204.0	189.5
Swiss-French	16.0	11.0	245.0	269.0
Swiss-German	20.0	14.0	298.0	334.0
Time International:				
Time-Asia	82.8	86.3	678.4	703.5
Time-Atlantic	73.1	70.5	778.2	761.5
Time-Canada	74.8	71.2	1,080.0	972.8
Time-Latin America	67.5	80.1	584.3	562.0
Time-South Pacific	188.9	175.1	1,110.9	1,140.3
Visao—(52X)	155.6	117.6	1,063.3	840.1
Vision/Latin America—(26X)A.	32.9	45.6	281.2	313.7
Total Group	4,152.9	4,393.5	37,718.9	37,732.4
% change	−5.4%		−0.1%	

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Healthcare marketing: Informing the public—Magazine special report

Advertising Age

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Ad Age picks winners, losers

ABC-TV will win vigorous season

By COLBY COATES

NEW YORK—Network tv, after a couple of off years, is headed toward a prime time season of renewed vigor that will see ABC nip CBS by the narrowest of margins for the over-all household ratings crown.

ABC and CBS will spend much of their time trying to knock each other off (witness ABC's last-minute decision to run its Prince Charles-Princess Diana made-for-tv movie two days ahead of CBS), while NBC, finally making good on its phoenix-from-the-ashes routine, will steal audience from both networks, playing a key role in determining the over-all winner.

A primary reason for ADVERTISING AGE's decision to pick ABC as the winner is that the network seems to have garnered what should be the two biggest miniseries of recent years: "Winds of War" and "The Thorn Birds." (A lengthy National Football League players' strike could affect our pick as well, enabling CBS to play ball-control on Monday night.)

Currently, "Winds of War" is set to roll with 16 hours during the February sweeps. However, there is a chance that ABC, with hours of unused product on the shelf, might add a couple of hours for an added boost. As for "Thorn Birds," current thinking says it will air in next May's sweeps period.

But sources suggest that if the ratings race is as close as everybody thinks it will be as the season winds down, ABC might pull "Birds" from the sweeps and air it during the last few weeks of the season.

CBS, on the other hand, does not seem to have the miniseries firepower, and there is a belief that its made-for-tv movie package might not be quite as strong as it's been in recent years. When CBS wrested the ratings crown away from ABC a few years ago, that win was due mainly to the over-all excellence of the made-for-tv movie

(Continued on Page 60)

BUYS TENDER LEAF FROM NABISCO

P&G into tea market

By JENNIFER ALTER

In a quiet move that could have loud reverberations, Procter & Gamble Co. has acquired the Tender Leaf tea brand from Nabisco Brands.

The brand comes with related manufacturing equipment and will become part of P&G's Folger's Coffee division. Terms of the purchase, labeled by P&G as "minor," were not disclosed.

Although Tender Leaf sales are thought to be only in the $10 million-to-$15 million range, the move is significant for several reasons.

First, the company is believed to have under its wing some very innovative product technology which could easily be applied to tea. It is described as a "desorbate" process by Hercules Segalas, a senior vp at Drexel Burnham Lambert, who says he has seen some 12 such P&G patents in the past five or six years; the technology provides for the capture of "true" flavor.

The acquisition will give P&G a vehicle through which it can bring these innovations to the marketplace, and Mr. Segalas said he expects a tea product to be in test market by spring, 1983.

"It's a case of a technical development looking for a brand," Mr. Segalas said. "It isn't like Orange Crush, where they bought the company to learn the business."

Although Tender Leaf is a relatively minor factor in the $1.25 billion tea business—it's been unadvertised for the past several years—consumers maintain a strong and favorable awareness of the brand. Nabisco picked up the brand when it merged with Standard Brands.

More generally, the move is yet another indication of the company's strong interest in the beverage area. It began its building process in 1963 with the acquisition of Folger Coffee Co., and has speeded up its activity in the past few years with the purchase of Crush International (soft drinks) and Ben Hill Griffin Inc.'s citrus processing operations.

As the fifth-largest brand on the market, Tender Leaf is especially

(Continued on Page 82)

Advertisers hoping for short NFL strike

Nets try to hold grid dollars

NEW YORK—The tv networks, faced with a $400 million pro football fumble due to the players' strike, are struggling to keep possession of all those ad dollars.

The immediate problem for advertisers is the loss of ad weight in September. The tv networks have very few availabilities now in programing that would be attractive to male-oriented products and services. Other media are rushing in to offer time and space to the affected advertisers, and Turner Broadcasting System is poised to offer a schedule of "all-star" games by the striking players.

There is evidence that the tv community is thinking of the strike as a two-week problem, for they are not willing to do much talking about plans beyond that time frame. However, the picture is a good deal brighter for the nets in October; they believe skillful allocation of dollars in weekend sports, some male-slanted prime time programs and national spot can help take up the slack.

Turner's plans. . .Page 80.

Some agencies have expressed concern about keeping their clients' money in the marketplace during the strike. Said one harried executive, "It's getting toward the end of the year. Some clients might just decide to keep the money and make their yearend profit-and-loss statement look a whole lot better."

The nation's two leading brewers, Anheuser-Busch and Miller Brewing, are big spenders on pro football, but the size of their total ad budgets means the loss of NFL telecasts is not critical.

"We find the strike to be an inconvenience, but it is not an insurmountable problem," says Jerry Solomon, exec vp-sports and programing for D'Arcy-MacManus & Masius, the Anheuser-Busch agency. He noted A-B is also on college football games, the ESPN

(Continued on Page 78)

McDonald's sues to halt BK effort

MIAMI—McDonald's Corp. went to court last week to try to stop Burger King's new comparative ad campaign from going on the air today. The action was expected (AA, Sept. 20).

The nation's No. 1 fast-food chain was seeking a preliminary injunction in U.S. district court here, contending that Burger King's advertising (*see earlier story, Page 4*) is "false and misleading." A hearing conducted Friday was continued by the judge until today, allowing the BK campaign to begin airing Sept. 26.

Wendy's International, whose products also are cited in the BK comparative drive, Friday challenged both fast-food chains to a taste-test competition which would be monitored by an independent

(Continued on Page 80)

last minute news

Woolworth to close all 336 U.S. Woolco stores

NEW YORK—F.W. Woolworth Co. will close all of its 336 Woolco discount stores in the U.S. as part of a major restructuring move and will concentrate on profitable divisions, including some of its growing specialty retail operations. In the first half of fiscal '82, Woolco units had an operating loss of $21 million on $1 billion in sales. Last year it lost $19 million.

Bristol-Myers tries Quadrin cough medicine

NEW YORK—Bristol-Myers is testing new Quadrin multisymptom cough formula in Omaha. Available in 3-oz. and 6-oz. bottles, Quadrin contains a cough suppressant, decongestant, analgesic and expectorant. Ad plans include tv, newspaper, trial-size displays, sweepstakes and shelf-talkers. Agency undetermined at press time.

Hardee's reportedly will stay with B&B

ROCKY MOUNT, N.C.—Hardee's Food Systems is sticking with Benton & Bowles as its agency for the consolidated Hardee's/Burger Chef business, estimated at $70 million including promotion, an agency source said. O&M, which had pitched for the account (AA, Aug. 23), will continue to handle Burger Chef until conversion to the Hardee's banner. Hardee's would not confirm, saying an announcement would come this week.

Yoplait Breakfast Yogurt going into test

MINNEAPOLIS—General Mills is testing Yoplait Breakfast Yogurt, containing fruit, nuts and wheat grain, in Portland, Ore., and possibly other

(Continued on Page 8)

NEWSPAPER
tv
62
AA
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Kodak may tip answer to Sony's Mavica

By GAY JERVEY

Having pioneered "decision-free" disc photography, Eastman Kodak Co. is about to face fresh competition from Japanese competitors on several fronts—discs; another wave of increasingly plebian 35mm cameras, and the revolutionary filmless electronic-imaging system pioneered by Sony's Mavica.

The colossus of Rochester will be making some new waves of its own, however. Next week at Photokina, the industry's annual gathering in Cologne, West Germany, Kodak reportedly will show prototypes of tv converters for film disc display. This will clearly signal the company's much discussed, but until now never really confirmed, entry into Mavicaland.

For some time, Kodak has admitted only to studying filmless electronic imaging, while specifically hinting at a hybrid system that not only can capture the original image on film but also display it electronically.

Kodak is also likely to divulge plans to introduce in the U.S. a cheaper, fewer-frills version of the disc, the 2000 (AA, March 1). It is currently available in Europe and uses flash cubes rather than the extended life, battery-powered flash found in the top three models now marketed here.

According to a source, Kodak last July took out a patent for a compact, nonsingle lens reflex 35mm of the Snappy (from Canon) variety. The introduction of such a camera could provide Kodak with a viable means of entering the 35mm market without abandoning its mass-market roots.

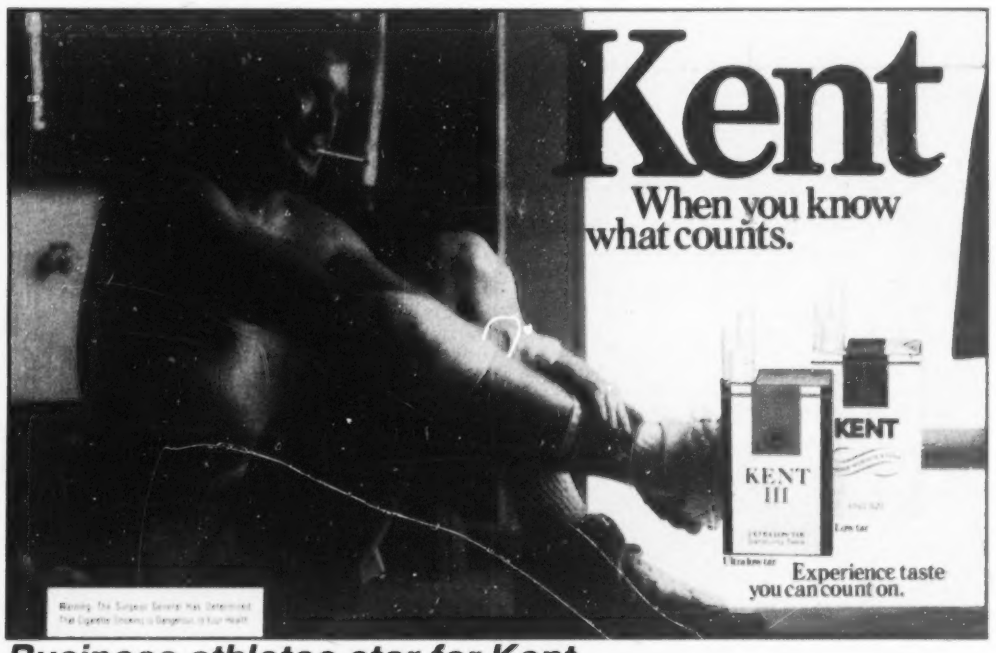
Photokina will be nothing if not active. Sources say Sony will be displaying a more-developed prototype of the Mavica than has been seen to date. First announced last fall, the Mavica is a still camera that looks and feels like a 35mm, but is much more sophisticated. It records images on a tiny whirling magnetic disc that is loaded like a film cartridge and contains enough room for some 50 snapshots.

Thus, sources say Photokina will provide a final dress rehearsal before Sony details its plans for a spring U.S. rollout, to be officially proclaimed at the Photo Marketing Assn.'s annual trade show next March in Las Vegas.

Despite the Mavica's predicted high price—some $650 for the camera itself and another $220 for the accompanying disc player—it generally received welcome reviews. Analysts cited not only its pioneering possibilities, but also Sony's track record, having brought forth such marvels as the first portable fm radio, the Betamax videocassette recorder and the now omnipresent Walkman.

Reasonable—and in some cases reputable—facsimiles of the Kodak disc camera now also appear imminent. For one, Minolta is whispered to be introducing a disc prototype that reportedly will match Kodak's in technology and be priced at around $100. Other manufacturers, such as the Rahway, N.J.-based Continental Cam-

(Continued on Page 80)



Business athletes star for Kent

First ad in the campaign that kept the $25 million Kent and Kent III cigaret account at Foote, Cone & Belding is designed to appeal to both men and women by "conveying confidence and independence," the advertiser says. Magazines, supplements and outdoor are scheduled.

Suits to follow agency closing

By JOHN J. O'CONNOR

New York—Anesh, Viseltear, Gumbinner's abrupt shutdown has left a group of unpaid, angry free lance illustrators, retouchers and photographers mulling lawsuits, complaints to the state attorney general's office and copyright infringement actions.

"They feel they have been the victims of a scam," said an artist's agent who has been attempting to locate other free lancers who are said to be owed money. The agent, who asked to remain anonymous, said the group reluctantly is looking at suing Kayser-Roth and Oscar de la Renta Ltd., both former clients of the closed agency (AA, Sept. 20). The amounts owed the half-dozen or so free lancers so far identified range from $3,000 to $30,000, the agent said.

At the same time, at least two publications say they have not been paid for current Oscar de la Renta menswear ads. A spokesman for *American Heritage* said the magazine had not been paid for eight de la Renta ad pages (worth $67,000) in the current issue. He said the publication was trying to settle the matter through discussions with the client and AVG.

Ironically, de la Renta is only the second advertiser to appear in *American Heritage* since the publication announced earlier this year that it would accept advertising for the first time in its 28-year history. Ads are limited to a single advertiser per issue (AA, June 14). *Bride* has not been paid $6,000 for a de la Renta ad in the current issue, an executive at that magazine said.

A Kayser-Roth executive, who asked not to be identified, said he was told of the agency's closing by Ned Viseltear on Sept. 20. "He told me that the agency had decided to fold and that 'everything was nice and clean,'" the K-R exec said. After the phone call, the executive said he wrote Mr. Viseltear a letter

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highlights

Monday, September 27, 1982

General Mills toy group is planning to bring out, with American Greetings Corp., a new line of Care Bear character items. The company also told stockholders of successes in food products. *See Page 10.*

The morning after the *Buffalo Courier-Express* folded, the *Buffalo Evening News* hit the streets with its "Sunrise edition." *See Page 12.*

McGraw-Hill last week sold *Housing* magazine to Hanley-Wood of Washington, which will merge it into its *Builder* magazine. *See Page 14.*

Warner-Lambert mulls divestiture plan: Will it involve Entenmann's baked goods or American Chicle gums, candies? *See Page 28.*

Buick plans to pinpoint growth regions with special models, because "the days of the national market are really gone," according to division general manager Lloyd Reuss. *See Page 32.*

Nothing subtle in the tv ad campaigns launched by the Democratic National Committee and its conservative antagonist, the Fund for a Conservative Minority. *See Page 35.*

United Parcel Service's entry into the overnight small-package arena could cause a shakeout in that highly competitive industry. *See Page 38.*

John O'Toole, chairman of Foote, Cone & Belding International, warns that U.S dominance of advertising is not sacred and that agencies could face a declining share of world volume. *See Page 54.*

Agencies that have committed millions of client dollars to entries in the new prime time tv season are forecasting which shows will be winners or losers. *See Page 60.*

A.C. Nielsen is updating its tv data based on population shifts discovered by 1980 Census results. *See Page 64.*

National Journal, a specialized weekly delivering in-depth reports on politics and government, will begin carrying ads on Oct. 16. *See Page 68.*

Ogilvy & Mather International for the first time is offering to sell shares in its Pacific and Asian agencies to employes. *See Page 68.*

Xerox's busy week: Acquisition of Crum & Forster insurance holding company, introduction of new copying machine generation. *See Page 82.*

CORPORATE CLOSEUP

Burger King's comparative ad campaign against McDonald's and Wendy's is designed to keep up the momentum following "strong sales vitality" this summer. *See Page 4.*

INTERNATIONAL

After more than 10 years of neglect, Peru's tv industry has embarked on an unprecedented program of self-improvement that tv executives hope will take it out of the dark ages. *See Page 34.*

FOLLOWUP

Hawkeye Distilling predicts sales of 500,000 cases of its new M*A*S*H 4077th vodka. *See Page 46.*

MAGAZINE

Museums are having the same economic problems as other institutions and, coupled with a decline in membership, have been forced to market themselves in new ways. *See Page M-2.*

Agency media executive Marcella Rosen dispels the notion that media availability alters consumer behavior, while providing proof that change in the consumer marketplace actually alters media patterns. *See Page M-6.*

SPECIAL REPORT

Healthcare: Marketers are going beyond traditional methods of reaching the physician and pharmacist to carry their products directly to the consumer. *See Page M-7.*

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Is Kuralt leaving CBS-TV?

By DIANE MERMIGAS

Whether or not Metromedia persuades Charles Kuralt to jump ship and anchor its new prime time newscast, the burgeoning New Jersey-based broadcaster has made clear its intentions to compete head-on with the commercial networks and to beat them by their own rules.

The 25-year CBS News veteran, who reportedly is unhappy about having been replaced in March by Bill Kurtis as co-anchor for the "CBS Morning News," recently met in Boston with Bob Bennett, Metromedia's senior vp of tv broadcasting & production, and Mark Monsky, vp-news for Metromedia's WNEW-TV, to hear about the company's plans for a new one-hour, prime time newscast expected to debut early in '83.

Sources say Mr. Kuralt is "intrigued" by the plan. However, the vacationing Mr. Kuralt was unavailable at press time for comment on whether he is interested in the post or in seeking release from his CBS contract, which has more than a year to go.

Mr. Bennett and Mr. Monsky

(Continued on Page 82)

corporate closeUp

Burger King thinks it's found the sizzle

By CHRISTY MARSHALL

MIAMI—After experiencing what parent Pillsbury Co. called "strong sales vitality" this summer, Burger King Corp. believes it has finally put some sizzle back in its business. To keep the momentum going, the company has devised a strategy that it hopes will fry archrivals McDonald's and Wendy's.

Senior vp-marketing Kyle Craig attributes Burger King's record summer (over-all sales up 14%; average restaurant sales increased about 8% over last year) to new products (*e.g.*, bacon double cheeseburger) and its "Aren't you hungry?" advertising campaign. That creative effort was Burger King's first phase—"Now we are going for more," Mr. Craig said. The latest tactical attack centers on a comparative campaign going up against the other two hamburger chains (AA, Sept. 13), aimed at getting what Mr. Craig calls "a greater share of belly."

After a period of flat sales and a management shakeup, confidence is now running high at Burger King headquarters here. "We know we're better," Mr. Craig told franchisees in a specially made film to introduce the comparative campaign. "We're not afraid to tell people we're the best and why we're the best. We've decided we're not only going to fight the bully, we're going to invite the whole school to see us whip him in public view."

Symptomatic of the fast-food industry, Burger King's sales had been soft during much of this recession. In an attempt to get the chain back on track, the company has been involved in several executive-suite personnel moves. Last March, Jerry Ruenheck was named president-chief operating officer of Burger King Corp., passing along the presidency of Burger King USA to Jeffrey Campbell, previously head of marketing. Mr. Craig succeeded Mr. Campbell. Two months later, Norman Brinker, former president of Pillsbury's restaurant group, was named chairman-chief executive officer of Burger King, replacing the ousted Louis Neeb.

"Burger King has been relatively flat in real volume unit terms during the recession," said Michael Culp, analyst at Bache Halsey Shields Stuart, adding it was the same throughout the industry. "It [BK] is not abnormally weak, but I think they lost momentum in the last couple of years. They have had very high turnover in Miami, which is very upsetting to the franchisees. The replacement of Lou Neeb recently reflected dissatisfaction with the direction of the business."

According to Win Wallin, president of Pillsbury, the management in place now is secure. He added he was very pleased with Burger King's performance over the summer, although acknowledging at the company's recent annual meeting of stockholders that "returns are not totally acceptable" (AA, Sept. 20). He said Pillsbury's first priority for BK is "to improve the fundamentals of the business."

Throughout its system, Burger King has just completed its Shape-Up program, what Mr. Craig calls an operational awareness program designed to retrain and rally the troops. As a result of the Shape-Up program, Mr. Craig said "the attitudinal momentum out there is the best I have ever seen."

In fiscal year '82 (ending May 31), Burger King's sales were in excess of $2.3 billion, while earnings have been estimated at $130 million, up 10% from the prior fiscal year. The company now has 3,255 units in 50 states and 20 countries. In the coming year, it plans to add 200 to 250 stores in what it terms domestic "key sites." International plans are for about 75 new units

(Continued on Page 81)

McDonald's ad awareness down, survey shows

By JOSEPH M. WINSKI

The advertising of McDonald's Corp., which is bracing for a tough comparative ad campaign from archrival Burger King (AA, Sept. 13), already may be losing some of its hold on public awareness.

In August, 39.9% of Americans named McDonald's advertising as the fast-food advertising that first comes to mind, down from 43.4% who named McDonald's advertising in July and 49.2% who did so in June. The last two months' declines—3.5 percentage points in August and 5.8 points in July—are statistically significant under the methodology of adWatch, a joint monthly survey of consumer awareness by ADVERTISING AGE and SRI Research Center Inc., Lincoln, Neb.

AdWatch polls a random sample of 1,250 American adults by telephone; last month's polling was conducted from Aug. 1 through Aug. 21. AdWatch measures awareness of industry advertising by asking: "Of all the advertising for [one of 20 product categories] you've seen, read or heard in the past month, which comes first to mind?"

August was the first month since adWatch began in April that McDonald's score fell below 40% of

adWatch

total respondents. While the company still dominates fast-food advertising awareness, with a score more than five times that of runner-up Burger King's 7.4%, its margin has narrowed from nearly 9-to-1 in June, when it recorded its best score. Burger King's awareness level also fell in August, from 9.0%. Burger King had posted a significant 3.5 percentage point gain in July.

In actual numbers, McDonald's advertising was named by 116 fewer respondents in August (499 mentions) than in June (615 mentions).

Moreover, in over-all advertising awareness—not limited to any industry or product category—McDonald's fell to No. 5 in August, down from No. 3 in July and its lowest ranking since adWatch began. In August, 0.96% of the 1,250 respondents said McDonald's advertising first came to mind, compared to 2.4% who said so in July.

Since about late May, McDonald's national advertising has been handled by Leo Burnett U.S.A., which received the account when McDonald's dumped longtime agency Needham, Harpers & Steers.

■ AdWatch measures over-all advertising awareness by asking consumers, "Of all the advertising you've read, seen or heard in the last month, which ad comes first to mind?" In August, as in the preceding four months, Coca-Cola (3.76% of all responses) and Pepsi-Cola advertising (2.80%) ranked No. 1 and No. 2 in over-all awareness.

Philip Morris Inc.'s Miller beer (including Lite) advertising was No. 3 and Anheuser-Busch's Budweiser (including Budweiser Light) was No. 4.

New to the top 10 in August were *Time* magazine, No. 6, and Kibbles 'n Bits, a relatively new dog food from Quaker Oats Co., No. 7. Four auto makers—Chrysler, Ford, General Motors and Toyota—tied for No. 8. All had previously ranked in the top 10 at least once.

Dropping from the top 10 in August were Philip Morris' 7UP (No. 5 in July), Dr Pepper (from No. 8) and Bell Telephone (AT&T) and Consolidated Foods' Shasta soft drinks (tied for No. 9 in July).

Again in fast-food advertising, Wendy's, No. 3 in the category, recorded a 6.4% awareness rating in August, up from 4.8% in July and its highest monthly score. Wendy's launched its "You're Wendy's kind of people" campaign in July, after dropping its controversial "Ain't no reason to go anyplace else" line. The agency is Dancer Fitzgerald Sample, New York.

Another apparent beneficiary of a new campaign is Anacin, No. 2 in awareness in the medicine & drugs category. Anacin, a Whitehall Laboratories product, recorded a 3.8 percentage point rise in awareness to 10.6% in August, and narrowed the gap between it and No. 1 Tylenol to 6 points from Tylenol's 10.7 point lead in July. Tylenol's awareness level fell slightly in August, to 16.6%—its lowest adWatch score—from 17.5%.

Anacin in July began its "Fight back with Anacin" campaign featuring actress Patricia Neal. The campaign is the first Anacin work by William Esty Co.; advertising for the brand previously was han-

(Continued on Page 74)

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BEST AVAILABLE COPY

adbeat One Club goes to bat for homeless

HOMELESS NEW YORKERS have a new champion in the One Club for Art and Copy. The New York group has established a Homeless People's Project. Headed by Norman Tanen, associate creative director at Backer & Spielvogel, the One Club hopes to bring the plight of the street people to the attention of the public via print, radio and tv. The project also has aligned itself with the Coalition for the Homeless and is working to raise $10,000. . .

CAN YOU RECOGNIZE THIS DIABETIC? That's the question patients will see on posters in their doctors' offices below the photos of famous people that suffered from the disease. The program is sponsored jointly by the American Diabetes Assn. and Pfizer Inc. and was created by Impact Medical Communications, New York. The posters, featuring such deceased notables as Jackie Robinson, Jack Benny and Thomas A. Edison, will be sent to 70,000 physicians, hospitals and pharmacies. . .

AMERICANS OLDER THAN 55 are expected to double the amount of money they spend on drugs, home healthcare equipment, supplies and services in the next 10 years, according to a study by Find/SVP, a research company. The new 320-page study, called "The Non-Institutional Senior Market for Healthcare Products and Services," analyzes the market and discusses changes. The study costs $985 and is available from Find, 500 Fifth Ave., New York 10110. . .

DO YOU LOVE NEW YORK? Not everyone does. For instance, take Scott Carouge, an art director at Dancer Fitzgerald Sample, and his wife, Jackie Merri Meyer, an art director at Macmillan Publishing. They've expressed their feelings for the Big Apple in a book "I Loathe New York; A Humorous Look at the Rotten Apple." The 96-page book is being published by Collier Books, retails for $3.95 and is full of cartoons depicting the harsh realities of New York City life. It touches on such sore spots as crime, cockroaches, the high cost of living and the crazies. . .

ROMANCE NEVER FAILS: To entice concertgoers, the American Symphony Orchestra is appealing to their sense of love and adventure with a mailing by Ogilvy & Mather Merchandising, New York. "How to spend eight romantic Sunday afternoons in New York with the American Symphony Orchestra" suggests such diversions as a carriage ride in Central Park, sharing a freshly baked chocolate chip cookie or visiting Carnegie Hall for the 3 p.m. concert. . .

E.T. LICENSING: Papercraft Corp. and Jonathan Advertising, New York, are developing consumer and trade advertising campaigns featuring E.T. Also, E.T. will send messages home this fall via a line of Hallmark greeting cards, according to an agreement with Merchandising Corp. of America. Hallmark also has E.T. reproduction rights for its line of Springbok adult puzzles and stickers. Also, Topps Chewing Gum, New York, said it plans additional "E.T." picture cards later this year, along with "Smurfs" cards. Topps said that besides "E.T." and baseball cards, products featuring "Annie," "Wacky Packages" and football contributed to its $38.3 million sales for the first half ended Aug. 28. .

NEW PRODUCT INTRODUCTIONS climbed 11% during April and May compared with the same period a year earlier, according to the Nielsen Early Intelligence System. The 1,217 products introduced during the bimonthly period included substantial activity in health & beauty aids—up 23% from a year earlier. The slowest activity was in frozen food items, which declined more than 13%. . .

AN EARFUL: The new gimmick in costume jewelry is a little accessory called Earband-It from K-Judy Ltd., Redmond, Wash. Meant to be worn with earrings, the band clips on the middle edge of the ear. The bands are made of electroplated gold and sell for about $3.50 and $4.

Calvin aiming designer briefs ads at females

By PAT SLOAN

NEW YORK—Just a hint of an appendix scar mars the torso, clad in men's white briefs, from which extends a pair of well-developed thighs. The photograph of this tawny and brawny male hangs above a secretary's typewriter. It is not of her boyfriend or even a celebrity.

The photo is an ad for Calvin Klein's latest fashion venture, men's underwear. Why this anonymous male model for office pinup? "I like his looks," the young woman explains. Better than those of that other underwear manikin, baseball star Jim Palmer? "Well, I like his body, tanned and strong. That's the way to put it," she says.

Calvin Klein's underwear could be in the forefront of a trend toward designer briefs for men.

And, perhaps, because she likes the way he looks and how those briefs look on him, she says she will buy Calvin Klein underwear for her boyfriend.

That is the point when it comes to marketing men's underwear, and it's not lost on those who sell it. Women buy 70% of all white underwear. And though men have more of a say when it comes to buying fashion underwear, women still account for between 50% and 55% of all sales in this segment of the category.

Men's underwear generates about $900 million in sales industrywide each year, with the average price of a garment estimated at about $5. Over-all, growth of the category has been on par with inflation. However, fashion underwear has outperformed the category in general, yielding annual sales increases of better than 15%.

One of the first major marketers of men's clothing and basic underwear to tap the fashion market was Jockey International, the privately owned Kenosha, Wis.-based company that accounts for an estimated $65 million to $75 million in sales of underwear at wholesale, according to sources.

Jockey styled a fashion line back in the 1970s, and in 1975 began using sports celebrities to endorse the line and become pinup boys. Included in that group is Mr. Palmer of the Baltimore Orioles, who today peers out from print ads and bus-stop shelter posters in Jockey fashion briefs.

Since 1979, Jockey has increased its ad spending about 73%, according to Bill Herman, vp-advertising and sales promotion. Measured media spending is put at more than $2.3 million in 1981, through Bozell & Jacobs.

For Jockey, the plans are to push aggressively ahead in the advertising of its fashion styles while adding new lines and colors. One of its most recent additions is Yves Saint Laurent bikinis, basic briefs and boxer shorts.

Besides YSL and Klein, however, the designer field is slim. Christian Dior markets a line and Pierre Cardin might, but that, said Bob Garey, president of Calvin Klein Menswear, is the extent of the competition now. All together, designer underwear sales account for a small portion of total underwear sales—much less than 8%, by Mr. Garey's estimates.

Department and fashion-specialty stores are where these products are sold, beside the stores' own label underwear as well as that of Jockey's. And as big as Jockey is, sources say, the greater portion of underwear sold in department stores is private label.

Jockey and private-label brands therefore will be Klein's toughest competition. Klein's product, of course, is priced higher: A private label three-pack could fetch about $10; a three-pack of Jockey briefs sells for about $11; three Calvin Klein basic briefs command $14.50.

Although more costly and sold in few stores at this point, Mr. Garey said the product has sold well. "Bloomingdale's, where the underwear was first introduced in August, has reordered five times in four weeks," he noted. Burdine's in Florida has sold more than 40% of its stock already in just one store, and, as a result, will add the line in additional stores.

In San Francisco and Los Angeles, where the underwear is not yet in stores, customers have placed orders after seeing ads in *People* and *GQ*, the company says.

The ads appeal to women, Mr. Garey said. But they and the product are designed to appeal to "any man who wears underwear. All of our styles, even the bikinis, will fit 95% of the male population."

Nevertheless, he said, to say that Calvin Klein may do for underwear what he did for jeans may be an "overstatement at this point." Retailers are extremely cautious with all inventories right now, he pointed out, and the company is waiting to see how the product sells on a continual basis before making any judgments.

Through Calvin Klein's in-house agency, CRK, somewhat less than $500,000 will be spent on print ads and bus-stop shelter posters to ensure that demand is created and maintained. Besides *People* and *GQ*, *Esquire* and *Architectural Digest* also are being considered.

The ads, conceptualized by Mr. Klein and shot in Greece by photographer Bruce Weber, already have been dubbed controversial by some who see them as sexually suggestive, whether the eye of the beholder is female or male.

Said Mr. Garey, "Yes, it's been controversial because of the shot and because of the guy. And because underwear has not been shot in the most interesting way. But it's beautiful and it could have an impact on the designer underwear business."#

McDonald's ad awareness falls

(Continued from Page 4)

dled by Whitehall's house agency.

In soft drinks, Coca-Cola regained the top spot from Pepsi-Cola, although the awareness scores of both fell in August—Coke's to 24.0% from 25.4% and Pepsi's to 23.3% from 25.8%. Pepsi had led the category for three straight months.

The leader in paper products changed hands for the third month in a row. In August, the leader was Procter & Gamble's Bounty, with an 8.0% awareness level. July leader Charmin, also from P&G, fell to No. 2 with 7.8% of all responses. Scott, the category leader in June, remained third for the second straight month with a 6.6% score.

Other new category leaders in August were Folger's in coffee, dropping Maxwell House to No. 2; Prell in soap/shampoos, replacing Coast, and Riunite in wine/liquor. Paul Masson moved from unlisted to No. 2 in wine/liquor; July leader Gallo fell to No. 3.

The battle for top awareness in beer remained close, with No. 1 Miller edging out Budweiser by 1.1 percentage points, 13.6% to 12.5%. Miller won by 1.5 percentage points in July, after Budweiser had captured the top spot in May and June. Coors (6.6% awareness level in August) was third for the fifth straight month.

In cameras & equipment, No. 3 Polaroid continued to slide, although its August decline, to 5.8% from 6.2%, was the smallest in its five-month decline. Polaroid's awareness level has dropped 10.2 percentage points since April, the most of any advertiser followed by adWatch.

Toyota's awareness level rose a significant 3.04 percentage points in August to 11.8%, enabling it to move up to No. 2 in cars/trucks, breaking the Ford-Chevrolet-Toyota pattern that had prevailed for the first four months. Ford remained No. 1 in August with a 14.1% score, up from 13.4%, while Chevrolet dropped to No. 3 despite increasing its awareness level to 11.4% from 10.2%.

Skoal chewing tobacco made its debut in the top three in tobacco products, finishing third with a 2.3% score. Salem dropped out of the top three. Skoal was the first noncigaret advertiser to break the top three in the category.

Also appearing among the top three for the first time were General Mills' Total, No. 3 in cereal; Lipton, No. 3 in coffee/tea, and Coca-Cola Co.'s Minute Maid, No. 3 in packaged, canned and frozen foods. They knocked General Foods' Fruit & Fiber cereal and Sanka decaffeinated coffee and Stouffer's from No. 3 in their categories in July.#

For additional information on adWatch, contact: Gary Gabelhouse, SRI Research Center Inc., 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Top 10 in awareness, August

Advertising named most often

August	July		August % of 1250 responses
1.	1.	Coca-Cola	3.76
2.	2.	Pepsi-Cola	2.80
3.	4.	Miller	1.68
4.	6.	Budweiser	1.20
5.	3.	McDonald's	.96
6.	—	*Time* magazine	.60
7.	—	Kibbles 'n Bits	.56
8. (tie)	—	Chrysler	.48
8. (tie)	6.	Ford	.48
8. (tie)	—	General Motors	.48
8. (tie)	—	Toyota	.48

Question: Of all the advertising you've read, seen or heard in the last month, which ad comes first to mind?
Source: SRI Research Center Inc., Lincoln, Neb.

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Ad agencies expert at forecasting tv fare's fate

An Advertising Age roundup

Now that the three tv networks have pruned their crop of nearly 100 prime time series pilots down to 25 new fall 1982 series, the viewers will decide what becomes popular.

And the agencies charged with buying tv time have committed millions of client dollars in these new entries and returning series, based on their crystal ball gazing into the fourth quarter.

Philip Burrell, vp-network programing, **Dancer Fitzgerald Sample**, saw the autumn schedule shaping up as one with "heavy casualties." As to which network may emerge victorious, Mr. Burrell foresaw CBS slightly ahead of ABC in a very tight Nielsen race.

Examining such factors as content of pilots or other episodes previewed, audience flow from leadins, scheduling and demographic appeal, Mr. Burrell thought the fall hits—in terms of commercial success rather than quality—should include CBS' "Newhart" and "Gloria," ABC's "Matt Houston," "It Takes Two," "Family Ties" and "Tales of the Gold Monkey."

He thought likely failures would include "Tucker's Witch" on CBS, "Ripley's Believe It or Not" on ABC and NBC's "Voyagers!" Mr. Burrell is more definite about these shows, which he said are "doomed": CBS' "Square Pegs" and "Seven Brides for Seven Brothers," ABC's "Star of the Family," "New Odd Couple" and "The Quest" and NBC's "Knight Rider," "Silver Spoons," "Powers of Matthew Star" and "Devlin Connection" (with the two latter entries delayed from last fall).

Shows given a fair chance of survival and dubbed as long shots in the DFS analysis include CBS'

(Continued on Page 72)

AA picks

(Continued from Page 1)

package. Then, too, CBS' series strength is concentrated mainly on two nights: Sunday and Friday. In both cases, some slippage is a possibility. A key indicator will be the performance of the opening Friday hour. Will "The Dukes of Hazzard" suffer from the departure of its two stars, or are humans on that show of secondary importance to General Lee (that hot rod those crazy Duke boys tear up the countryside in)?

Circumstances beyond ABC's control, however, could thwart a return to the top. If there is a long NFL strike, ABC can kiss Monday night goodby, leaving the night wide open to huge CBS numbers. Baseball, in this case the World Series, also could harm ABC.

If the Series runs a full seven games on NBC, ABC would get lousy numbers on at least two Tuesday and Wednesday evenings, traditionally two of the network's biggest nights. If it doesn't go seven games and two less-than-glamorous teams are matched up, then ABC catches a huge break.

As for NBC, it still will finish in third place. But instead of being a laughable third, the network appears poised on the brink of a major move.

As for new and emerging tv stars, it seems, at this point, that some "old" stars will garner most of the attention. Patty Duke Astin, Sally Struthers, Bob Newhart, William Shatner, Erin Moran and Scott Baio should prove to be ratings winners. New faces that bear watching include Catherine Hicks, Tim Matheson, Stephanie Zimbalist (a second-generation tv star) and Stephen Collins. "Bring 'Em Back Alive" will be dead by the end of the season, but certainly won't harm Bruce Boxleitner's rising star.

The new programs that are sure to make the ratings grade include: "Newhart," "Tales of the Gold Monkey," "9 to 5" and "Gloria."

Rated as having virtually no chance for survival are: "The Quest," "Voyagers!" "Powers of Matthew Star," "Seven Brides for Seven Brothers," "Knight Rider" and "Square Pegs." Other losers include: "The New Odd Couple," "Star of the Family," "Tucker's Witch," "Devlin Connection" and "Silver Spoons."

Returning shows that should breathe their last include: "Benson," "Knots Landing," "Greatest American Hero," "Father Murphy," "Private Benjamin," "Love, Sidney" and "CHiPs."

The marginal entries, the ones that, depending on luck, might have a shot at survival, include: "Taxi!" "Filthy Rich," "Cheers," "Matt Houston," "St. Elsewhere" and "Remington Steele."

These stories on the new network tv season (*see also Pages 62, 63 and 64*) were written by AA senior reporters Colby Coates and James P. Forkan in New York and reporters Bob Marich in Los Angeles and Diane Mermigas in Chicago.

Estimated shares, prices for prime time tv programs

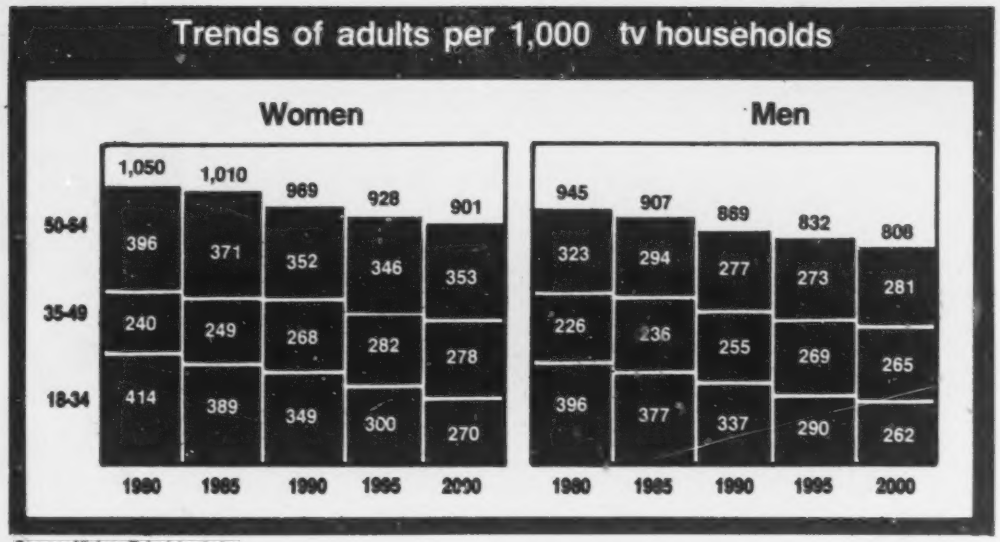
(Eastern time) (1982-83 season)

		7:00	7:30	8:00	8:30	9:00	9:30	10:00	10:30	11
Mon	ABC			That's Incredible 27 $110,000		ABC's NFL Monday Night Football 34 $125,000				
	CBS			Square Pegs 24 $75,000	Private Benjamin 24 $85,000	M*A*S*H 33 $170,000	Newhart 30 $120,000	Cagney & Lacey 24 $100,000		
	NBC			Little House on the Prairie 28 $130,000		NBC Monday Night at the Movies 26 $110,000				
Tues	ABC			Happy Days 30 $120,000	Laverne & Shirley 30 $115,000	Three's Company 33 $130,000	9 to 5 32 $105,000	Hart to Hart 33 $110,000		
	CBS			Bring 'Em Back Alive 24 $90,000		The CBS Tuesday Night Movie 26 $110,000				
	NBC			Father Murphy 24 $85,000		Gavilan 25 $90,000		St. Elsewhere 25 $90,000		
Wed	ABC			Tales of The Gold Monkey 27 $90,000		The Fall Guy 30 $110,000		Dynasty 35 $125,000		
	CBS			Seven Brides for Seven Brothers 24 $80,000		Alice 25 $90,000	Filthy Rich 26 $90,000	Tucker's Witch 21 $85,000		
	NBC			Real People 29 $120,000		Facts of Life 26 $95,000	Family Ties 25 $80,000	Quincy 27 $120,000		
Thurs	ABC			Joanie Loves Chachi 28 $95,000	Star of the Family 25 $80,000	Too Close for Comfort 27 $110,000	It Takes Two 26 $90,000	20/20 26 $105,000		
	CBS			Magnum, P.I. 33 $120,000		Simon & Simon 27 $85,000		Knots Landing 26 $95,000		
	NBC			Fame 22 $90,000		Cheers 23 $90,000	Taxi 25 $100,000	Hill Street Blues 31 $120,000		
Fri	ABC			Benson 26 $85,000	The New Odd Couple 24 $75,000	The Greatest American Hero 21 $85,000		The Quest 21 $75,000		
	CBS			The Dukes of Hazzard 38 $150,000		Dallas 44 $150,000		Falcon Crest 37 $130,000		
	NBC			The Powers of Matthew Star 18 $75,000		Knight Rider 17 $75,000		Remington Steele 22 $75,000		
Sat	ABC			T. J. Hooker 27 $105,000		The Love Boat 35 $130,000		Fantasy Island 34 $125,000		
	CBS			Walt Disney 26 $85,000		The CBS Saturday Night Movies 26 $100,000				
	NBC			Different Strokes 28 $115,000	Silver Spoons 25 $85,000	Gimme a Break 22 $90,000	Love, Sidney 26 $90,000	The Devlin Connection 24 $85,000		
Sun	ABC	Ripley's Believe It or Not 18 $65,000		Matt Houston 22 $80,000		The ABC Sunday Night Movie 29 $120,000				
	CBS	60 Minutes 44 $175,000		Archie Bunker's Place 34 $125,000	Gloria 34 $115,000	The Jeffersons 35 $120,000	One Day At a Time 34 $115,000	Trapper John, M.D. 33 $115,000		
	NBC	Voyagers! 13 $65,000		CHiPS 25 $85,000		NBC Sunday Night at the Movies 26 $105,000				

Above estimates were compiled from a variety of sources and are based on peak fourth quarter viewing, October through the first two weeks of December. Specific unit prices vary widely, depending on whether the buy was made in the upfront or the scatter market, on the overall size of the advertiser's schedule, and on the negotiating skill of the different buyers.

☐ New shows

Source: Advertising Age Survey



Source: Nielsen Television Index

Nielsen updates tv data based on Census results

NORTHBROOK, ILL.—When 1980 Census data were released last year, they unleashed a series of revisions in virtually all statistics used by government and business.

Tv certainly was no exception, and it fell upon A.C. Nielsen Co. to update most of its data, ranging from the tv household universe estimate to the smallest demographic minutiae, *e.g.*, all persons aged 2-to-5 years in tv households.

In estimating population trends, Nielsen considered such elements as average life expectancy and death rates, projected birth rates and immigration figures.

Since it generally is easier to predict average life expectancy, Nielsen believes that the estimates for all persons aged 12 years and older are more likely to be accurate than for those younger than 12 years of age because of the nation's birth rate.

As a result of its population tracking, tv's record keeper unearthed a number of trends that are detailed in the accompanying chart.

For example, Nielsen says that the number of households will continue to increase, albeit at a slightly softer rate.

Growth in the all-important 18-to-49 demographic will continue mainly through 1990. After that, it will slow down significantly, and the 25-to-54 group will become much more important to advertisers.

Until 1990, the 50-plus group will expand at a slower rate than the 18-to-49 group; thereafter, the former category will accelerate as the post-World War II baby boom enters the older population segment.

Meanwhile, the 2-to-11 age group, which bottomed out in the early 1980s, will begin to show moderate increases until at least 1995, when it again will start to decline.

Another all-important advertiser target, the teen-age category, will continue to shrink until approximately 1990. By the year 2000, however, that trend should reverse markedly.

These population shifts affect tv in the following ways: Until the year 2000, the average number of people per tv household will have declined nearly one person per household.

The sharpest decline will be among men and women 18 to 34; Nielsen estimates a 33% dip in that key segment. The latter half of the 18-to-49 demographic, 35-to-49 years, will continue to expand until about the middle of the 1990s before leveling off.#

Nets look to stem audience erosion

NEW YORK—For the advertiser, it is the demographic rating, not the household number, that makes or breaks a prime time buy.

CBS-TV took a leadership role and refused to give demographic guarantees for the upcoming season. In part, the network was reacting to the problems it and the other networks had in meeting demographic projections in the previous season.

The tv networks, with a few exceptions, took their lumps last season, particularly in the delivery of the key female targets, 18-to-49 years and 25 to 54.

For example, at the end of the 1980-81 season, CBS and ABC were in a tie for the lead among women aged 18 to 49. But after the 1981-82 season, both networks lost ground, though ABC managed to hold onto a shade more of its female audience. NBC already was running at a major ratings deficit, with that decline widening at the end of last season.

However, ABC long has been the leader in the 18-to-49 segment, while CBS always skewed a bit older. Thus CBS' losses in the 25-to-54 segment were even more harmful.

Though all three networks lost ground, ABC's decline was smaller even though CBS still eked out a victory.

As for the male portion of the audience, ABC was the only network to improve its standing at the end of last season. What had been a narrow gap between CBS and ABC widened, with CBS showing about a 10% loss. All the more dramatic was third-place NBC's 17% loss in male viewing.

In the 25-to-54 male breakout, CBS, the leader in 1980-81, suffered a 7% decline while ABC was the only network to post gains. As a result, CBS surrendered its lead. And NBC was in trouble with a 16% drop between the 1980-81 and '81-'82 seasons.

As for the coming season, two basic scenarios could unfold.

On one hand, the networks could reverse the audience erosion trend with the likelihood that ABC would firm up its leadership roles in the 18-to-49 segments, with CBS doing likewise in the 25-to-54 area. Both networks would be affected by a stronger schedule of NBC programs, with ABC probably suffering a bit more than CBS since NBC has loaded its schedule with younger skewing programs. At the same time, NBC traditionally skews toward older audiences in rural counties, which means NBC could make inroads at CBS' expense.

The other scenario, the grim one, calls for continued audience erosion, meaning the demographic leaders at the end of the 1981-82 season would be about the same as the end of the 1982-83. Nevertheless, all three networks would be under more advertiser fire as there would be an across-the-board loss. Leadership positions would stay relatively the same, but underdelivery would continue to mount.#

View from Chicago stations

(Continued from Page 63)

sidered to be genuinely funny. Many local advertisers believe the show has a good chance to take over the 9 p.m. (ET) time period when "M*A*S*H" vacates it in late winter.

The most difficult new show to sell is "Seven Brides for Seven Brothers," which is viewed as a dud. Advertisers, however, are high on "Square Pegs," which they view as another "Happy Days" and a sure win with young viewers. They also are high on "Bring 'Em Back Alive," which they consider good tongue-in-cheek, high-adventure fun. But they wonder how much of this new genre, inspired by "Raiders of the Lost Ark," viewers can tolerate.

■ They consider local Chicago boy Bruce Boxleitner, star of "Bring 'Em Back Alive," to be one of the more exciting new series stars.

Advertisers have high hopes for "Tucker's Witch," as long as the network downplays the supernatural elements of the show and highlights the chemistry between Catharine Hicks and Tim Matheson, who should be popular with younger viewers after appearing in the film "Animal House."

Advertisers welcome the addition of "Filthy Rich" as a replacement for "Mama Malone" because it is a funnier show with proven ratings from its limited run this summer. "Gloria" also is proving a popular sell with local advertisers, who consider it perfectly paired with "Archie Bunker's Place" on Sunday nights.

Movies continue to be a big draw for CBS. Advance local sales of the miniseries "The Blue and the Gray," which airs during the November sweeps, have been phenomenal.

Local advertisers expect CBS to handily win Sunday, Monday and Friday nights. They believe "Magnum, P.I." will continue to make a strong showing on Thursday to improve the network's performance that night.#

Starry-eyed

NEW YORK—Such tv names as James Arness, Lorne Greene, James Garner, Barbara Eden and Angie Dickinson may have lost their series, but the celebrity still is a sought-after commodity by the networks, *e.g.*, in the form of guest stars such as Helen Hayes, due on the Oct. 2 "Love, Sidney" on NBC, Lana Turner and E.G. Marshall on CBS' "Falcon Crest," Marie Osmond, Ernest Borgnine, Meredith Baxter-Birney and others in a two-hour "Love Boat" on Oct. 2, Greer Garson on a subsequent "Love Boat," Sugar Ray Leonard on ABC's "Benson" and Mr. T (famous for his "Rocky III" role) due on NBC's Oct. 2 "Silver Spoons," which on Oct. 9 will feature John Houseman as a guest star.#

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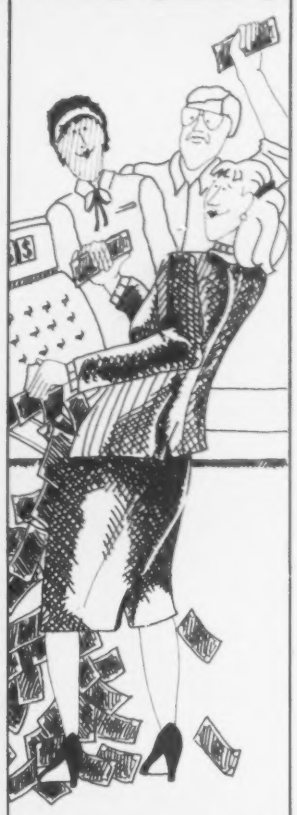

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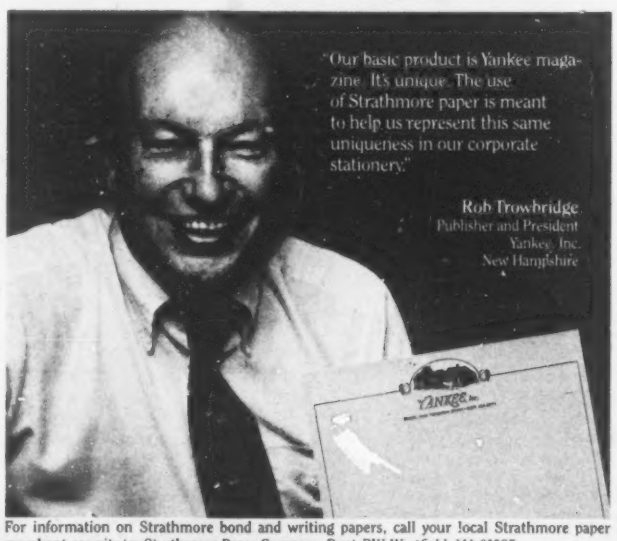
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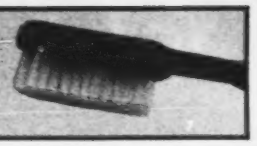
Capri Sun: Moving fast enough to beat competition?—Page M-4

Lowly toothbrush: No one seems to notice—Page 66



Advertising Age

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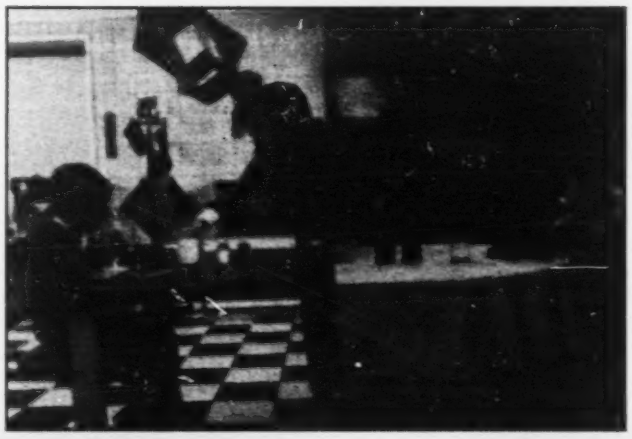
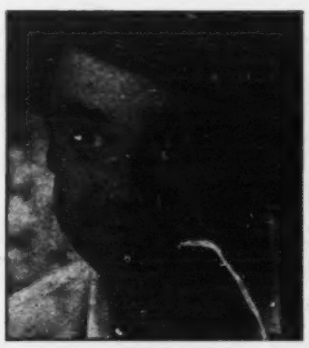
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *October 4, 1982*

One for all, all for one

C.F. Mueller Co. is introducing the first new product in its 117-year history—Pasta Shapes & Sauces. The five-item line is debuting in Buffalo/Rochester and Miami. In this Ogilvy & Mather spot, Mom discovers she doesn't have to prepare separate side dishes for her husband and son anymore, since they both will eat the new product.





AFTER 'SABOTAGE' DEATHS

J&J yanks ads; Tylenol reeling

NEW BRUNSWICK, N.J.—Johnson & Johnson pulled all advertising for its No. 1-selling Tylenol pain reliever in response to at least six deaths in the Chicago area late last week. The "sabotage" deaths are linked to cyanide-laced capsules of Extra Strength Tylenol.

The company would not speculate on when it would resume advertising for the brand, which is the top-selling over-the-counter drug nationally and J&J's most heavily advertised product.

The situation will surely curtail the company's success in Tylenol's two fastest-growing segments—extra strength and capsules. A source at a major Chicago drug retailer speculated that Extra Strength Tylenol was "as good as dead."

The Food & Drug Administration Friday said that although it believes the problem is confined to the Chicago area, the public should not use the product until the situation is clarified.

FDA believes tampering occurred at the retail level, with products removed from the shelves, the cyanide added, and then returned to the shelf. The agency said the cyanide found in capsules from bottles produced in two different plants—one in Pennsylvania and one in Texas—makes it "unlikely" that the contamination occurred at the manufacturing level.

The Proprietary Assn., the leading trade association for marketers of otc products, expressed alarm that the Tylenol tragedy has become a "carrier" in news media for "slanderous" attacks on the safety and effectiveness of otc products.

Tylenol has been whipping its competitors in the $1.2 billion analgesics market, with recent shares of about 35% for the line and about 25% for Extra Strength.

Nearly all of Tylenol's advertis-

(Continued on Page 70)

last minute news

Campbell Soup goes national with Prego sauce

CAMDEN, N.J.—Campbell Soup Co. is introducing nationally Prego spaghetti sauce, which has been available in about half of the country. The company also is adding a new flavor, marinara spaghetti sauce, to the line in New York and Philadelphia. Leber Katz Partners, New York, handles.

N.Y. intro for low-tar Lucky Strike breaks

NEW YORK—American Tobacco today will break introductory advertising here via Laurence, Charles & Free for its new low-tar version of Lucky Strike filter cigarets, currently in about one-third of the nation. American said the brand has gained a 0.5% to 1% share in other markets.

Marschalk resigns Maybelline business

MEMPHIS—Schering-Plough's Maybelline has been resigned by Marschalk, New York, which has handled creative only for Moisture Whip lines on a fee basis. Marschalk said it saw no "long-term growth potential" since media was handled by S-P's house shop here. A review is planned.

Geer, DuBois gets rest of Premiere Wine

NEW YORK—Remy Martin Amerique's Premiere Wine Merchants moved to Geer, DuBois from Della Femina, Travisano & Partners as a direct result of Della Femina's having competed for the $6 million Hennessy cognac account that Schieffelin & Co. decided to keep at Lord, Geller, Federico, Einstein (AA, Sept. 27). Remy Martin marketing director Steve Francesco also said De Luze Classique Bordeau wine, the test

(Continued on Page 8)

Pepper plots local approach

By TOM BAYER

Dr Pepper Co.'s "Pied Peppers" will dance their way into history come Jan. 1.

To secure a bigger share of the soft drink market in 1983, the No. 3 seller will shift to a back-to-basics marketing strategy that focuses on a broader audience with heavy sampling, locally tailored media plans and a new ad theme: "Dr Pepper made a Pepper out of me."

Gone will be the dancing celebrities converting Peppers left and right, singing the "Be a Pepper" strain. And gone will be the broad network tv buys that carried the Pepper evangelism.

In place of the dancing Peppers whose choreographed glee has been widely imitated in marketing other consumer products, Dr Pepper and agency Young & Rubicam have created a rousing explosion of energy to focus attention on the product and encourage trial and conversion. A subtheme of the drive is: "Try it. Try it. Try it."

Charles L. Jarvie, president-chief executive officer of the Dallas-based company, told bottlers last week that the 1983 marketing plan had been developed from the bottom up. "This is a local business, and we've learned that the approach of taking a national plan and fitting it to local markets isn't the best approach for Dr Pepper," Mr. Jarvie said.

Explaining Dr Pepper's localized plans, Bill Tolony, western region sales manager, said that "tv networks are simply not as effective or efficient in delivering our target audience." For example, the company has frequently advertised on

(Continued on Page 72)

More ratings data before makegoods, net says

NFL subs failing to score

By JAMES P. FORKAN

NEW YORK—The tv networks reluctantly have begun penciling in still more National Football League replacements as the players' strike showed signs of stretching into a third week.

Their reluctance is all the more pronounced by the arrival of Nielsen ratings that indicated the substitutions, whether in prime time or "sports prime time" (weekend daytime), have a long way to go in filling the NFL's shoes.

"Outlaw Josey Wales," a rerun Clint Eastwood western, generated a 16.1 homes rating for ABC as its Sept. 27 "Monday Night Football" filler. That was down nearly 4 rating points from the 19.9 averaged by the previous week's NFL prime time show, the last Monday night game before the strike. The week before that, the NFL notched an incredible 24.9 rating, the highest numbers tallied by a season-opener "Monday Night Football" telecast.

TBS sponsors line up. . .Page 2.

During the week ended Sept. 26, the sudden insertion on Thursday night of "The Cheap Detective" movie for the NFL game, and the lack of adequate promotion, translated into a puny 10.9 rating for ABC. The week before, by contrast, ABC's Thursday NFL special scored a 17 rating.

ABC so far has been forced to advance the air date of at least one major movie title, "Coal Miner's Daughter," from November to Oct. 4 (AA, Sept. 27). As Paul Schulman, who heads Gardner Adver-

(Continued on Page 70)

NEWSPAPER

Christmas sales to

AA
DC2001◆CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
◆520 EAST-WEST HWY #800
WASHINGTON DC 20014

SILENT ON ELECTIONS

GOP takes to air in 'economy' pitch

By RICHARD L. GORDON

WASHINGTON—A seven-day tv blitz by the Republican National Committee opens this week, reminding voters that Ronald Reagan is "keeping his promises" and that inflation rates are down. But there's not even a mention of the November elections.

Polling has convinced the GOP national committee's ad stragegists that voters who feel positive about the President also intend to vote for Republicans on Election Day. "The correlation is so strong that we don't even have to mention the elections," said Kathryn Mattoon, RNC director of political communications/advertising.

The RNC drive complements the separately managed ad campaign of the Republican National Congressional Committee, which uses a harder-sell pitch to convince voters to elect Republicans to the Democratic-controlled House of Representatives.

The 30-second tv spot breaks in New York City, Washington, D.C., Philadelphia and about 40 smaller markets Oct. 7, with a $700,000 media budget, part of an over-all $5.5 million ad drive this year.

In the spot, done by Hal Larson Etc. and ALN Productions, both San Francisco, a middle-aged woman, unpacking groceries in a kitchen, tells viewers: "Well, things are lookin' up. Inflation's coming down. Oh, prices are still too high. But they're not going up every week, the way they did before we elected President Reagan. . .Mind you, there's a lot more to do. . .But he's made a beginning."#

Woman says President Reagan is keeping his promise to bring inflation down in 30-second spot to run in over 40 markets.

BBDO, O&M lead race for Dodge ad account

By RALPH GRAY and JOHN O'CONNOR

Two ring-wise veterans of the automotive agency business answered the bell for the $100 million Dodge car and truck account.

Lee Iacocca, chairman of Chrysler Corp., who announced that he would split his Chrysler Corp. business, now solely with Kenyon & Eckhardt, would identify only BBDO as one of the contenders, but Ogilvy & Mather is the second. Ross Roy Inc., Chrysler's merchandising agency, denied reports it was the third.

Some insist BBDO was inches away from signing a contract, but others noted that Mr. Iacocca loves to do the unexpected.

Asked if BBDO had the inside track, Mr. Iacocca said. "No. We're doing a search with three different agencies, and BBDO is one of them."

It's almost a rematch of the Lincoln-Mercury agency competition that followed Kenyon & Eckhardt resignations to take on Chrysler. Now Chrysler is splitting off Dodge from K&E.

Campana succeeds Givens as top Chrysler marketer... P. 74.

BBDO, which lost the Dodge account in 1979, and O&M were candidates for L-M. Both lost and O&M was also dropped by Mercedes-Benz in the process.

That won't be repeated this time, since O&M has the green light from $7 million-client Peugeot to go after the Dodge business. O&M will retain Peugeot because there isn't a conflict—Chrysler owns 15% of Peugeot and works closely with the French auto maker.

When Mr. Iacocca declined to name the other candidates, O&M emerged at the head of the speculation list, and others included N W Ayer, Detroit; Ted Bates Worldwide, New York, and Benton & Bowles, New York.

■ The list started to shrink almost immediately. Ayer, with a General Motors corporate account, said it wasn't interested. B&B wouldn't talk, but industry observers doubted its participation. Bates' William Esty subsidiary has Nissan

(Continued on Page 74)

Turner sponsors line up, if. . .

By MAURINE CHRISTOPHER

Though still buffeted by court challenges, the Turner Broadcasting System has been working overtime to get advertisers lined up for WTBS' hoped-for coverage of the National League baseball playoffs and the National Football League Players Assn.'s all-star games.

If Turner's Atlanta Braves were to capture the western division baseball crown in the down-to-the-wire pennant drive over the weekend, TBS' major tv and cable sponsors were standing by to carry the playoff games on WTBS and its catv lineup of more than 4,200 systems across the country—assuming, of course, that the courts don't intervene. This client list includes Anheuser-Busch, Eastern Air Lines, Coca-Cola, Toyota, Gulf, Canon cameras and Red Man chewing tobacco.

At press time, there was even the possibility of a single tie-breaker game that would determine the division championship for the playoff series.

Priced at about $10,000 per 30-second spot, the playoffs should boost the superstation's billings by more than $2 million. In addition to those advertisers, the Braves have attracted 40 to 50 scatter buyers during their best season ever. Gerry Hogan, vp-sales, said a little "football money" had switched to the Braves after the NFL players went out on strike.

As if the suspense on the playing field weren't enough, ABC-TV—holder of the regular network tv rights to this year's baseball playoffs—and 10 baseball teams took TBS into U.S. district court in New York in an effort to enjoin WTBS from satelliting those games to its more than 22 million homes.

There are some at ABC who are rooting against the Braves, for if they don't make the playoffs, the judge need not issue what could become a precedent-setting ruling. The judge last week heard arguments from a number of witnesses, including owner Ted Turner.

It is WTBS' superstation status that complicates matters. While home team tv stations always are allowed to carry their teams' league playoffs, WTBS raised new questions. ABC and the owners charge that the wide WTBS coverage would violate ABC's contract with organized baseball.

A day before the baseball suit got under way, TBS was slapped with still another complaint, involving football. Nine teams representing the 28 members of the NFL filed suit in New York state supreme

(Continued on Page 70)

highlights

Monday, October 4, 1982

A local group of investors has talked with Gannett Co. about buying its *Oakland Tribune/East-Bay Today*, on the block because Gannett is buying KRON-TV, San Francisco. *See Page 6.*

Brown & Williamson has held onto its 1mg-tar rating for Barclay cigarets, for now. *See Page 6.*

Universal Studios has obtained a temporary restraining order and seizure permit to halt the distribution of unlicensed E.T. dolls. *See Page 10.*

The U.S. Supreme Court will take up the Betamax copyright case this fall, one of many marketing-related cases it will hear as it returns from its summer break. *See Page 12.*

A recently published study by Young & Rubicam claims that the singles population is rising, and that by 1990 one-half of all households will be men and women living alone. *See Page 14.*

Halston has announced a six-year design-licensing agreement with J.C. Penney that could make him the biggest American designer. *See Page 30.*

After signs that it might go under, Healthmark Communications appears to be making a recovery with the help of Bozell & Jacobs. *See Page 34.*

The chairman of Japan's Marketing Research Institute has urged marketers there to modify their approach to adapt to a slowdown in growth. *See Page 37.*

American Isuzu Motors will complete its national distribution by the end of this year, and initiate a new model program by mid-1983. *See Page 38.*

Lorne Greene, who recently renewed his contract as Alpo ad spokesman, also has gotten the dog food marketer to partly sponsor his newest tv wildlife series. *See Page 40.*

According to Information Resources Inc. data, Kraft, General Foods and Procter & Gamble maintain the strongest corporate presences in grocery stores. *See Page 40.*

A small new company called Stridebond is challenging the leading detergent giants in the U.K. with a new cold-water liquid detergent. *See Page 50.*

Ford is aiming to make dramatic changes in its cars' designs to give the company a unique image. *See Page 64.*

CORPORATE CLOSEUP

Vie de France management is convinced that a generation raised on Wonder bread and Twinkies will prefer French breads and croissants for themselves, their families and their guests. *See Page 4.*

VIDEOTECH

Two more 3-D programs have been showcased by 3D Video Corp. for tv station executives across the country via closed-circuit satellite-fed sales presentation. *See Page 44.*

Arthur I. Cohen, head of ABC's Home View Network, will be drawing on his experience as a professional marketer as he draws up a blueprint for the new service. *See Page 46.*

The Caucus for Producers, Writers & Directors is formulating a voluntary effort to reduce depiction of drug and alcohol use in tv programs. *See Page 46.*

MAGAZINE

Even before it reaches national distribution, Capri Sun, the fruit-based drink in the foil pouch, could face stiff competition from beverages that are packed in aseptic containers. *See Page M-4.*

He hates the press, he's intimate with presidents, he won an Oscar and he's been entertaining the world for more than 40 years. James Brady profiles Francis Albert Sinatra, the artist and the man. *See Page M-6.*

International/Canada: Battling a deep recession, the Canadian advertising industry is cost-cutting, stepping up creative efforts, taking more risks and managing itself more carefully. *See Page M-9.*

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TOP 10 FAST-FOOD COMPANIES—SALES AND MARKET SHARE 56

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Bruns out at Bates in policy tiff

By GAY JERVEY

NEW YORK—After 18 years at Ted Bates Worldwide, Robert A. Bruns last week resigned as the agency's president. His reasons, officially at least, boiled down to divergent business philosophies between himself and agency chairman Robert Jacoby.

No successor has been named and, for the time being at least, Mr. Jacoby will assume Mr. Bruns' responsibilities.

Mr. Jacoby expressed surprise at the resignation, explaining that while he and Mr. Bruns did disagree on certain notions—namely which size clients to pursue and how to do so, and how to best expand the agency's personnel—he had no feeling of irreconcilable differences.

Mr. Jacoby continued, "We had a difference of opinion over my desire to expand and our capabilities in the creative area, particularly in our ability to buttress our abilities in image advertising—to hire more creative people and people with experience in production. We want to keep our strength in Unique Selling Proposition [USP] and other means of brand differentiation, but I did want to hire

(Continued on Page 74)

Creative hybrid puts 'fist in glove'

Search goes on to pin down what is uniquely Canadian

By Carolyn Hulse

In his July 5 column in *Macleans* magazine last summer, senior editor Peter C. Newman called "the great scavenger hunt for the Canadian identity" a useless quest. "Canada," he continued, "is a nation of 24 million characters in search of an author; a country of ornery individualists who refuse to be categorized."

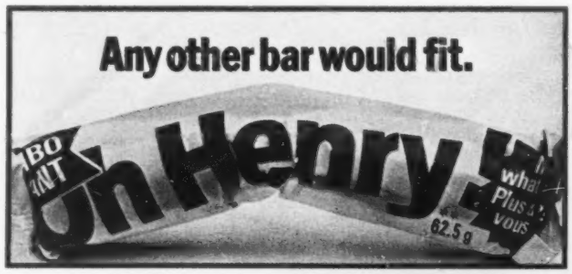
"For many of us, Britain represents the state of the art, while U.S. ads seem almost entirely given over to talking heads. In the U.S., you don't look for an idea; you look for the right spokesman."

While Canadians are endlessly absorbed in self-examination, seeking to discover just what it means to be Canadian, Americans often dismiss the question, smug in their belief that Canadians are "just like us." U.S. companies are regularly accused of treating this enormous country as a "back yard" or a "51st state."

Some more savvy observers speak of "English Canadians" and "French Canadians," but few show any real understanding of the ways in which cultural distinctions permeate every level of social, economic and political life in Canada, and, more important, have resulted in the evolution of unique Canadian sensibilities.

Advertising in Canada necessarily reflects this diversity, as well as the struggle to pin down a coherent image of the "typical" Canadian. "We find ourselves in the middle of a mental tug-of-war," says Bob Byron, national creative director with J. Walter Thompson Co., Toronto.

"We try to reconcile the literal, energetic assertiveness of the U.S. with the lateral, stylish wit and look of the U.K. American advertising tends to be a steel fist, British advertising a velvet glove. When we combine the best of both, putting the fist in the glove, we can be terrific. When we lean towards the best of one, we can be very, very good. When we can't make up our mind, we are obviously in between, usually offensive, likely innocuous and possibly invisible. But maybe, just maybe, that's what Canada and Canadians are like," muses Mr. Byron.



Transit advertising, a British and Canadian forte, often relies on the art of understatement and delights in the unexpected. (Agencies: Vickers & Benson for Oh Henry! and Ogilvy & Mather for Ontario Egg Marketing Board.)

But one creative director's view of Canadian advertising as a happy marriage of British and American style is not another's. Anthony Houghton, creative head of Ogilvy & Mather, Toronto, believes Canadian creative "is more influenced by British creative than Canada's geography would lead us to expect. For many of us, Britain represents the state of the art, while U.S. advertising seems almost entirely given over to 'talking heads.' I get the impression that in the U.S., you don't look for a creative idea; you look for the right spokesman."

However, continues Mr. Houghton, Canadian advertising has not yet matched its British forebear in quality. British advertising is "very sharply focused, very single-minded, and really goes whole hog. Canadian creative is much softer, more laid-back. It is often characterized by beautifully produced and wonderfully lit production of rather empty ideas. While it does constitute a creative 'look,' there is a growing impatience with wonderful production values, dazzling art direction and luscious cinematography—an attitude which could lead us to some pretty good stuff in the next two to three years."

Harrison Yates, senior vp-creative director of McCann-Erickson, Toronto, agrees that the influence of the British has been primary, largely because of their "better feel [as opposed to Americans] for developing a brand's character." And, as Canada's own creative style evolves from this, Mr. Yates sees it becoming more and more nonverbal, with technique assuming the same importance as the idea. But, like Mr. Houghton, he warns against technique overwhelming idea.

"In this business, ideas have always been at a premium, but this is particularly true in Canada," agrees Peter Lanyon, creative director of Cossette Communication-Marketing, Toronto. "Since we do not have the budgets U.S. agencies have, and the recession has further limited what we do have, we must rely on strong, simple and original ideas, rather than on expensive American production techniques. We can seldom afford exotic locations, a cast of thousands or expensive Hollywood celebrities; this is why Canadians have always been strong with simple ideas in tabletop and studio shoots."

In the "strong and simple" area, Mr. Lanyon says, Canadians have always been strong with simple ideas in tabletop and studio shoots.

Recession game plan

(Continued from Page M-9)

me hard-nosed creative that works," is the client refrain heard most often by Don Holman, president of McCann-Erickson, Toronto.

Mr. Anfield agrees that, in Ontario at least, there has been an increase in "more specific, hard-sell, product benefit-oriented activity."

Since the aversion to "prettiness" is accompanied by a far greater reluctance to spend production dollars, it is inevitable that print advertising should be rediscovered, says Mr. Clopet. "During the tv age, many Canadian shops lost the art of great print; in the '80s, print training programs will return and with them will come the reemergence of creative superstars like David Ogilvy and Leo Burnett."

Mr. Anfield adds that in Canada creative strategy better be "pro-market," geared to regional and cultural sensibilities, even when adapting a U.S. campaign may be cheaper.

• **Creative targeting.** As fragmentation continues and costs of traditional media soar, agencies need to have a "thorough understanding of new and changing media as we redefine how to reach people one on one," says Mr. Clopet. As a corollary, he adds: "Better research techniques need to be developed which evaluate long-term vs. single-exposure advertising."

• **Supplementary services.** Agencies will have to differentiate between themselves by offering special services (audiovisual, direct response, public relations, new product development) which formerly went to outside specialists.

Many agencies are aggressively broadening their financial commitments in these areas as they seek to become "total communications companies."

• **Better management.** "Effective management for the '80s will combine the entrepreneurship of Europe with the business acumen of the U.S.," predicts Mr. Clopet.

"There will be an end to American companies sending up second-stringers without international managment experience. If someone 'back home' is the one declaring what's good for Canadians, multinationals risk presently non-existent breakaways."

Mr. Anfield notes that "solid, businesslike approaches, plus well planned management and shareholder succession," are key factors in making clients feel secure. Account management, he adds, must be able to provide "a marketing-oriented approach to problem-solving."

Mr. Holman reports that McCann is under "more pressure from clients to have senior people involved—mature, experienced professionals who understand the marketplace."

• **Risk-taking.** "Canada is perfect testing ground for new, even chancey ideas," says Mr. Clopet, "because the levels of bureaucracy are less complicated than in the U.S. and failure doesn't have such dire consequences."

One area ripe for experimentation and investment is the new videotechnology (Canada being a world leader with its Telidon teletext system).

But aside from a handful of agencies like Foster, Ogilvy, McCann and Hayhurst, which have been daring enough to commit time, money and personnel without immediate consequence, the rest are content to be "monitors," letting others do the spending and learning first.

But there are dangers in this sit-back approach, warns Mr. Kovas: "We are entering a period of very rapid transition. We're going to see a staccato-like series of events take place with the rapidly changing technologies of the '80s, and the agencies, big or small, that stay out as close to the leading edge of that as they can will come out of the '80s stronger and bigger than ever; and the ones that don't, which try to do business the way they used to in the '70s, are going to be left at the gate."

AA

Canada's top agencies

Agency	1981-2 gross income* Canadian $ in millions
Foster Advertising	18.2
J. Walter Thompson Co.	16.5
McKim Advertising	16.0
The F. H. Hayhurst Co.	15.1
Vickers & Benson	12.8
Baker-Lovick	12.75
Ogilvy & Mather	12.3
MacLaren Advertising	10.5**
Ronalds-Reynolds & Co.	9.7**
McCann-Erickson	9.0
Cossette Associes	7.5
Young & Rubicam	7.1
Publicite BCP	6.0

*Includes subsidiaries and joint ventures

**AA estimate (agency does not disclose gross income)

on the move

More Spotlight issues mean better selling opportunities for you

national underwriter

Greene helps serve Alpo as sponsor

By JAMES P. FORKAN

NEW YORK—Lorne Greene, who recently signed a three-year extension of his Alpo ad spokesman contract, also got the dog food company—Allen Products—to buy one-fourth sponsorship of his newest tv series, "Lorne Greene's New Wilderness" (AA, Sept. 20).

Laughing, Mr. Greene said in an interview, "I couldn't really go so far" as to try for a finder's fee in landing his series' first client.

American Television Syndication is handling station clearances and ad sales for the barter-syndicated series, with John Andariese, a Total Video principal, assisting ATS in making presentations to specific agencies and accounts, according to ATS exec vp Daniel Mulholland. Between breaks in the recent tennis action at the U.S. Open tennis tourney in Flushing Meadow, N.Y., the actor himself chatted with some execs from N W Ayer and Benton & Bowles, who presumably represent such potential "New Wilderness" sponsors as AT&T and General Foods, respectively.

Mr. Greene said that Allen Products and its agency Weightman Inc. first approached him about doing Alpo commercials seven years ago, offering an annual fee of six figures. He replied at the time, "I don't do commercials," because he felt that 30-second spots tend to cram too many words and too much repetition into too short a time frame. "I can't talk like that," he noted.

But he went on to tell them of a commercial he had seen years earlier in London for Guinness. He found it memorable, he remembered, largely because it contained but one word of copy, "Guinness." While the agency and its client did not want to go that far, they assured Mr. Greene they would cut down on the copy in their commercials. And with that assurance, he signed up.

Mr. Greene has in recent months also signed ad spokesman pacts with National Home Life Assurance, Valley Forge, Pa., and Canadian Lottery System.

Industry experts 'guesstimated' that Mr. Greene probably started out for Alpo with a $200,000-a-year endorsement fee. As time went by, if the agency and client were shrewd, these sources said, they should be paying roughly $500,000 spread across three-year spans. If not, his annual fee now may be closer to $350,000, they added.

As for Mr. Greene's new tv series, an advertiser like Alpo, buying a one-quarter sponsorship including alternating opening and closing billboards, pays $33,500 per 30 to air in each of the 52 shows (26 originals, 26 repeats), or just over $1.7 million, according to ATS, which is projecting a 12 Nielsen homes rating average. The syndicator expects hefty penetration among adults aged 18 to 54 (slightly more on the female side) in the estimated 6.8 million households.

Welch Foods also has signed as a participating sponsor.

The series began its syndication run with more than 90 tv outlets booked, or 65% coverage of U.S. tv homes, Mr. Mulholland said. Three CBS-owned stations, in New York, Los Angeles and Chicago, are in the lineup and they probably will air the series Sundays as the lead-in to "60 Minutes."

Group W's properties in Boston and San Francisco also will carry the show, Mr. Mulholland said. Clearances should grow in the '83 first quarter, he felt.

Canada's CTV Network also has bought the wildlife series and slotted it on Tuesdays at 7:30 p.m., with Kraft as a half-sponsor, said Mr. Greene himself a native of Canada.

The production company for the show is Greene & Dewar New Wilderness Productions, headed by Los Angeles-based Charles (Chuck) Greene, the actor's son, with credits that include "Untamed World" and "Friends of Man," and Toronto-based Stephen Dewar, Canadian director/producer/writer.#

Economy hits TM hard

LOS ANGELES—Times Mirror's 1982 second-quarter report shows two operating groups, Newspaper Publishing and Newsprint & Forest Products, hard hit by the recession. *Los Angeles Times* classified linage was down 25% compared with the same quarter a year ago, and as a result, the paper has ordered a reduction in travel, overtime, parttime and temporary staffing, as well as a hiring freeze.

Kraft, GF, P&G head grocery list

CHICAGO—Kraft, General Foods and Procter & Gamble maintain the strongest corporate presences in grocery stores.

That's the word from supermarket checkout scanner data gathered in the four test markets where Information Resources Inc. monitors consumer purchase habits. Each of those companies markets four of the 25 brands most commonly purchased from April through June of this year. According to IRI's first Topical Marketing Report, "Who's Who in the Supermarket," the next strongest marketer is Frito-Lay, which can claim two products in the list of top 25 brands.

Companies boasting one product each of the top 25 are: Campbell Soup Co., Coca-Cola Co., PepsiCo, Oscar Mayer & Co., Stokley-Van Camp, Ralston Purina Co., H.J. Heinz Co., Kimberly-Clark, Nabisco Brands, Ragu Foods and R.J. Reynolds Industries (*see chart*).

The Marketing Report is based on data collected from a sample size of 10,000 in IRI's four BehaviorScan markets: Pittsfield, Mass.; Eau Claire, Wis.; Marion, Ind., and Midland, Tex.

IRI, which offers clients the capability to couple the scanner data with various tv, newspaper and direct-mail marketing strategies, now is adding a magazine advertising option. *Woman's Day* and *Family Circle* will publish special editions for the four markets, beginning Nov. 16 and Dec. 4, respectively.#

Company/product	Percentage of households buying during April-June, 1982
Campbell Soup Co.:	
Campbell's soup	71.8
Coca-Cola Co.:	
Coca-Cola	47.5
PepsiCo:	
Pepsi-Cola	42.9
Kraft Inc.:	
Miracle Whip	41
Parkay margarine	40
Kraft salad dressings	27.1
Philadelphia cream cheese	26.7
Procter & Gamble:	
Charmin	37.1
Bounty	26.7
Duncan Hines cake mix	26.7
Crisco shortening	26
Oscar Mayer & Co.:	
Oscar Mayer luncheon meats	36.5
General Foods:	
Jell-O gelatin mix	33.5
Jell-O pudding mix	33.4
Cool Whip topping	32.6
Kool-Aid drink mix	26.4
Frito-Lay:	
Frito-Lay potato chips	33.5
Doritos tortilla chips	28.5
Stokley Van Camp:	
Van Camp baked beans	31.6
Ralston Purina:	
Chicken of the Sea tuna	29.5
H.J. Heinz Co.:	
Heinz ketchup	28.1
Kimberly-Clark:	
Kleenex tissue	27.3
Nabisco Brands:	
Blue Bonnet margarine	27.2
Ragu Foods:	
Ragu spaghetti sauce	27.1
Reynolds Metals:	
Reynolds Wrap	25.5

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By JOHN C. MAXWELL JR.

Last year's sales of $31.6 billion in the purchase-meal industry were up 13.3% over 1980, in line with our projections.

Almost all gains were related to price increases, and we doubt that the industry was up more than 1% in units. Volume so far in 1982, particularly in sit-down restaurants, is also weak. Some fast-food restaurants are faring better.

We expect 1982 and possibly 1983 to be rather nondescript years, again with almost all growth coming from price rather than volume. However, on a longer-term basis, we continue to believe that this will be one of the growth areas of the economy, with increases in the number of working wives, the pace of life styles, etc., all pointing to better volume numbers once the economy squares itself away.

Expenditures for food in relation to disposable income have been rather stable over the past few years at slightly more than 16%, but more recently have dropped to 15.7%. Away-from-home eating has been showing little or no growth at about 4%, with the decline in the total mainly reflecting less spending for eating at home. Again, we believe that this is due particularly to the weak economy.

Looking at the situation from a slightly different view, the breakdown of total consumption expenditures indicates that 24% of total consumer expenditures went for food in 1981, up from just less than 21% in 1980, with most of the increase being taken from other nondurables that exclude foods. This points to the comparative stability of food consumption, as it is obvious that one has to eat.

In 1981, the broad hamburger area held its share lead, taking almost 51% of the market and gaining 14.1% from a large base. Steak and full-menu restaurants continued their share slide, although they were up in volume, with chicken and seafood up slightly in share. Ethnic areas, mainly Italian and Mexican, gained in volume but only held their own in share.

Among the top 10 companies, Red Lobster moved into ninth place, with the others staying in nearly the same positions they occupied in 1980. Hamburger establishments such as McDonald's (with the biggest dollar gain), Hardee's (tied with Red Lobster for the biggest share gain) and Wendy's gained share, while Kentucky Fried Chicken did an outstanding job in the chicken area. International Dairy Queen also put in good share gains. Establishments that moved ahead of their 1980 standing include Pillsbury's Steak & Ale, which moved from 27th place to 21st; Domino's Pizza, from 37th to 29th; Gino's, from 23rd to 18th; Dunkin' Donuts, from 20th to 16th; Ponderosa, from 19th to 13th, and Taco Bell, from 14th to 11th.

Jack in the Box fell out of the top 10 to 15th. Most other companies moved very little compared with 1980.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb Research in New York.

Top ten fast-food companies

Annual sales ($ mil.) and market share

	1980 Domestic sales	% of U.S.	1981 Domestic sales	% of U.S.	1981/80 change
McDonald's	$ 5,049.0	18.1%	$ 5,770.0	18.3%	14.3%
Burger King	1,755.4	6.3	1,992.6	6.3	13.5
Kentucky Fried Chicken	1,440.0	5.2	1,700.0	5.4	18.1
Wendy's International	1,209.0	4.3	1,424.0	4.5	17.8
International Dairy Queen	904.0	3.2	1,103.0	3.5	22.0
Pizza Hut	945.0	3.4	1,057.0	3.3	11.9
Hardee's	751.5	2.7	976.9	3.1	30.0
Denny's	541.0	1.9	661.0	2.1	22.2
Red Lobster	400.0	1.4	553.0	1.8	38.3
Arby's	478.0	1.7	524.0	1.7	9.6
Total Top 10	13,472.9	48.2	15,761.5	50.0	17.0
Total Industry*	$27,867.0	100.0%	$31,567.1	100.0%	13.3%

*Based on Commerce Department data.

U.S. fast-food by product group

	No. of Cos.	Sales ($000) 1980	1981	1981/80 % change	Sales ($000) 1982E	1982/81 % change
Hamburgers, franks, roast beef, etc.	110	$14,027,398	$16,007,923	14.1%	$18,499,599	15.6%
Steak, full menu	102	5,935,804	6,521,277	9.9	7,270,273	11.5
Chicken	35	2,734,006	3,110,592	13.8	3,638,673	17.0
Pizza	83	2,455,542	2,779,939	13.2	3,323,588	19.6
Mexican (tacos, etc.)	32	878,523	1,024,548	16.6	1,268,793	23.8
Seafood	12	785,806	927,271	18.0	1,069,353	15.3
Pancakes, waffles	17	784,546	879,154	12.1	1,011,703	15.1
Sandwich and other	34	265,421	316,406	19.2	401,835	27.0
Total	425	$27,867,046	$31,567,110	13.3%	$36,483,817	15.6%

Source: Lehman Bros. Kuhn Loeb; Commerce Department.

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Study finds sex roles behind times in ads

DALLAS—The times may be changing and women may have come a long way, baby, but male and female sexual roles haven't changed in magazine ads in 20 years, according to a two-year study by the University of Texas at Dallas and Center for Research in Business and Social Policy.

The study, which reviewed ads in *Ladies' Home Journal*, *Playboy*, *Time* and *Vogue* from 1960 to 1979 (2,000 ads in all), looked at sexual differences in age, activity, occupation and product use, and it found gaps in all areas between current changing sexual roles and traditional roles used in the ads.

The most unrealistic aspect of sexual portrayals in the ads, the study says, is the failure of the ads to show the growth in employment of women during the years studied by showing more women in work settings.

(Of those women who were pictured in a work atmosphere in the ads, a higher number were pictured as managers than is true of today's labor force, the study says.)

Women in the ads were younger than the men pictured. Moreover, the women pictured often were younger than the female readership of the magazines, the study reports.

And women 40 years old and older were "virtually unrepresented," while men older than 40 appeared often in the ads, the study says. Male/female age differences were greatest in ads for alcoholic beverages.

Food and magazine ads contained the most traditional sexual roles in a variety of activities, while ads for goods and services sold to businesses had the least.

The study recommends that advertisers present the changing roles of men and women in their ads because the traditional portrayals used in many of the ads studied threaten product loyalty, sales and profits. To create more realistic ads, the study suggests the use of more women older than 30 and 40, more women on the job, more men using home products and beauty aids, more men and women in occupations in which the other sex is predominant and more women using products other than fashion and cosmetics.

Copies of the study, titled, "How Advertisers Portray Men and Women: The Reality Gap and its Social Consequences," are available from the Center for Research in Business and Social Policy, Richardson, Tex. 75280. The study costs $40.#

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(gām · ə · bil´ · ə · tē) *n.* **1.** The knowledge, experience, and ability to provide secure printing and production of promotional games and sweepstakes, i.e., traffic building games, in-pack/on-pack games, direct mail response building games, etc. See also profit building and Webcraft.

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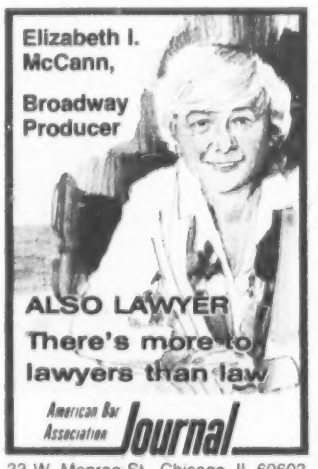

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Threat to suburb dailies seen

By MORRIE GELMAN

PALO ALTO, CAL.—A Stanford University professor here told the local Sigma Delta Chi chapter that the "glory days" of strong suburban daily newspapers "probably have passed."

James Rosse of the Stanford economics department pointed out, during a panel discussion, that suburban newspapers generally face a long-term threat from a combination of new electronic media, specifically computers, cable tv and other technologies capable of delivering saturation coverage in a well-defined community.

He made the point that many suburban papers already face competition from weeklies, throwaways and total market coverage papers. He believes that weeklies can "whittle away" the revenue base of suburban dailies, making them more vulnerable. The *Palo Alto Times*, he said, citing his home base, "probably was stronger relative to its market" than its successor, *Peninsula Times-Tribune* will be in the future.

On the subject of advertising and competition, Mr. Rosse, director of the newly formed Center for Economic Policy Research, said competitive newspaper markets are "extremely unstable," adding that "when one paper loses its circulation edge, a vicious cycle of lower advertising revenues and declining circulation quickly develops" in its wake.

Maintaining that he "hates" to draw such a conclusion (yet insisting that it's true), Mr. Rosse decided that "people buy newspapers to read advertisements."

To measure editorial quality, Mr. Rosse, in his studies, divided total editorial expense by the number of inches of news published. The results, which he described as "extremely consistent. . .and really incredible," ranged from as low as 15¢ to 20¢ per inch in newspapers which merely filled their pages with wire service copy to $10 or more for the *New York Times*.

He said rapidly rising newsprint prices and technological change were key reasons for the recent rash of failures among large-city papers.

In competitive cities, Mr. Rosse contended, "not a lot is explained" simply by whether a newspaper publishes in the morning or the afternoon. Afternoon newspapers tend to be "better off" in the West, he figures, since they have more time to report the day's news from places such as New York and Washington.

Northern California newspapers such as the *Hayward Review* and *San Rafael Independent-Journal* are relatively insulated from tv, enjoying a monopoly position in local markets, and have good density of circulation, according to Mr. Rosse's calculations. These make for "a powerful combination" of advantages, he observed.#

Chevron tries cash-sale discount

SAN FRANCISCO—Chevron USA, which for the past few months has watched sales slip as its competitors offered discounts for cash gasoline purchases, last week joined the oil marketing crowd. It joined the ranks of major oil companies, such as Exxon Corp., Mobil Corp. and Standard Oil Co. of Indiana, by offering two-tiered pricing, effective Nov. 1.

For the first time, Chevron stations will have separate pumps for cash and credit-card customers—a discount made possible with the imposition of a 3% processing fee on credit card sales on dealers.

While the domestic arm of Standard Oil of California is not allowed to dictate retail prices to its dealers, company sources say the move is designed to motivate dealers to more aggressively compete for lower-price cash business. The Los Angeles-based "Lundberg Survey," a gasoline marketing newsletter, estimates Chevron's market share in California has declined 2% during the January-to-July period. Industry sources tie the decline to Chevron's prices, which have been higher on the average than many competitors.

A company spokesman said Chevron is likely to start a consumer advertising campaign alerting the public to its new discount-for-cash policy in the near future, but so far firm plans have not been made. To date, Chevron is committed to providing dealers with point-of-purchase materials about its new pricing policy. J. Walter Thompson, USA here is Chevron's agency.#

Sale of Gannett daily

(Continued from Page 6)

the deal mostly is the government restriction on cross-ownership. Under fire for its ownership of two major outlets for opinion in San Francisco, Chronicle said that selling KRON is "largely prompted by the Federal Communications Commission policy on diversification of media ownership."

Chronicle Broadcasting's cross-ownership with the *Chronicle* is "grandfathered" into being allowed; FCC regulations barring joint ownership of broadcast and newspaper properties in the same market excluded existing combinations such as *Chronicle*/KRON.

For Gannett, San Francisco is certainly several steps up from Oklahoma City. In terms of Area of Dominant Influence (ADI) market designation, San Francisco is the fifth-largest market in the U.S. and Oklahoma City is 39th.

Gannett publishes 89 newspapers nationwide and owns tv stations in Atlanta, Denver, Phoenix, Little Rock, Louisville and Fort Wayne.

Gannett recently negotiated for the $75 million acquisition of the Metromedia station in Minneapolis, WTCN-TV, an NBC-TV affiliate, which, because of FCC limitations on the number of stations that can be owned by any one group, is forcing the sale of the Little Rock station, KARK-TV, also part of the NBC network.#

Biggar to head Nestle

WHITE PLAINS, N.Y.—Jean Caste, president-chief executive officer of Nestle Co., has added the title of chairman as that company, and other Nestle S.A. food companies in the U.S., undergo changes that will bring in a new top management team by next year.

David Guerrant, chairman and president, Nestle Enterprises, the holding company that oversees Nestle U.S. food operations, will retire at the end of 1983. At midyear, James M. Biggar, Stouffer Corp. president, will succeed Mr. Guerrant as president-chief executive officer of Nestle Enterprises. At that time, too, Mr. Caste will transfer to Nestle S.A., Vevey, Switzerland, to assume broader responsibilities, including those of food operations in the U.S., Canada and Puerto Rico.

The changes, to be completed before the end of 1983, appear to herald a stronger, centralized U.S. operation for all Nestle food businesses, including Stouffer Foods, Beech-Nut Nutrition Co. and Libby, McNeill & Libby.

C. Alan MacDonald, president, Stouffer Foods division, has been named exec vp-chief operating officer, Nestle Co., and he will move up to succeed Mr. Caste upon the latter's departure next year. Succeeding Mr. MacDonald at Stouffer is Robert McGuigan, formerly senior vp-sales and marketing. Stouffer is based in Solon, O.

Ian W. Murray, president of Chicago-based Libby, will become president, Nestle Enterprises, Toronto, next April, succeeding M. Erik Hansen, who is retiring.#

Phillips new VW chief exec

TROY, MICH.—Volkswagen of America, plagued with a big sales drop, replaced president James W. McLernon with a marketing expert, Noel Phillips.

Mr. Phillips was a former exec vp-sales and marketing of VW from 1978 to 1980. He becomes chief executive officer effective Nov. 1. He had been managing director of the McCarthy Group, a South African vehicle distributor.

Mr. McLernon joined VW in 1976 from Chevrolet, where he had been a manufacturing executive. He was hired to build VW's first automotive assembly plant in the U.S., in New Stanton, Pa. At a time when VW needed extra capacity and could sell just about all the cars it made, Mr. McLernon moved from president of VW Manufacturing to head of VWoA. But sales of the fuel-efficient Rabbit tailed off 41% this year after a disappointing 1981, and Mr. Phillips was rehired. Mr. McLernon didn't reveal his future plans.#

100 leading advertiser addenda

The following are corrections and additions to our 100 Leading National Advertisers report, published Sept. 9. They involve American Home Products Corp.

American Home Products Corp.

Earnings for 1981 were $497,332,000, and Whitehall Laboratories' Diet Gard received $898,000 in ad support.

MARKETING AND ADVERTISING AGENCY PERSONNEL AND INFORMATION

John W. Culligan, chairman-ceo

Whitehall Laboratories

Rosenfeld, Sirowitz & Lawson, New York, also handles Preparation H cleansing pads, Dristan capsules, Diet Gard, Dry & Clear, Sleep-Eze.

Kornhauser & Calene, New York, also handles Prepcort, Youthgarde, aspirin-free Arthritis Pain Formula.

Franklin Laboratories

The agency is Sander Allen, Chicago.

Boyle Midway

Cunningham & Walsh, New York, handles Antrol, Aerowax, Easy-Off Mildew Stain Remover, Pine & Shine, Depend-O, HR carpet cleaning program, Snarol, Wizard charcoal lighter, Woolite, Woolite Gentle Cycle powder, Woolite self-cleaning and Woolite spray-foam rug cleaners, Woolite upholstery cleaner.

BBDO, Chicago, handles Pam, Wizard air fresheners, Wizard rug and room deodorizer, Wizard cat litter.

Dupli-Color Products

The agency is Creamer Inc., Chicago.

E-Z Por

L.W. Schumm, president
Steven Pierson, vp-sales
Peggy Fagan, ad mgr

The agency is Albert Jay Rosenthal & Co., Chicago.

Ayerst Laboratories

William Esty Co., New York, handles Reopen, Reopen Plus, Beminal Stress Plus and Engarde.

Wyeth Laboratories

F. Scott Kimmich & Co., South Norwalk, Conn., handles Mazanor and Wytensin.

Ives Laboratories New York

Klemtner Advertising, New York, also handles Cerubidine.

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Regional grocery marketing See Magazine

Advertising Age

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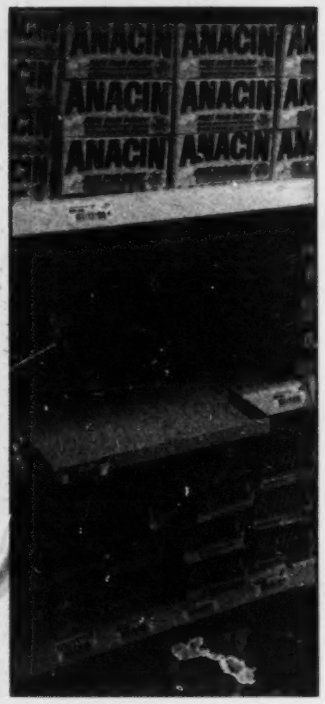
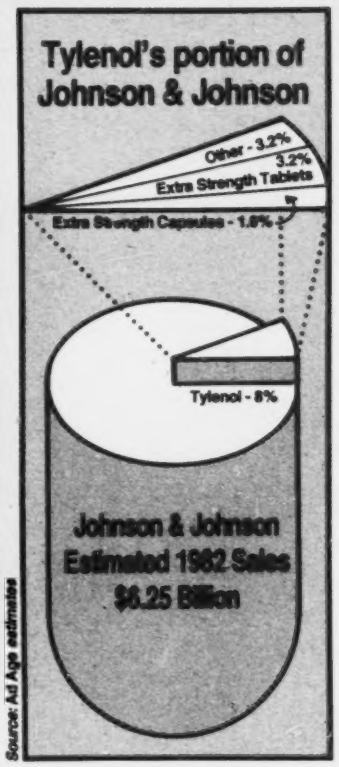


This hole on retail shelves leaves a hole in J&J sales as well.


Tylenol's portion of Johnson & Johnson
Other - 3.2%
3.2%
Extra Strength Tablets
Extra Strength Capsules - 1.8%
Tylenol - 8%
Johnson & Johnson Estimated 1982 Sales $6.25 Billion
Source: Ad Age estimates

J&J begins its drive to keep Tylenol alive

By NANCY GIGES

Less than two weeks after the grim "Tylenol murder" story began to unfold in Chicago, Johnson & Johnson management is putting together a "fight back" marketing plan that it hopes will save the $500 million brand.

The decision evolved last week, as many were questioning whether the Tylenol pain reliever line had any future. At the start of the week, J&J executives would not even address that question, noting instead that they first had to devote their efforts to helping investigators solve the mystery of the cyanide-laced Extra-Strength Tylenol capsules.

But by midweek, David Collins, president of McNeil Consumer Products, the J&J subsidiary that markets Tylenol, was typifying the company's determination to have Tylenol survive. Mr. Collins, stating his belief that his company can re-establish confidence in the brand, said, "Tylenol was built on the quality of the product, the quality of the manufacturer. The confidence of the American consumer built this product. Nothing has changed. What has changed is that we have an insane individual or individuals out there who have elected to contaminate this product."

The company is actively reviewing its options. Late Friday, J&J said it plans to run an extensive newspaper campaign this week to communicate its offer—to retailers and consumers—of exchanging Tylenol tablets for capsules. At press time Compton Advertising had begun preparing copy, but size of the ads had not been determined. A McNeil spokesman said ads would run in at least the top 100 markets.

J&J also plans to introduce new tamperproof Tylenol packaging soon. Some executives believe this new package should be ready within two months.

When will regular advertising resume? What sort of message will J&J convey to consumers? These questions are not yet resolved. But some have suggested that the logical brand-specific advertising will involve the new packaging.

The replacement promotional program was mentioned in a letter to McNeil from the Food & Drug Administration that was drafted last week. The letter expresses FDA's understanding and approval of McNeil's strategy for handling the problem.

J&J's much-lauded success in marketing Tylenol is

(Continued on Page 78)

Are competitors adding ad weight? Industry, government team for new otc packaging...Page 78.

Dodge account heading back to BBDO

DETROIT—One of the largest—and strangest—account reviews in U.S. advertising history will culminate tomorrow when BBDO regains Chrysler Corp.'s Dodge car and truck account, now valued at well over $100 million.

The decision to award the business was reached late last week, a Chrysler source said, but the announcement was put off until Tuesday. BBDO, which will be getting the largest account in its history, succeeds Kenyon & Eckhardt, which continues as the company's major agency. K&E handles the Chrysler and Plymouth car lines, whose combined ad volume is in excess of $150 million.

Until late last week, BBDO had been in a tight horse race against Ogilvy & Mather for the coveted Dodge business. "I wouldn't have classed either one of them as a front-runner," a Chrysler official said.

But Ogilvy bowed out last Thursday with the explanation that its "long-term interests" lay with its other car accounts. The agency handles the $30 million Ford Motor account in the U.K. It also handles the $8-to-$10 million Peugeot account in the U.S.

Chrysler's latest effort to split off the Dodge division from its Chrysler-Plymouth division triggered the agency search. The company periodically merges, then tries to unmerge, its car units. This time, separate marketing staffs will be set up. No changes are contemplated in field marketing staffs, which continue merged.

O&M's departure seemingly left the field clear for BBDO, which had handled the Dodge account for 38 years before losing it in 1979. At that time, Kenyon & Eckhardt was awarded all Chrysler business in what was the largest account move in history.

But Chrysler's account has since grown to an estimated $250 million and Chrysler chief Lee Iacocca decided the time had come to split it off again.

Calls went out to BBDO, O&M and N W Ayer, Detroit. Ayer declined, citing its General Motors business.

O&M apparently was anxious to land a Detroit car account, having lost out on Ford's Lincoln-Mercury business, relinquished by K&E in 1979 in gaining Chrysler. Young & Rubicam beat out O&M for Lincoln-Mercury. In addition, O&M paid an additional penalty: Mercedes-Benz fired it for going after another car account. O&M later landed Peugeot, which has a relationship with Chrysler. This did not bar O&M from pitching Dodge

(Continued on Page 78)

last minute news

Chattem Labs puts its account at Marschalk

CHATTANOOGA, TENN.—Chattem Labs has assigned its $8.5 million account to Marschalk Co., New York. Brands include Love Baby Soft toiletries, Pamprin, Corn Silk powders, Sun-In hair lightener and Mudd facial mask, previously split between W.B. Doner & Co., Baltimore, and Jan Zwiren Agency, Chicago. Clifford A. Botway Inc., New York, loses media buying. Marschalk last week resigned its fee-only creative assignment for Maybelline's Moisture Whip to take the business (AA, Oct.4).

Court refuses to block Burger King spot

MIAMI—A U.S. district court refused Friday to grant McDonald's Corp. a temporary injunction that would have banned Burger King from broadcasting a commercial in which a little girl appears and claims that McDonald's meat patties are "20% smaller" than Burger King's. McDonald's must now move ahead with a pending attempt to gain a permanent injunction against the airing of Burger King's entire ad campaign.

(Continued on Page 8)

NEWSPAPER

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NFL strike: Advertisers stay sporty

By JAMES P. FORKAN

NEW YORK—As National Football League fans' withdrawal symptoms worsened, advertisers and ad agencies angled for bargains in postseason baseball and other sports coverage last week, and broadcasters struggled to cope with their switches, pullouts and makegoods.

ABC executives said an undisclosed number of "Monday Night Football" sponsors, probably including Miller Brewing Co., were moving into other sports programming, with Major League Baseball playoffs and weekend sports fare among the options. That was the most popular route being taken. Other clients were sticking with the Monday movie substitutes, while others hewed to the wait-

(Continued on Page 81)

Advertising mourns Bill Bernbach—Page 3.

Marketer vows to fight charges

Amana ads hit by FTC; first Miller false ad case

WASHINGTON—After a year in power, the Reaganite Federal Trade Commission opened prosecution of its first major advertiser last week with a complaint alleging deceptive advertising for Amana microwave ovens.

Amana was charged with misrepresenting the results of safety tests and a consumer preference survey in a print and radio campaign in late 1980 and early 1981. It was agreed on both sides that FTC is breaking no new ground with this case, a fact that fits with FTC consumer protection bureau director Tim Muris' drive to return to "nuts and bolts" ad regulation.

But Amana, in a statement, said the commission is "wasting resources that should be directed toward things that make sense," and it promised to fight the charges.

Similar cases involving abuse of test and survey data were brought by FTC against a string of national advertisers in recent years, including one against another microwave oven marketer, Litton Industries. As in the past, FTC lawyers leveled their charges without first having consumer research data proving that consumers were deceived by the Amana claims.

There was a flurry of memos exchanged within the commission last week as chairman James C. Miller III's colleagues, while supporting the complaint, twitted him for backing off from loudly proclaimed criteria requiring proof of consumer injury in ad cases.

Consumer protection chief Muris, the point man for chairman Miller in arguing that FTC needs survey evidence to show deception, said there is no inconsistency. He told ADVERTISING AGE, "We've never said the commission would not be able to make reasonable inferences about the meaning of an ad. What we have said is that, in close cases, the commission should have survey evidence."

FTC released two Amana print ads, prepared by Amana agency Foote, Cone & Belding, Chicago, along with the complaint. The first carried the head, "Only one microwave oven is built better than it has to be." Body copy claimed that, in four safety tests involving Amana and "five other major brands" of microwave ovens, only Amana passed all tests.

The complaint said the claim is false because "the independent laboratory tested ovens of six manufacturers in addition to Amana. Ovens of one other manufacturer —Panasonic—passed all the tests."

The second print ad, which appeared in appliance trade publications only, carried a similar bold

(Continued on Page 81)

Cheers to you

Three marketers of products said to reduce the effects of alcohol intoxication are beginning wide-scale promotion, with one brand ready to break network tv spots.

(See story, Page 14.)

P&G tests Citrus Hill o.j., Ivory liquid soap

By JENNIFER ALTER

Procter & Gamble is maintaining the aggressive new product pace that has been going full steam under chief executive John Smale.

With about 25 new items in various stages of market testing currently (some 13 of those products have entered the marketplace this calendar year), the Cincinnati company is opening up tests on its expected orange juice (AA, Sept. 27) and another new liquid soap, this one bearing the well-known Ivory brand. The latter move seems to verify the viability of that new segment of the $930 million soap business, of which P&G already holds a 45% share.

The most significant of the two products by far is new Citrus Hill orange juice, which will be going into a $2.5 billion fruit juice market considered ripe for P&G's marketing and advertising muscle.

Hardly a year after acquiring the citrus-processing operations of Ben Hill Griffin Inc., P&G is moving into test market in most of Indiana and Iowa with Citrus Hill o.j. in frozen concentrate and chilled forms. Touted as "100% pure orange juice" which maintains "the natural good taste of. . .orange juice," Citrus Hill is based on a "unique new technology," according to the company.

Citrus Hill is said to provide a combination of the four key orange juice attributes: Taste, aroma, appearance and texture. The company said consumers prefer Citrus Hill's natural taste, sweetness and natural texture to other leading orange juice brands.

Priced competitively with other advertised orange juices, Citrus Hill will be available in 6, 12 and 16-oz. cans and 32 and 64-oz. cartons. As P&G's first envoy into the land of refrigerators and freezers, the product is being distributed by the sales force of the company's Folger's Coffee division.

Retailers are being told the company ultimately plans to double the amount of advertising dollars spent on orange juice. Advertising, via Cunningham & Walsh, Chicago, is slated to begin by early November.

Forty-five second tv spots feature a character named "Luke," a seasoned citrus grower on location at his groves. Extensive direct mail, including coupons for free samples, also is planned.

Citrus Hill enters a category

(Continued on Page 81)

highlights

Monday, October 11, 1982

The Jan Zwiren agency in Chicago is planning to join forces with a group of McCann-Erickson staffers to form a new agency. It will try for the Midway Airlines and Budget Rent a Car accounts. *See Page 4.*

Hertz says Avis is unfairly hiring its executives in order to learn competitive secrets. *See Page 4.*

Abbott Laboratories has assigned its Murine eyecare line to Dallas-based Bloom Agency, which is on a hot streak in Second City. *See Page 6.*

Ford is pinning its hopes for better sales on some $3 billion in 1983 products. *See Page 6.*

Despite the demise of CBS Cable, a bright future for ad-supported cable is predicted by Gustave Hauser, chairman of Warner Amex Cable Communications. *See Page 10.*

Starch-blocker marketers had their day in court, and lost to the Food & Drug Administration. *See Page 10.*

The country's major retailers are attempting to bolster their catalog sales against the prospect of a gloomy Christmas season. *See Page 12.*

Products that can reverse some of the negative effects of alcohol soon will be hitting the marketplace. *See Page 14.*

E.F. Hutton & Co.'s termination of its 14-year relationship with Benton & Bowles is raising eyebrows. *See Page 22.*

The new Penthouse Pet of the Year registers her disapproval of the nuclear arms race on the cover of the November issue. *See Page 24.*

The Japanese auto makers' ad expenditures for the rollout of 1983 models will be higher than ever. *See Page 28.*

Gentlemen's Quarterly, celebrating its 25th anniversary this month, looks forward to even more growth. *See Page 38.*

American Tobacco hits New York with its new filtered version of its venerable Lucky Strike cigaret. *See Page 43.*

The Florida Citrus Commission has begun an agency review for its $5.5 million grapefruit juice and fresh grapefruit business. *See Page 43.*

Scentstrip, a new concept in fragrance sampling, is making its way into magazines. *See Page 44.*

Reader's Digest Condensed Bible makes the best-seller lists three days after it went on sale—and a week before its official publication date. *See Page 46.*

C.F. Mueller Co. has introduced what it claims is its first new product in its 117-year history. *See Page 52.*

Three of the largest cable net works have something in common with broadcast tv networks: They're being hurt by the NFL players' strike too. *See Page 60.*

Some famous faces have shown up on outdoor boards in Paris promoting Pitterson rum—President Reagan and Queen Elizabeth lookalikes. *See Page 64.*

F.W. Woolworth Co. faces some question marks. *See Page 79.*

CORPORATE CLOSEUP

Goya Foods is setting out to be included in the American shopper's weekly grocery list. *See Page 4.*

VIDEOTECH

Official Airline Guides may become one of the first publishers of print directories to capitalize on a coming videotex revolution. *See Page 54.*

Cable News Network is getting a lot of ad mileage out of its tradeout program with publishers. *See Page 54.*

MAGAZINE

The daily newspaper is his crystal ball: John "Megatrends" Naisbitt is one of the country's most-in-demand trend-trackers. *Page M-4.*

The American Automobile Assn., celebrating its 80th birthday this year, as well as thelaunch of a new publication, answers 15 million emergency road calls annually. *Page M-50.*

Grocery Marketing: Consumer brand preferences and food shopping habits change from region to region. *Page M-9.*

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WRG to close in Dallas

By TOM BAYER and JOHN J. O'CONNOR

Despite its bullish statements about being committed to the Dallas market, Wells, Rich, Greene will shutter its WRG/Southwest office there in about a month, leaving nine clients to decide whether they want their business serviced from the New York office.

WRG chairman Mary Wells Lawrence said the agency was "consolidating" the Dallas and New York offices after having invested in "new, sophisticated services" that now can be provided through offices here and in Los Angeles. The agency's news release also linked the Dallas office closing with the earlier formation of WRG/West, its Los Angeles-based entity that came about with the merger of WRG/Townsend, Newport Beach, Cal., and Johns, Cohen & Pasqualina, a subsidiary of WRG's Gardner Advertising (AA, Aug. 2).

The Dallas advertising community—which got turned off by WRG's "arrogance" when it moved to that Sunbelt metropolis in early 1979—is viewing the

(Continued on Page 81)

East Coast on rye . . . West Coast on wheat

Regional food tastes are still flavoring the U.S.

By Mary McCabe English

Traditional wisdom once held that trends started in the East and moved West, with California the last stop. Today, of course, the revised "traditional" wisdom holds that trends usually start out West, jump to the East Coast and then backtrack across the country's midsection. This goes for food, as well as for fashion, music and that contemporary catch-all—life styles.

A good case in point is the health food movement. Say alfalfa sprouts, wheat germ or granola, and chances are that locales like Pittsburgh or Cincinnati won't spring to mind.

A decade ago Mexican food was a well kept Western secret; today Mexican food is one of the "hottest" food trends hitting the country's collective taste buds.

Or take some of the "exotic" vegetables and fruits that can be found in grocery stores all over the country today—tofu, bean sprouts, alfalfa sprouts, kiwi fruit and ugli fruit. "All of these got their start in this country in California. And although they've caught on to some extent all over, they still do best there," says Robert O'Neill, executive editor of *Progressive Grocer*.

There are exceptions to the West-to-East pattern. An obvious one is the delicatessen-style food that used to thrive almost exclusively in the Philadelphia-New York area, but "today, no supermarket in the country will open without a deli," says Ernest Obermayer, publisher of *Supermarket News*.

Yet no matter where food trends start, contemporary marketing strategy, the ubiquitous sophistication of today's communications technology and the tremendous mobility of the American public combine to give them a quick trip across the country in any direction once they've taken off.

However, these factors have not erased certain regionalisms that influence the way people purchase and use food in various parts of the country. For example, in its December, 1981, "Monthly Report on Eating Out Attitudes and Behaviors," the Gallup Organization in Princeton, N.J., noted wide divergence in regional bread preferences.

"Rolls are twice as popular in the East as in other sections of the country, with 16% of all easterners reporting they like their favorite sandwich on either a hard (10%) or soft (6%) roll," Gallup reported. "Rye bread is another East Coast favorite, being named by 26% in this area, in contrast to 18% in the Midwest, 15% in the West and 8% in the South." The report also showed that white bread is most popular in the South, and whole wheat bread is a West Coast favorite.

No matter where food trends start, marketing strategy and the mobility of the public give them a trip across the country.

Southerners appear to consume more fish and shellfish than folks in other parts of the country. That, at least, was the data that turned up in a U.S. Department of Agriculture (USDA) report, "Consumer Demand for Red Meat, Poultry and Fish," based on average weekly, at-home, per-person consumption for 1981, and scheduled for release this fall.

"Essentially, we found that total meat consumption patterns didn't vary much, as far as quantity was concerned, from region to region," said one spokesman for USDA's food economics branch. "We found more variation in the quality and cuts of meat used in the various parts of the country."

The USDA report found that total weekly meat consumption was greatest in the Northeast—4.75 lbs. Using the Northeast as a yardstick, the beef category, in particular, showed little variation in regional consumption patterns. One exception was the loin and rib roast subcategory, in which the Northeast's consumption level was 0.03 lb. per week. Using that figure as the yardstick of consumption, the North Central figure was 39% lower, the South 6% higher and the West 51% higher.

Nonbeef categories also indicated greater regional differences.

Another study, conducted by Market Research Corp. of America (MRCA) for the National Marine Fisheries Service (NMFS) found that although residents of the country's coastal areas, particularly New England, consumed notably more fresh fish than anyone else, consumption of frozen fish varied little across the U.S., based on 1981 retail purchases in a sample of some 7,500 households.

For example, dividing the country into nine regions, the "National Seafood Consumption Survey" found annual per capita consumption rates ran from 13 lbs. in New England to 0.1 lb. in the West North Central states for fresh fish. However, the rates for frozen, unprocessed fish varied only from 0.6 lb. in New England to 0.3 lb. in the Pacific states and for frozen, processed fish, only from 0.7 lb. in the Mid-Atlantic, East North Central and West North Central states to 0.4 lb. in the West South Central states.

The study tabbed total annual per capita seafood consumption at 3.5 lbs. among New England states; 3 lbs., Mid-Atlantic; 2.7 lbs., South Atlantic; 2.5 lbs., Pacific; 2.1 lbs., West South Central; 1.9 lbs., East South Central; 1.8 lbs., East North Central States; 1.7 lbs., Mountain; and 1.5 lbs., West North Central.

This information was announced at a National Fisheries Institute convention last April as part of MRCA's preliminary findings. As of this writing, this and additional information from the study had not yet been made available for general circulation, according to Hoyt Wheeland, chief of NMFS's data management and information systems division in Washington.

Going from the staple to the exotic, Americans' love affair with foreign food continues to grow, but even in this category Americans show regional preferences, especially on the East and West Coasts.

Gallup's monthly eating out report noted in July that "although there have been no overall changes since 1979, in the proportions preferring each ethnic food, considerable changes have occurred in the various regions of the country." Specifically, "Italian food has become even more popular in the East, while it has declined somewhat in the Midwest and South. In contrast, Chinese food is now the favorite of a smaller proportion of Easterners than in 1979, whereas it has increased in popularity in both the South and West.

"Midwesterners seem to have

(Continued on Page M-48)

Mary McCabe English is a Philadelphia-based business writer who reported on generics in a previous Grocery Marketing report.

Asteak in the marketplace

Consumer demand for red meat, poultry and fish

Item	(Per person at home)* Pounds consumed in the Northeast	Percent difference in: North Central	South	West
Total red meat	2.74	+4	same	−5
Beef	1.74	+9	−2	+2
Loin & rib steaks	.29	−4	+3	−7
Loin & rib roasts	.03	−39	+6	+51
Pork	.87	+7	+13	−14
Lamb, mutton, veal	—negligible amounts—	—	—	—
Total poultry	1.13	−25	−7	−22
Chicken	.96	−25	−5	−22
Turkey	.16	−24	−16	−16
Fish & shellfish	.39	−27	+13	−11
Miscellaneous Including frankfurters & lunchmeat	.48	+15	−4	−8

*Averages, not raw figures adjusted statistically for race, income, urbanization, seasonality, etc.
Source: Food Economics Branch, U.S. Dept. of Agriculture

Habits

(Continued from Page M-47)
tend to stick with familiar national brands—usually the same ones their parents bought.

"I'm sure there's a logic in a lot of these patterns," comments Mr. Bishop, "but once they're detected, they can be acted on."

Hard data on consumption of different products, though, used to be several weeks old before it filtered back through the distribution system to a store manager's desk. Explains the Chicago industry observer, "With scanner data, you can really analyze product movement very specifically. If I want to measure the inner city vs. the suburbs, and find out how this product moves compared [to a basis of] 1,000 cash register transactions, I can even do that store by store and then tie that in with census and demographic data."

"The next step is to develop a [shoppers panel] for a particular store and then interpret the data from the panel store and apply it to other stores within the marketing segment," adds Mr. Bishop.

The variety of products available in grocery stores today is astounding. Keeping up with the changing needs of the American consumer, however, is not as cut and dried as it once was. Giving the customer what he or she wants is definitely presenting some interesting challenges to grocery marketers these days.

East Coast on rye

(Continued from Page M-47)
acquired a taste for Mexican food, as it is now the favorite of 24%, compared with only 17% in 1979.

"Eating foreign dishes at home has grown [nationwide] by about 45%, compared to what we found in our 1972-73 study," says Jack Abrams, vp of MRCA's Menu Census Services in Northbrook, Ill., referring to the company's "National Household Menu Census Study" results for the first half of its 1981-82 reporting period. "The biggest increases have come from growth in carry-in, 30%, and frozen, about 50%. Pizza, for one, has shown almost 200% total growth, with almost 300% growth in carry-in. Even homemade pizza has grown fourfold."

Sales of "healthy" foods are also up—more so in some parts of the country than others.

Yogurt, for example, enjoys its greatest sales index in metropolitan New York, Los Angeles and Chicago, according to one industry source.

"The yogurt explosion began in New York, in the Northeast and New England, moved West and then filled in the middle of the country," says William Camacho, marketing director of Dannon yogurt, Long Island City, N.Y. "I think the product is basically weakest in the Southeast, where it has yet to be discovered, so to speak. It is most popular in sophisticated, metropolitan areas."

Mr. Camacho notes that although there has been tremendous growth in yogurt consumption over the last 10 years—"Per capita consumption saw a 120% increase from 1971 to 1981," he says—there is plenty of growth potential.

"Basically, fewer than half of [American consumers] eat yogurt with any regularity .... About 30% of the population are regular users," Mr. Camacho says. "In the U.S. in general, yogurt consumption is still only one-tenth of what it is in France, so we know that there's a tremendous number of new users still out there."

Herbal tea is another food product riding the crest of Americans' health consciousness. Once limited to health food stores, herbal teas are now available in neighborhood supermarkets across the country, but probably do their greatest volume "on the West Coast and in cities like Boston and other areas with large university concentrations," says a spokesman for one tea manufacturer.

"We're distributed all over the country, but you could say that people on the West Coast seemed to pick them up faster," says William J. Mangan, executive vp of R.C. Bigelow Inc., Norwalk, Conn., which began marketing a half dozen herbal teas in the late 1960s and currently has nine varieties on the market, and expects to add a tenth to grocery shelves by year's end.

"The Northeast area around Boston, with all its universities, is a good area, too," Mr. Mangan remarks. "It was a youthful market that really started the spread of herbal teas, just like health foods in general. I guess you could say it followed a typical growth pattern. It was big on the West Coast and in the East, in areas of low median age. It moved into the Midwest more slowly. The South was a little slow, too. You have great iced tea drinkers down South, so that made it take a little longer for herb teas to catch on, but you'll find them in the Southern markets too."

On the other hand, Arnold Belasco, vp of Royal Crown Cos., Atlanta, says that company's sugar-free, caffeine free cola, RC 100, has been "an instant success" just about everywhere it has been marketed since its April, 1980, introduction in eight U.S. markets as a cola first.

"RC 100 is very strong in Chicago, which happens to be our largest market. There's no doubt about that," Mr. Belasco says. "But it's also very strong on the West Coast. It's very big in Los Angeles and the East Coast, a little weaker in New York, maybe. However, that's only because of the extreme discounting on all soft drinks in New York. Those are trend cities—very strong 'diet' cities in general—but I really can't think of any part of the country where the product has not taken off. I think it's obvious now that caffeine-free, sugar-free products are a growth area nationwide."

Campbell Soup Co.'s new line of seven low-sodium soups, rolled out last February, hasn't been on supermarket shelves long enough for the Camden, N.J.-based company to have any answers about its geographic strengths, but one company spokesman says preintroduction research failed to turn up marked differences in regional attitudes toward the new line.

"We did not discern any appreciable differences in people's buying habits or attitudes in the research we did around the country prior to rolling out this new line," says company spokesman Scott Rombach. Incidentally, Mr. Rombach notes, there are regional preferences for some of Campbell's other soups. Black bean soup, for example, is big in Philadelphia and some parts of Los Angeles, and pepper pot soup is a Philadelphia and New York favorite.

Despite the popularity of many foods nationwide and the various factors that homogenize today's consumers, several industry sources agree that regionalism will continue to shade U.S. food consumption, at least for the near future.

"You will always have the question of receptivity," says professor Charles S. Goodman, a member of the marketing faculty at the University of Pennsylvania's Wharton School of Business in Phildelphia. "No matter how many times you showed the Santa Cruz life style to Dubuque, for example, it's doubtful that they'd accept it.

"Yes, we have all this modern communications technology and, I think, even more than communications, it's today's mobility. Yet, I don't expect Philadelphians will ever act like Californians, or vice versa. They will move toward each other, but I would be shocked if you could ever make a statement about Philadelphia like the one a young lady in Santa Cruz made to me a couple of years ago about Santa Cruz. She said, 'In Santa Cruz, it's a more serious crime to eat meat than to use drugs.'"

As the French (or Philadelphians) might say, *Vive la difference!*

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Diet Coke can designs consumers won't see - Page M-4

Top 10 ad agency research units - Page M-11

Advertising Age

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NBC turning the corner?

Series numbers high

By JAMES P. FORKAN

NEW YORK—NBC is thriving on baseball fever.

The World Series, called "the Six-Pack Series" since the teams are from Milwaukee (Miller and Pabst) and St. Louis (Anheuser-Busch), started well for the perennially third-place network, surprisingly so for those people used to saying that it takes a New York-California series to add luster to the ratings.

NBC estimated that the first game, on Oct. 12, was seen, totally or partially, by 61 million people, giving NBC the night with a 27 rating vs. ABC's 19.4 and CBS' 13.4. That was good news for Miller, the solo NBC World Series beer advertiser (AA, March 29), just as it was on ABC's playoffs; A-B in recent years has opted for local-team broadcast sponsorships.

The overnights for the second game showed Chicago, not surprisingly, averaging a 45 share compared with a 40 in New York; last year, of course, New York interest was higher, given the Yankees-Dodgers pairing. But Los Angeles posted a 51 share for the second game this year.

Nationally, the series' Game 2 grew to a 29.1 rating and 45 share (higher than last fall's second game, on ABC) to give NBC its second nightly victory in the new season. ABC ran a distant second that night, with the tv movie "Having It All" performing best at 17.1 and 26; "Gold Monkey" fell behind CBS' "Seven

(Continued on Page 78)

Agencies impressed

By DIANE MERMIGAS

CHICAGO—NBC's prime time appeal in big cities in the early weeks of the new tv season could signal a shift in network demographics from rural to urban viewers, a shift like the one that launched ABC's meteoric climb out of the ratings cellar a decade ago.

"I think it's a result of NBC making a concerted effort this season to offer us many more adult, sophisticated, higher-quality series like 'Fame,' 'Hill Street Blues,' 'Cheers' and 'Remington Steele,'" said Kay Durkin, director of network broadcasting, Ogilvy & Mather here.

"I think NBC is being more adventuresome in its programing and taking more chances. They have been very clever in their promotion of series. In all, they're taking the kind of approach that appeals more to viewers in big cities," she said.

That's just one of many observations made by media executives at the nation's top advertising agencies based on the first several weeks of the new network season. Nearly every media executive polled by ADVERTISING AGE had something encouraging to say about NBC's programing efforts and prospects for advancement this season, even though the peacock network continues to trail the competition in national Nielsen ratings.

However, they all agreed it still is too early in the

(Continued on Page 78)

Sending a message

American Postal Workers Union is using a tv campaign to "show America the dedication and integrity" of postal workers. Moving everything from valentines to packages is done more efficiently than in any other country, the spots say. Agency is J. Walter Thompson USA, Washington. *(See story on Page 80.)*

Everybody gains in battle of the burgers

By RICHARD KREISMAN

Three weeks after launching its controversial advertising campaign, Burger King says its sales are up 4% to 5% over last year, a figure similar to the gain the chain made this summer. The campaign's targets—McDonald's and Wendy's—also show sales gains since the campaign broke in late September.

"Our sales were up last week and the prior week," said a spokesman for Wendy's, which has filed a $25 million suit against Burger King for punitive damages from the campaign. "I suppose it'll be harder to prove that the campaign has been directly damaging, because our sales are better than ever."

McDonald's sources said the chain's over-all sales have been up slightly in the past few weeks. That's in the face of the Burger King campaign and a spate of bad publicity after members of the Center for Disease Control reported that McDonald's products were linked to an intestinal illness in a few isolated incidents.

Kyle Craig, Burger King senior vp-marketing, last week said, "It's too early to tell whether we will experience substantial incremental growth from the campaign. We do know that the advertising and all of the publicity has brought an unprecedented amount of interest in the hamburger business."

Mr. Craig said the Miami chain has "a couple of other" comparative spots waiting in the wings.

On the legal front, McDonald's Corp. and Wendy's International attorneys continued to take depositions concerning the Burger King campaign and the chain's supporting research. But at press time, no further court actions had been taken to stop the Burger King spots.

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New packaging due in January

Tylenol competitors boom

By NANCY GIGES

As Johnson & Johnson begins its rebuilding program for Tylenol, sales of competing analgesics are booming, according to buyers across the country. Bristol-Myers and American Home Products already are back-ordered for their nonaspirin products, Datril and Anacin-3, respectively.

Fear that the Tylenol poisonings in the Chicago area (AA, Oct. 4, et seq.) might provoke a wave of drug tampering episodes across the country spread last week when a Colorado man suffered eye burns after using a bottle of Pfizer's Visine AC eyedrops that had been contaminated with acid. Authorities determined the incident was limited to one store where two bottles were found to have been crudely tampered with.

Although one local official called for a nationwide recall, Pfizer said there was no need for a recall and urged purchasers to make sure that the antitamper seals on Visine bottles were intact. The company also is considering running consumer advertising with a similar message.

The company that has suffered most, J&J's McNeil Consumer Products Co., which markets Tylenol, declined to confirm reports that it would resume some tv advertising this month.

J&J continues to say it has no details on when Tylenol advertising will resume. One source said the company was contemplating advertising to reassure consumers that the company's manufacturing process was not involved in the tragedy, to say that tamper-resistant packaging was on the way and to stress the J&J heritage of safe products.

J&J stopped all advertising for Tylenol Oct. 1 as soon as it received word of the first poisonings.

Last week, the company ran a one-time newspaper ad in 300 major markets (excluding Chicago, where all Tylenol products are off the shelves) to advise consumers on how to exchange their Tylenol capsules for tablets or a refund. Tylenol capsules were withdrawn temporarily from the national marketplace as word of the seven deaths appeared. The all-copy Tylenol ad gave consumers alternatives for a replacement, either via mail or from a retailer. The

(Continued on Page 82)

last minute news

Liggett plans ad campaign for generic cigaret

DURHAM, N.C.—Liggett & Myers Tobacco is expected to break an advertising campaign for its generic cigaret brand late this year or early next year, according to a reliable source. Selling for roughly $1 less a carton than branded cigarets, the generics have been a boon to the company and have grabbed about 1% of the U.S. market. Bloom Advertising, Dallas, is expected to handle.

Grey gains bulk of $25 million Beecham move

NEW YORK—Beecham Group, having completed its acquisition of J. B. Williams Co. from Nabisco Brands (AA, Sept. 20), has moved between $25 million and $30 million in spending from Williams' house agency, Parkson Advertising, and Chestnut Advertising. A Beecham agency, Grey, gets the lion's share: Geritol, Aqua Velva, Lectric Shave, Vivarin, Rose Milk lotion, Femiron, Deep Down, Acu-Test, PVM appetite suppressant, Serutan laxative, Mega vitamins, Vitabank and new Popeye chewable vitamins. Cunningham & Walsh, also a Beecham agency, gets the $3 million Sominex account. Parkson retains Nabisco spending; Chestnut yields creative for Geritol, Sominex and Popeye.

(Continued on Page 8)

Net schedules loose as NFL talks

By JAMES P. FORKAN

New York—Amid some promising signs of a National Football League strike settlement, the tv networks have begun edging away from their initial strike replacement programing.

At NBC, sports president Arthur Watson has shelved Canadian Football League coverage for at least two weekends. NBC spokesmen emphasized that no CFL decision has yet been made beyond that. Other industry sources said that NBC undoubtedly is hoping that the NFL strike will have been resolved by then, now that both sides are working with an impartial mediator.

NBC has not penciled in its CFL substitutes for Oct. 24, but on Oct. 17 it carried live the Charlotte 500 auto race coverage, a gymnastics event and boxing, all following the usual "NFL Today."

At ABC, there are some hints that its programers might not go with movies alone to fill in for Monday night football during November. In advisories to affiliates and the tv press, ABC has taken to referring to "alternate programming" being under consideration for at least some of those Monday nights. In past weeks, ABC has indicated "Monday Night Movies" would be the tentative replacement. In its first move away from movies as NFL subs, ABC went with "Monday Night Football Superstars" for Oct. 18 (AA, Oct. 11). Although the NFL has warned the players due on that "Superstars" special that they, like the Turner all-stars, would be violating their league contracts, the league indicated it would not press the point in the courts.

Now that the NFL has apparently relented and will no longer try to legally block the NFLPA from playing in the Turner league or in ABC's "Superstars," some sources have begun speculating that further erosion of the NFL contract's Section III may occur, *e.g.*, by those interested in the new spring-summer United States Football League.

NFL broadcast sponsors hold off on switch to print. Page 78.

To replace its next scheduled non-Monday NFL telecast, due in Oct. 24 prime time, ABC said it will revert to a Sunday movie.

CBS on Oct. 17 inserted a boxing/billiards package bought from Top Rank and Claridge Hotel & Casino, Atlantic City. J. Gerald Nagler, senior vp, Lewis & Gilman, Philadelphia-based ad and pr agency for the Claridge, said the package, arranged "at the 11th hour" late last week, called for four 10-round bouts live as of 1 p.m. (ET), then the taped billiards competition featuring Willie Mosconi and Minnesota Fats.

Now that the two sides in the NFL dispute have been working with a mediator, 73-year-old San Francisco lawyer Sam Kagel, and have agreed to a news blackout on the bargaining, industry sources seem more optimistic about a quick settlement, perhaps even in time to resume play late this month.

One tv sports expert leaning toward optimism, Steve Leff, exec vp, Backer & Spielvogel, sees the presence of a mediator as possibly leading to a settlement before the end of this week. Nevertheless, Mr. Leff expressed some concern about perceptions of pro football on the part of both the fans and the media. Although he has not yet seen strong evidence of such "negative ruboff," were the fans to prove extremely irate at the players, pro football's usefulness as a media buy might be sharply diluted, he added.

In the unlikely event that the NFL canceled the 1982 season entirely, Mr. Leff warned, the view of the fans might be an even more important consideration.

Neal Pilson, CBS Sports president, is among those hopeful that

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Objective for '83: More Peppers

Current "Peppers" urge others to "try it, try it, try it" in Dr Pepper Co.'s 1983 tv commercials (AA, Oct. 4), a campaign the company says will be local in nature as opposed to its previous heavy emphasis on network tv. In these scenes, new triers proclaim "Dr Pepper made a Pepper out of me." That theme will replace the current dance-filled "Be a Pepper" theme. Agency for the Dallas-based company is Young & Rubicam, New York.

New RJR brands alight at Ted Bates

By JOHN J. O'CONNOR

New York—Ted Bates Advertising/New York, former creative agency for Brown & Williamson's Kool and Viceroy brands, is back in the cigaret agency ranks, thanks to an accelerated new brand course taken by R.J. Reynolds Tobacco.

The RJR assignment to Bates actually is one of five new brand development projects that RJR has parceled out. The others have gone to agencies already on the Reynolds roster, namely the Bates-owned William Esty Co.; Leber Katz Partners; BBDO, all based here, and Tatham-Laird & Kudner, Chicago.

According to a source, Bates got the nod from RJR not only on the basis of its past track record as a B&W shop, but also because Bates acquired Esty, the agency for Winston and Salem cigarets. On top of that, RJR is said to be impressed with Larry Light, Bates exec vp-client services, who previously was exec vp-director of marketing, media and business development at BBDO, agency for RJR's Camel cigarets.

The surge of new product development within the industry stems from the fact that cigaret companies have nearly exhausted line extensions for their brands. Therefore, totally new brands with special characteristics appealing to specific segments of the smoking population are much in need for the years ahead.

Philip Morris U.S.A. has gotten a

(Continued on Page 81)

highlights

Monday, October 18, 1982

Computerland, one of the nation's largest computer retailing chains, is ready to move into the home market. *See Page 10.*

Time Inc. marketing executives are giving rave reviews to a new report on household income they say provides marketers with unique data. *See Page 14.*

The projected 1983 ad budget for the new Care Bears line of licensed characters from American Greetings and General Mills has jumped to $7.5 million. *See Page 16.*

Following F.H. Hayhurst's linkup with Saatchi & Saatchi Compton Worldwide, British Airways awarded the shop its $2 million Canadian account. *See Page 16.*

A comparison of the latest figures from Simmons Market Research Bureau and Mediamark Research shows two widely divergent sets of data on magazine readership. *See Page 24.*

Access, a new catalog that focuses on life-style marketing, is being mailed to 250,000 direct-mail customers. *See Page 34.*

Two companies have been fighting for control of what has evolved into the airline ticket-jacket advertising market. *See Page 35.*

The bare-breasted blond decorating bottles of Nude Beer has kept the California Department of Alcoholic Beverage Control and the U.S. Bureau of Alcohol, Tobacco & Firearms from approving the label. *See Page 38.*

Mutual Broadcasting System has numerous new radio programs under development, many made possible by its "multicasting" satellite distribution capabilities. *See Page 40.*

Chrysler Corp. will start aiming more money toward cable tv to avoid advertising waste on the networks. *See Page 74.*

PeopleExpress Airlines and Larry Plapler leave Levine, Huntley agency as Plapler & Associates hangs out its shingle. *See Page 76.*

CORPORATE CLOSEUP

G. Heileman Brewing Co.'s quest for expansion from its midwestern base into the beer-thirsty Sunbelt will have to come in the form of strategically located breweries. *See Page 4.*

VIDEOTECH

Car companies are beginning to take a serious look at cable, and their ad frequency on the medium is growing. *See Page 60.*

INTERNATIONAL

The U.K. is gearing up for what is expected to be its largest merchandising operation ever—the selling of "E.T." *See Page 32.*

Germany plans to relax its tough policy on cable tv in order to permit the early construction of private cable networks. *See Page 32.*

Japan's state-run tobacco monopoly is preparing to meet the challenge posed by U.S. cigarets with a Western-style ad approach for its domestic brands. *See Page 50.*

If Quaker Oats' purchase of Ralston Purina's European pet food operations goes through some time this year, the dominant European pet food marketer—Mars Inc.—will be facing its first formidable market competitor. *See Page 73.*

By the end of 1984, Kraft Inc. plans to reduce its European production plants, personnel and products. *See Page 73.*

MAGAZINE

After seeing 150 different package designs, the marketers of Diet Coke chose one that they hoped would carry on the Coca-Cola tradition yet be distinct enough to stand on its own. *See Page M-4.*

Market/Advertising Research: A number of major ad agencies have large in-house staffs of professionals whose job it is to research their client's marketplace potential. *See Page M-9.*

Campbell-Ewald executive Tom Adams, in Bart Cummings' Benevolent Dictators interview, covers a lifetime of work, exclusively for one agency. *See Page M-46.*

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Chrysler holds up on BBDO

By RALPH GRAY

Detroit—Now that Chrysler Corp. brass have selected BBDO as agency for the $100 million Dodge car and truck account, the agony has begun. When will Chrysler make it official?

It didn't happen last week as scheduled. Negotiations with BBDO and internal review continue at an "inexorable" pace, a Chrysler exec said.

One reason for the delay may be Chrysler's desire to have its internal marketing staff reorganized first. Joseph Campana, new vp-marketing, is setting up separate Dodge and Chrysler-Plymouth marketing staffs. It is believed the staff changes will be announced prior to the BBDO announcement.

But the more the delay, the worse for Kenyon & Eckhardt, Birmingham, Mich., which will give up the Dodge account while keeping the Chrysler-Plymouth and corporate portions. It's hard to hold admen who may be cut.

It's also making it harder for BBDO to step into K&E's shoes with Dodge dealer groups who may opt for local agencies in the interim. And those agency execs who've been contacted for hiring by BBDO on an "if-come" basis

(Continued on Page 81)

'Time' promoting household income report

By STUART J. ELLIOTT

NEW YORK—Hailing a new report on household income, *Time* marketing executives use superlatives usually reserved for the magazine's cover stories on hit movies.

"It's a valuable marketing tool not available in other places," said Dave Borie, director of marketing development. "This comes as close as anything can to representing the real world out there."

The report, prepared by the Consumer Research Center of the Conference Board, was sponsored by *Time*.

The report is based on income information that had been collected by the U.S. Bureau of the Census. Details are to be released this week.

According to the executives, the report is unusual in several respects, including:

- Classification of data by two age cycles. In addition to the usual U.S. government breakouts (younger than 30, 30 to 39, 40 to 49, etc.), there also are those used most by marketers (younger than 25, 25 to 34, 35 to 44; *see chart*). "For the first time, the breaks are the same as are extant in our industry," Mr. Borie said.
- Ability "to switch from households to people and back," said Jack Stradal, *Time* marketing supervisor. Most government data are reported by households, while marketers usually use per-person figures.
- Accuracy of the data, since they are based on actual census information, compared with the vagaries of syndicated research.
- The report "is not intimidating," said Mr. Stradal, since it's a 28-page booklet, rather than the usual "2-in.-thick book with which you spend all your time going through the index."

Time sponsored the report, said Mal Ochs, director-marketing information, because, "If we can get enough people to know these data exist, [they'll see] a good reason for selective marketing."

The magazine is a big booster of that type of selling, as its readers are upscale in income and education. It makes extensive use of special demographic editions to, in the words of Mr. Ochs, "sell where the market is."

The report notes there is "a marked polarization in the distribution of the nation's income. More than 42% of all households have annual earnings of less than $15,000 and they account for 16% of the total income flow to consumers. Conversely, homes with more than $35,000 of earnings constitute only 15.5% of all households but account for 37% of all income."

Or, as Mr. Ochs put it, "Clearly, you've got to get up there to get the money."

And in terms of education, the Conference Board report states, households headed by a college graduate "account for 18.5% of the population but for 28.5% of the total money available to consumers. Those who failed to complete high school represent about 31% of all homes but have only 20% of total income."

Mr. Borie hopes the report will help debunk some of what he considers to be myths of marketing, "the first of which is that income distribution has changed over time, from a social point of view everybody is 'middling out.' But that isn't true."

Another myth is the belief there are more persons per household at lower income levels, Mr. Borie said. The report shows the opposite: In households with income less than $5,000, there are 1.76 persons. That figure rises with income, peaking at 3.57 in households with incomes of $50,000 and up.

Time's marketing executives await updates of the report's data, due next year, which will address issues such as household expenditure patterns.

Mr. Ochs believes future reports will reveal spending differences between a household with two wage earners, each making $20,000 a year, and one with a single wage earner making $40,000 a year.

The report will be distributed to *Time's* sales force worldwide, the executive said, and it will be used in presentations and other projects.

Copies of the report are available from: Consumer Research Center, The Conference Board, 845 Third Ave., 10022.

Income by age of household head

	Under 25	25-34	35-44	45-54	55-64	Over 64
Households (in millions)	6.4	19.2	14.5	12.7	12.7	16.9
Persons per household	2.23	2.94	3.66	3.26	2.32	1.72
Ave. household income	$14,227	$20,713	$26,052	$28,169	$23,504	$12,628
Distribution of households	7.8%	23.3%	17.6%	15.4%	15.4%	20.5%
Distribution of income	5.3%	22.9%	21.7%	20.6%	17.2%	12.3%

Source: Consumer Research Center of the Conference Board.

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AT&T, ARA Services join as '84 Olympic sponsors

LOS ANGELES—The private group staging the 1984 Summer Olympics here has signed American Telephone & Telegraph and ARA Services as official sponsors of the games. The Los Angeles Olympic Organizing Committee said AT&T, besides being a corporate sponsor, also is sponsoring the Olympic Torch Relay, the ceremonial carrying of the Olympic flame from Athens to the games' opening. Philadephia-based ARA Services takes the food management and transportation management corporate sponsor categories.

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Magazine readers per copy, Simmons vs. Mediamark

Greatest differences

Magazine	Simmons	Mediamark	% diff.
Saturday Evening Post	3.64	9.06	148.9
Runner's World	2.98	6.65	123.2
Sports Afield	6.56	13.8	110.4
Parents	2.41	4.97	106.2
Decorating & Craft Ideas	3.28	6.75	105.8
Working Woman	2.23	4.59	105.8

Smallest differences

Star	3.06	3.00	2.0
The New Yorker	4.88	5.03	3.1
New York	2.72	2.82	3.7
Jet	9.04	8.49	6.1
U.S. News & World Report	4.39	4.73	7.7

Reader numbers far apart

By STUART J. ELLIOTT

NEW YORK—You say *Sports Afield* has 6.56 readers per copy and I say it has 13.80 readers per copy. You say *Esquire* has a total audience of 2.3 million and I say it has a total audience of 4.4 million. Well, 6.56, 13.80, 2.3 million, 4.4 million...

Unlike the song, though, Simmons Market Research Bureau and Mediamark Research are not about to call the whole thing off. Until they do, magazine advertisers must continue to cope with what often are two widely divergent sets of data on readership and audience.

A comparison of the latest figures from SMRB (AA, Sept. 27) and Mediamark shows significant variation in many instances.

"There is a basic level of difference to be anticipated between Mediamark Research's data and ours," said Adam Richard, exec vp of SMRB here. The reason? The two companies have different methodologies: Through-the-book for SMRB and recent-reading for Mediamark.

By its nature, the recent-reading technique tends, in most cases, to produce higher readership scores. Of the 85 major magazines measured by SMRB and Mediamark, the latter shows more readers per copy for all but four of them (*The Star, Harper's Bazaar, Jet* and *Popular Hot Rodding*).

In some cases, the differences between the companies' data on readers per copy are chasm-size. SMRB says *The Saturday Evening Post* has 3.64 readers per copy. Mediamark puts the total at 9.06. In other instances, however, the differences are small *(see chart)*.

There are major variations as well in most of the total audience numbers reported, at times upward of 100%. For example, regard these categories; SMRB figures are first, followed by Mediamark:

Women's books—*Better Homes and Gardens*, 21 million vs. 34.2 million; *Family Circle*, 18 million vs. 28.3 million; *Good Housekeeping*, 17.8 million vs. 28.7 million; *Ladies' Home Journal*, 14 million vs. 20.4 million; *McCall's*, 15.1 million vs. 22.2 million; *Redbook*, 8.7 million vs. 15.6 million; *Woman's Day*, 15.8 million vs. 25.8 million.

Mass circulation—*Reader's Digest*, 39.1 million vs. 54.3 million; *TV Guide*, 36.3 million vs. 47.2 million.

There is also little agreement on the largest gains and losses in readers per copy, in percentage terms, when comparing SMRB's list of 46 major magazines with the same titles as reported by Mediamark.

SMRB shows these five titles with the biggest gains: *Sport*, +20.2%; *Fortune*, +14.9%; *Ebony*, +8.7%; *National Enquirer*, +4.8%, and *Mechanix Illustrated*, +4.7%.

At Mediamark, the magazines showing the biggest gains are: *Organic Gardening*, +17.2%; *National Enquirer*, +11.1; *Forbes*, +8.6%; *Star*, +6%, and *National Geographic*, +5.3%.

SMRB's five titles with the largest declines: *True Story*, −18.9%; *Parents*, −16.3%; *Vogue*, −15.3%; *The New Yorker*, −14.2%, and *Redbook*, −13.8%.

The five magazines with the largest declines at Mediamark: *True Story*, −29.6%; *The New Yorker*, −22.1%; *Popular Mechanics*, −16.7; *Sunset*, −16.6%, and, tied, *Good Housekeeping* and *Seventeen*, −15%.#

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Advertising pages in October consumer publications

Current and October '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages			
	Oct. 1982	Oct. 1981	Jan.-Oct. 1982	Jan.-Oct. 1981
Art & antiques				
American Artist	52.5	60.0	550.7	530.6
Antiques	155.9	199.6	1,444.5	1,557.8
Art & Antiques—(6X)	—	—	314.3	288.0
Art in America—(11X)	100.5	133.3	965.0	921.4
Artnews—(10X)	85.4	121.4	812.2	990.1
Portfolio—(6X)	67.7	53.7	297.5	226.1
Southwest Art	166.0	166.9	1,134.0	1,201.5
Total Group	630.0	736.9	5,516.2	5,715.5
% change	−14.5%		−3.4%	
Auto/cycle/rec. vehicles				
Car & Driver	83.7	72.8	795.4	811.9
Car Collector & Car Classics	24.7	26.8	223.7	241.5
Car Craft	68.0	52.4	754.5	624.0
Cycle	32.2	48.9	756.4	821.1
Cycle Guide	21.2	35.1	524.3	567.5
Cycle World	25.4	36.6	600.4	676.7
Dune Buggies & Hot VWs	59.6	42.8	553.1	420.3
Family Motor Coaching	87.5	52.7	957.7	613.8
4 Wheel & Offroad	48.9	45.3	500.9	387.3
Four Wheeler	25.9	—	271.3	—
Hot Rod	50.5	39.1	578.1	522.4
Motorcyclist	19.1	30.7	517.0	511.8
Motor Trend	57.9	45.9	552.6	509.9
Motorhome—(9X)	—	—	568.6	387.4
Pickup, Van & 4 WD	26.5	—	270.8	—
Road & Track	102.5	84.2	915.8	905.0
3 Wheeling—(11X)	25.3	29.2	222.4	141.2
Trailer Life	94.4	77.6	1,019.5	852.8
Total Group	853.3	719.9	10,582.5	8,993.7
% change	+18.5%		+17.6%	
Boating & yachting				
Boating	115.1	104.8	1,093.2	1,112.4
Chesapeake Bay	50.1	48.8	280.5	282.3
Cruising World	243.8	252.4	1,361.0	1,322.3
Lakeland Boating	—	—	—	—
Motor Boating & Sailing	107.7	112.2	1,264.8	1,295.5
Rudder	17.6	19.1	216.6	241.1
Sail	126.7	152.3	1,400.9	1,443.2
Sea & Pacific Clipper	68.2	73.8	734.9	803.6
Trailer Boats	17.5	14.3	231.4	240.9
Yachting	157.7	210.7	1,674.7	1,895.5
Total Group	904.4	988.2	8,258.0	8,636.8
% change	−8.4%		−4.3%	
Canadian				
L'Actualite	75.2	84.7	518.4	537.7
Chatelaine:				
English Edition—A.	143.5	119.0	910.6	877.9
French Edition	113.9	119.0	729.0	765.9
Financial Post Magazine—A.	65.3	95.1	393.8	425.4
Flare—A.	76.3	67.0	465.1	505.2
Homemaker's Magazine	113.7	117.8	686.9	686.9
Madam Au Foyer	72.5	94.0	511.5	523.1
Macleans—A.—(52X)	176.8	161.5	1,020.7	964.7
Perspectives—(52X)	30.6	59.7	315.5	395.5
Quest Magazine—(6X)—A.	64.2	62.0	343.6	341.3
Reader's Digest:				
Canadian-English—A.	101.6	109.9	786.4	859.7
Canadian-French—A.	101.0	102.0	767.6	781.6
Toronto Life	139.0	133.0	1,093.0	946.0
Total Group	1,273.6	1,324.7	8,554.1	8,612.9
% change	−3.8%		−0.6%	
Civic/fraternal				
American Legion	36.9	33.1	301.6	259.9
Elks Magazine—(10X)	22.9	26.6	211.2	214.5
Kiwanis Magazine	15.9	16.3	129.1	137.2
Lion	7.6	7.0	63.8	51.6
Moose Magazine	28.0	25.0	218.0	207.0
Rotarian	19.7	24.5	135.9	149.0
V.F.W.—(10X)	33.3	33.3	254.0	249.8
Total Group	164.3	165.8	1,313.6	1,269.0
% change	−0.9%		+3.5%	
Comics				
Archie Comic Group—(6X)	10.0	10.0	50.0	50.0
DC Comics	8.0	7.0	72.0	68.5
Harvey Comic Group	—	8.0	72.0	80.0
Marvel Comic Group	10.0	12.0	99.5	102.5
Total Group	28.0	37.0	293.5	301.0
% change	−24.3%		−2.5%	
General				
Air Progress	13.9	24.2	173.4	179.7
American Forests	17.5	22.5	109.0	138.2
American West—(6X)	—	—	136.3	117.6
The Atlantic—A.	30.7	32.3	275.6	258.4
Audubon Magazine—(6X)	—	—	—	—
Bon Appetit—A.	98.2	124.0	788.5	857.7
Changing Times	44.0	34.3	362.0	288.1
Cuisine Magazine	37.0	64.0	347.2	426.9
Ebony	83.9	86.8	801.3	770.8
Fifty Plus	35.5	27.0	274.6	292.0
Games	26.5	—	167.3	104.7
Geo	24.6	20.0	163.6	184.0
Gourmet	101.6	77.5	628.2	615.3
Harper's Magazine—A.	18.3	31.3	167.9	238.3
Let's Live	68.3	85.1	716.2	647.2
Life	56.1	68.3	463.3	534.4
Modern Maturity	37.0	36.0	126.0	94.0
Moneysworth—(4X)	24.1	14.9	132.3	154.8
Mother Earth News—(6X)	58.7	64.4	256.9	265.8
Museum—(6X)	—	—	195.7	183.3
National Geographic	25.7	34.6	207.7	300.7
Natural History	45.5	48.6	311.6	357.1
Prevention	80.4	98.4	696.4	857.4
Psychology Today	31.7	59.5	332.0	442.1
Reader's Digest—A.	104.4	127.2	779.9	887.8
Saturday Evening Post—(9X)	48.2	48.8	338.6	316.6
Signature	69.5	70.7	527.3	503.4
Smithsonian	104.2	123.3	745.2	810.4
Success	43.9	34.2	292.2	297.9
Town & Country	203.5	215.0	1,306.9	1,273.8
Travel/Holiday	42.9	45.6	451.5	464.4
Travel & Leisure	134.8	—	889.2	931.3
Video	72.5	56.8	562.1	492.9
Video Review	67.2	68.7	600.9	511.8
Writers Digest	22.5	25.7	218.8	215.7
Yankee	134.3	142.8	810.0	853.3
Total Group	2,007.1	2,903.5	15,357.6	16,067.8
% change	−30.8%		−4.4%	
Home				
Americana—(6X)	42.5	49.5	166.3	164.8
Architectural Digest—A.	190.9	199.5	1,263.8	1,246.0
Better Homes & Gardens	134.6	159.6	1,101.8	1,170.2
Colonial Homes—(6X)	86.0	105.5	321.8	315.5
Country Journal	63.5	68.3	451.4	448.7
Country Living—E.	54.0	45.5	358.9	170.6
Dallas/Fort Worth Home & Garden	72.3	64.2	561.3	432.7
Early American Life—(6X)	—	—	174.1	190.6
Family Food Garden—(6X)	35.0	34.0	193.2	203.0
Family Handyman—(10X)A.	76.4	69.6	574.0	490.8
Flower & Garden—(6X)	33.5	32.7	226.8	215.5
Handmade	—	—	77.6	45.0
Home	29.7	58.2	269.3	348.2
Homeowner's How To—(6X)	—	—	—	—
Horticulture	26.5	19.3	285.9	234.7
House Beautiful	124.3	125.5	796.4	898.9
House & Garden	80.8	140.8	831.6	1,026.1
Houston Home/Garden	151.4	126.4	1,129.8	1,000.5
Metropolitan Home	82.0	84.7	628.9	587.9
New Shelter—(9X)	47.6	49.9	340.5	342.4
1001 Home—**	37.7	44.2	262.5	253.4
Organic Gardening	67.0	75.8	683.5	729.6
Phoenix Home/Garden	62.5	61.0	484.5	370.5
San Diego Home/Garden	67.6	48.4	555.2	411.7
Southern Accents—(4X)	—	—	238.1	241.3
Southern Living	125.2	140.2	1,208.6	1,186.8
Sunset Magazine—A.	169.5	173.9	1,336.2	1,359.8
Texas Homes	67.9	85.2	770.0	712.0
Workbench—(6X)	—	—	310.9	308.4
Total Group	1,926.4	2,061.9	15,622.9	15,103.6
% change	−6.4%		+3.7%	
In-flight & other passenger				
Aboard Group—(7)—(4X)	42.3	38.8	154.7	146.3
Air Cal	70.5	54.6	553.3	586.6
Alaskafest	68.4	44.8	427.6	402.3
American Way	136.3	96.2	779.8	632.7
East/West Network:				
Amtrak Express	50.8	51.8	382.8	352.8
Continental Extra	60.7	67.7	536.6	514.5
Eastern Review	98.8	98.2	789.9	760.7
Ozark	48.2	57.0	415.3	451.0
PSA Magazine	96.0	113.2	832.7	877.0
Pan Am Clipper	39.8	64.0	388.3	580.4
Republic Scene	64.1	—	202.1	—
Texas International/-The Texas Flyer	72.3	75.7	631.6	580.0
United	91.7	84.2	743.7	750.6
USAir	66.5	55.7	467.2	477.1
Western's World	59.2	—	182.3	—
Halsey Publications:				
Delta Sky	103.3	51.0	534.8	453.5
Skylite—(6X)	—	—	69.5	52.0
Hawaii	20.3	22.3	204.4	269.9
Pace—(6X)	47.5	38.4	166.2	199.6
Spirit of Aloha	21.6	23.9	207.7	270.8
Southwest Airlines	111.9	93.5	967.0	650.6
Webb Publications:				
Frontier	43.7	38.5	388.0	353.5
Passages	36.7	42.7	293.6	31.0
TWA Ambassador	49.3	66.6	475.0	498.3
Total Group	1,499.9	1,276.6	10,786.1	9,291.2
% change	+17.4%		+16.0%	
Men's				
Complete Men's Group	22.0	23.0	225.8	220.8
Esquire—A.	91.7	65.3	625.0	362.8
Firehouse Magazine	49.8	42.3	512.0	480.8
Gentleman's Quarterly—A.	163.6	148.8	1,075.7	1,027.8
Penthouse—A.	61.7	70.1	571.4	611.7
Playboy—A.	73.6	89.2	960.7	1,074.5
Total Group	298.8	289.9	2,914.9	2,750.6
% change	+3.0%		+5.9%	
Metropolitan				
Aloha—(6X)	37.5	23.0	140.8	129.8
Atlanta	69.1	76.2	656.3	802.9
Baltimore	61.8	88.7	575.4	672.2
Boston	147.1	162.7	1,252.4	1,241.5
California	76.7	93.8	682.5	617.5
Carolina Lifestyle	33.6	—	250.2	—
Charlotte	23.0	24.0	167.0	102.0
Chicago	157.1	222.9	1,362.0	1,372.4
Chicago's North Shore	101.4	80.9	679.3	608.6
Cincinnati	66.2	65.7	545.1	533.1
Cleveland	56.6	73.7	631.9	721.1
Coast	331.0	314.0	2,841.3	2,845.8
Columbus Monthly	87.3	120.7	745.2	928.4
Commonwealth	56.3	22.2	625.0	146.2
Connecticut	81.4	85.0	745.3	672.3
Country Magazine	33.7	20.3	248.1	167.2
Country Life	55.0	—	203.0	—
D/Magazine, Dallas/-Fort Worth	117.5	135.2	1,101.1	1,167.2
Denver	32.2	52.7	380.3	453.3
Exclusively Yours Wisconsin	112.6	128.5	764.8	886.8
Grand Rapids	46.5	36.7	426.5	442.3
Gulfshore Life—(10X)	32.0	46.0	498.5	479.0
Honolulu	59.3	77.5	652.2	725.5
Houston City	75.0	85.8	680.3	670.0
Indianapolis	59.6	84.5	525.7	497.7
Kansas City	29.4	24.5	248.8	268.4
Long Island Life	61.0	—	212.0	—
Los Angeles	186.0	253.0	1,914.0	1,953.0
Louisiana Life—(6X)	—	—	305.7	183.2
Madison	49.3	44.0	466.3	461.0
Miami	67.3	87.0	837.3	800.0
Milwaukee	26.8	34.5	286.0	34.5
Minneapolis/St. Paul	83.5	75.5	716.4	760.6
Monthly Detroit	60.8	56.8	529.0	435.8
Nashville	42.0	—	1,271.8	—
New Jersey Monthly	61.0	71.3	549.9	630.3
New Mexico	45.4	49.9	349.4	272.4
Ohio	32.7	25.4	389.5	314.7
Omaha	17.0	22.3	221.1	184.1
Oregon	27.6	18.1	206.8	239.5
Orlando	76.7	80.3	605.5	679.0
Pacific Northwest—(10X)	26.7	26.3	250.3	130.9
Palm Beach Life	47.3	48.0	691.4	708.7
Palm Springs Life	121.0	120.0	1,234.2	1,290.7
Philadelphia	169.1	187.5	1,253.1	1,377.4
Phoenix	78.4	85.2	778.8	869.4
Pittsburgh	61.6	54.1	479.4	412.2
St. Louis	58.0	90.0	633.2	720.3
San Diego	134.0	137.2	1,286.9	1,437.0
San Francisco	66.2	73.5	507.3	615.6
San Francisco Focus	44.8	43.6	364.7	356.6
Shenandoah/Va. Town & Country—(6X)	—	—	190.1	101.0
Tampa	31.5	42.4	314.6	262.7
Tampa Bay	19.0	40.2	277.5	420.7
Texas Monthly	146.1	166.0	1,256.7	1,366.8
Twin Cities	47.9	63.4	456.9	497.1
Washington Dossier	52.5	50.3	401.9	413.6
The Washingtonian	139.0	166.0	1,333.0	1,302.9
Westchester Illustrated	—	—	—	—
Total Group	4,119.0	4,341.0	38,201.7	36,387.3
% change	−5.1%		+4.9%	
Movie/romance/radio/tv				
Macfadden's Women's Group:				
Modern Romances	32.8	25.1	288.6	277.0
Secrets	32.8	25.1	288.6	277.0
True Confessions	33.0	25.4	301.3	291.7
True Experience	32.8	25.1	288.6	277.0
True Love	32.8	25.1	288.6	277.0
True Romance	32.8	25.1	288.6	277.0
Sterling Women's Group:				
Daytime TV	30.3	30.2	304.4	315.7
Modern Screen	32.3	32.8	230.4	229.5
Movie Mirror—(6X)	—	32.8	164.8	194.6
Photo Screen	—	32.8	130.1	158.4
Soap Opera Stars	24.3	25.3	224.4	261.7
Spotlight	—	—	163.4	163.5
TV Movie Screen	32.3	—	133.2	161.6
Teen Bag—(6X)	—	—	30.1	42.2
Total Group	316.2	304.8	3,125.1	3,223.9
% change	+3.7%		−3.1%	
Music/entertainment				
American Film—(10X)	20.0	30.8	193.5	198.8
Circus Magazine	29.3	40.6	298.5	215.5
Dance Magazine	56.0	54.0	600.7	591.5
High Fidelity	48.3	50.3	331.4	409.6
Musician	66.8	—	553.2	500.5
Playbill	71.0	78.5	529.1	527.5
Stereo Review	67.9	80.2	512.7	578.9
Total Group	361.3	334.4	3,019.1	3,022.3
% change	+8.0%		−0.1%	
Newspaper Sunday magazines/national				
Family Weekly—A.	93.7	89.9	754.2	845.7
Parade	93.9	79.2	676.0	717.7
Total Group	187.6	169.1	1,430.2	1,563.4
% change	+10.9%		−8.5%	
Outdoor & sport				
Alaska	43.9	44.4	457.0	395.5
American Handgunner—(6X)	31.4	46.2	183.5	202.3
American Hunter	29.3	29.2	176.4	143.8
American Rifleman	53.7	44.1	324.3	312.1
Backpacker—(6X)	51.7	45.7	240.1	212.3
Bass Master—(8X)A.	—	—	401.0	287.7
Bicycling—(9X)	—	—	681.4	579.7
Field & Stream	89.7	83.7	781.0	780.6
Fins & Feathers—A.	25.3	20.5	364.5	293.2
Fishing World—(6X)	18.2	18.7	177.3	182.2
Florida Sportsman	57.5	46.5	656.3	632.4
Flying	50.3	53.4	464.2	482.1
Fur-Fish-Game	44.4	39.6	263.1	253.1
Golf Digest	65.5	56.1	747.3	720.5
Golf Magazine	44.6	50.7	695.5	696.4
Guns	46.7	55.0	323.6	367.7
Guns & Ammo	68.6	63.0	504.9	497.5
Outdoor Life	91.4	82.3	698.7	690.8
Petersen's Hunting	68.2	63.1	397.2	336.3
The Runner	43.3	31.1	352.2	253.4
Runner's World—(13X)	70.0	57.5	384.3	368.4
Salt Water Sportsman	38.4	37.7	568.2	580.5
Shooting Times	43.7	37.9	335.5	364.6
Ski—(7X)—A.	110.0	119.0	411.6	395.1
Skiing—(7X)	157.7	150.1	471.0	420.4
Skin Diver	55.8	47.9	648.5	598.6
Southern Outdoors—(8X)	47.4	34.7	336.1	312.4
Sport	53.1	34.5	391.3	345.9
Sports Afield	101.0	98.2	882.5	842.7
Spray—(10X)	37.4	27.8	403.1	354.6

(X) represents number of times published each year.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Preprinted inserts included. E. Monthly since Feb., 1982. *All affiliated with Sunday Mag/Net, except Los Angeles Times Home Magazine and New York Times Magazine. **Two issues this month. ***Three issues this month.

(Continued on Page 66)

Advertising pages in October consumer publications

(Continued from Page 65)

	Pages			
	Oct. 1982	Oct. 1981	Jan.-Oct. 1982	Jan.-Oct. 1981
Tennis	50.1	46.4	671.2	661.7
Western Outdoors—(10X)	22.9	26.5	299.0	297.5
World Tennis	27.9	33.0	456.8	472.5
Total Group	1,741.1	1,624.5	15,150.8	14,314.5
% change	+7.1%		+5.8%	
Photography				
American Photographer	55.5	56.8	477.0	415.5
Modern Photography	126.2	146.4	1,193.2	1,226.1
Petersen's Photographic	52.2	60.4	517.0	511.8
Popular Photography	123.9	146.3	1,278.0	1,385.8
Total Group	357.8	409.9	3,465.2	3,539.2
% change	−12.7%		−2.0%	
Religious				
A.D. Magazine—(10X)	13.2	11.4	116.5	126.1
BBI Jewish Monthly—(10X)	24.4	23.4	205.3	191.3
Christian Herald	53.6	53.5	306.7	330.5
Christian Life	33.5	33.5	277.4	264.5
Christianity Today	94.7	90.3	633.8	660.1
Inside—(4X)	—	—	—	—
Moody Monthly	61.4	70.5	459.8	506.8
Total Group	260.8	282.6	1,999.5	2,081.3
% change	−0.6%		−3.9%	
Science/technology/-mechanics/electronics				
Creative Computing	135.0	137.7	1,248.8	1,032.2
Discover	36.7	38.6	329.7	297.2
High Technology	—	—	214.4	57.3
Mechanix Illustrated	75.1	17.0	656.8	683.4
Omni	85.6	92.5	565.6	547.8
Personal Computing	180.3	93.7	1,454.1	681.6
Popular Electronics	58.8	69.5	567.7	594.0
Popular Mechanics	119.5	122.5	1,011.9	1,047.9
Popular Science	108.8	97.0	816.3	755.0
Science Digest	29.5	31.8	284.5	266.3
Science 82	40.6	35.2	281.6	302.4
Scientific American	111.0	154.4	785.6	930.0
Technology Illustrated	69.2	36.4	284.0	36.4
Total Group	1,093.1	926.3	8,501.0	7,231.7
% change	+18.0%		+17.5%	
Women/fashion/service				
Bride's Magazine—(6X)A.	—	—	1,452.6	1,381.1
Co-ed—(10X)	44.3	41.5	285.9	295.7
Cosmopolitan—A.	220.3	237.4	1,888.0	1,950.6
Essence	75.6	96.9	745.2	800.8
Family Circle—A.	192.0	130.2	1,413.1	1,315.5
Glamour	172.6	186.3	1,593.2	1,745.0
Good Housekeeping—A.	212.6	230.6	1,614.5	1,600.8
Harper's Bazaar—(10X)	115.8	117.9	1,111.6	1,029.2
Health	26.8	36.1	274.3	268.2
Ladies' Home Journal	93.4	97.7	742.6	838.5
Lady's Circle	12.4	8.5	98.5	47.5
Mademoiselle	150.6	145.8	1,280.9	1,258.4
McCall's	105.0	115.0	826.5	939.4
Modern Bride—(6X)	—	—	1,293.5	1,158.2
Ms.	40.3	48.8	472.0	397.2
New Woman	56.2	46.7	392.0	228.9
Parents Magazine—A.	78.5	93.3	705.0	662.8
Playgirl	37.7	45.9	398.5	439.0
Redbook	101.4	101.9	875.2	945.4
Self	79.6	76.4	699.9	666.0
Seventeen	106.7	109.8	1,132.8	1,138.9
Soap Opera Digest	32.0	12.3	262.3	83.7
'Teen Magazine	41.3	47.6	470.1	463.6
True Story—A.	80.2	64.3	595.4	551.1
Vogue	390.0	379.8	2,289.6	2,165.9
W Magazine	109.1	131.8	779.7	726.5
Weight Watchers	37.9	26.7	292.2	239.1
Woman's Day—A. D.	202.2	124.3	1,215.4	1,158.9
The Workbasket—(10X)	42.4	53.7	334.9	333.6
Working Mother	82.6	87.0	574.3	445.6
Working Woman	91.5	75.2	784.0	600.7
Total Group	3,033.0	2,975.4	26,983.7	25,877.8
% change	+1.9%		+4.2%	
Youth				
Boys' Life	23.6	25.2	199.8	218.0
Campus Life	89.3	81.6	388.1	365.3
Total Group	112.9	106.8	587.9	583.3
% change	+5.7%		+0.7%	

September

	Pages			
	Sept. 1982	Sept. 1981	Jan.-Sept. 1982	Jan.-Sept. 1981
Business				
Atlanta Bus. Chronicle—(52X)	24.0	29.1	211.3	259.8
Barron's—(52X)	180.9	183.0	1,500.4	1,621.5
Black Enterprise	42.8	33.4	453.0	411.6
Business Week—(52X)A.	356.3	377.9	3,159.7	3,367.3
California Business	107.9	115.4	664.0	654.1
Capital District Business Review	48.0	27.0	284.0	230.0
CitiBusiness—(24X)	88.0	37.4	649.0	341.0
Corporate Report/Kansas City	53.1	55.1	473.4	434.7
Corporate Report/Minnesota	112.5	101.0	717.2	740.8
Crain's Chicago Business—(52X)	115.7	103.9	919.3	778.6
Dallas/Ft. Worth Bus.—(52X)	42.9	56.3	358.2	395.4
Dun's Business Month	69.0	86.0	604.0	633.0
Financial World—(24X)	40.3	41.7	673.9	688.9
Florida Trend	51.0	75.6	602.2	593.2
Forbes—(26X)	263.9	273.4	2,019.0	1,930.4
Fortune—(26X)A.	161.4	211.8	1,797.4	1,799.1
Hawaii Business	33.2	48.5	367.6	472.5
Houston Bus. Journal—(52X)	166.3	165.0	1,614.9	1,333.3
Inc. Magazine—A.	91.9	117.0	720.3	729.8
Income Opportunities—(10X)	44.3	50.6	335.7	349.6
Industry Week—(26X)A.	111.8	172.7	1,016.8	1,226.9
Indpls. Bus. Journal	68.3	60.0	602.3	464.8
Money	104.3	95.7	899.7	811.6
Nation's Business—A.	38.6	40.6	320.7	362.3
New England Bus.—(20X)B.	103.3	72.9	563.9	430.9
Pacific Business News	87.7	67.3	793.8	763.3
Pittsburgh Bus. Times—(52X)	53.8	29.0	367.7	35.4
St. Louis Business Journal	89.3	71.4	854.3	654.7
Texas Business	57.2	59.2	477.4	411.7
Venture	30.9	39.4	333.4	313.0
Total Group	2,858.6	2,899.5	23,364.5	23,259.2
% change	−1.4%		+0.4%	
Newspaper Sunday magazines/local*				
Arizona Republic	75.4	96.1	825.7	988.9
Boston Globe	199.3	177.2	1,474.5	1,465.3
Chicago Tribune	139.5	150.9	830.8	980.8
Cincinnati Enquirer	87.3	103.1	691.1	851.3
Cleveland Plain Dealer	78.3	97.1	677.1	867.1
Columbus Dispatch	35.0	85.7	472.9	749.4
Dallas Times Herald	52.7	91.7	651.1	757.3
Denver Post	115.9	213.0	1,074.4	1,641.8
Detroit News	79.5	112.1	782.7	1,070.5
L.A. Times Home Magazine	92.9	107.6	859.3	944.3
Louisville Courier-Journal	127.0	77.2	833.2	847.4
Miami Herald	57.5	87.0	546.2	738.4
New York News	65.2	109.6	476.1	831.9
New York Times Magazine	445.8	486.4	2,927.3	3,122.5
Philadelphia Inquirer	78.8	83.6	605.7	855.0
Toledo Blade Magazine	44.3	61.8	405.8	581.9
Washington Post	149.3	162.6	1,026.8	1,157.1
Total Group	1,923.5	2,302.7	15,180.7	18,200.9
% change	−16.4%		−16.7%	
Weeklies, bi-weeklies, semi-monthlies				
The Advocate—(25X)	78.1	78.7	721.1	605.5
Army Times Military Group:				
Air Force Times—(52X)	135.6	145.8	1,280.6	1,269.1
Army Times—(52X)	134.1	140.8	1,256.0	1,269.1
Navy Times—(52X)	155.6	163.6	1,495.8	1,481.0
The Times Magazine	25.4	25.0	136.5	162.2
Autoweek—(52X)	111.0	114.0	1,120.0	1,014.0
The Blood-Horse—(52X)	392.6	374.1	3,989.3	3,755.2
Capper's Weekly—(52X)	23.1	20.3	218.7	195.6
Commonweal—(22X)	4.4	9.4	67.0	65.2
Golf World—(43X)	69.4	55.2	662.6	653.8
Grit—(52X)A.	27.5	19.4	235.0	201.1
National Review	34.6	24.2	238.5	230.4
New Republic—(52X)	30.2	21.5	258.5	180.7
New York Magazine—(50X)	218.5	187.7	1,688.8	1,524.1
New Yorker—(52X)	353.4	432.7	2,630.0	2,723.5
Newsweek—(52X)A.	235.1	258.7	1,863.1	2,167.8
People—(52X)	273.6	270.4	2,418.7	2,446.8
Rolling Stone—(26X)***	138.9	92.5	790.7	705.6
Sporting News—(52X)	52.6	41.7	483.4	416.9
Sports Illustrated—(52X)A.	260.2	215.9	1,894.8	1,966.1
Time—(52X)A.	201.5	220.8	1,805.8	1,942.4
Travelhost—(52X)C.	2,532.0	1,997.5	22,893.8	18,814.1
TV Guide—(52X)A.	356.5	305.0	2,570.1	2,528.8
Us Magazine—(26X)	47.1	28.7	442.1	306.5
U.S. News & World Report—(52X)A.	140.6	147.5	1,186.9	1,233.9
Total Group	6,030.6	5,391.1	52,149.8	45,899.4
% change	+11.8%		+13.6%	
Foreign				
Buenhogar:				
Central America	4.3	6.7	32.0	62.8
Chile	1.0	2.0	14.2	20.0
Colombia	77.3	75.0	480.8	449.7
Dominican Republic	12.7	10.3	123.3	102.8
Ecuador	14.2	12.2	102.7	82.7
Mexico	62.2	90.8	511.5	627.5
Peru	35.3	41.0	281.8	317.0
Puerto Rico	21.3	19.2	165.0	185.8
U.S.	7.0	9.7	63.0	71.5
Venezuela	33.7	39.2	316.7	357.5
Coqueta:				
Central America	—	—	5.0	1.0
Colombia	4.5	2.5	38.5	21.0
Mexico	1.5	12.5	56.3	80.5
Peru	—	—	5.0	—
Puerto Rico	—	1.0	15.0	15.5
Venezuela	6.0	4.0	48.5	65.5
Fascinacion:				
Central America	—	—	—	1.0
Colombia	9.0	9.0	77.3	77.7
Mexico	7.3	8.5	62.0	66.8
Puerto Rico	2.0	1.0	16.0	12.0
Venezuela	21.0	9.0	114.7	78.7
Geomundo:				
Central America	8.0	5.0	53.0	42.3
Chile	9.0	6.0	59.0	51.8
Colombia	16.5	13.5	127.3	107.0
Ecuador	6.0	4.0	40.0	34.5
Mexico	13.0	25.0	113.7	142.5
Peru	10.5	12.0	78.5	89.5
Puerto Rico	7.0	5.0	81.0	42.3
Venezuela	18.0	14.5	143.8	109.3
Hombre De Mundo:				
Central America	7.5	11.0	47.3	42.3
Chile	6.5	10.0	44.5	51.8
Colombia	15.2	23.7	117.5	107.0
Ecuador	5.5	12.0	39.3	34.5
Mexico	17.0	28.2	170.8	142.5
Peru	7.0	16.0	54.8	89.5
Puerto Rico	7.5	13.0	73.3	42.3
Venezuela	26.5	22.5	252.5	109.3
Ideas Para Su Hogar:				
Central America	—	0.7	6.0	6.7
Chile	1.0	3.0	7.0	11.5
Colombia	50.0	34.8	277.2	228.8
Dominican Republic	—	0.5	3.0	15.0
Ecuador	8.3	3.2	67.7	16.7
Mexico	25.2	27.3	197.2	184.5
Peru	9.8	13.5	112.7	114.0
Puerto Rico	0.3	2.3	16.5	26.3
Venezuela	26.0	20.0	216.7	152.0
Intimidades:				
Central America	3.0	2.0	15.0	16.0
Chile	1.5	—	4.5	2.0
Colombia	3.0	2.0	15.0	16.5
Mexico	5.0	6.0	43.0	50.0
Puerto Rico	4.0	3.0	25.0	28.5
Venezuela	6.5	6.5	50.5	93.5
Mecanica Popular:				
Argentina	8.8	14.3	78.0	109.0
Central America	18.0	24.3	154.2	184.5
Chile	7.2	8.2	56.3	52.5
Colombia	26.8	31.0	197.5	234.2
Mexico	22.2	30.7	203.0	253.5
Peru	30.0	29.8	218.3	248.3
Puerto Rico	17.2	23.0	141.7	181.5
Venezuela	26.7	33.7	222.8	249.2
The Ring en Espanol:				
Mexico	1.0	2.0	14.0	16.0
Puerto Rico	4.0	3.5	32.5	19.5
U.S.	4.0	1.0	40.5	19.0
Venezuela	3.0	2.0	28.0	24.0
Vanidades Continental:				
Central America	19.0	34.0	138.3	208.3
Chile	17.0	31.8	122.5	149.8
Colombia	152.0	154.5	771.8	737.3
Dominican Republic	30.3	32.0	259.7	215.7
Ecuador	30.8	36.2	193.5	206.5
Mexico	143.3	200.5	1,016.8	1,156.3
Peru	65.3	71.3	384.5	391.5
Puerto Rico	51.0	74.7	393.3	471.0
U.S.	66.0	58.8	476.7	350.3
Venezuela	91.0	103.8	678.8	629.8
Cosmopolitan Foreign Editions:				
Australia	89.0	75.8	529.4	482.7
Brazil	75.0	60.0	428.6	320.5
France	89.0	67.0	857.9	758.0
Germany	29.5	15.6	201.5	102.2
Great Britain	120.0	136.0	946.0	985.0
Greece	36.0	30.0	453.0	365.0
Holland	30.0	—	170.0	—
Italy	91.7	69.6	594.0	552.9
Japan	30.0	39.3	316.6	257.3
Cosmopolitan en Espanol:				
Central America	2.2	5.0	30.8	46.2
Colombia	24.7	26.3	174.7	173.5
Ecuador	1.8	1.7	27.0	19.0
Mexico	71.7	80.7	576.0	591.3
Peru	6.7	17.5	118.8	130.0
Puerto Rico	17.8	36.7	224.2	308.3
U.S. (Spanish language)	16.8	13.7	164.2	129.0
Venezuela	26.8	28.0	257.3	219.5
International Communications:				
African Business	40.6	35.0	281.7	281.0
Al-Iktissal Al-Arabi	—	—	—	—
New African	13.3	22.2	196.5	213.0
The Middle East	29.7	38.5	195.4	216.8
International Herald Tribune	101.1	111.5	801.7	791.0
International Management:				
Africa	17.7	18.8	120.2	116.5
Europe	63.0	69.7	345.8	344.0
Latin America	17.7	16.2	117.3	120.0
Middle East (Arabic Edition)	16.0	25.8	184.2	172.3
Pacific	23.7	36.8	148.8	153.5
Johnston International:				
Alam Attijarat	112.2	96.1	618.2	617.6
Ejecutivo—(6X)	14.2	—	116.5	—
Modern Africa—(6X)	41.5	52.6	174.3	193.3
Modern Asia	35.2	61.0	314.1	414.2
Newsweek International—A.:				
Atlantic	93.1	123.7	715.3	738.3
Latin America	34.1	45.2	227.1	278.4
Pacific	81.7	90.4	595.4	663.5
Progreso—(9X)	17.7	14.3	103.9	115.5
Reader's Digest:				
Arabic	—	13.0	—	179.5
Asian	201.0	218.5	1,708.0	1,561.7
Australian	88.5	94.8	661.7	677.6
Belgian-Flemish	66.5	82.0	560.0	699.0
Belgian-French	52.0	70.0	473.0	575.0
British	63.8	62.3	455.0	526.7
Chinese—B.	122.5	119.0	769.5	912.8
Danish	45.3	48.5	297.0	485.4
Dutch	44.3	54.5	337.9	374.3
Finnish	54.0	49.0	453.3	451.6
French	72.5	61.6	574.6	593.9
German	68.9	78.7	612.5	601.4
Greek	9.0	—	88.0	—
Iberian	16.5	36.0	212.0	344.8
Indian-English	81.0	106.5	736.5	771.5
Indian-Hindi	22.5	22.0	143.5	—
Italian	62.5	59.0	476.5	457.5
Japanese	35.7	35.4	426.3	454.8
Korean	17.8	19.5	177.4	159.5
Latin American:				
Argentina	24.0	31.5	147.0	252.0
Brazil	10.0	11.8	108.8	57.8
Central American	16.0	24.5	123.0	161.0
Chile	23.0	39.0	177.0	272.5
Colombia	73.5	65.0	373.0	414.5
Ecuador	20.0	19.0	110.0	131.5
Mexico	61.7	77.8	535.1	487.8
Peru	20.5	20.0	112.5	126.5
Puerto Rico	11.0	12.0	102.5	86.0
U.P.B.	21.0	31.5	136.0	198.0
U.S. Spanish	18.5	21.0	148.0	157.0
Venezuela	29.5	34.0	188.0	181.0
Portugal	48.5	49.0	374.1	366.8
New Zealand	83.0	83.0	598.0	494.8
Norwegian	58.8	35.0	384.4	325.9
South African	129.0	96.0	947.5	768.5
Swedish	23.0	30.5	227.0	239.1
Swiss-French	37.0	27.0	282.0	306.0
Swiss-German	46.0	40.0	344.0	349.7
Time International:				
Time-Asia	143.1	110.8	821.6	814.3
Time-Atlantic	129.7	150.2	908.0	911.7
Time-Canada	175.4	183.7	1,255.4	1,156.5
Time-Latin America	81.6	106.8	585.9	668.8
Time-South Pacific	170.0	173.7	1,281.0	1,314.1
Viaso—(52X)	151.5	140.2	1,214.8	1,229.3
Vision/Latin America—(26X)A.	43.2	52.3	324.4	376.0
Total Group	5,785.2	6,158.4	43,204.9	43,548.5
% change	−6.0%		−0.7%	

OCT

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1982

Market/Advertising Research

Richard Edel

Agency's seek and research mission

By Jack J. Honomichl

In 1879, N.W. Ayer & Son, the famous advertising agency then based in Philadelphia, was soliciting a new account, Nichols-Shepard Co., a manufacturer of agricultural machinery. Ayer prepared a media schedule that was challenged by the would-be client, according to L. C. Lockley, writing in "The Journal of Marketing" (April, 1950). Substantiation came from an Ayer survey of state officials and publishers throughout the country asking for information on grain production and media circulation by counties. The client was impressed, and Ayer got the account.

In that respect, at least, things haven't changed much over the past 103 years. When agencies pitch new business, the presentation is often larded with information about the would-be client's marketing problems. But now a large, inhouse staff of professional researchers is usually available to gather up the sales ammunition. "We usually end up setting the tone for the whole presentation," says one agency research director, "because we're the ones who have the facts."

Young & Rubicam claims to have started the first formal agency research department in 1929, when a well known statistical professor from Indiana, George H. Gallup Sr., came to New York at the behest of Ray Rubicam to start a department.

Y&R's claim may be disputed, but there is no doubt that research—advertising, media and marketing—has been an integral part of U.S. advertising agencies' service capabilities for a long, long time. The roots are deep.

But, currently, there may well

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Jack J. Honomichl writes a regular column on marketing research in Advertising Age *and helps coordinate Magazine research reports.*

Research mission

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be what one research director termed "an identity crisis," with some agency research department heads casting about for new and more important ways to serve their constituencies and a clear-cut "mission." This has been induced, in part, by the growing sophistication of their clients' research departments; clients aren't so dependent on agency research backup as they once were. In short, it's gotten much more difficult to snow a client with research.

Also, one of the most sensitive areas of research, testing of tv copy and advertising effectiveness in general, has been under heavy attack, and the implication is that an agency's research staff should somehow alleviate the problem, which continues to fester.

In any case, advertising agencies today fund a sizable segment of the U.S. research industry. For instance, according to recent data compiled by Advertising Age Magazine, the 25 largest agencies (in terms of gross income derived from U.S. operations alone in 1981) now have 1,550 employes working directly in research, of whom 1,162 are considered professionals.

This count does not include about 200 other employes who work in agency libraries or "information centers" as backup to the research staffs. Neither does it take into account the hordes of parttime employes and consultants hired by the agency. So, looking at just the 25 largest U.S. agencies, they collectively employ 5.4 professional researchers per $10 million of gross income.

But the disparity among the 24 largest U.S agencies in terms of their apparent emphasis on the research function is surprisingly high (*see chart*). The number of research professionals employed per $10 million in income ranges from a high of 9.0 (Needham, Harper & Steers) to a low of 2.6 (Ogilvy & Mather).

This same variance shows in the percentage of the total agency's payroll going to research staffers. Among U.S. agencies with $13.5 million in gross income or more, the mean is close to 4%. But the range is from a high of more than 7% in one agency to a low of less than 1% in another. Such a swing can't be explained away by caliber of staffs or salary levels; it simply demonstrates that some agencies place much more emphasis than others on the research function and that aspect of service to clients. That is also true when it comes to expenditures for research and development, agency support for broad-based original research that might prove useful to all clients, as well as the advertising community in general.

Beyond various dimensions of size, it turns out that there are other significant differences among major agency research operations. For instance, in some agencies almost all the top research personnel are female; in others, the opposite is true. In some agencies, there is a titular head of research operations, a prominent front man (or woman) who has a grandiose title (but not necessarily much line authority); in other agency setups, the research staffs scattered around in branch offices and subsidiaries are, for all practical purposes, autonomous.

Some agencies have through the years built up internal data collection capabilities—focus group facilities, WATS phone centers or mall locations for central interviewing—while others farm out almost all their work. Other agency research departments stress their role in helping to make good, effective advertising; in others, the emphasis is on the planning of marketing strategy. Some agencies have a monolithic, highly structured point of view towards some research methodologies (for instance, one tv copy testing service vs. another); in other agencies that does not exist.

In short, these agency research organizations are not nearly as homogeneous as one might expect, and the differences transcend those that might be expected because of their particular client base.

For example—and not surprisingly—agencies seemingly tend to see the research services they offer to clients as being well received and valuable, but the client's evaluation is not necessarily as rosy. Evidence of this comes from an Advertising Age Sounding Board survey conducted in January, 1979, and reported in the Feb. 12 issue of that year. These data are based on a survey of more than 100 marketing and advertising executives on the client side and top agency executives.

When asked how clients feel about the importance of agency services, the results showed that from the client's point of view advertising research is important—with 50% saying they consider it "very important." The importance of marketing research, relatively, is much less —with 25% considering it "very important" and 54% saying it's "of less importance."

But, in terms of evaluating how agencies deliver on client expectations, a definite gap exists. From the agency point of view, 23% say clients are "extremely satisfied" with agency contributions to advertising research, and none say clients are "unsatisfied." The client point of view, in sharp contrast, shows that only 4% say they are "extremely satisfied," and 23% are "unsatisfied."

This is not to say that down deep top executives of major agencies do not recognize this gap and feel it is important enough to take action. It is interesting to note that since 1979, two major agencies—Young & Rubicam and Ted Bates—have brought in new top research management, replaced to a large extent almost all their research professionals, greatly expanded their research staffs and started to invest in r&d.

Beyond these conspicuous cases, there appears to be a considerable amount of shuffling around at major agencies in response to current criticism and pressure. Here are some examples:

- Leo Burnett USA, as part of a reorganization in mid-1980, moved senior research staff members physically into the creative department to promote day-to-day cooperation and rapport. The results have been very positive, says Calvin W. Gage, Burnett's research director. At Y&R's New York office, senior researchers have been assigned to creative group heads, although they haven't physically moved their offices.
- Almost all major agencies now emphasize "life style" research, a continuous monitoring of societal changes and shifts in attitudes and purchasing behavior, to give their agency and clients an early warning system on the future—and, presumably, to give their research departments a futuristic image. One researcher, who headed a large agency research department in New York, sees this emphasis on "macro" research—the "big picture"—as a way to compensate for the declining interest clients are displaying toward workaday research from their agencies. And it's good publicity for the agency too.
- Many of the large agencies are starting to play up "strategic planning" in both job titles and operative roles. Presumably this stance—in part semantic manipulation—adds prestige and luster beyond what can be obtained via research alone. (This has been going on in British agencies for some time. According to certain agency officials, it's tough to find a "researcher" in London agencies these days; the term now is "strategic planner.")
- A growing response to criticisms about traditional copy testing is evident too. One conspicuous illustration is the funding by Foote, Cone & Belding (AA, May 11) of a new, on-air tv commercial testing procedure it believed was most suitable for evaluating the impact of highly emotional copy treatments, with emphasis on nonverbal communications, rather than the traditional day-after-recall techniques, which tend to place most emphasis on a respondent's ability to feed back —that is, verbalize—key copy points, or a selling proposition. In an unprecedented move, FC&B executives put together a road show and made public presentations of the findings to meetings of advertising executives in several major cities.

Another illustration is the PACT report, supported by a group of 20 or so major agencies, which attempts to publicize a standard point of view regarding tv copy testing procedures, which—ideally—would influence all agencies and their clients and settle some dust.

Quite independent of how large agencies shift and mold their research operations in the future to position them in a changing climate, the fact remains that they have been, and continue to be, a large and important part of the U.S. research industry.

Beginning on the opposite page are profiles of the 10 largest agency research operations. The scope of their operations speaks for itself.

How clients feel about the importance of agency services

	Absolutely necessary	Very important	Of less importance	Not Very important	NA	
Advertising research	23%	50%	23%	2%	2%	= 100%
Marketing research	4	25	54	10	7	= 100
Marketing strategy and plans	6	52	35	2	5	= 100

Client degree of satisfaction with agency's performance

	Extremely satisfied	Satisfied	Unsatisfied	Don't use	NA	
Advertising research	4%	54%	23%	8%	11%	= 100%
Marketing research	4	35	13	33	15	= 100
Marketing strategy and plans	4	60	13	15	8	= 100

Agencies perceptions of client's satisfaction with agency's performance

	Extremely satisfied	Satisfied	Unsatisfied	Don't use/ offer	NA	
Advertising research	33%	60%	—	—	8%	= 100%
Marketing research	14	66	—	3	14	= 100
Marketing strategy and plans	48	51	—	—	3	= 100

Source: [illegible] Agency Survey, January 1979

Who's who in advertising research?

The 10 largest agency research operations queue up

The following is a comprehensive listing of the 10 largest advertising agency research operations compiled by Advertising Age Magazine.

BBDO, New York, while ranking fifth among U.S. agencies in gross income ($127.9 million in 1981), ranks first in emphasis on research in many respects.

The parent plus a passel of subsidiaries, including the recently acquired Tracy-Locke, employ 143 people in research, 106 of whom are professionals. (These numbers do not include seven employes in the information resource center, which is touted as "the most extensive collection of secondary research resources in the business.") Of the professionals, 96 are in marketing/advertising research, and 10 are in media research.

This translates into 8.3 professionals per $10 million in gross income, far above the industry average of 5.4.

In terms of the percentage of its gross income spent on research operations, BBDO is believed to have one of the largest, if not the largest, of all large U.S. agencies.

Pringle
BBDO

At BBDO there is the traditional research group, headed by either a research director or an associate research director, assigned to each account.

The senior research person also is a member of a brand planning group, which includes a top-notch individual from creative, account management, media and senior management; this group, which overlaps the traditional agency account structure, has major coordinating responsibility for a given brand.

BBDO

In addition, at BBDO in New York, there is a marketing sciences group of 25 people, headed by R. Dale Wilson, responsible for marketing model development, computer operations and new product forecasting and analysis.

A third group, marketing horizons, is responsible for monitoring changing life style trends and "futures research." A fourth group, special projects, is charged with the development and improvement of techniques used by BBDO research, broad-scale consumer attitude and life style research, and BBDO position papers on research questions.

Inhouse facilities include "hotline," a 10-station WATS phone facility in the New York office, as well as "ad-lab," a focus group facility.

With regard to hiring research staff, an agency statement says, "We value integrity and the kind of personal strength that makes integrity possible. We value hard-working people, people who love advertising and the challenge it offers. We value intellect and creativity and find it difficult to distinguish between the two." BBDO does some recruiting directly from graduate schools. Transfer from research into other agency functions is discouraged.

Lewis G. Pringle, 41, is executive vp-director of research services at BBDO. He joined the agency in 1968 and was elected to the board in 1978. Mr. Pringle is a graduate of Harvard University and received his Ph.D. from the Massachusetts Institute of Technology.

Ted Bates Worldwide, New York, was the fourth largest U.S. agency in 1981, with a gross income of $129.1 million (excluding William Esty Co., a recent acquisition).

Fiedler
Ted Bates

Bates has seven subsidiaries, most notably Campbell-Mithun and Esty.

In all, these eight organizations employ 99 people in research, 79 of whom are professionals. (About one-half of this staff is with Bates in New York.)

For all Bates properties, this

Ted Bates

works out to 4.0 professionals per $10 million in income. However, the calculation for Bates/NY alone is 6.5, and for all the other properties combined 2.9.

(These counts do not include nine librarians employed by these agencies).

As for Bates/NY, the research staff is 2½ times as large today as it was in 1980, when John A. Fiedler came from Leo Burnett USA to be senior vp-executive research director. Further, the professional staff today, with a couple of exceptions, is new to Bates since 1980.

As for philosophy, the new stance goes like this: "The mission of Bates research is implicit in the agency's philosophy and discipline, the USP (unique selling proposition). Explicitly, our goal is to help get better copy quicker."

Bates research in New York is divided into four operating units: (1) four professional groups, each headed by a vp-research director, which have client assignments; (2) the marketing sciences and services group, overseeing research development activities and liaison with the academic research community; (3) research operations group, responsible for the fielding of research studies, coding and tabulating; and (4) the information services group, which has direct computer access to more than 50 major databases.

In addition to the line organization, the Bates department is simultaneously organized into five specialized task forces ("probably a misapplication of matrix management," according to Mr. Fiedler): Motivation research group, headed by Rudy Schroeer and Jack Bookbinder; test marketing experimental design group, headed by Paul Keller; copy research group, headed by Sheri Nadel; and market structure and segmentation research group, headed by David Gantman.

The Bates department periodically issues a report, "New Product Scan," which monitors all new products in test market and national launch. It has worked closely with Stanford Research in the design and execution of their values and life styles research program.

In addition, the agency has worked with the music and marketing departments of Columbia University on studies regarding the effect of music in advertising.

Also, in conjunction with State University of New York, Purchase, Bates has begun experimental research in the area of psychophysics (brainwave activities).

Mr. Fiedler, 40, received his MBA degree from the University of Chicago and is a member of the Bates board.

Leo Burnett USA, Chicago, is the largest agency in Chicago and the sixth largest in the U.S., with a gross income of $124 million in 1981, can lay claim to the largest agency research staff under one roof—136, of whom 100 are professionals.

(This figure does not include three librarians or about 54 parttimers associated with the department.)

That works out to 8.1 professionals per $10 million gross income, the third highest among

(Continued on Page M-18)

Researchers in advertising agencies

How 24 large U.S. advertising agencies rank: The number of research professionals employed per $10 million in gross income (U.S. only)

	Total number professionals employed	Number of professionals per $10 million income
1. Needham, Harper & Steers	53	9.0
2. BBDO	106	8.3
3. Leo Burnett	100	8.1
4. Foote, Cone & Belding	79	6.8
5. Ted Bates/New York	40	6.5
6. D'Arcy-MacManus & Masius	47	6.4
7. Young & Rubicam (excluding Marsteller Inc.)	106	6.1
8. Kenyon & Eckhardt	29	6.0
9. Dancer Fitzgerald Sample	41	5.4
10. Cunningham & Walsh	20	5.4
11. Doyle Dane Bernbach	62	5.4
12. J. Walter Thompson USA	83	5.4
13. SSCB/New York	22	5.3
14. Benton & Bowles	43	5.3
15. Marschalk Campbell-Ewald	34	5.2
16. N W Ayer	35	5.1
17. Grey Advertising	47	5.0
18. Ketchum Communications	17	4.4
19. McCann-Erickson	30	4.0
20. Bozell & Jacobs	23	3.7
21. Marsteller Inc.	16	3.2
22. Wells, Rich, Greene	20	3.1
23. Subsidiary companies of Ted Bates & Co., combined—most notably William Esty Co.	39	2.9
24. Ogilvy & Mather	41	2.6

*This analysis was based on gross agency income, U.S. only, for the year 1981, as reported in the ADVERTISING AGE, 1982 edition, U.S. Agency Income Profiles. The research staff counts were furnished directly to the author. The analysis is complicated by the number of subsidiaries included in some agency totals, and for the 10 largest agency profiles, this is explained. When possible, data on some of the largest subsidiary agencies are shown separately. Compton Advertising, which is one of the 25 largest agencies, would not contribute to the summary.

Advertising agencies

(Continued from Page M-11)
major agencies.

The Burnett operation is distinctive in other respects. For example, since mid-year 1981, researchers assigned to creative actually have offices in the creative department to promote close, day-to-day cooperation and report.

Also, Burnett pioneered, 25 years ago, the use of central location interviewing. (Today, the Burnett facility is located near Woodfield Mall, a giant shopping center in a Chicago suburb. A focus group facility is in the agency's main office in Chicago's Loop area.)

According to an agency official, "Virtually all of our research is conducted inhouse, except for field work done outside Chicago."

A Burnett life style program, started in 1967, monitors societal changes and their relevance to advertising problems.

"While we deal with a great range and variety of research," says an official, "five areas account for the majority of our projects: Focus group discussions, copy research, life styles analysis, the planning evaluation of new product introductory programs and experimental work to improve our understanding of how advertising works—and to find better tools for studying the ways people are affected by advertising."

Organizationally, Burnett assigns each account a research group headed by a vp-group research director (who is physically located in the creative department), who is backed up by associates and analysts.

Gage
Leo Burnett

In addition, there are four groups of specialists: (1) qualitative research (focus groups, depth interviews); (2) new product research (tracking studies, study of new product introductory copy); (3) consumer and marketing research programs (life style program and the modeling of relationships between advertising and sales/purchase behavior); and (4) copy development research (r&d on copy testing procedures).

Burnett research recruits staff from universities. Also, the agency's client service department, as part of its training program, puts recruits into research for a year or so.

The head of Burnett research is Calvin W. Gage, 51, senior vp-director of research, who joined the agency in 1955. He has a master's degree in American studies from the University of Minnesota.

D'Arcy-MacManus & Masius, New York, has research departments in each of its seven U.S. offices, and they employ 70 people, 47 whom are professionals.

Because DM&M gross income for the U.S. in 1981 was $73.9 million, this works out to 6.4 professionals per $10 million in income, well above the industry average of 5.4 for large agencies. (DM&M owns a research company, Mid-America Research in Mount Prospect, Ill., which specializes in central location interviewing through four mall sites. Mid-America staff is not included in this analysis.)

Each of the DM&M research staffs operates autonomously, and there is no one person within the DM&M organization who is the titular head of research.

However, the research directors from these seven locations are members of DM&M's research operating committee, which meets quarterly to ex-

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Advertising agencies

(Continued from Page M-18)

change ideas and consult on problems of common interest.

DM&M, not surprisingly, finds virtue in the decentralization of research, namely that each office tends to have a different type of client base—package goods, durables, industrial—and hence each can adjust accordingly.

DM&M's operating philosophy stresses "upfront research—used developmentally—on behalf of all clients—as the most effective and efficient deployment of resources," according to an agency official.

The DM&M units do share a central information services department—including a central library (librarians are not included in the staff counts above), and there is information retrieval through crt's.

Also, a "New Products Prediction Model" called RAM, which was developed by DM&M/Chicago, is available to DM&M clients. Two of the DM&M offices have life style researchers and there are arrangements with several universities as consultants in special areas, including statistics, psychology and sociology.

DM&M research directors are: Tom Kutsko, Atlanta; Lucien DiSalvo, Bloomfield Hills, Mich.; Marshall Ottenfeld, Chicago; George Scott, Minneapolis; Patricia Greenwald, New York; and Philip Baker, St. Louis.

Ziff
Doyle Dane Bernbach

(The San Francisco post is open.)

Doyle Dane Bernbach, New York, comprising

eight different operating groups in the U.S., had a gross income of $115 million from U.S. operations in 1981, ranking it eighth in size among agencies.

There are 82 people (mostly headquartered in New York) working in research—71 in advertising and marketing research, 11 in media research.

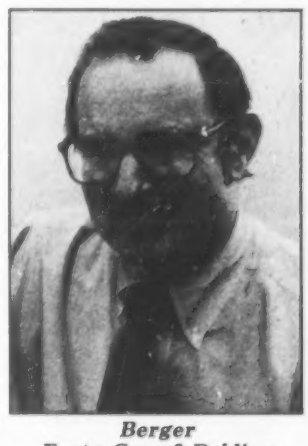
Of these, 62 are professionals, or 5.4 per $10 million in income. (This does not include eight staff members in the agency's research library, which features on-line terminal access to various databanks.) This staff is organized into two groups, with one reporting to a vp-manager of research (Sy Collins), and the other reporting to a vp-manager of marketing services.

Under research, there are six group research directors, each a vp, and each of them has a staff of professionals with titles such as associate group director-research supervisor. Each group has a list of client assignments, except for one that specializes in international research and special agency projects. (Some members of the marketing services staff are involved in secondary research, and these are included in the counts above.)

In addition to conducting day-to-day studies—from brand image to media mix and weight studies, from legal support to product test and a variety of copy development tests in conjunction with DDB's creative staff—the DDB research group has developed several techniques it believes are innovative.

They include METER, a tv pretesting technique called multiple exposure television effectiveness research; CON-TEST, a system to test alternative advertising strategies; GOALS, a five step systematic, disciplined approach to the generation of advertising leverage strategies, and two unique systems for measuring the intrusiveness of radio commercials and the readership of print ads (which includes a mock newspaper where test ads can be tipped in).

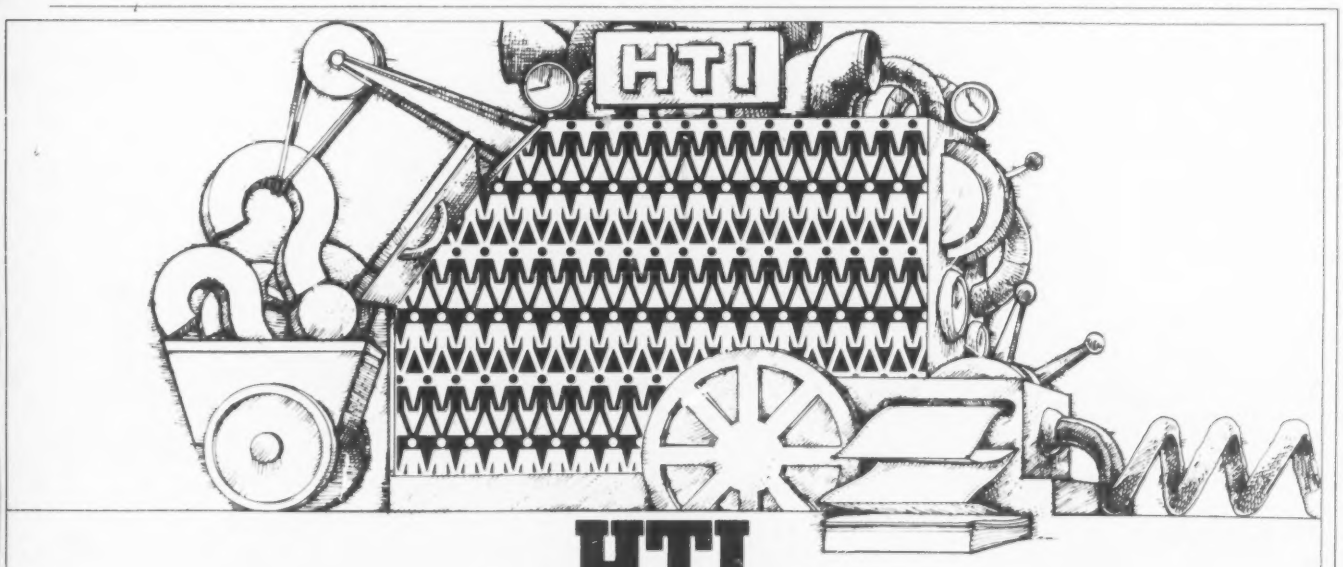
The top research executive at DDB is Ruth Ziff, executive vp and director-research & marketing services. Before joining DDB in 1979, she was vp-manager of research at Benton & Bowles. Ms. Ziff is a member of the agency's management review board and a director of DDB. She received a Ph.D. in sociology from the City College of New York and, in 1973, was named



Berger
Foote, Cone & Belding

Advertising Woman of the Year by the American Advertising Federation.

Foote, Cone & Belding, Chicago, has six research units: FCB/Chicago; FCB/New York; FCB/Honig, San Fran-



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pany, JWT Group, which includes, among other properties, Hill & Knowlton, the world's largest public relations agency, which has a sizable research department of its own, and Simmons Market Research Bureau, the staffs of which are not included in this analysis.)

JWT/USA employs 106 people in research in six offices; 83 of these are professionals, so that works out to 5.4 professionals per $10 million in gross income, average for the large agencies. "The research operation at JWT, as the name research and planning signifies, goes well beyond data collection," says an agency official.

"It is functionally integrated into the agency's target planning system. Department professionals work with the account team on a continuing basis in the planning, development, execution and evaluation stages of marketing and communications strategies for our clients."

Researchers are organized according to account groups, with client assignments, and the lead researcher is a member of the agency's target planning team.

JWT says its commitment to research "is mostly strongly demonstrated through its longstanding investment in a continuing r&d program." As examples of this, JWT cites the following: A study of the public's perception of television violence and its effects upon the performance of advertising; a "new demographics" for defining the changing role of women and responses to traditional and contemporary portrayals of women in advertising; tracking studies of consumer responsiveness to generic products, and a study of the potential value of long-form commercials available upon demand via "Cableshop." In addition to account group assignees, JWT research staffers are organized into groups of functional expertise: Media research, statistical analysis, sampling, marketing models, forecasting, information retrieval. Some consultants are used on an as-needed basis.

JWT has semiannual, two-day seminars, which are attended by the senior research professionals from its U.S. offices as well as its affiliated U.S. and Canadian operations to share research expertise and ideas.

Sonia Yuspeh, who joined JWT in 1972, is senior vp in charge of research and planning. In 1982 she was appointed chairwoman of the agency's U.S. research and development committee. She also chairs the New York office Strategy Plans board. Ms. Yuspeh has a master's degree in sociology from Cornell University.

Plummer
Young & Rubicam

Young & Rubicam, New York, the largest agency in terms of U.S. gross income ($222.8 million in 1981), is—along with a group of branch offices and wholly owned subsidiaries, including Marsteller, Inc.—the largest employer of research personnel: A total of 136, of whom 122 are professionals. (This number does not include a library staff, business managers and clerical support staff; under the Y&R organization in New York, secretaries are on another budget.) This works out to an average of 5.5 professionals per $10 million in gross income. However, for Y&R properties excluding Marsteller, it is 6.1; for Marsteller alone, it is 3.2.

It wasn't always this way. Since Joseph T. Plummer came from Leo Burnett Co. to be executive vp-director of research at Y&R/USA in 1979, the Y&R research staff has nearly tripled in size. Also there has been a greater investment in basic r&d plus a reorganization that emphasizes close working relationships with creatives. (A researcher is assigned personally to each senior creative chief.) The research emphasis, according to an agency statement, has shifted from "How did we do?" to "Are we touching the consumer?"

YOUNG & RUBICAM

"This shift from 'counting noses' after the fact to 'sticking our necks out' upfront has had an important impact on creative strategy, creative development and agency new business efforts," says a Y&R official.

The Y&R research department was founded by George H. Gallup in 1929, and that, says Y&R, makes it the oldest agency research group in the U.S. Today, the organization includes the traditional account research groups (seven) assigned to clients. This staff is headed by John Eighmey.

In addition, there is a consumer research services group, under the direction of Max Bonfeld, which works in the area of copy testing, survey design, modeling and computer application and consumer values/life style research. Also, a group called creative research services, headed by Susan Gianinno, works on creative problems and manages the discussion lab, an inhouse focus group facility.

Paul Murphy is director of research for all Y&R specialty companies (excluding Marsteller Inc., whose research head is John H. Morris), who can turn to Y&R/USA staff for "additional horsepower" on research projects, as required.

Mr. Plummer, 41, an executive vp of Y&R/ USA, is also a member of the board. He received his Ph.D. in communications from Ohio State University.

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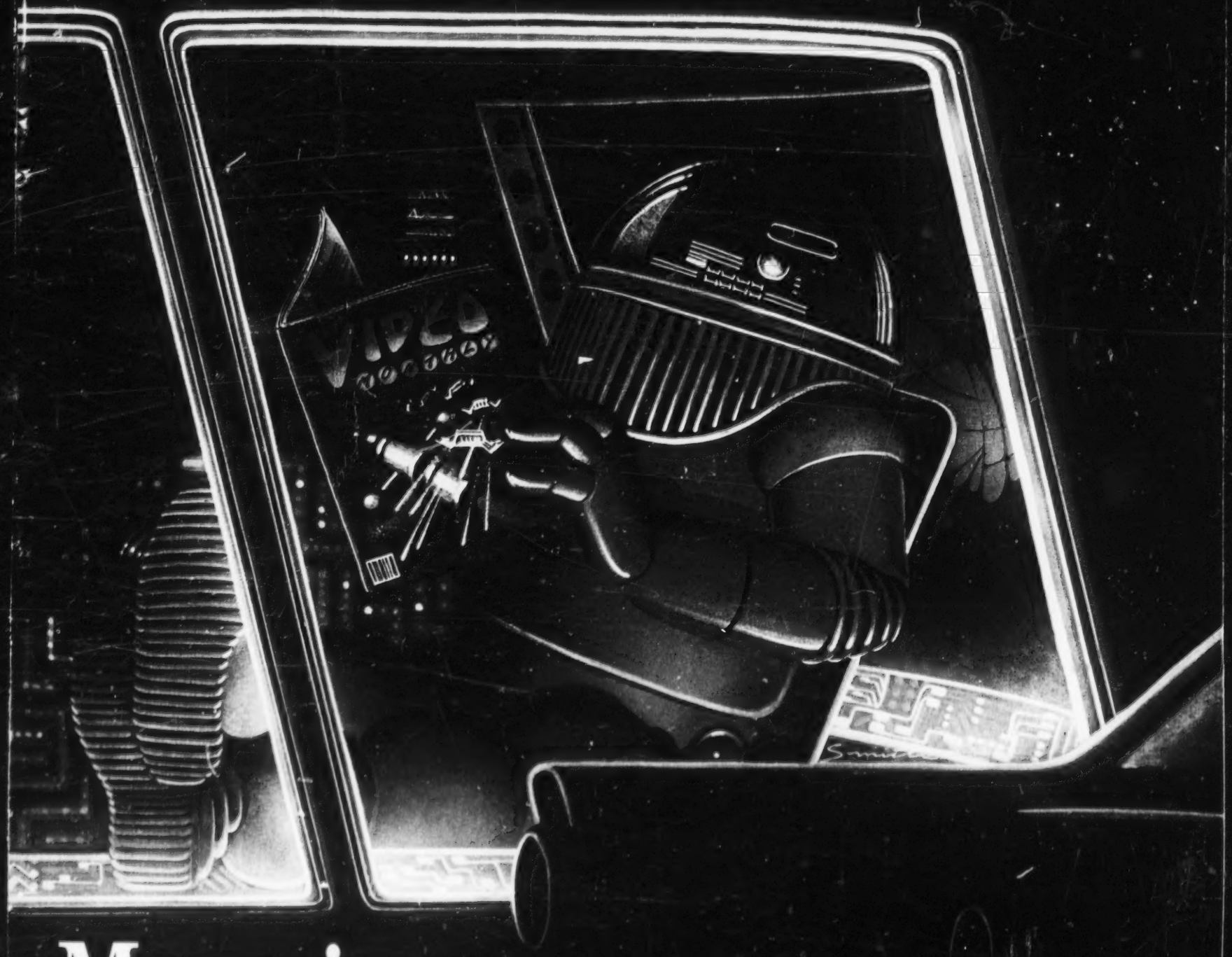

Magazines

Their specialty: Matching mind with matter

See Magazine

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Slow pay eases with economy

By CHRISTY MARSHALL

NEW YORK—The perennial by-product of a troubled economy—slow-paying clients—appears to be on the decline. As NH&S/USA exec vp-chief financial officer Ed Haymes noted, slow pay is "usually a function of interest rates," which are down.

"When interest rates were very high earlier this year, there were times when certain clients were slow," he said. "That required more monitoring than usual. But we have found just about all of our clients pay pretty much within our terms. And we do spend a lot of effort to make sure we are paid within a reasonable time." As a result, Mr. Haymes said, slow pay is "not a problem whatsoever" at this time.

At Benton & Bowles, president John Bowen also said his agency has no problem with slow pay, but he attributes this to the "blue-chip-ness" of the agency's client roster. Doyle Dane Bernbach and BBDO both said they, too, are currently free from worry about clients who might seek to hold on to their cash while agency bills go unpaid for 30, 45, even 60 days or more. At SSC&B, vp-treasurer William Overlock said there hasn't been any significant slowdown in payments.

Some agencies have had real problems with slow payers in the past. One of these, J. Walter

(Continued on Page 86)

That's using your head

Head & Chest cold remedy joins Head & Shoulders shampoo in Procter & Gamble's product stable. The new item, now in its introductory phase (AA, May 24), is from Norwich-Eaton Pharmaceuticals acquired by P&G. Tv and print supports, via Henderson Advertising.

Wensberg exit raises doubts on Polaroid

By GAY JERVEY

Once again, Polaroid Corp. has lost one of its best and brightest.

Peter Wensberg, a 24-year Polaroid veteran, resigned to join Atari Inc., the videogame/home computer marketer that very recently snared Theodore Voss from Polaroid. Mr. Wensberg had risen to become Polaroid's No. 3 man, premier marketing executive and dark-horse candidate for the presidency of the company when William McCune retires.

Mr. Voss and Mr. Wensberg are the last in a line of top Polaroid brass—largely viewed as the company's most aggressive and savvy—who have left the company in recent years. As such, analysts see this as a final, damaging defection.

Analysts, by now accustomed to unsettling news from Cambridge, Mass., viewed this latest defection as one more indication that Polaroid is struggling to find a focus, and will not soon maneuver its much-needed turnaround.

Industry watchers are unanimous: Mr. Wensberg's loss will be felt, particularly in the marketing area. He had just finalized plans to shift Polaroid's 1983 ad strategy subtly by running a generic campaign—this time, without long-standing Jim Garner and Mariette Hartley—to promote the emotional benefits of instant photography. "We want to get back to stuff we used to do in the 1970s," he said just last week from his Polaroid office, "to make more of a statement about what instant photography really means."

Mr. Wensberg joined Polaroid in 1958, rose through the advertising and marketing ranks and, in 1980, became exec vp-director of industrial and technical photography, the area seen as Polaroid's most promising growth area. Last summer, he assumed the worldwide marketing responsibilities vacated when Mr. Voss left to become vp-advertising at Atari.

Earlier this year, Richard Young, Mr. Voss' immediate predecessor as vp-worldwide marketing, and considered by many to have been the choice as Polaroid's next president, took early retirement to benefit from the company's generous plan. Shortly thereafter, Murray Swindell, a 20-year veteran and vp-North American marketing under Mr. Young, similarly left—with almost two year's pay, plus a pension—despite reportedly being offered a promotion and higher responsibilities.

Mr. Wensberg will now become president of an apparently top-secret new division at Atari. It goes by the code name, "Project Falcon," will market an electronics line and is touted as the next major Atari earnings leg.

Several sources close to Atari believe that Mr. Voss will be gestating not one product, but rather a combination of cable/home computer terminals, publishing operations and tie-ins with other data bases, such as major newspapers.

Mr. Wensberg said that Atari is anxious for him to start, so he should be there within two weeks. "I am leaving Polaroid with many fond memories," he said.

Sources believe the financial lure was a powerful one; several suggest that his new post could earn him about $500,000 a year. There are also murmurs that differences between Mr. Wensberg and I.M. Booth, now regarded as the favorite for the presidency, probably made leaving less painful.

No doubt, the fact that Mr. Wensberg and Mr. Voss had been friends for years figured in the move. It was, in fact, Mr. Wensberg who hired Mr. Voss for his first Polaroid job over 17 years ago. The two continued to work in tandem and worked closely with Polaroid agency Doyle Dane Bernbach.

At any rate, analysts have greeted this latest news with what has become a sadly perfunctory, bemused shrug. "I must say I have never seen a company with so much top, top management turnover in so little time," said Smith Barney's Peter Enderlin.

Or, as another put it: "Just when you think you've heard it all from them, something else happens."#

highlights

Monday, October 25, 1982

Watch makers are turning to celebrities in their gift-oriented Christmas campaigns. *See Page 10.*

The Mexican National Tourist Bureau is launching a vigorous campaign to convince Americans that vacations in Mexico now are cheaper than they were a year ago. *See Page 12.*

The hairspray market appears to be growing nicely as Gillette gets ready to break introductory advertising for its Silkience conditioning hairspray. *See Page 14.*

Companies marketing products that reverse some negative effects of alcohol will comply with FDA demand for claim substantiations. *See Page 20.*

Orit Corp.'s Gitano division is introducing a proportionately-sized line of women's denim and corduroy jeans labeled P.S. Gitano. *See Page 22.*

TP&A Cosmetics, targeting young males in the traditionally young-female toiletries field, is expanding its skin and haircare line. *See Page 22.*

Hoping to attract many of the homes that have been receiving the soon-to-disappear CBS Cable, Hearst/ABCVideo Services plans to combine schedules of Daytime and ARTS. *See Page 24.*

While Ogilvy & Mather in Houston will post a record year in 1982, Wells, Rich, Greene has called it quits after 3½ years in Texas. What did they do differently? *See Page 26.*

The marketing team that gave us Perrier is planning to introduce a low-price Italian Bollini chardonnay into the U.S. white-wine market. *See Page 45.*

The Yankee Group, a Boston-based think tank, predicts that video shopping arcades may appear in retail locations by 1983. *See Page 48.*

Magazine revenues rose 6.7% through the first nine months of 1982, according to Publishers Information Bureau figures, though ad pages fell 1.1%. *See Page 68.*

Cover illustration by Raymond Smith.

CORPORATE CLOSEUP

After surviving nearly a decade of red ink, Scripto Inc. has come back to life via its entry into the erasable pen market, and now is aiming to become a multi-faceted consumer products company. *See Page 4.*

VIDEOTECH

The three commercial networks are betting more than $30 million in first-year start-up costs that there are viewers, advertisers and profits to be had in late-night newscasts. *See Page 52.*

Set to produce Showtime's pay tv cable revival of "The Paper Chase" are two former advertising agency principals who sold their agency when the recession began hurting. *See Page 54.*

The self-help craze has propelled such books to the top of best-seller lists and has made call-in therapy shows a radio staple. Now tv is serving as shrink to the world. See Page 58.

INTERNATIONAL

A new consumer phenomenon—the career woman—is springing up in Japan, and marketers are starting to cater to her. *See Page 30.*

Otsuka Pharmaceutical is bringing Japan's leading health drink to the U.S. *See Page 30.*

The comeback of Team/BBDO, although slowed by the severity of the German recession that has hit everyone, has occurred faster than many onlookers predicted. *See Page 34.*

MAGAZINE

Animation in advertising has an uncertain future, as the Walt Disney-type animated character may become a thing of the past. *See Page M-4.*

Magazines: The last decade has been an era of the rise of specialized magazines serving the special interests of their readers. *See Page M-9.*

Exclusive study by management consultant Allan Cox shows corporate executives "isolated" from society. *See Page M-62.*

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DeLorean still owes ad shops

By GAY JERVEY

NEW YORK—Although it is hardly its biggest worry at the moment, DeLorean Motor Co. has yet to finalize payments to its former ad agency, Avrett, Free & Fischer (now Avrett, Free & Ginsberg), and, reportedly, to its media buying service, Time Buying Services, which bought and paid for several DeLorean print ads. The latter refused repeated attempts for confirmation.

This fact surfaced last week along with news of auto entrepreneur John Z. DeLorean's arrest on drug charges, apparently a desperate attempt to salvage his company and the dream that ultimately proved so self-destructive.

Last March, ADVERTISING AGE learned that DeLorean owed $500,000-plus to Time Buying Services, which bought and paid for several DeLorean print ads that were created by Avrett (AA, March 22).

Also at that time, Jim O'Halloran, president of O'Halloran Advertising, Wilton, Conn., said he was out $40,000 for DMC Yellow Page dealer ads he placed some time ago.

Today, Mr. O'Halloran concedes he has not seen a cent, and thus

(Continued on Page 86)

Dobyns-helmed show to challenge '60 Minutes'

NBC sets news mag...

By DIANE MERMIGAS

Lloyd Dobyns, whose often sardonic and irreverent approach to news set the pace for NBC's "Weekend" in the 1970s, will be the sole host of a new one-hour prime time news magazine the network plans to premiere the first week in February.

"What we'll be looking for is a 'Weekend' type format and, because of that, we think Dobyns is the best one for the job," said NBC News president Reuven Frank.

Mr. Frank has requested that NBC free Sundays at 7 p.m. (ET) for the new show, which would put it opposite CBS' popular "60 Minutes." The time slot is "protected" by federal regulation to include only news, public affairs, informational or children's programing.

NBC program chief Brandon Tartikoff said the ratings performance of "Voyagers!" (currently in that slot) will determine if the new show will be scheduled on Sunday.

"If 'Voyagers!' is getting a 24 share, I think we'd have to look into our souls and ask if we really want to make a change there, since most anything we or ABC put in that time slot seldom performs as well. But I'm not averse to having another news magazine air on Sunday," Mr. Tartikoff said.

Mr. Dobyns will leave his job as

(Continued on Page 84)

...and wins with World Series

The World Series gave NBC-TV a brief taste of glory, catapulting the struggling third-place network to the top of the prime time ratings in the third week of the new season, ending Oct. 17.

NBC averaged a 20.4 rating and a 32.2% share of the national tv audience for the week. CBS averaged a 17.3 rating and 27 share over ABC's 15.6 rating and 24.7 share. Season to date, CBS has averaged a 17.9 rating, ABC a 17 rating and NBC a 16.7 rating in prime time.

The second game of the World Series, played Oct. 13, was the top-rated prime time show of the week, attracting a 29.1 rating and 45 share of the available viewers. The third World Series game, Oct. 15, placed second, with a 25 rating and a 41 share, followed by the first game Oct. 12, which attracted a 27.9 rating and a 32 share. Although the fifth game (Oct. 17) attracted a 55% share, A.C. Nielsen Co. did not include it in its weekly reports since only the final hour spilled over into prime time.

The Oct. 19 sixth game garnered a 24 rating and a 44 share, and the final World Series game—in which the Anheuser-Busch Cos.-owned St. Louis Cardinals emerged victorious—on Oct. 20 attracted a 38.2 rating and a 56 share, or 31.8 million tv households.

CBS' Oct. 11 telecast of "The Country Music Awards" was the only other special programing that placed in Nielsen's Top 10 for the

(Continued on Page 84)

Kodak awareness soars on its disc

By JOSEPH M. WINSKI

Apparently still benefiting from a heavy introductory campaign for the disc camera, Kodak advertising climbed substantially in consumer awareness last month.

Of a random sample of 1,260 adults questioned in September, 358—or 28.4%—said Kodak advertising was the first that came to mind among all advertising for cameras and related products. Sixty-three of the 358 specifically named "Kodak disc" advertising.

adWatch

Kodak's September score was up 9.3 percentage points from August and the largest monthly gain of any advertiser mentioned in the first six months of adWatch, a survey of consumer awareness of advertising conducted by Advertising Age and SRI Research Center Inc. of Lincoln, Neb.

Awareness changes of more than 2.7 points are considered statistically significant.

Kodak, whose advertising is handled by J. Walter Thompson USA, has been No. 1 in awareness in its industry for each month, but its September performance boosted its margin over No. 2 Canon to 15 percentage points, the most ever. Canon's awareness score rose to 13.4% in September, from 11.8% in August. No. 3 Polaroid's advertising was mentioned by 5.4% of the respondents, down slightly from August.

In another significant increase last month, McDonald's reversed two straight months of substantial declines with a 5.6 point rise in awareness. McDonald's advertising was named as that first coming to

(Continued on Page 68)

world news roundup

Ottawa—Burger King last week was ordered by Canada's Dept. of Consumer Affairs to substantiate comparison claims between the chain's Whopper and McDonald's Big Mac before the J. Walter Thompson USA commercials are aired here. Department investigator Ron Siwicky says he does not believe Burger King's survey proves the claims, which, he added, could constitute misleading advertising.

Milan—Procter & Gamble has 30 days to withdraw Pampers advertising in Italy that compares the disposable diaper's absorbency with that of "normal" diapers. A judge here ruled that the campaign constituted unfair competition since it was unclear what a normal diaper was and because the three-second moisture test was irrelevant to the product's actual use.

Hong Kong—Readers Digest's majority-owned *Asiaweek* plans to boost its guaranteed circulation from 35,000 to 45,000 next year, still behind competitors *Time*, *Newsweek* and the *Far East Economic Review*. In the latest Asian/Pacific readership survey, *Asiaweek's* average-issue audience increased 29%, compared with 42% for the *Review*.

London—Fiat tapped Ogilvy & Mather subsidiary Davidson Pearce last week to handle its $12 million U.K. account. Fiat also appointed Kenyon & Eckhardt affiliate Butler Dennis & Garland to handle its $6 million Lancia account.

Weekly digest of D.C. news

'Post' to test its spinoff

By RICHARD L. GORDON

Washington—The *Washington Post*, which scoffs at suggestions it has "national newspaper" aspirations, said publication of a spinoff "national weekly edition" may begin as early as next February if response to a test subscription offer is favorable.

The *Post's* planned product will compete for many of the same national ad categories targeted by Gannett's daily *USA Today*—liquor, automotive, corporate—but will be just the opposite in editorial focus. Where *USA Today* boasts its nationwide coverage, the tabloid *Post National Weekly Edition* will solely cover official Washington: Government, politics, diplomacy and economics.

Where Gannett shoots for a quick climb to 800,000 readers and eventually more than 2 million, Alice Rogoff, publisher of *Weekly's* prototype issues, and special assistant to *Post* publisher Donald Graham, is targeting a fairly rarefied audience of "educated people with some sort of vocational tie to Washington politics."

But, like Gannett, the *Post* is heralding its new publication as a "history-making new venture in journalism." Whatever its historical status, its introduction fits with the growth strategy of Washington Post Co. president Richard D. Simmons.

Mr. Simmons has said he planned to seek new ways to market his company's existing information resources.

- *Post* officials noted that neither the *New York Times* nor the *Wall Street Journal* publish a weekly selection of their most important articles for selected readers.

Mr. Graham expects initial circulation of the *Weekly* to be "well under" 100,000. Miss Rogoff said she's awaiting results from a 700,000-piece, direct-mail subscription offer this month before hazarding any guesses about the publication's sales potential.

A one-year subscription is priced at $39; the newsstand price will be $1.

Unlike Gannett, which has in-

(Continued on Page 87)

"We had to get back to what Volkswagen, and. . .Volkswagen advertising, stood for," declared marketing manager John Slaven in an interview in Doyle Dane Bernbach's New York office *(see separate story, Page 88)*.

VW implements its 'heritage' strategy

By RALPH GRAY

La Jolla, Cal.—The ghost of Beetles past is being exorcised by Volkswagen of America's newest marketing exercise: Aim high.

Although VW prices are "more competitive" than last year, the company will go after upscale buyers rather than the downscale-like buyers of the erstwhile Beetle. "In an economy where car sales are dependent on financing, you just can't sell a lower-income group," said Carl H. Hahn, chairman of parent Volkswagenwerke of West Germany.

Mr. Hahn, newly named chairman, was in the U.S. to launch VW's 1983 models. VOA suffered tumbling sales in 1982, so VW is going back to basics, to its heritage (AA, July 5). The idea of a German-German car has returned. "We don't want to build the best American car. We want to build the best European car in America. That's our basic philosophy," Mr. Hahn said.

"We will immediately implement a brand management vitality for all our models," said James R. Fuller, vp of the Volkswagen division of VOA, "not just in advertising and not in product definition, but in marketing position. We will emphasize the qualities that made VW legendary and the standard of the small-car market many years ago—the character of German engineering," he said.

Mr. Fuller is counting on a hot-performing model, the GTI, which is being billed in new advertising as a "wolf in sheep's clothing." Ads stress the German origin of the Rabbit, which is built in the U.S. One tv spot says, "In Germany, the most popular high-performance car is a Volkswagen GTI."

The introductory campaign is about 60% tv, but in two months will be equal parts print and tv. VOA ad spending was $70 million to $80 million for model year '82 and will be up a bit better than inflation for '83, execs said.

"This is not just an ad campaign," Mr. Fuller said. "It is part of a strategic plan that takes into account our product-pricing path and the position of all of our products." All print ads and most tv commercials will show price, but that's incidental to a lot of squealing tires, airborne cars and other performance images.

"We have to be consistent in our new strategy and we think it will take a minimum of three years to fully accomplish our awareness goals," said Mr. Fuller. Or, as Mr. Hahn

(Continued on Page 88)

U.K. rules not stopping foreign links in cable

By HOWARD SHARMAN

LONDON—The U.K. market for cable tv, which would be thrown open to all comers if the British government accepts the recent recommendations of the Hunt Committee, still would ban U.S. and other foreign investors from a controlling interest.

But that as yet has not deterred foreign investors from getting involved in this market. "This is a very encouraging and enlightened report," said Roy Faibish, exec vp, Cablecasting Europe, a Canadian company.

The committee, set up in the summer to consider questions related to the wiring of the U.K., programs to be shown, advertising or pay tv and controls that might be needed, has come down strongly in favor of a fast and relatively unrestricted expansion of cable tv.

Among the recommendations were the following: Programing from abroad should not be restricted as it is on the existing networks; there should be no division between cable system operators and program providers; there should be no limit on the amount of advertising carried (the committee even foresaw some channels being nothing but classified ads), and franchises should be awarded for areas of up to 500,000 homes and for 10 years, with subsequent renewals being for eight years.

The only monitor on the new cable system would be a central authority to award the franchises to companies or consortia and to oversee operations of franchisees.

Despite the restrictions on foreign ownership, the report has not reduced the ardor of foreign companies to get involved in this market. Mr. Faibish says the conditions Lord Hunt has proposed for the startup of cable tv are much more encouraging and liberal than those in the U.S. and Canada in the 1960s and early '70s.

"We are looking at consortia opportunities and are considering the whole of the U.K.," Mr. Faibish says. He believes that it will take between two and three years to get a cable running past all of the homes in a franchise area of 100,000 homes, and it probably will be at least a year before a franchise authority is set up to assign franchises. This implies that it will be at least 18 months before any homes are connected to new cable systems and as much as four years before systems are in operation.

Looking at the recommendations of the Hunt Committee, Mr. Faibish believes that the British cable system will develop more like the Canadian model than the U.S. model. The Canadian system not only must carry regulations proposed by Lord Hunt, but also offer more safeguards to the national broadcaster, the Canadian Broadcasting Corp., than the U.S. system, which does not protect the networks.

"I don't think that in any cable system above 10,000 homes you should be able to get a cable franchise without offering a local channel, and it will be the Canadian model of cable broadcasting which we will be putting forward in the U.K.," Mr. Faibish says.

The role of advertising in the development of cable tv in this country is still unclear. Lord Hunt suggests that there should be no control on the amount of advertising on cable channels, and cable clearly offers a huge theoretical opportunity to advertisers.

But agency opinion here is that national advertisers will not be interested in the medium until 25% to 30% of homes are connected to cable, and that position is still a long way in the future. Mr. Faibish tends to agree with this view, saying, "Advertising will only make a marginal contribution to cable, it will not be a significant factor."

The initial growth of cable is likely to depend on consumers taking up cable's basic package and being prepared to pay extra for whatever subscription channels are offered.

Even before the report was published, companies were being formed to bid for possible franchise areas. Granada, the ITV contractor in the northwest of England, has expressed interest and says it is looking at the possibility of setting up a film channel, provisionally called Granada Home Cinema Service, which looks as though it could be modeled on the successful Home Box Office.#

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THE SERVICE MAGAZINE FOR THE NEW SPIRIT IN AMERICA.

A Rodale Press Publication

corrections & clarifications

• *Folio* 400 figures reported on P. M-60 of this issue, printed earlier, have been revised by the magazine. Total revenues in 1981 for *Better Homes and Gardens* should be $172 million, a rise of 9% over 1980. For *Sports Afield*, total revenues in 1981 amounted to $14.9 million, an increase of 13.9%. In addition, according to *Folio*, revised 1981 total revenues for Rodale Press publications show that *Prevention* grew by 6.0% and *New Shelter* by 47.3% over 1980. Rodale, however, said *Prevention's* total revenues increased 70.4% and *New Shelter's* rose 14.5% during that period. Rodale also noted that *Prevention* had total revenues of $39 million in 1981.

• A Los Angeles ordinance to drop city business tax exemptions for newspapers, radio and tv was expected to generate $2.9 million annually and would tax ad gross receipts of printed publications, radio and tv stations. The amount was reported incorrectly (AA, Oct. 18, P. 77).

Latz-Purina exits TBWA

EUSKIRCHEN, WEST GERMANY—Because Quaker Oats is acquiring the European companies of Ralston Purina, the latter's German arm, Latz-Purina, has terminated its relationship with TBWA, Frankfurt.

Quaker & Partner, into which Latz-Purina is being merged (AA, Oct. 19), will keep all its pet food business at its present shops: Foote, Cone & Belding, Frankfurt, and McCann-Erickson, Cologne.

L-M coupon insert set

DETROIT—Lincoln-Mercury will sponsor a combination consumer information pamphlet and coupon booklet in the April *Family Circle*.

Top half of the 20 pages will carry information on buying and servicing cars; coupons from various brand advertisers will be on the bottom. A sweepstakes promotion is included. SR&B/Rainbow Corp., Troy, Mich., is handling.

Johnson leaves Colgate

NEW YORK—M. Carl Johnson III has been named exec vp-marketing and sales, Campaign Communications Institute of America.

Mr. Johnson was category manager, oral products, Colgate-Palmolive Co.

Public confidence in economy grows

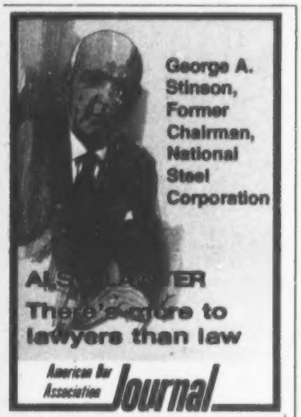
(Continued from Page 36)

pent-up buying power. As they entered the fourth quarter of 1982, Americans generally were in better financial shape than they have been for a long time. One in three (32%) reports being better off financially than a year ago, compared with only 28% during the second quarter. With inflation easing, 36% say they expect it to be easier to get by and pay bills next year—the highest proportion in more than a year. Almost half (45%) expect to be still better off next year, while 52% had more income this year than last. Looking ahead, 43% expect their income to go up in the year ahead, while only 8% expect a decline in income, with the balance expecting no change in income.

Go, no-go

So, as the last quarter of 1982 opened, retailers and manufacturers might look to the encouraging facts that consumer buying power is mounting steadily and that a sudden spontaneous urge to make major purchases is showing up across the country. If that urge really lets loose, it could shove the economy back into high gear. But there's a great difference between urge and consumption. Eight in 10 consumers continue to tell us that they are *not* planning to increase their over-all debt in the year ahead. Three in four consumers we talk with say they expect their savings will increase or remain constant in the year ahead.

The direction that sales actually will take in the final quarter of 1982 depends heavily on what marketers do to shift the existing balance between the consumers' strong urge to spend and their equally strong urge to conserve cash and defer major purchases.#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NAAN adds 3 members

New York—The National Advertising Agency Network has added three new agencies to its membership roster—Carter Advertising, Shreveport, La.; Paragon Advertising Agency, Minneapolis, and Corporate Communications Ltd., Halifax, Nova Scotia.

FLASH REPORT: Newspaper advertising investment for July

JULY 1982		DOLLARS		CHANGE	
CATEGORIES	YEAR	1982	1981	ACTUAL $ G OR L -	% G OR L
Department stores	1982	$35,423,581	$33,119,218	+2,304,363	+7.0
	1981				
Food stores	1982	16,579,734	16,613,170	−33,436	−0.2
	1981				
Radio, tv, phonographs, records	1982	7,763,137	6,430,915	+1,332,222	+20.7
	1981				
Alcoholic beverages	1982	1,529,382	1,504,256	+25,126	+1.7
	1981				
Cameras, photo supplies & services	1982	359,256	601,657	−242,402	−40.3
	1981				
Beverages: coffee and tea	1982	116,303	294,085	−177,782	−60.4
	1981				
Beverages: soft drinks, dietrinks diet	1982	252,897	294,296	−41,399	−14.1
	1981				
Soaps, cleansers & polishes	1982	175,275	170,466	+4,809	+2.8
	1981				
Cold, cough & sinus remedies	1982	0	0	0	0
	1981				
Headache remedies & sedatives	1982	8,118	0	+8,118	+ +
	1981				
Publishing & media	1982	4,913,391	4,045,460	+867,931	+21.5
	1981				
Sporting & Leisure time equipment	1982	522,941	508,048	+14,893	+2.9
	1981				
Cigarettes	1982	5,464,325	8,705,156	−3,240,811	−37.2
	1981				
Cosmetics, makeup & manicure products	1982	146,562	105,669	+40,893	+38.7
	1981				
Airlines	1982	4,667,634	7,812,428	−3,144,794	−40.3
	1981				
Passenger cars-new	1982	7,653,700	5,039,006	+2,614,694	+51.9
	1981				

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The Washington Star ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

Newspaper spending for cars gains

New York—New passenger automobiles showed the largest percentage gain in newspaper advertising spending for July, a month when most categories either recorded declines or slight increases, according to the latest figures from Media Records.

Ad spending for new cars was up 52% to $7.7 million, while other top gainers included cosmetics, up 39% to $146,000; publishing and media, up 22% to $4.9 million, and radio, tv, phonographs and records, up 21% to $7.8 million.

Those categories showing the greatest declines were coffee and tea, down 60% to $116,000; airlines, down 40% to $4.7 million; cameras and photo supplies, down 40% to $359,000, and cigarets, down 37% to $5.5 million.

Over-all, nine of the 16 categories counted showed increases from the year before, while six recorded declines and one remained unchanged at no spending for the month.

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Any business magazine that sells an average of 100,000 subs a year net can sell just about anything.

Business and industrial products, prestige consumer goods, real estate and financial services. Inc. sells them all, because Inc. adds subs faster than any other business magazine. In four short years, 400,000 controlled circulation became 400,000 paid—an average of 100,000 subs added every year. Inc. is the partner of small companies everywhere. To join the partnership, contact your Inc. Regional Manager, or call Joe Page at 212-986-2161.

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38 Commercial Wharf, Boston, MA 02110

Ad pages in farm publications for 9 months, 1982-1981

Third-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

	Pages			
	July-Sept. 1982	July-Sept. 1981	Jan.-Sept. 1982	Jan.-Sept. 1981
Canadian				
Country Guide:				
Eastern Edition #	111.4	126.9	444.1	465.3
National Edition #	180.2	212.3	800.8	780.6
Western Edition #	126.5	149.4	556.4	558.5
Average 3 Editions	139.4	162.9	600.4	601.5
Le Bulletin des Agriculteurs	169.0	181.0	671.0	664.0
Total Group	308.4	343.9	1,271.4	1,265.5
% change	−10.3%		+0.4%	
Dairy & livestock				
Beef Magazine A.	122.6	113.3	415.3	395.2
The Cattleman	342.6	376.4	1,050.1	1,073.9
Dairy	100.6	82.0	249.1	203.1
Dairy Herd Management	100.5	107.1	354.2	389.5
Drovers Journal (52x) A.	440.6	415.8	857.9	915.4
Farm Progress Hog Producer	28.2	22.7	72.3	168.0
Feedlot Management	68.3	84.9	201.8	241.1
Florida Cattleman	235.7	234.0	657.5	656.7
Hoards Dairyman (23x) A.	187.6	205.0	717.7	741.3
Hog Farm Management	89.6	102.5	324.3	388.1
Livestock Breeder Journal	323.8	349.6	727.8	810.9
National Hog Farmer	186.0	153.8	643.8	518.2
Pig American	50.3	84.2	175.2	246.3
Southern Beef Producer (8x)	—	—	—	—
Southern Hog Producer (6x) A.	28.2	22.7	72.3	168.0
Sunbelt Dairyman (6x)	—	—	—	—
Western Livestock Journal Weekly:				
Central Edition	—	—	—	—
Western Edition	—	—	—	—
Western Livestock Reporter (52x)	86.9	87.0	381.0	399.6
Total Group	2,391.5	2,436.0	6,900.0	7,305.3
% change	−1.8%		−5.8%	
Fruit & vegetable				
American Fruit Grower	115.5	134.2	395.7	429.7
American Vegetable Grower	205.3	186.9	516.3	483.3
Citrus & Vegetable Magazine	120.6	119.8	385.3	367.0
Florida Grower & Rancher	52.0	48.2	160.2	136.6
Total Group	493.4	489.1	1,457.5	1,416.6
% change	+0.8%		+2.8%	
General farm publications				
American Agriculturist	82.6	98.4	292.5	337.9
Big Farmer (11x)	17.9	21.9	91.3	114.8
California Farmer (21x) A.	136.0	133.6	630.2	610.2
Farm Futures A.	30.4	41.6	156.8	208.4
Farm Industry News (10x)	48.7	67.0	320.3	301.7
Farm Journal (14x)	86.4	93.2	610.1	593.5
Farm Money Management (6x)	16.3	26.2	69.9	90.8
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	39.6	41.8	148.8	139.3
Texas Farmer-Stockman	31.0	27.9	119.6	125.7
Harvest Publishing Unit:				
Kansas Farmer (21x)	131.6	131.9	564.3	607.2
Michigan Farmer (21x)	154.9	142.8	598.9	591.1
Missouri Ruralist (21x)	125.7	137.7	643.1	664.5
Ohio Farmer (21x)	215.5	228.4	869.5	862.1
Pennsylvania Farmer (21x)	115.4	141.0	492.3	528.9
High Plains Journal:				
Colorado	536.9	548.5	1,804.0	1,803.7
Eastern Kansas (52x)	556.3	557.0	1,825.0	1,808.4
Nebraska	539.5	540.6	1,776.4	1,774.1
Oklahoma-Texas	530.6	548.0	1,809.8	1,804.1
Western Kansas	601.3	598.9	1,978.8	1,960.1
Irrigation Age (10x) A.	34.4	65.7	203.1	283.3
Kentucky Farmer	40.7	39.9	302.8	245.5
Lancaster Farming (52x)	1,154.0	1,077.9	3,617.5	3,755.9
Midwest Farm Paper Unit:				
The Farmer	245.0	260.0	1,031.4	1,068.6
Nebraska Farmer	359.0	411.7	1,160.6	1,277.2
Prairie Farmer A.	370.5	455.8	1,188.5	1,307.1
Wallaces Farmer (24x) A.	279.6	263.2	1,044.2	1,023.0
Wisconsin Agriculturist (24x)	206.4	213.1	754.9	769.7
Northwest Unit Farm Magazines: (24x)				
Idaho Farmer-Stockman	101.2	114.6	530.2	600.7
Montana Farmer-Stockman	159.7	184.7	736.3	833.3
Oregon Farmer-Stockman	95.1	100.4	416.5	477.5
Utah Farmer-Stockman	71.9	80.6	358.6	413.0
Washington Farmer-Stockman	101.8	111.4	457.4	514.0
Pecan South (6x)	27.8	13.8	76.7	74.3
Progressive Farmer A.	126.1	137.8	337.5	349.5
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	—	—	—	—
Peanut Farmer (8x)	17.1	19.5	7,284.6	8,307.0
Successful Farming A.	83.9	95.0	578.7	618.1
Tennessee Farmer	26.1	25.8	144.6	126.3
Western Unit Farm Magazines:				
Arizona Farmer-Ranchman	80.7	125.7	321.2	387.9
Colorado Rancher & Farmer	92.9	100.9	345.3	372.2
Total Group	7,674.5	8,021.9	35,607.8	37,728.6
% change	−4.3%		−5.6%	
Poultry				
Broiler Industry	120.2	123.4	391.0	433.2
Poultry Digest	56.4	77.3	211.0	264.8
Poultry Tribune	73.6	97.2	251.5	311.8
Poultry & Egg News:				
Poultry Times:				
Southeast Edition	71.5	78.3	325.5	377.3
Southwest Edition	65.0	64.8	238.1	273.8
Northwest/Midwest	37.5	29.4	172.9	166.4
Pacific Edition	33.2	26.4	139.3	139.7
Poultry & Egg Mktg.	46.0	40.3	2,393.0	2,177.0
Total Group	505.4	537.1	4,122.3	4,144.0
% change	−5.9%		−0.5%	

(x) Represents number of times published each year. A. Sectional linage included but prorated to circulation of regional editions. # Not included in totals.

Yankee Group foresees video shopping arcades

By SUSAN SPILLMAN

NEW YORK—As early as next year, Valley Girls hanging out at the local shopping malls simultaneously may be indulging in two of their favorite obsessions—shopping and videogames.

That concept, currently in prototype form, may well appear in retail locations by 1983, said Mark Kriss, research manager for The Yankee Group, a Boston-based think tank.

Though not exclusively aimed at the trendy teen agers, video shopping arcades will provide entertaining and straightforward product information at a lower cost to retailers, Mr. Kriss said at a Yankee Group seminar here, called "The Home Talks Back," in which the future of interactive technologies was discussed.

Mr. Kriss envisions that video shopping arcades placed in shopping malls, airports, hotels and other high-traffic locations eventually will provide consumers with complete assistance in selecting and purchasing all sorts of products from the latest fashions to European vacations.

Already, technology exists that will enable a customer looking for a birthday gift, for example, to press a video terminal button and access a list of product categories, call up a video demonstration and get information about any item.

According to Mr. Kriss, at some point next year, BuyVideo, a Sunnyvale, Cal.-based venture that makes such a terminal, expects its video shopping computer to be available in public locations during the first quarter of next year.

This Christmas, Atari will be using a similar method to push its line of personal computer products. Atari's ERIC system, consisting of a 72-in. screen and color monitor, will be installed in J.C. Penney and Sears stores this fall. Sensors will cause the system to begin chatting with a customer as soon as he or she approaches. A series of questions will pop up on the screen to help the customer determine his or her needs. For example, the system might ask, "Are you interested in programing music?" If the customer responds positively, the display will illustrate Atari's capabilities in this area. The ERIC system, however, will not permit customers to charge products over the terminal.

Computer software retailers are likely to be the first to introduce video shopping terminals to the masses because their products are so compatible with the technology and their customers are already familiar with it, Mr. Kriss said. However, a company like American Express is a likely candidate to use such a system to sell vacations at its travel bureaus, he added.

Another business poised to cash in on the $8 billion video arcade boom are state lotteries. Mr. Kriss believes video lottery machines may represent the next generation of revenue-raising products for state lotteries and predicted that such terminals will be available in at least one of the 15 lottery states within 12 months. Widespread availablilty, he added, would occur over the next five years. Companies already developing video lottery terminals include Scientific Games Inc., a subsidiary of Bally Midway; International Game Technology, Syntech International and Omega Products.

Lotteries and all forms of legal betting have been experiencing hefty profits in their own right. Combined revenues from racetrack, off-track casinos and public lotteries reached $23.8 billion last year and represent an area that cable tv stands to capitalize on as well. Sports betting via cable represents a logical evolutionary step for the medium and can lay the groundwork for other teletransactional services such as bill paying, funds transfers and stock or bond transactions, he said.

Telephone horse betting now is legal in two of the 29 states that have horse racing. And in one of those states, Kentucky, track owners have made a winning pair out of phone betting and cable. Louisville Downs established the Kentucky Entertainment Network last summer that features live televised harness races over two cable systems reaching 90,000 homes. Subscribers open accounts at the track and can call in their bets just before the race. Already 4,000 cable viewers have active accounts and the track averages 600 cable bettors per night. Cable viewers are responsible for about 15% of the track's revenues.

"The videogame industry is laying the foundation for transactional services of every kind," said Mr. Kriss. "They are going to provide a lot of money for many companies, but entertainment will be the key to introducing new services."

BAR/ADVERTISING AGE NEW TV PRODUCTS BULLETIN

For Period August 30, 1982, through September 27, 1982

Brand and product Parent company	Region Monitored
Atlantic magazine Boston Properties	Cable tv
Rainbow vacuum cleaner Kidde Inc.	West Central
Score hair cream Bristol-Myers	Cable tv
U.S. Games video cartridges Quaker Oats Co.	East Central
Lifestage vitamins Richardson-Vicks	Southeast
Compound W wart remedy—gel American Home Products	New England
Faultless baby powder Faultless Starch/Bon Ami Co.	Southwest
Head & Chest cold remedy Procter & Gamble Co.	Network tv
Kraft Salad Bar toppings Dart & Kraft	Southwest
Sun Season salad specialties Dart & Kraft	Pacific
"USA Today" newspaper Gannett Co.	Mid-Atlantic
Boyer candy bars American Maize Products	East Central
Cameron men's fragrance Gulf & Western	Network tv
Exelle lip makeup A. H. Robins Co.	Mid-Atlantic
Sober-Up mineral supplement Sober-Up Inc.	Pacific States
Corkers wine spritzer Seagrams Co.	New England
Dura Soft contact lens Schering-Plough	Pacific
Mitsubishi autos/trucks Mitsubishi Motor Sales	Pacific

Monitored off the air by Broadcast Advertisers Reports, 500 Fifth Ave., New York 10036. For transcripts and schedule information call Marion Dempsey at (212) 221-2632. Note: These are selected products from BAR monitoring that are either new to tv or have returned to tv after at least 15 months of no monitored activity.

Magazine revenue up despite ad drop

By STUART J. ELLIOTT

NEW YORK—Magazine revenues rose 6.7% through the first nine months of this year, according to Publishers Information Bureau figures, though ad pages fell 1.1% (AA, Oct. 18).

And *Business Week* retained its hold on the No. 1 spot in ad pages from January through September, despite a drop in its margin.

The PIB member magazines had revenues of $2.39 billion in the first three quarters of this year, compared with $2.24 billion in the same period last year. Ad pages totaled 85,844, compared with 86,758 for the same period a year earlier.

In September, revenues increased 6.8% to $307.4 million. Ad pages declined 1.9% to 11,403.

Of the dozen magazines with the most ad pages so far this year, just four carried more pages than they did during January to September, 1981. The others posted declines.

Business Week led the list with January to September ad pages of 3,161, down 6.7% from the corresponding 1981 period. *The New Yorker* followed with 2,633, down 3.4%. Thus, the *Business Week* lead over *The New Yorker* dropped to 528 pages, a decline of 20.2%.

The rest of the top dozen: *TV Guide*, 2,570, up 1.6%; *People*, 2,419, down 1.1%; *Forbes*, 2,019, up 4.6%; *Vogue*, 1,899, up 6.4%; *Sports Illustrated*, 1,895, down 4.6%.

Also, *Newsweek*, 1,865, down 14.4%; *Time*, 1,807, down 7%; *Fortune*, 1,797, down 0.1%; *New York*, 1,681, up 10.5%, and *Cosmopolitan*, 1,656, down 2.9%.

Among the "Seven Sisters" women's books, only one, *Family Circle*, gained pages; up 3% to 1,218. The largest percentage decline was felt by *Ladies' Home Journal*, which dropped 13.6% to 643.

The rest of this category: *Better Homes and Gardens*, 988, down 4.1%; *Good Housekeeping*, 1,403, down 1.6%; *McCall's*, 721, down 12.5%; *Redbook*, 773, down 8.3%, and *Woman's Day*, 1,014, down 2%.

Several magazines enjoyed double-digit percentage gains in ad pages, including: *Us*, up 42%; *Working Woman*, up 31.1%; *Working Mother*, up 19.7%; *Sporting News*, up 14.8%; *Discover*, up 13.3%, and *Black Enterprise*, up 13.2%.

Several suffered double-digit percentage declines, such as: *Industry Week*, down 17.1%; *Reader's Digest*, down 13.1%; *Nation's Business*, down 13%, and *Life*, down 12.6%.#

Civilized brand of football

(Continued from Page 60)

to handle a rape case. This victim was a child who knew her assailant but couldn't bear to look at him in the courtroom without going into hysterics.

Having lost that tough case to a legal aid attorney to whom she is attracted, Ms. Farreli moved on to prosecute her first murder case. Jed Carter (played by Dennis Lipscomb), a parolee who has written a book, is accused of killing a waiter in an alleyway in an argument over an unsatisfactory meal.

This part of the script is based on an actual case that made the headlines in New York not so long ago after novelist Norman Mailer befriended writer-prisoner Jack Abbott.

Ms. Harper as Liz Farrell, Eugene Roche as the district attorney whom his young assistants revere, and Mr. Lipscomb as the ice-cold, unrepentant killer, in particular, were excellent. The New York streets and court scenes provided a touch of reality as did many of the minor characters.

If I were voting at NBC, I would give the Harper-Silverman team a series order so Ms. Farrell and her associates can be ready to come in as a substitute when the inevitable fallout starts in the 1982-83 prime-time lineup.#

Tech relocates offices

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September top ads in awareness by industry

(% of responses)

Airlines	
1. United	15.2
2. Eastern	12.4
3. American	6.5
Beer	
1. Miller	16.0
2. Budweiser	14.8
3. Coors	7.7
Breakfast foods	
1. Kellogg's	7.8
2. Cheerios	4.5
3. Wheaties	3.1
Cameras & equipment	
1. Kodak	26.4
2. Canon	13.4
3. Polaroid	5.4
Cars & trucks	
1. Ford	14.0
2. Toyota	11.0
3. Chevrolet	10.5
Coffee & tea	
1. *Maxwell House*	15.7
2. Folger's	12.1
3. Sanka	11.8
Cosmetics & fragrances	
1. Maybelline	3.8
2. Avon	3.7
3. Estee Lauder	3.0
Fast-food restaurants	
1. McDonald's	45.6
2. Burger King	8.4
3. Wendy's	4.4
Gum & candy	
1. Wrigley	8.3
2. Doublemint	5.6
3. Trident	4.8
Home electronics	
1. Atari	19.4
2. Intellivision	4.1
3. Sony	3.3
Laundry products	
1. Tide	18.3
2. Cheer	4.9
3. Solo	3.4
Medicine & drugs	
1. Tylenol	19.8
2. Anacin	8.8
3. Bayer	6.8
Packaged, canned, frozen foods	
1. Birds Eye	5.9
2. Stouffer's	4.3
3. Green Giant	3.1
Paper products	
1. Bounty	12.1
2. Charmin	10.8
3. Scott's	8.4
Soap & shampoo	
1. Prell	5.6
2. Ivory	5.2
3. Head & Shoulders	4.4
Personal toiletries/hygiene	
1. Charmin	6.4
2. Stayfree	2.9
3. Crest	2.5
Pet food	
1. *Kibbles 'n Bits*	7.1
2. Alpo	6.5
3. Purina	5.7
Soft drinks	
1. *Pepsi-Cola*	27.8
2. Coca-Cola	24.3
3. 7UP	7.0
Tobacco products	
1. Marlboro	7.6
2. Winston	4.7
3. Skoal	2.9
Wine & liquor	
1. Riunite	4.2
2. Paul Masson	3.4
3. Gallo	3.0

adWatch
September's Top 10

Rank September	Rank August		September % of responses
1.	1.	Coca-Cola	4.60
2.	2.	Pepsi-Cola	2.70
3.	5.	McDonald's	1.51
4.	3.	Miller	1.43
5.	4.	Budweiser	1.11
6.	—	Tide	.79
7.	—	Dr Pepper	.71
8. (tie)	7.	Kibbles 'n Bits	.48
8.	6	*Time* magazine	.48
10. (tie)	—	Crest	.40
10.	8.	Ford	.40
10.	8.	General Motors	.40
10.	—	Sears	.40

Source: SRI Research Center Inc., Lincoln, Neb.

Italicized brands indicate new category leaders this month.

Question (asked of 1,260 adults): Of all the ads for (category) you've read, seen or heard in the last month, which ad first comes to mind?

Kodak awareness soars on disc

(Continued from Page 3)

mind among all fast-food advertising by 45.6% of those questioned. That score continues to be the highest, by far, among all advertisers in the 20 categories monitored.

McDonald's advertising recently has highlighted a promotional game offering chances to win Atari videogames and home computers. Since January, McDonald's general-market advertising has been handled by Leo Burnett USA. Burnett's first full-fledged McDonald's campaign broke in late May.

In fast-food, No. 2 Burger King had an awareness score of 8.4% in September, up from 7.4%. Wendy's again was No. 3 with a 4.4% score, down from 6.4% in August.

Respondents in the September poll were interviewed by telephone from Sept. 1 through Sept. 21. That was before Burger King and agency JWT launched a controversial comparative campaign claiming its hamburgers are bigger and taste better than those of McDonald's.

McDonald's ranking in over-all top-of-mind awareness—not limited to a particular category—also improved in September, to No. 3 from No. 5 in August. Asked to name which advertising first came to mind of all they had read, seen or heard in the previous month, respondents identified McDonald's advertising 1.5% of the time, up from 0.96% in August.

■ Coca-Cola and Pepsi-Cola ranked first and second, respectively, in top-of-mind awareness for the sixth straight month. In industry awareness, however, Pepsi regained the top spot, capturing 27.8% of all responses to Coke's 24.3%.

New to the Top ten in September were Sears, Roebuck & Co. and Procter & Gamble's Crest toothpaste, which tied for No. 10 with Ford and General Motors.

Other September highlights:

In **pet food**, Quaker Oats' Kibbles 'n Bits was the new No. 1 in category awareness. It was the first time the relatively new brand had made the top three in its group.

In **beer**, Miller (including the Lite brand) was No. 1 for the third straight month. Miller had captured the top spot from Budweiser/Budweiser Light in June.

Maxwell House and Folger's continue to alternate as leaders in **coffee & tea**. In September, it was Maxwell House No. 1 again, with a score of 15.7%, to Folger's 12.1%.

Bounty posted a significant 4.1 point rise in **paper products**, and was No. 1 for the second straight month with a score of 12.1%, the highest so far in the category.

Atari, perhaps helped by its McDonald's tie-in, jumped 5.4 points to a 19.4% score in **home electronics**, giving it a commanding 15-point lead over No. 2 Intellivision, from Mattel.

Tylenol rose 3.2 points in **medicine & drugs** to a category-leading 19.8%, while No. 2 Anacin yielded some of its large August gain, dropping to 8.8% from 10.6%. No. 3 Bayer rose to 6.8% from 4.6%. The survey was concluded before seven deaths in the Chicago area were attributed to cyanide that had been put into Extra-Strength Tylenol capsules.#

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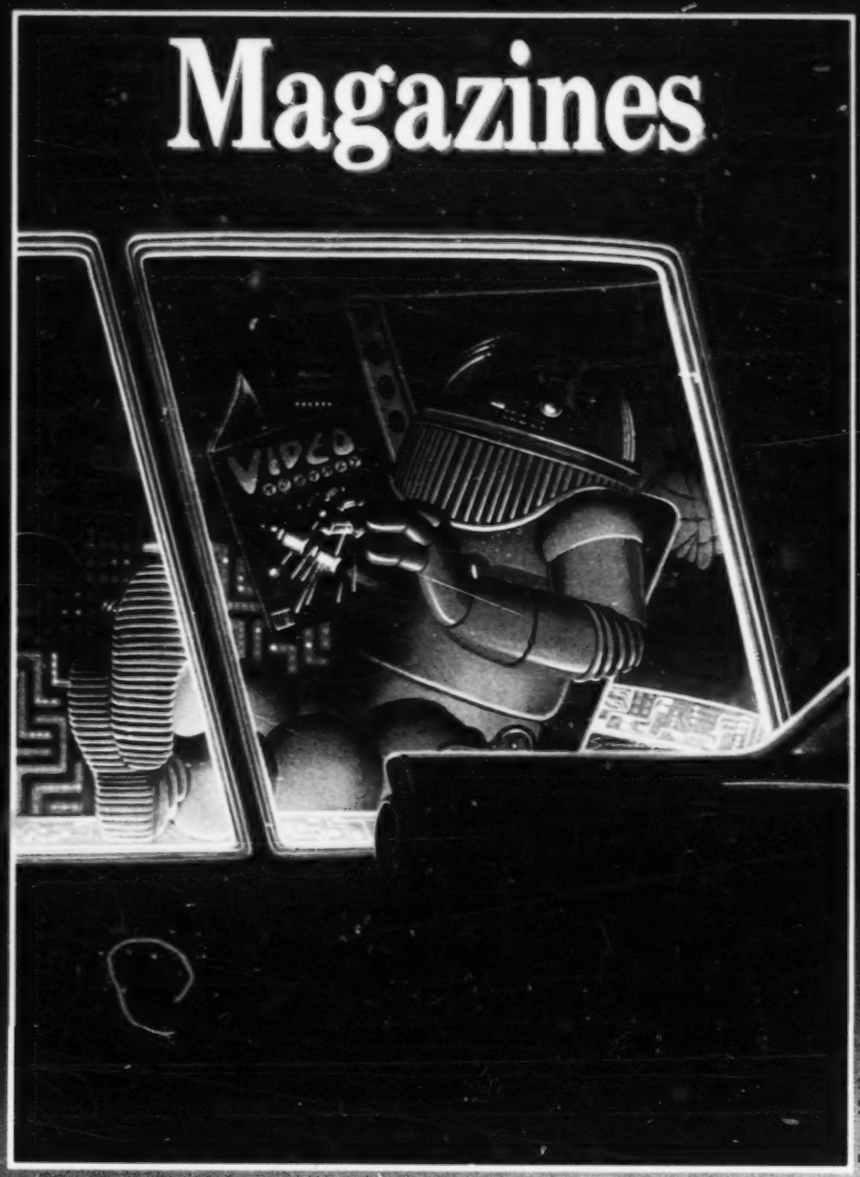
Shell tv spots introduce booklet about fire safety

HOUSTON—Shell introduced its 32nd answer book, "The Fire Safety Book," backed with a 30-second network tv spot. The effort coincided with National Fire Prevention Week. The spot, via Ogilvy & Mather, features a dramatic re-enactment of a house fire in which a family used the "safety crawl" to escape. The book will be in November issues of *Good Housekeeping* and *Reader's Digest* and is available in participating Shell stations.

Magazines



Raymond Smith

Of more than passing interests?

By B.G. Yovovich

Where do special-interest magazines go from here? Their achievements during the last decade certainly have been impressive. At the same time that industry giants with the names of *Life*, *Look* and *The Saturday Evening Post* were dying, and *Esquire* and the traditional women's books were having serious problems, a slew of new categories of special-interest magazines were springing into life and prospering: Dozens of city and regional magazines; science magazines; magazines for working women and for women executives; magazines for entrepreneurs, and magazines for small businessmen—not to mention hundreds of trade publications and titles aimed at other, even more highly specialized audiences.

But the 1980s give every indication of producing a very different kind of magazine environment, one in which the growth and prosperity of the 1970s could prove difficult to match. Many of the fastest-growing special-interest magazines of the 1970s are beginning to come up against the limits to growth that specialization generally implies. Competition within the magazine industry also seems to have sharpened, with new magazines finding it harder and harder to break into increasingly crowded newsstand and magazine racks.

Developments outside the magazine industry also are having their effects, including changes in consumer attitudes and life styles that threaten to erode support for some of the successes of the 1970s. And always on the horizon looms the challenge from narrowcast cable tv programs.

"The 1980s will be a period of shakeout and consolidation," predicts publishing consultant Christine D. Urban of Urban & Associates, a Sharon, Mass.-based company. "In the 1970s, the successful magazines simply had to take advantage of the growth. In the 1980s, the special-interest magazines will have to earn their growth."

Any discussion of the prospects for special-interest magazines in the 1980s has to begin with an examination of the forces that fostered their explosive growth in the 1970s. The production side, for example, saw two technological developments combine to play particularly important roles. On the one hand, advances in offset printing technology lowered the fixed costs of printing and made it easier for small circulation publications to survive.

At the same time, computer technology—especially the availability of computerized mailing lists that spurred the growth of the direct mail industry in the 1970s—helped make it easier and less expensive for publishers to identify potential subscribers for their special-interest magazines.

Special-interest publications also benefited from marketers' efforts to implement more precisely targeted marketing strategies. With their sharply defined audiences and their ability to produce detailed readership profiles through subscriber surveys, special-interest magazines were perfectly positioned to take advantage of advertisers' increased interest in getting more precise audience data—in sharp contrast to the difficulties that the broadcast media have had in trying to categorize and identify their audiences.

Finally, special-interest magazines also benefited from the multitude of social changes that occurred in the 1970s. The focus on self and the self-indulgent values connected with the much-heralded "Me Decade" created an environment that fostered a willingness among consumers to buy magazines that would enable them to pursue their hobbies and interests. The decade's cultural pluralism and the rise of a variety of new life styles—the growth in the number of women business executives, the increased interest in fitness and the heightened interest in science and technology—also created entirely new magazine audiences, and made possible the birth of entirely new categories of specialized magazines.

More recently, however, things have tightened up considerably and, maintains Ms. Urban, "Most of the factors [that contributed to growth] have reached their peak and stabilized."

For example, further technological improvements may promise additional reductions in production costs, but the economies realized are expected to be far less dramatic than those of the 1970s.

Recent trends in consumer interests, values and life styles also suggest a change from the heady growth of the 1970s and portend a new set of challenges. Take today's typical consumer. He or she exhibits a very different profile from the 1970s' large group of young, unmarried indi-

(Continued on Page M-60)

B.G. Yovovich is a Chicago-based business writer and frequent contributor to Magazine.

Specialization

(Continued from Page M-9)

viduals who were experimenting with a variety of new hobbies and interests. In particular, with more working women and the ever-tightening time constraints faced by baby boom members starting families, special-interest magazines are facing more intense competition for readers' increasingly limited leisuretime.

Marcella Rosen, senior vp-media director with N W Ayer, points out that recent magazine research shows that the average consumer continues to buy the same number of magazines as in the past, but is spending less time with each one.

"If affluence grows," adds J. Kendrick Noble, a media analyst with Paine Webber, "the number of magazines bought per capita probably will grow, but people will become more specialized within the magazines that they buy, buying magazines not for the entire issue, but for specific articles" or features that they are especially interested in.

On the other hand, argues Ed Weiner, media director at Geers Gross, there were significant numbers of consumers in the 1970s "who read everything from *Field and Stream* to *Car and Driver* to *Stereo Review* to *Popular Photography* when they were trying to develop their personal interests.

After they've shopped around, they may discover that they "no longer are committed to four or five different interests" and are likely to cut down on the number of special-interest magazines that they buy.

"My definition of a true specialty magazine is one whose readers do what the magazine is about, like a *Popular Photography*," explains Harvard media researcher Benjamin M. Compaine, whose book "The Business of Consumer Magazines" was published earlier this year.

On the other hand, magazines like *Discover* and *Sports Illustrated*, whose readers do not directly participate in the subjects covered in the magazines, are what Mr. Compaine calls limited-interest publications."

"In the 1970s, the big growth was in specialty publications," says Mr. Compaine, but considering the anticipated continuation of time constraints, "perhaps the 1980s will turn out to see more growth in limited-audience publications."

One consequence of such a shift could be the increased vulnerability of such magazines to economic and social changes. Because consumers are generally less involved and less committed to subjects covered in limited-audience magazines (when compared with specialty magazines), "Most of the limited-audience magazines are heavily dependent on newsstand sales, and tend to be more of an impulse buy," points out Ms. Urban.

"Their sales tend to be more cyclical and more volatile, whereas real specialty magazines may have a smaller, narrower audience, but it is more committed to the publication," she said.

Experts also expect shifts in consumer life styles to spur changes in many of the relatively new special-interest publications.

"Look at what *Apartment Life* did when it changed to *Metropolitan Home*," points out Laurel Baer, vp-media director at Marsteller Inc. "Or take something like *Rolling Stone*. It started out relating to kids and what kids do, but as its audience got older and the kids weren't there, it had to change."

"A person can be part of a special-interest group for only a short time," adds Roger Baron, vp-media director at D'Arcy-MacManus & Masius, San Francisco. "How long are parents interested in how to change a baby? The greatest interest is when they have just had their first child.

"*Savvy* or other magazines that go to young women executives are of greatest interest to the woman who has just been promoted and is suddenly finding herself with management responsibility. These kinds of magazines are likely to have a lower level of loyalty than you might expect from a *New Yorker*, *Reader's Digest*, or even a women's service magazine that a person can live with for 20 years."

As a result, say some media experts, magazines that enjoyed prosperity during the 1970s by appealing to women who had just become junior executives may find it difficult to sustain their growth, as the demographics of the 1980s dictate a steady decline in the number of women moving into entry-level management positions.

Of course, changes in consumer life styles and interests in the 1980s are likely to spur creation of entirely new kinds of magazines.

"Take a woman who is 32 or 33, who has been working for 10 years and is a vp with Chase Manhattan, and now has decided to begin raising a family," says Mr. Weiner of Geers Gross. "She's had a radical change in her life style, and the big question is: How have her needs changed from when she was a fulltime career woman? What's going to make her feel good about herself?

"She now needs to know how she can pick schools for her children or daycare one or two days a week so that she can get out of the house or maybe do some parttime consulting work." And she is likely to find that existing magazines do not address her new needs and interests.

Media experts also see room in the near future for consumer-oriented magazines about computers, particularly publications that would provide a more layperson alternative to the buff-oriented computer magazines currently available.

At the same time that the audience environment is changing, there also are new advertising challenges facing special-interest magazines.

"Special-interest magazines have a deep but narrow audience segment, and it is easy for them to get boxed in and limited in the kind of advertising that they attract." says Ms. Urban. "If they can't break out of that box, it pretty much puts a cap on their growth."

According to Ms. Urban, publications like *Architectural Digest* whose readership profiles are distinctive and desirable to advertisers will be able to "break out of the box." After one gets past the few such exceptional publications, however, "you get down to 500 titles that offer pretty much the same thing."

"That explains why the smart magazine groups are trying to sell their magazines as a cluster," says Ms. Urban. "If you want to do more than just get the natural advertising that comes with the depth you offer in covering your narrow segment, then it behooves you to get together with other magazines that have depth in their own segments . . . [in order to get] more leverage with general advertisers.

"The network approach will become even more important in the 1980s."

Despite all the constraints and new challenges confronting special-interest magazines, there is good news for them as well. Demographics and increased consumer educational levels suggest increases in the population groups that traditionally have been the heaviest consumers of magazines. Most media observers also see the increased time constraints as working to their advantage when compared with the effects on other media.

"Tv is a non-self-selecting medium," points out Mr. Weiner. "You can't say, 'I don't want to watch the next 10 minutes, let's get on with it,' the way you can just skip pages in a magazine."

"One of the great advantages of magazines is their ability to communicate great amounts of detail about a subject and many facets of a subject," adds Roger Baron of D'Arcy-MacManus. "I don't see the broadcast media being able to offer the kind of in-depth coverage that the true hobbyist is going to want to get."

Special-interest magazines also should continue to benefit from "the long-term trend in society toward wanting special-interest information," says Mr. Noble of Paine Webber. "The trend can be traced back for centuries, and is the result of the increasing complexity of civilization and the increasing affluence of the population, which makes it possible for them to be able to afford to pay for useful information."

"The over-all outlook for specialty magazines over the decade of the 1980s is encouraging," concludes Mr. Compaine. "Magazines have proven their resilience in the face of changing life styles and competition. Theirs is a history of dynamism, and the long-term outlook for the industry is good."

Performance . . .

Total revenue leaders in selected Folio 400 categories
(Figures represent total revenues, in millions, in 1981)

Affluence	
Business Week	$159.0
Fortune	90.0
Forbes	74.2
The New Yorker	69.9
New York Times Magazine	69.8
Automotive	
Car & Driver	$23.7
Road & Track	22.9
Hot Rod	20.1
Motor Trend	18.0
Car Craft	10.0
Health & fitness	
Prevention	$38.2
Self	25.3
Health	10.9
Weight Watchers	9.4
Home service	
Better Homes and Gardens	$161.8
Southern Living	63.0
Sunset	47.4
House & Garden	40.4
Architectural Digest	39.3
Men's life style	
Playboy	$200.9
Penthouse	155.1
Oui	22.6
GQ	20.5
Esquire	16.8
Men's service	
Popular Mechanics	$38.6
Popular Science	37.0
Mechanix Illustrated	28.1
Family Handyman	13.4
Popular Electronics*	9.7
Outdoor	
Field & Stream	$39.7
Outdoor Life	28.2
Sports Afield	12.9
Guns and Ammo	10.1
Bassmaster	7.9
Sciences: General	
Scientific American	$34.1
Omni	29.8
Discover	18.0
Science 82	12.6
Science Digest	10.9
Sports	
Sports Illustrated	$229.9
Golf Digest	28.4
Sporting News	19.4
Golf	18.8
Sport	17.3
Women's fashion	
Glamour	$79.2
Vogue	68.4
Mademoiselle	39.7
Harper's Bazaar	25.6
W	12.7
Women's life style	
Cosmopolitan	$121.6
Glamour	79.2
Vogue	68.4
Mademoiselle	39.7
Self	25.2
Women's service	
Family Circle	$174.6
Good Housekeeping	166.4
Better Homes and Gardens	161.8
Woman's Day	159.3
McCall's	126.6

*Popular Electronics will change its name to Computers & Electronics in November.

Source: Folio 400. Total revenues defined as ad revenues added to circulation revenues.

. . . and growth

Total revenue growth leaders in selected Folio 400 categories
(Percentages represent change from 1980 to 1981)

Affluence	
Town & Country	44.3%
Architectural Digest	41.3
Cuisine	38.3
W	35.5
Money	32.8
Automotive	
AutoWeek	32.6%
4-Wheel & Off Road	27.4
Road & Track	10.7
Car Craft	10.0
Motor Trend	8.2
Health & fitness	
Health	47.0%
Self	30.1
Weight Watchers	5.3
Prevention	−0.5
Home service	
New Shelter	41.4%
Architectural Digest	41.3
Country Living	38.7
Colonial Homes	33.7
Home	32.2
Men's life style	
GQ	36.3%
Esquire	8.4
Playboy	0.2
Penthouse	−4.6
Oui	−9.4
Men's service	
New Shelter	41.4%
Popular Mechanics	7.4
Family Handyman	5.9
Mechanix Illustrated	5.9
Popular Electronics*	4.9
Outdoor	
Bassmaster	36.7%
Shooting Times	15.0
Petersen's Hunting	11.8
Field & Stream	10.4
Guns and Ammo	5.6
Sciences: General	
Discover	403.4%
Science 82	179.0
Audubon	22.7
Natural History	21.9
Spectrum	16.3
Sports	
Inside Sports	22.6%
Golf Digest	19.5
Tennis	18.8
Golf	17.5
Sports Illustrated	17.2
Women's fashion	
W	35.5%
Vogue	30.0
Glamour	24.3
Harper's Bazaar	23.9
Mademoiselle	22.3
Women's life style	
Town & Country	44.3%
Working Woman	41.5
Working Mother	38.5
W	35.5
Self	30.1
Women's service	
Working Mother	38.5%
Self	30.1
Parents	19.6
Good Housekeeping	10.9
New Woman	8.4

*Popular Electronics will change its name to Computers & Electronics in November.

Source: Folio 400. Total revenue defined as ad revenue added to circulation revenue.

Coming

Next week Advertising Age Magazine focuses on Retail Marketing.